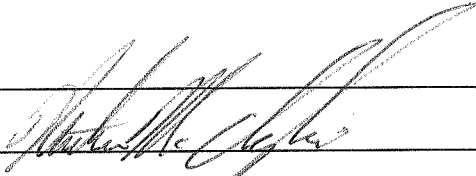


COUNCIL COMMUNICATION

<b>DATE:</b> March 29, 2010	<b>AGENDA NO. VII. 8. a</b>	<b>SUBJECT:</b> Resolution No. 5, 2010 authorizing supplemental expenditures for the 2010 end budget.
<b>Department Head:</b>		
<b>City Manager:</b> 		
Nathan M. Cherpeski		
<b>PRESENTED BY:</b> Nathan M. Cherpeski		

**Recommendation**

It is the recommendation of staff to adopt the attached Resolution No. 5, 2010 authorizing supplemental expenditures for the 2010 budget.

**Background**

As Council is aware, when the budget was adopted in October several things can change from the time it is adopted to when it is put into operation. Since October, the City has sold at auction several surplus vehicles and per City Policy staff is requesting to move those funds to the Capital Improvement Fund for future vehicle acquisitions. Those funds break down as follows:

Department	Amount
Police	\$1,350
Public Works (General Fund)	\$5,635
Public Works (Enterprise Fund)	\$10,420

Additionally, when the Recreation Center COP was refinanced, the initial numbers had a lower first year payment with higher out years. Once the notes were sold, this changed with a higher first year payment. This will lower our interest payments in the subsequent years. Of other note, we will be reducing the planned transfer for this building to pay for the architect. As we discussed last year, we hired the architect to proceed shortly after the budget was completed but had anticipated using these funds for his fee. This does not change the overall budget number but is provided here for informational purposes.

Additionally, the Library budget needs to increase by \$16,900. These revenues come from a grant awarded last year and planned for expenditure this year. This grant was awarded at the end of last year.

**Issue Before the Council**

Does the City Council wish to adopt the attached resolution?

**Alternatives**

Alternative 1. Adopt the attached resolution, making the noted budget changes.

Alternative 2. Amend the resolution, giving staff further direction and adopt it as amended.

Alternative 3. Decline to act at this time and give staff further direction.

**Fiscal Impact**

The transfers to the Capital fund, while showing as expenditure, are really transfers from the operating division to a savings account fund for future use. The recreation fund item actually reduces payments for interest in the next few years and the library expense is fully covered by the grant. The other action of not making a transfer has no impact upon the budget.

**Legal Opinion**

The City Attorney will be present for any comments.

**Conclusion**

The transfer of funds from the sale of surplus vehicles for future vehicle purchases is in accordance with Council's new policy. The other items address changes to the operational plan of the City since the budget was adopted.

**Resolution No. 5 - 2010**

A RESOLUTION MAKING SUPPLEMENTAL APPROPRIATIONS AND AUTHORIZING EXPENDITURES IN EXCESS OF AMOUNTS BUDGETED FOR THE CITY OF ALAMOSA IN ORDINANCE 11, 2009 AND KNOWN AS 2nd BUDGET AMENDMENT.

WHEREAS, the City of Alamosa, Colorado, has sufficient fund balance, received revenue from the sale of surplus items, or will receive grant funds to offset costs:

WHEREAS, the City Manager and Recreation Board recommend said monies be appropriated or reappropriated for use in the 2010 budget year:

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Alamosa, Colorado:

Section 1. There is hereby made a supplemental appropriation from the fund balance or a reappropriation of funds from one division to another, for expenditure in 2010. The following sums of money, or so much thereof as may be necessary, be and the same are hereby appropriated for expenditure by the City of Alamosa, Colorado, for the fiscal year beginning January 1, 2010, and ending December 31, 2010:

Fund	Current Budget	Change		Amended Budget	Source/Note
	(Revenue)	Increase	(Decrease)		
<b>General Fund</b>	\$ 6,820,475	\$ 6,985		\$ 6,827,460	Funds from Sale of surplus vehicles ( one-time revenue)
<b>Total</b>	<b>6,820,475</b>	<b>6,985</b>	<b>-</b>	<b>6,827,460</b>	<b>Net Increase \$ 6,985</b>

Fund	Current Budget	Change		Amended Budget	Source/Note
	(Revenue)	Increase	(Decrease)		
<b>Enterprise Fund</b>		\$ 10,420		\$ 10,420	Funds from Sale of surplus vehicles (One-time revenue)
<b>Total</b>		<b>10,420</b>	<b>-</b>	<b>10,420</b>	<b>Net Increase \$ 10,420</b>

