



TO: Mayor Bob Everson
City Council Members

FROM: Stephanie Ellwein, City Administrator
RE: 2022 Supplemental Appropriation Ordinance

Listed below are the recommended supplements for 2022. These recommendations reflect projects that were started but not completed in 2021; or projects that have been approved (or proposed) since the 2022 budget was adopted.

All budgets were reviewed to ensure that the department had the remaining budget funds requested in the 2021 budgets. If they did not have the remaining funds, the request was reduced to stay within those guidelines, unless it was an unforeseen item. The total requests are below the balance available from 2021 and will not require the City to spend from reserves for 2022 if they are approved.

Additionally, the approval of the supplements still allow the council to designate \$2,500,000 towards future community capital projects, \$1,000,000 for the matching funds required for the potential EDA grant for the Jetty & Boat Docks, and \$500,000 to be used for assessment projects for future housing developments from undesignated general fund balances. Both of these designations could be "undesignated" if needed in 2022 if revenue does not meet the projected 2022 budget. The action would just "earmark" the City's intended use of those funds. This would leave the City with an estimated 30% of unobligated reserves in comparison to the 2022 Budgeted Revenue, which is within the Financial Goals previously set.

Any items that are approved in the supplemental appropriation ordinance will change the adopted 2022 Appropriation Ordinance to include the spending authorization for each of the items listed below.

General Fund

General Fund

Revenue- Expenditures 2021:	\$ 5,077,946
Restricted Revenue:	(\$1,401,911)- GRANT Funding from COVID
Funds Committed in 2022 Budget:	(\$1,496,422)
Net Estimated 2022 Available:	\$2,179,613 (estimated)

<u>Total Available:</u>	\$2,179,613
Total Requested Supplements:	\$ 1,228,949 (without STIP funding)
Balance:	\$ 950,664

<u>Requested Action to Designate:</u>	\$2,500,000	Future Capital Projects
	\$1,000,000	Matching funds for EDA Grant- Jetty & Boat Dock
	\$ 500,000	Assessment Fund for Housing Developments
	\$4,000,000	Total Amount Requested to Designate

Estimated Cash Balance as of 12/31/21:	\$13,506,265
Funds Committed For 2022 Budget:	(\$ 1,496,422)
Requested new Designations:	(\$ 4,000,000)
2022 Requested Supplements	(\$ 1,228,949) (excluding STP funding)
New Unobligated Cash Balance:	\$ 6,780,894 (30% of FY 2022 Revenue- \$22,336,282)

Finance

- Professional Services (101-41420-42200) in the amount of \$5,155 for 2021 GASB 74 Actuarial Valuation Report that was completed but not billed in 2021. Funding Source: 2021 General Fund Cash

Information technology

- Computer Hardware (101-41935-42645) in the amount of \$10,00 for security doors and camera additions in city facilities. Funding Source: 2021 General Fund Cash
- Computer Software (101-41935-43511) in the amount of \$13,000 for increased cost of budgeted software for 2022. Funding Source: 2021 General Fund Cash

Traffic

- Upgrade Signal Lights (101-42130-43320) in the amount of \$68,870 to complete the design for new signal lights 7 street lights at 7th & Main and 1st & Main due to them being damaged frequently in accidents. This was an unanticipated item for 2022. Funding Source: 2021 General Fund Cash

Fire

- Repairs & Maintenance (101-42200-42500) in the amount of \$10,454 to repair the communication repeater and fire alarm system that are not working. These items were unanticipated when the FY2002 Budget was passed. Funding Source: 2021 General Fund Cash

Street

- Gravel Base (101-43100-42630) in the amount of \$50,000 for additional concrete crushing for Gravel Base. Funding Source: 2021 General Fund Cash
- Fuel System Upgrade (101-43100-43421) in the amount of \$19,700 to complete the design, bidding, and construction of the fuel system upgrade. Funding Source: 2021 General Fund Cash

