



**TO:** Mayor Bob Everson  
City Council Members

**FROM:** Stephanie Ellwein, City Administrator  
**RE:** 2020 Supplemental Appropriation Ordinance

Revenue- Expenditures 2019: (\$137,137)  
SRF Funds received for 604 Fund not yet transferred: (\$713,494)  
BIIG Grant (expended not received): \$692,345.64  
Revenue from 2018 for 2019 Supplements: \$1,889,722.

**Net Estimated 2019 Available:** \$1,731,437 (estimated)

**Total Requested Supplements:** \$1,117,159

Listed below are the recommended supplements for 2020. These recommendations reflect projects that were started but not completed in 2019; or projects that have developed since the 2020 budget was adopted. All budgets were reviewed to ensure that the department had the remaining budget funds requested in the 2019 budgets. If they did not have the remaining funds, the request was reduced to stay within those guidelines. The total requests are below the balance available from 2019 and will not require the City to spend from reserves for 2020 if they are approved. Any items that are approved in the supplemental appropriation ordinance will change the adopted 2020 Appropriation Ordinance to include the spending authorization for each of the items listed below.

**General Fund.** *Items that are supplemented from the General Fund will come from General Fund 2019 cash, financing, or grants as listed.*

**Finance** Professional Services in the amount of \$6,000 for OPEB Reporting Requirements. The billing was not received until 2020. Funding Source: 2019 General Fund Cash

**Human Resources** Compensated Absences the amount of \$20,000 due to the retirement of an employee and transition for a new hire. Funding Source: 2019 General Fund Cash

**Municipal Buildings** Repairs City Hall in the amount of \$15,000 for the completion of projects started but not all billed/completed in 2019 including HVAC and remodeling. Funding Source: 2019 General Fund Cash

#### **Information technology**

- Hardware (101-41920-42520) in the amount of \$45,000 for security doors in city hall, camera additions in city facilities. Funding Source: 2019 General Fund Cash
- Computer Software (1010-41935043511) in the amount of \$25,000 for Incode software modules not installed in 2019. Funding Source: 2019 General Fund Cash

**Street** dump truck (101-43100-43419) in the amount of \$4,450 to finish the feature installation on a truck purchased in 2019. It did not get completed due to city staff working on flooding in the fall. Funding Source: 2019 General Fund Cash

**Public Works** Nuisance properties (101-43110-42916) in the amount of \$285,000 to cover the demolition cost of the pawn shop on main street (which is on a repayment plan) as well as correcting the nuisances on the Crafty Fox building. Funding Source: 2019 General Fund Cash

## Street & Sidewalk

- Hazardous sidewalk repair in the amount of \$5,000 for city sidewalks at the community center & public safety building that were not completed in 2019. Funding Source: 2019 General Fund Cash
- Sidewalk construction in the amount of \$44,000 for work that was not completed on the 2019 sidewalk plan due to weather. Funding Source: 2019 General Fund Cash
- Gravel base in the amount of \$125,000 for crushing concrete that did not get done in 2019 (started in December 2019). Funding Source: 2019 General Fund Cash
- Parking Lot/Alley Paving by the VFW that did not get done due to weather delays in 2019. Funding Source: 2019 General Fund Cash
- Sanborn 8th-15th in the amount of \$465,919 for worked budgeted but not completed in 2019 due to weather. The project is scheduled to be completed in 2020. Funding Source: SRF Loan
- Sanborn Bridge in the amount of \$198,904 for work that was not completed in 2019; but will be completed in 2020. Funding Source: BIIG Grant
- Burr Street in the amount of \$10,000 for the final landscaping work to be finished in 2020. Funding Source: 2019 General Fund Cash

