

# City Council Agenda Memo

**From:** Erick Rangel, Chief Financial Officer

**Council Meeting:** November 22, 2022 / December 13, 2022

**Subject:** Ordinance 22-039: Budget Amendment No. 10 to the 2022 Budget

**Presenter:** Ashley Rentsch, Senior Finance Manager

**Summary:**

City of Brookings Staff continually monitors departmental budgets and brings amendments to the City Council as necessary to account for circumstances not anticipated in the originally adopted appropriation ordinance. This ensures compliance with state and local laws and maintains transparency regarding the City’s operational needs. This two-part budget amendment increases budget authority for the final Brookings Food Pantry construction costs and transfers budget authority in the CIP Fund to accommodate necessary repairs at Larson Ice Center.

**Background:**

At the beginning of 2022, construction began on the Brookings Food Pantry, a partnership between the City of Brookings, Brookings County, Brookings Area United Way, and a Community Development Block Grant from the State of South Dakota. This project is in the final stages of construction. Project cost savings in other areas has allowed the opportunity to transfer budget authority to complete the repairs rather than increase the budget.

**Item Details:**

<b><u>PART 1</u></b>			
<b><u>Dept. / Fund</u></b>	<b><u>Budgetary Account</u></b>	<b><u>Increase / (Decrease) Amount</u></b>	<b><u>Description</u></b>
Brookings Food Pantry	Expenditure	\$175,000	Final Facility Construction Costs
Brookings Food Pantry	Revenue	\$175,000	United Way / Brookings County Contribution

- This ordinance provides spending authority to finalize the new non-profit building. The additional funds needed will be provided by the United Way/Brookings County. The City’s financial commitment to this project remains \$300,000.

<b>PART 2</b>			
<u>Dept. / Fund</u>	<u>Budgetary Account</u>	<u>Increase / (Decrease) Amount</u>	<u>Description</u>
CIP Fund	Expenditure	\$ (20,000)	LIC Boiler Replacement
CIP Fund	Expenditure	\$20,000	LIC Boiler Replacement

- There have been maintenance issues with the dehumidification system, a boiler, and tube heaters at the Larson Ice Center. While it is anticipated that the dehumidification and tube heaters can be addressed through the Larson Ice Center budget, project savings at the Activity Center have been identified as a source for the boiler replacement.

**Legal Consideration:**

None.

**Strategic Plan Consideration:**

This action supports fiscal responsibility by increasing budget authority for anticipated expenditures and increasing transparency regarding transfers of budget authority.

**Financial Consideration:**

Part 1 is budget neutral. It increases miscellaneous revenues for contributions from Brookings County and the United Way to account for the increase in expenditures.

Part 2 is budget neutral, transferring existing budget authority from one account to another to meet operational needs.

**Options and Recommendation:**

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a Study Session
5. Discuss / take no action / table

Staff recommends approval.

**Supporting Documentation:**

Memo

Ordinance