

*City Council Memorandum*

To: Mayor Fasbender & City Councilmembers
From: Chris Eitemiller, Finance Manager
Date: March 9, 2023
Item: Budget Carryovers – 2022 to 2023

Council Action Requested:

Staff requests Council approval to carryover expense budgets from the 2022 budget to the 2023 budget for unspent donations and select capital and equipment purchases.

Background Information:

A balanced budget is adopted before the beginning of a fiscal year. Current practice is to allow the budget amount for capital items that are not purchased in a budget year due to extenuating circumstances to be moved to the next fiscal year. A capital item is an individual purchase greater than \$10,000 with a useful life greater than one year. The requests include several items that were budgeted in 2022, but were not completed due to supply chain or other delays.

The first request relates to the recycling containers and a recycling study. Funded by a grant from Dakota County, \$119,319 needs to be carried forward due to production delays for the containers and timing of the study.

The next item staff is requesting is from the Finance department. This \$337,045 request is needed to complete implementing a new Finance System. This needs to be carried forward into 2023 due to the vendor's schedule.

The Facilities Department requests carrying forward a total of \$23,878 for Fire department furniture (\$9,778), and a new hot water pump in the Police department (\$14,100). Supply chain delays are again the reason for this request.

Police requests to carry forward \$30,000 for portable safety cameras, and Public Works requests \$260,000 for a new dump truck. Both items were delayed in being delivered to the respective departments.

The Parks department is requesting five items be carried forward. First, \$20,000 is requested for carry forward to assist property owners that qualify for assistance in removing trees that must be removed due to Emerald Ash Borer infections. Next, there is a need to carry forward \$44,687 to purchase a replacement slide for Roadside Park. Another request is for \$18,133 to complete repairs at the Aquatic Center. The department requests \$637,753 be carried forward to complete the Lake Isabel Redevelopment project. Finally, the department needs \$21,834 carried forward to complete three projects from the 2022 Community Investment Fund list that are near completion, but need more time.

Community Development requests that \$7,950 to purchase a scanner be carried forward. This is needed to digitize the Pioneer Room.

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Fire requests that \$26,176 be carried forward to purchase uniforms and turnout gear due to supply chain delays.

The remaining five items requested are for the City's utilities. The Water utility requests \$76,000 be carried forward for the multi-year water meter replacement project.

The Wastewater utility needs \$37,500 carried forward for a Lift Station Generator that was ordered in 2022, but delivery was delayed. This is expected to be installed Summer 2023.

The Stormwater utility requests \$30,000 be carried forward to fund a direct drainage assessment. In addition, they request \$6,800 be carried forward to complete a controlled burn that was begun in the fall, but couldn't be completed due to weather conditions.

Finally, the Hydro Plant requests \$76,000 be carried forward for Electrical Control Systems. The wasn't able to be completed in 2022 due to the vendor's availability.

Donations:

Donations are accepted by the City Council and designated for a special purpose. Donations received by departments can be carried to the next fiscal year for two years before reverting to the fund balance if not spent. The donation amounts requested on the schedule are consistent with prior practice.

Financial Impact:

All items are currently in the 2022 budget and all funds requested for carryforward remain unspent.

Advisory Commission Discussion:

N/A

Council Committee Discussion:

N/A

Attachments:

Listing of budget carryover requests

Budget Carryover Requests - 2022 to 2023

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<u>Account #</u>	<u>Description</u>	<u>2022 Budget</u>	<u>Spent YTD</u>	<u>Carryforward Request</u>
Capital & Initiative Items:				
101-105-1051-6319	Big Belly Containers & Recycling Study	136,475.00	17,156.00	119,319.00
101-120-1201-6580	Finance system project	430,000.00	92,955.00	337,045.00
101-140-1406-6561	Hire - table for lounge, chairs for 3 rooms	18,200.00	8,422.00	9,778.00
101-140-1403-6350	Hot Water Pump - Police	14,100.00	-	14,100.00
101-201-2010-6580	Portable Safety Cameras - Police	30,000.00	-	30,000.00
101-301-3200-6580	Dump Truck	260,000.00	-	260,000.00
200-401-4440-6580	Roadside Park Big Slide	44,687.00	-	44,687.00
201-401-4240-6352	Pool repair project	58,622.00	40,489.31	18,132.69
401-401-4115-6590	Lake Isabel Redevelopment	662,513.50	24,760.92	637,752.58
401-401-4101-6590	Community Investment Fund Projects	191,381.00	169,547.00	21,834.00
101-401-5002-6347	Hardship Relief - EAB tree removal	20,000.00	-	20,000.00
210-170-1702-6206	Heritage Preservation	7,950.00	-	7,950.00
213-210-2100-6218	Fire Uniforms and turnout gear	61,738.00	35,562.50	26,175.50
600-300-3300-6590	Water Meter Replacement	76,000.00	-	76,000.00
601-300-3400-6580	Lift Station Generator	40,000.00	2,500.00	37,500.00
603-300-3600-6590	Direct Drainage Assessment	30,000.00	-	30,000.00
603-300-3600-6356	Controlled Burn	10,000.00	3,200.00	6,800.00
620-300-3500-6580	Electical Control Systems	76,000.00	-	76,000.00

<u>Account #</u>	<u>Description</u>	<u>2022 Budget</u>	<u>Spent YTD</u>	<u>Carryover Request</u>
Donations:				
101-201-2010-6494	HPD needs	400.00	-	400.00
101-201-2010-6494	Medical Equipment	8,267.47	6,628.88	1,638.59
101-201-2219-6494	Police K9 program	500.00	-	500.00
200-401-4440-6494	Memorial bench	25,565.00	9,800.00	15,765.00
200-401-4440-6494	Paws in the Park	500.00	-	500.00
200-401-4440-6494	Memorial Tree	400.00	382.90	17.10
200-401-4440-6494	National Night Out	300.00	-	300.00
200-401-4440-6494	Public Arts	2,500.00	-	2,500.00
200-401-4440-6494	Safety Camp	500.00	-	500.00
200-401-4445-6494	Summer Programming	12,875.00	10,503.97	2,371.03
200-401-4445-6494	Music in the Park	10,000.00	5,132.39	4,867.61
200-401-4460-6494	Youth First - Halloween Party	2,499.42	2,334.90	164.52
210-170-1704-6494	Pioneer room	505.20	210.84	294.36
210-170-1704-6494	Gar Flag	1,545.00	950.00	595.00
213-210-2100-6494	Fire department	500.00	-	500.00
213-210-2100-6494	Fire Prevention	4,470.00	3,850.00	620.00
221-201-2021-6494	Police reserves	2,500.00	-	2,500.00
401-401-4134-6494	Parks Department	275,207.42	-	275,207.42
			TOTAL	309,240.63

* Donations have historically remained in a department's expense budget for two consecutive years before reverting to fund balance.

Amounts presented here reflect only those funds eligible for roll-forward to the 2022 budget.