## Storm Drainage

- Professional Services in the amount of \$242,709 for the following studies that were approved by council. All of these were already started, but not yet finished. The contracts are billed as they are completed. Funding Source: 2019 General Fund Cash
  - \$27,000 for A2019-44 a topographic Survey for Dry Run Creek by McLaury Engineering.
  - \$39,000 for A2019- NW Drainage Study with McLaury Engineering.
  - \$16,250 for A2019-40 SW Drainage Study with SPN.
  - \$120,000 for A2019-54 Sunnyside & University Additions Drainage Study with McLaury Engineering.
  - \$40,459 for A2019-22 a Drainage Study for Dry Run Creek with Infrastructure Design Group.
- Sanborn 8th to 15th in the amount of \$242,709 for work that was not completed in 2019, but will be completed in 2020. Funding Source: SRF Loan
- East Central Drainage Phase I in the amount of \$511,947 for work that was not completed in 2019, but will be completed in 2020. Funding Source: SRF Loan
- Kibbie Ditch in the amount of \$8,000 for staking that was not completed in 2020. Funding Source: 2019 General Fund Cash

## Cemetery

- Repairs & Maintenance (headstones) in the amount of \$5,000 for work that was not completed in 2019 due to weather. Funding Source: 2019 General Fund Cash
- Paving in the amount of \$46,000 for work that was not completed in 2019 due to weather. Funding Source: 2019 General Fund Cash
- Storage building in the amount of \$19,000 for work that was started but not completed in 2019. Funding Source: 2019 General Fund Cash
- Cemetery Expansion in the amount of \$25,000 for work that was not completed in 2019 due to weather. Funding Source: 2019 General Fund Cash

## Other Finance Uses

- Transfer out of General Fund to Water Fund (Lake Mitchell) in the amount of \$35,000 for the boat docks project. The remainder of the 2019 budget was used for Lake Mitchell Master Planning in the Park & recreation budget. This is the remaining funds from that budget line. Funding Source: 2019 General Fund Cash
- Transfer out of General Fund to Corn Palace in the amount of \$68,000. This will give the Corn Palace the cash to

complete the basketball hoops that were approved by council in 2019 out of contingency. The project was awarded, but construction will not occur until March-April of 2020. Funding Source: 2019 General Fund Cash

**Park & Recreation Fund.** *Items that are supplemented from the Park & Rec Fund will come from Park & Rec Fund 2019 cash, financing, or grants as listed.*

**Recreation & Aquatics Repairs & Maintenance** in the amount of \$4,499 to replace deck chairs. This was not completed in 2019. Funding Source: 2019 P&R Fund Cash

**Cadwell Concessions.** All of the items below are to set up a division for concessions at Cadwell. In 2019, the Corn Palace ran the concessions stand, and P&R will run the stands in 2020. The revenue that is received from the stands will fund the expenses listed below.

- PT Salaries in the amount of \$15,000. Funding Source: 2020 Concessions Revenue
- Social Security in the amount of \$1,148 Funding Source: 2020 Concessions Revenue
- Repairs & Maintenance in the amount of \$250 Funding Source: 2020 Concessions Revenue
- Supplies in the amount of \$1,200 Funding Source: 2020 Concessions Revenue
- Cost of Goods Sold in the amount of \$24,000 Funding Source: 2020 Concessions Revenue
- Minor Equipment in the amount of \$2,500 Funding Source: 2020 Concessions Revenue
- Capital Improvements in the amount of \$10,000. Funding Source: 2020 Concessions Revenue

#### **Parks**

- Capital Buildings in the amount of \$3,000 to finish the Sandy Beach Sidewalk that was not completed in 2019. 2019 P&R Fund Cash
- Capital Improvements in the amount of \$6,301 for the day camp playground. 2019 P&R Fund Cash

**Supervision Repairs & Maintenance** in the amount of \$18,000 for signs. This is money given by Pepsi as part of the sponsorship agreement to replace or install new outdoor signage. Funding Source: 2019 Designated P&R Cash received from Pepsi.

