



"...meeting community needs...enhancing quality of life."

TO: Finance Committee
FROM: Tony Saucerman, Finance Director
DATE: March 9, 2020
RE: Request approval of final 2019 Budget adjustments

In closing out 2019, the following funds showed expenditures in excess of budget. I am requesting budget adjustments to bring them back into compliance. All adjustments are fully fundable by revenues or fund balance within the respective funds.

Community Development Block Grant (CDBG) Fund

This fund accounts for the receipt and disbursement of Federal Community Development Block Grant proceeds. As a result of the actual grant awarded in 2019 being higher than estimated at the time the budget was prepared, a budget amendment is being requested to increase the grant revenue and related disbursements.

Emergency Housing & Homeless Grant (EHH) Fund

This fund accounts for the receipt and disbursement of emergency housing grant funds from the Wisconsin Department of Administration. As a result of the actual grant awarded in 2019 being higher than estimated at the time the budget was prepared, a budget amendment is being requested to increase the grant revenue and related disbursements.

Police Grants Fund

In 2019, the Police Department was awarded additional grant funds for task force initiatives such as alcohol, speed, and drug enforcement. The additional grant amounts funded additional enforcement expenditures. The requested budget adjustment records the additional grant proceeds and related expenditures.

TIF 8 Capital Projects Fund

TIF 8 includes the Riverheath, Eagle Flats and Eagle Point developments along the City's riverfront. The TIF is considered a "developer funded" TIF whereby the developer pays for the costs of the development and a portion of the cost is paid back through increased property tax revenues generated from the increased property values. The excess expenditures in 2019 represent increased developer payments due to higher than projected equalized values on the properties.

Information Technology/Facilities Capital Project Funds

At the end of 2018, approximately \$115,216 of proceeds from the 2017 general obligation note issue remained in the Information Technology Capital Projects fund. In order to meet the requirements necessary to avoid having to prepare arbitrage calculations, these proceeds needed to be spent by April 2, 2019 (100% of the proceeds need to be spent within 18 months of the issue date of October 2, 2017). Due to the ERP project progressing less rapidly than originally anticipated, these funds were not immediately needed. Therefore, the remaining proceeds were transferred to the Facilities Management Capital Projects fund where they were immediately applied to qualifying projects. A budget amendment is being requested to reflect this transfer.

Thank you for your consideration of these budget adjustments. As always, feel free to contact me if you have questions.