Public Works Administration

- Professional Services (101-43110-42200) in the amount of \$155,270 for the following items:
 - In the amount of \$46,500 for Agreement A2020-41 with McLaury for the design of 5th & 9th that was started but not completed in 2021. Funding Source: 2021 General Fund Cash
 - In the amount of \$44,385 for Agreement A2021-56 with Brosz Engineering for the Spruce Street railroad crossing design that was started, but not completed in 2021. Funding Source: 2021 General Fund Cash
 - In the amount of \$64,385 for the Jensen Assessment Design Project Costs that were not anticipated in the 2022 FY Budget. Funding Source: 2021 General Fund Cash

Street & Sidewalk

- Sidewalk Construction (101-43120-42521) in the amount of \$63,834 for construction of the sidewalk to the dog park that was not completed in 2021. Funding Source: 2021 General Fund Cash
- Street Overlay Maintenance (101-43120-43300) in the amount of \$160,000 for 5th & 9th construction based on actual bid prices received. Funding Source: STIP designated funds.

Storm Drainage

- Professional Services (101-43150-42200) in the amount of \$49,758 for the contracts below that were previously approved and started, but not completed in 2021. The contracts are billed as they are completed, and the amount within the approved contracts.
 - \$16,250 for A2019-40 SW Drainage Study with SPN. Funding Source: 2021 General Fund Cash
 - \$33,508 for A2020-08 Sunnyside & University Additions Drainage Study with McLaury Engineering. Funding Source 2021 General Fund Cash
- 10th – Lawler to Capital (101-43150-43321) in the amount of \$89,00 for work that is scheduled for 2021 but



omitted from the adopted budget. Funding Source: General Fund Cash

- 5th & 9th Reconstruction (101-43150-43325) in the amount of \$965,000 for work that is scheduled for 2021 but omitted from the adopted budget; and based on actual bid prices received above the anticipated budget. Funding Source: 2021 General Fund Cash

Cemetery

- Improvements (101-43700-43300) in the amount of \$28,500 for work that was started but not completed in 2021 for the new digital cemetery platform. Funding Source: 2021 General Fund Cash.

Library

- Repairs & Maintenance (101-45500-42500) in the amount of \$10,100 for the following items:
 - \$5,100 for an unanticipated repair to the humidifier in the archives room. Funding Source: 2021 General Fund Cash
 - \$5,000 for technology wiring for the installation of equipment received through a State ARPA grant. Funding Source: 2021 General Fund Cash
- Supplies (101-45500-42600) in the amount of \$3,200 for the purchase of computers through a State ARPA grant. Grant funds were received in 2021 for the purchase but the project was not completed by December 31st. Funding Source: 2021 General Fund Cash- grant funds received.
- Software (101-45500-42902) in the amount of \$300 for the purchase of software through a State ARPA grant. Grant funds were received in 2021 for the purchase but the project was not completed by December 31st. Funding Source: 2021 General Fund Cash- grant funds received.
- Furniture & Equipment (101-455-43400) in the amount of \$5,304 for the purchase of furniture through a State ARPA grant. Grant funds were received in 2021 for the purchase but the project was not completed by December 31st. Funding Source: 2021 General Fund Cash- grant funds received.

Other Finance Uses

- Transfer out to EMS in the amount of \$224,000. This would be designated for the ambulance replacement that the City Council approved in 2021 in lieu of 2022 Contingency Funds. Funding Source: 2021 General Fund Cash

Park & Recreation Fund

Parks & Recreation Fund

Revenue- Expenditures 2021:	(\$2,931,919)
General Fund Transfer in 2021:	\$3,777,826
Restricted Revenue:	(\$2,563)- Capital Improvement Fee
Funds Committed in 2022 Budget:	(\$180,000)
Net Estimated 2022 Available:	\$663,343 (estimated)
Total Available:	\$663,343
Total Requested Supplements:	\$ 775,995
Balance:	\$(110,651) Will come from cash reserves in P&R Fund.