**Entertainment Tax Fund** *Items that are supplemented from the Entertainment Tax Fund will come from 2019 cash, financing, or grants as listed.*

**Community projects** in the amount of \$400,000 for the Corn Palace Plaza Phase II project started in 2019 but not completed. The work will be completed in 2020. Funding Source: 2019 Entertainment Tax Cash

**Community Services Fund** *Items that are supplemented from the Community Services Fund will come from 2019 cash, financing, or grants as listed.*

#### **Palace Transit**

- Building Repair in the amount of \$27,100 for the drive through window project that was started but not completed in 2020. The City was waiting on environmental assessments in 2019 as part of the grant application. Funding Source: DOT grant funds & 2019 cash for the matching funds.
- Supplies in the amount of \$8,500 for furniture as part of the project to install a drive through window. The project is part of the grant listed above and was working through the necessary steps of the grant application. The project will be completed in 2020. Funding Source: DOT grant funds & 2019 cash for the matching funds.

- Computer Software in the amount of \$4,000 for security cameras and software as part of the above grant project. Funding Source: DOT grant funds & 2019 cash for the matching funds.
- Computer Hardware in the amount of \$3,440 for the purchase of office computers, and tablets/equipment for palace transit buses. The grant funds were awarded, so the equipment will be purchased in 2020 versus in 2019 (due to the grant award timeframe). Funding Source: DOT grant funds & 2019 cash for the matching funds.

## **Water Fund** *Items that are supplemented from the Water Fund will come from 2019 cash, financing, or grants as listed.*

**Lake Mitchell Improvements** in the amount of \$35,000 for the boat dock project approved by council in 2019. Funding Source: transfer of 2019 General Fund Cash to the Water Fund- Lake Mitchell Division.

**Water Treatment Plant Professional Services** in the amount of \$8,450 for A2019-24 a Water Supply Study with SPN that was started and not yet completed. Funding Source: 2019 Water Fund Cash

### **Water Distribution**

- Professional Services in the amount of \$49,911 for A2019-29 for the Water Distribution Model Software. Funding Source: 2019 Water Fund Cash
- Computer Software in the amount of \$28,500 for the purchase of water modeling software & training. Funding Source: 2019 Water Fund Cash.
- East Central Drainage in the amount of \$258,455.57 for work that was started in 2019, but not completed. The work will be completed in 2020. Funding Source: SRF Loan

## **Sewer Fund** *Items that are supplemented from the Sewer Fund will come from 2019 cash, financing, or grants as listed.*

**Wastewater Treatment Reline Manhole Structures** in the amount of \$40,000 for work that could not be completed in 2019. Funding Source: 2019 Wastewater Fund Cash.

### **Wastewater Collection:**

- East Central Drainage Phase I: in the amount of \$424,518.80 for work that was started in 2019, but not completed. The work will be completed in 2020. Funding Source: SRF Loan
- CIPP in the amount of \$200,000 for work that was not able to be completed in 2019 due to weather & high water flows. This is for the CIPP liner for sanitary sewer on ash between MN & Ohlman. Funding Source: 2019 Wastewater Cash
- Wet Well Foster in the amount of \$125,000 to reline the Foster lift station well. The work could not be completed in 2019 due to weather & high flows of water. Funding Source: 2019 Wastewater Fund Cash

## **Sanitation Fund** *Items that are supplemented from the Sanitation Fund will come from 2019 cash, financing, or grants as listed.*

**Recycling Contract Services** in the amount of \$20,380 for the final payment to Dependable Recycling less a deduction for service not completed at the end of the contract. Funding Source: 2019 Sanitation Fund Cash

**Landfill Compactor** in the amount of \$600,000 for the purchase of a Compactor. The City was able to purchase a used scraper in 2019, versus the budgeted \$450,000. Those savings will be used in combination with a 20% grant (\$118,000) to purchase the compactor in 2020. Funding Sources: SD DENR Grant & 2019 Sanitation Fund Cash.

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**Corn Palace Fund** *Items that are supplemented from the Corn Palace Fund will come from 2019 cash, financing, or grants as listed.*

**Corn Palace Capital Equipment** in the amount of \$72,000 for the installation of basketball hoops that council approved bids for in 2019, but will not be installed until March-April of 2020. Funding source: transfer of cash from the general fund to the Corn Palace fund.