

FY2022 Proposed February Budget Amendments



This document provides detailed information on the proposed FY2022 February budget amendments for the City of Pocatello.

A public hearing on the proposed budget amendments will be held at 6:00 pm on Thursday, February 17, 2022 in the Council Chambers at City Hall, 911 North 7th Avenue, Pocatello, Idaho 83201.

The City Council is scheduled to subsequently consider an amendment to the FY2022 Budget Ordinance at the regular meeting of February 17, 2022.

Brandy Myers
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MEMORANDUM FOR: Mayor Blad, Council Members & Citizen Stakeholders

FROM: Brandy Myers, Accountant

SUBJECT: Proposed FY22 February Budget Amendments

DATE: February 17, 2022

1. **FOR INFORMATION.**

2. **Purpose.** To provide information regarding proposed FY22 February Budget Amendments.

3. **Discussion.**

a. **General.** Every year the City finds it necessary to amend the budget to account for unanticipated grants or other situations. Although the City may have been awarded a grant, the government must still authorize the new expenditures in the budget. The budget amendment process is similar to that of the original budget: publish a public notice twice with the details, hold a public hearing and then adopt an amended budget ordinance. This is the first ordinance amendment that could revise some budgets upwards.

b. **Summary:**

FY 2022 Proposed Feb 17, 2022 Budget Amendments						
Ref #	Line #	Department Description	Fund	Amount	Source of \$	Notes/Description
	001.0100.411.40.99	Mayor Office	City Hall	\$ 55,977	Fund Balance	November 30, 2021 Mayoral Runoff election
	001.0300.416.52.03	City Hall	City Hall	\$ 288,000	Fund 078	Transfer building and structures back to City Hall budget.
	001.0500.422.31.05	Building	Building	\$ 20,000	Fund Balance	New office furniture for Building Department
	001-1301-451.52-99	Parks and Recreation	General	\$ 60,000	Fund 078	Replace failing Gang Mower
	004.1306.500.80.99	Parks and Recreation	General	\$ 150,000	Fund Balance	2nd Phase of Pool resurface
	008.2601.500.82.05	Public Transit	Public Transit Rural	\$ 37,500	Fed 5339 SU Grant/Local Match	2 Rural Accessible Cutaway Buses. Delivery should be FY22
	009.2401.500.82.02	Public Transit	Public Transit Urban	\$ 36,000	FTA 5310 SU Grant/Local Match	3 ADA compliant Bus Shelters. Will be completed in FY22
	009.2501.500.82.05	Public Transit	Public Transit Urban	\$ 55,000	Fed 5339 SU Grant/Local Match	To help with inflation costs to procure FY22 budgeted cutaway buses.
	017-1700-402.40.99	Science and Environment	Science and Environment	\$ 70,000	State Government Grants	City Creek Fuel Reduction. Project will start in January 2022
	017-1700-402.40.99	Science and Environment	Science and Environment	\$ 240,000	State Government Grants	East Bench Fuel Reduction Project
	017-1700-402.40.99	Science and Environment	Science and Environment	\$ 250,000	Fund Balance	Centennial Park design. This project has started
	031.3008.500.82.05	Water	Water	\$ 209,160	Fund Balance	2 1/2 ton flat bed truck w/crane. Approved in FY21 wont be delivered and invoicing wont be until FY22
	031.3008.500.82.06	Water	Water	\$ 210,660	Water Fund	18-ton Boom truck approved Feb 18, 2021
	032.3010.442.40.02	Wastewater Pollution Control	Wastewater Pollution Control	\$ 1,463,500	Fund Balance	Engineering fees for Debt Service payment FY22
	032.3011.500.80.99	Wastewater Pollution Control	Wastewater Pollution Control	\$ 748,464	Fund Balance	Whitman/Hayes lift station upgrade.
	032.3013.500.82.05	Wastewater Pollution Control	Wastewater Pollution Control	\$ 133,000	Fund Balance	Semi Truck used for Bio Solids budgeted FY21 delivery delayed until FY22
	060.6502.393.99.00	Wastewater Pollution Control	Wastewater Pollution Control	\$ 3,100,000	Fund Balance/ Non-reciprocal	Debt Service Payment for FY22
	Total Amendments			\$ 7,127,261.00		

c. **Timeline.** The proposed timeline for this “February” set of budget amendments is:

January 21, 2022	Notice sent to Idaho State Journal (ISJ)
February 2, 2022	Public notice #1 published
February 9, 2022	Public notice #2 published
February 10, 2022	Presentation to Council at Work Session
February 17, 2022	Public Hearing and consider amended ordinance

d. **Further amendments.** This is the first opportunity to amend the budget for Fiscal Year 2022.