Estimated Cash Balance as of 12/31/21:	\$1,187,484
Funds Committed in 2022 Budget:	(\$180,000)
<u>2022 Requested Supplements</u>	<u>(\$775,995)</u>
Estimate New Cash Balance:	\$ 231,489

Recreation Center

- Supplies & Materials (201-45140-42600) in the amount of \$2,100 for supplies that were funded from grant funds received in 2021. Funding Source: 2021 P&R Fund Cash.
- Capital Improvements- Other (201-45130-43300) in the amount of \$200,000 due to increased costs & the cost of HVAC for the Rec Center Remodeling project that is included in the FY 2022 budget. Funding Source: 2021 P&R Fund Cash.
- Capital Equipment (201-45140-43400) in the amount of \$5,000 for the replacement of a scrubber that was not anticipated in the FY 2022 Budget. Funding Source: 2021 P&R Fund Cash

Sports Complex

- Repairs & Maintenance (201-45160-42500) in the amount of \$3,600 for the installation of additional outlets in the Mitchell Activities Center that was not anticipated in the FY 2022 Budget. Funding Source: 2021 P&R Fund Cash
- Capital Improvements- Other (201-45160-43300) in the amount of \$518,037 for the items listed below.
 - \$257,094 for replacement of the ice compressors that was started but not completed in 2021. Funding Source: 2021 P&R Fund Cash
 - \$206,795 for the Artificial Turf project that was started but not completed in 2021. Funding Source: 2021 P&R Fund Cash.
 - \$64,148 for the Roof Repair project that was started but not completed in 2021. Funding Source: 2021 P&R Fund Cash
- Capital Equipment (201-45160-43400) in the amount of \$10,998 for the remaining costs for the purchase & installation of scoreboards at the Sports Complex that was started, but not completed in 2021. Funding Source: 2021 P&R Fund Cash from donated funds.

Parks

- Trees (201-45210-42604) in the amount of \$4,260 for tree removal that was started, but not completed in 2021. Funding source is 2021 P&R Fund Cash
- Capital Improvements - Other (201-45210-43300) in the amount of \$20,000 for the installation costs of donated playground equipment by the Mitchell Kiwanis Club. This had been discussed and approved by council; and will be in lieu of 2022 Contingency Funds. Funding source is 2021 P&R Fund Cash

Supervision

- Supplies (201-45220-42600) in the amount of \$2,000 for a computer replacement that was unanticipated in the FY2022 Budget. Funding Source: 2021 Designated P&R Fund Cash

Lake Fund

- Professional Services (203-45220-42200) in the amount of \$137,194 for professional design services for the Lake Mitchell Redevelopment project that were started, but not completed in 2022. Funding Source: 2021 Lake Fund Cash



E911 Tax Fund

E911 Fund

Funds Committed in 2022 Budget: (\$283,906) applied cash
Total Requested Supplements: (\$37,500)
Total: (\$321,406)

Estimated Cash Balance as of 12/31/21: \$ 860,368
Funds Committed in 2022 Budget: (\$283,906)
2022 Requested Supplements (\$37,500)
Estimate New Cash Balance: \$ 538,962

- Radio System Upgrade (214-43500-43450) in the amount of \$37,500 the radio system upgrade project that was started, but not completed in 2021. Funding Source: 2021 E911 Cash Reserves

Water Fund

Water Fund

Funds Committed in 2022 Budget: (\$280,834) applied cash
SRF revenue for supplements: \$343,704
Total Requested Supplements: (\$598,929)
Total: (\$435,225) Will come from cash reserves in Water Fund.

