

City Council Agenda Memo

From: Paul Briseno, City Manager

Council Meeting: May 11, 2021

Subject: Contingency Funds Transfer to 2021's Budget – July 4th Fireworks

Person(s) Responsible: Paul Briseno, City Manager;
Erick Rangel, Chief Financial Officer

Summary:

Resolution 21-034 authorizes a supplemental appropriations transfer of City Manager's Contingency Funds in the amount of \$10,000 to fund the annual 4th of July Fireworks Display at the Swiftel Center. Due to COVID budget constraints, this initiative was not funded at the time the 2021 Budget was adopted.

Background:

The 2021 Budget allocated \$125,000 to the City Manager's Contingency account. The main objective of this allocation is to fund items which result as a change in strategic direction, weather related, or additional initiatives not considered at the time the 2021 Budget was prepared and presented to the City Council.

So far in 2021, sales tax revenue has performed slightly higher than budget. Thus, staff proposes to fund this initiative given its positive impact in our community. The annual July 4th Fireworks Display event brings visitors into town helping the local economy and is very popular among community members.

Item Details:

Staff recommends a onetime allocation of 2021 City Manager's Contingency to fund the annual 4th of July Fireworks Display at the Swiftel Center in the amount of \$10,000.

Legal Consideration:

South Dakota Codified Law 9-21-6.1, Line Item for Contingencies – Maximum Amount – Transfer to Other Appropriations, provides for the transfer of contingency funds by resolution to account for items for which no appropriation was provided.

Strategic Plan Consideration:

Promotes an inclusive and connected community and economic growth

Financial Consideration:

This transfer will not result in incremental 2021 budgeted expenses. It will transfer appropriations from the City Manager Contingency Account into the 3B Fund. Following

this transfer, the City Manager's Contingency Account will remain with a \$115,000 available spending balance.

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. Do nothing

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Memo

Resolution