e. **About amendments in general.** Amendments can be confusing; it appears that “the City cannot stick to a budget.” But the reality is that Council involvement with amendments indicates tight management, not the reverse. The FY22 budget was built during spring 2021 and adopted in August 2021. It is never possible to fully anticipate every grant, every real-world situation 12-18 months out, and we have some new grants that were not anticipated even two months out. We could accommodate that within the budget by adopting a large contingency budget, but we choose not to do that. We build a tight FY22 budget that only includes grants and business activity that we know about or have a good history with. We elect to amend in detail if we win an unplanned grant, etc. This makes it necessary to involve the Council and the community in a variety of fairly mundane issues because that is what tight management requires. Finally, not everyone understands the difference between budget authority and actual expenditure. We need permission (budget authority) to make an actual expenditure out of a fund, but also permission (budget authority) to move money within City funds. So if Fund “A” needs to make a \$100 expenditure, but needs to get the \$100 cash from Fund “B”, we need to have \$200 in amendments. We need to move the \$100 from Fund “B” to Fund “A” with a \$100 amendment, and then have another amendment to authorize Fund “A” to actually spend the \$100 on goods or services.

f. **Itemized details.** Each amendment has its own story. Here are the details, organized by reference number from the summary:

- 1) **General Fund 001, Mayor Office, \$55,977, Mayoral Runoff.** This funding is for the Mayoral Runoff for 2022 cost for November 30, 2021 election.
- 2) **General Fund 001, City Hall, \$288,000, Building and structures.** This funding is for the remodel of the Finance Department and other repairs that are needed for the aging City Hall. Fund 078 will be used for the funding as it was approved in the FY22 budget.
- 3) **General Fund 001, Building Department, \$20,000.** This is for new office furniture for the Building department as they have relocated and are not able to utilize their existing office furniture. Salary savings will be used from the Fund balance to purchase the office equipment.
- 4) **Parks and Recreation 004, Gang mower purchase, \$60,000.** This will be used to purchase a new gang mower as the old one needs to be replaced. Funds have been transferred to Fund 078 for this purchase.
- 5) **Parks and Recreation 004, 2nd Phase of Ross Park pool resurface.** The Parks department would like to utilize Fund balance for the cost.

- 6) **Public Transit Rural 008, 2 Cutaway Buses price increase, \$37,000.** The Public Transit Rural department would like to use funds from Fed 5339 SU Grant and local match for the increase in purchase price due to inflation.
- 7) **Public Transit Rural 009, 3 ADA compliant Bus Shelters, \$36,000.** The Public Transit Urban department would like to use funds from FTA 5310 SU and local match for the project completion. This project will be completed in June 2022.
- 8) **Public Transit Rural 009, 3 Urban Accessible Cutaway Buses price increase, \$55,000.** The Public Transit Urban department would like to use funds from Fed 5339 SU Grant and local match for the increase in purchase price due to inflation.
- 9) **Science and Environment 017, City Creek Fuel Reduction, \$70,000.** This project will start in January and will be funded by a grant reimbursement signed by the Mayor on 05/07/2021.
- 10) **Science and Environment 017, East Bench Fuel Reduction, \$240,000.** This project will be funded by a grant reimbursement signed by the Mayor on 05/07/2021.
- 11) **Science and Environment 017, Centennial Park Design, \$250,000.** This project was budgeted in FY21 but contract was not executed. The contract is now being executed and staff would like to use Fund balance.
- 12) **Water Fund 031, Water, 2 ½ ton Flat Bed truck, \$209,160.** The Water department will use reserves for the purchase as this was previously approved in FY21.
- 13) **Water Fund 031, Water, 18-ton Boom truck, \$210,660.** The FY21 budget for ERT meter upgrades were left in the FY22 budget. The Water department would like to use these funds for the purchase. The truck purchase was approved by Council on February 18, 2021.
- 14) **Water Pollution Control Fund 032, Debt Service Payment, \$3,100,000.** The Water Pollution Control would like to transfer funds from Fund 038, WPC Capacity Fee to Fund 060 WPC Debt Services.
- 15) **Water Pollution Control Fund 032, Engineering fees, \$1,463,500.** The Water Pollution Control fund will use Fund 032 for the payment.
- 16) **Water Pollution Control Fund 032, Whitman/Hayes Lift station upgrades, \$748,464.** The Water Pollution Control fund will use reserves to cover the cost as it was approved in FY21 but due to delays were not able to spend funds. Project was approved by Council on December 2, 2021.
- 17) **Water Pollution Control Fund 032, Semi-Truck purchase, \$133,000.** The Water Pollution Control purchased the Semi-Truck for Bio Solids in FY21 but delivery was not until FY22. The department will use Fund 032 for the cost.

g. **Summary.** The total amount of all amendments is \$7,127,261.00 breakout by fund is:

Budget Amendment Totals	
Fund	Amendment Amount
General Fund	\$ 423,977
Recreation Fund	\$ 150,000
Public Transit Rural Fund	\$ 37,500
Public Transit Urban Fund	\$ 91,000
Science & Enviroment	\$ 560,000
Water Fund	\$ 419,820
Wastewater Pollution Control Fund	\$ 5,444,964
Total	\$ 7,127,261

h. **Contacts.**

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Or contact the appropriate department (Mayor and Council, Parks and Recreation Department, Public Transit, Science and Environment, Water Department, Waste Management Control)