Fund	Current Budget	Change		Amended Budget	Source/Note
	(Revenue)	Increase	(Decrease)		
<b>Capital Improvement Fund</b>	\$ 490,000	\$ 17,405	\$ (250,000)	\$ 257,405	Increase by \$8,340 from Sale of surplus vehicles and decrease by \$250,000 from transfers from the General fund division 17. These funds were scheduled to be transferred for the building project but will be used for the architect costs.(One-time revenue)
<b>Total Fund</b>	<b>490,000</b>	<b>17,405</b>	<b>(250,000)</b>	<b>257,405</b>	<b>Net Decrease \$ (232,595)</b>

<b>Debt Service Fund</b>	\$ 331,000	\$ 25,000	\$ -	\$ 356,000	Increase revenue by \$25,000 for debt payments (one time). Principal payments front ended to minimize interest charges. Payment amounts are lower in out years.
<b>Total</b>	<b>331,000</b>	<b>25,000</b>	<b>-</b>	<b>356,000</b>	<b>Net Increase \$ 25,000</b>
<b>Fund</b>	<b>Current Budget</b>	<b>Change</b>	<b>Amended Budget</b>	<b>Source/Note</b>	
	(Revenue)	Increase	(Decrease)		
<b>Community Recreation Fund</b>	\$ 1,318,105	\$ 16,900	\$ -	\$ 1,335,005	Increase revenue by \$16,900 for the remainder of the library grant awarded at the end of last year and scheduled to be spent in 2010.(one-time grant revenues)
<b>Total</b>	<b>1,318,105</b>	<b>16,900</b>	<b>-</b>	<b>1,335,005</b>	<b>Net Increase \$ 16,900</b>

Section 2. There is hereby made a supplemental appropriation from the above revenue sources or fund balance, for expenditure in 2010. The following sums of money, or so much thereof as may be necessary, be and the same are hereby appropriated for expenditure by the City of Alamosa, Colorado, for the fiscal year beginning January 1, 2010, and ending December 31, 2010:

<b>General Fund</b>					
Division	Current Budget	Increase	(Decrease)	Amended Budget	Source Note
02-17 Non-departmental	\$ 691,380	\$ -	\$ -	\$ 691,380	Move \$250,000 from transfer line to special projects for Architect and associated planning costs for new building (This does not change actual overall budget amounts just discloses that a change will be made between two line items. There is no net change to budget).
02-21-Police Operations	\$ 1,979,785	\$ 1,350	\$ -	\$ 1,981,135	Increase budget by \$1,350 for transfer out of revenues from sale of surplus vehicles to the capital improvement fund. (one-time expense)
02-30 Public Works Admin		\$ 5,635	\$ -	\$ 5,635	Increase budget by \$5,635 for transfer out of revenues from sale of surplus vehicles to the capital improvement fund. (one time expense)
<b>Total</b>	<b>\$ 2,671,165</b>	<b>\$ 6,985</b>	<b>\$ -</b>	<b>\$ 2,678,150</b>	<b>Net Increase \$ 6,985</b>

**Community  
Recreation Fund**

	Current Budget	Increase	(Decrease)	Amended Budget	Source Note
<b>19-54 Library</b>	\$ 268,900	\$ 16,900	\$ -	\$ 285,800	Increase expenditure in Library division for remainder of the Library grant awarded last year and scheduled to be spent this year.
<b>19-66 Recreation</b>	\$ 1,060,890	\$ 25,000		\$ 1,085,890	Increase transfer out by \$25,000 for debt service. Debt service front loaded to reduced future interest payments. (One-time Expense)
<b>Total</b>	<b>1,060,890</b>	<b>41,900</b>	<b>-</b>	<b>1,102,790</b>	<b>Net Increase \$ 41,900</b>

**Enterprise Fund**

Division	Current Budget	Increase	(Decrease)	Amended Budget	Source Note
03-01 Water	\$ 3,570,515	\$ 5,770	\$ -	\$ 3,576,285	Increase Transfer Out to Capital fund from proceeds of surplus vehicle sale. (One-time expense)
03-03 Sanitation	\$ 840,520	\$ 4,650		\$ 845,170	Increase Transfer Out to Capital fund from proceeds of surplus vehicle sale. (One-time expense)
<b>Total</b>	<b>840,520</b>	<b>10,420</b>	<b>-</b>	<b>850,940</b>	<b>Net Increase \$ 10,420</b>

Debt Service Fund	Current Budget	Increase	(Decrease)	Amended Budget	Source Note
	\$ 328,345	\$ 24,000		\$ 352,345	Increase for COP payment (One-time expense)
<b>Total</b>	<b>328,345</b>	<b>24,000</b>	<b>-</b>	<b>352,345</b>	<b>Net Increase \$ 24,000</b>

Section 3. The supplemental appropriations and transfers herein provided shall constitute the 2nd amendment to the 2010

APPROVED, PASSED and ADOPTED on this the 7th day of April 2010.

CITY OF ALAMOSA

BY \_\_\_\_\_  
Kathleen J. Rogers

ATTEST:

\_\_\_\_\_  
Judy Egbert, City Clerk