

City Council Agenda Memo

From: Erick Rangel, Chief Financial Officer

Council Meeting: December 20, 2022

Subject: Resolution 22-101: Transferring City Manager Contingency Funds to City Departments

Presenter: Ashley Rentsch, Senior Finance Manager

Summary:

One purpose of the City Manager’s Contingency Fund is to safeguard against year-end budget shortfalls in General Fund departments. The Parks Department has identified needs for contingency to cover additional costs for equipment maintenance, gasoline and diesel.

Background:

Unexpected maintenance costs, as well as a surge in fuel prices during the peak season impacted the Parks Department Budget. Continued maintenance and operation of essential equipment was critical in delivering Parks services and promoting Brookings’ high quality of life. There are remaining funds in the contingency fund to cover the unexpected expenses.

The boiler at Larson Ice Arena experienced an unexpected failure, which necessitated replacement. As the contractor replaced the boiler, they found that a pump which serves the boiler is also faulty. Staff determined that the best and most expedient course of action was to replace the pump as well at a cost of approximately \$5,000. Ensuring that the boiler is operational will provide for optimal performance of the facility and protect other infrastructure and equipment from failure.

Item Details:

Account Number	Description	Current Budget	Increase	Decrease	Amended Budget
101-405-5-856-99	Contingency Fund	\$161,276		(\$25,000)	\$136,276
101-452-5-425-04	Maintenance Equipment	\$32,000	\$6,000		\$38,000
101-452-5-426-10	Gasoline	\$24,000	\$7,000		\$31,000
101-452-5-426-13	Diesel	\$15,000	\$7,000		\$22,000
101-453-5-911-00	Buildings and Structures	\$20,000	\$5,000		\$25,000

Legal Consideration:

None.

Strategic Plan Consideration:

This action supports fiscal responsibility by ensuring departments have sufficient budgets to meet obligations.

Financial Consideration:

This resolution involves a transfer of previously budgeted contingency funds to general fund accounts and has no impact to the overall budget.

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 of the resolution as presented.

Supporting Documentation:

Memo

Resolution