Estimated Cash Balance as of 12/31/21: \$3,407,874
Funds Committed in 2022 Budget: (\$ 280,834)
2022 Supplements-Revenue (\$ 255,225)
Estimate New Cash Balance: \$2,972,649

Water Treatment Plant

- Professional Services (602-43330-42210) in the amount of \$62,000 for Agreement A2021-14, the Risk & Resilience Agreement (required by EPA) that was started, and not yet completed in 2021. Funding Source: 2021 Water Fund Cash

Water Distribution

- Professional Services (602-43340-42225) in the amount of \$10,000 for Agreement A202-41 with McLaury for the design of the 5th & 9th reconstruction project that was started but not completed in 2021. Funding Source: 2021 Water Fund Cash.
- Valve Replacements- Contracted (602-43340-43311) in the amount of \$19,734 for work started, but not completed in 2021. Funding Source: 2021 Water Fund Cash.
- Valve Replacements- City (602-43340-43312) in the amount of \$26,297 for work started, but not completed in 2021. Funding Source: 2021 Water Fund Cash.
- South Harmon Utilities (602-43340-43329) in the amount of \$343,704 for work started, but not completed in 2021.



Other Financing Uses

- Transfer out to Lake (602-49000-51101) in the amount of \$137,194 for work that was started but not completed in 2021. The cash for this budget item will be transferred into the Lake Fund to be used for the continuation of that project. Funding Source: 2021 Water Fund Cash- received from a General Fund Transfer in 2021.

Sewer Fund

Sewer Fund

Total Requested Supplements: \$939,234
SRF Revenue for supplements: \$462,016
Total: \$(477,218) Will come from cash reserves in Sewer Fund.

Estimated Cash Balance as of 12/31/21: \$881,874
2022 Supplements- Revenue & Committed: (\$477,218)
Estimate New Cash Balance: \$404,656

Wastewater Collection:

- Professional Services (604-43250-42200) in the amount of \$27,000 for the design fees of the 5th & 9th reconstruction project that was started, but not completed in 2021. Funding Source: 2021 Sewer Fund Cash.
- Manhole Rehabilitation (604-43250-43310) in the amount of \$100,000 for project that was budgeted but not completed in 2021. Funding Source: 2021 Sewer Fund Cash
- CIPP (604-43250-43317) in the amount of \$350,218 for work that was budgeted but not completed in 2021. Funding Source: 2021 Sewer Fund Cash.
- West Harmon Utilities (604-43250-43339) in the amount of \$462,016 for project that was budgeted but not completed in 2021. Funding Source: SRF Loan.

Sanitation Fund

Sanitation Fund

Funds Committed in 2022 Budget: \$699,431 (applied cash)
Total Requested Supplements: \$116,505
Total: \$(815,936) Will come from cash reserves in Sewer Fund.

Estimated Cash Balance as of 12/31/21: \$3,743,021
Funds Committed in 2022 Budget: (\$699,431)
2022 Supplements- Revenue (\$116,505)
Estimate New Cash Balance: \$2,927,085

Recycling

- Professional Services (612-43220-42250) in the amount of \$106,505 for Agreement A2020-10 with Helms & Associates for the design of the Recycling Facility, that was started but not completed in 2021. Funding Source: 2021 Sanitation Fund Cash
- Dumpsters (612-43220-43430) in the amount of \$10,000 for equipment that was ordered in 2021, but not yet received. Funding Source: 2021 Sanitation Fund Cash



Golf Fund

Golf Fund

Funds Committed for 2022 Budget: \$52,000
Total Requested Supplements: \$3,120
Total: **(\$55,120)** *Will come from cash reserves in Golf Fund.*

Estimated Cash Balance as of 12/31/21:	\$220,458
Funds Committed in 2022 Budget:	(\$52,000)
<u>2022 Supplements- Revenue</u>	<u>(\$3,120)</u>
Estimate New Cash Balance:	\$165,338 <i>*includes 100,000 transfer from GF</i>

- Repairs & Maintenance (612-45250-42500) in the amount of \$3,120 to replace a blower engine that was not anticipated in the FY 2022 Budget. Funding Source: 2021 Golf Fund Cash