



Department Source: Finance
To: City Council
From: City Manager & Staff
Council Meeting Date: June 20, 2023
Re: Third Quarter FY 23 Budget Adjustments

Executive Summary

Beginning in FY 23, budget adjustments will be brought to Council together and at a quarterly basis. For this third quarter, budget adjustments are requested for the following departments: City Council, Community Development, Airport, Economic Development, Non-Motorized Grant, Public Works, Information Technology (IT), Columbia Police Department, Columbia Fire Department, Parking CIP, Other General Government CIP, Electric CIP, and Parks & Recreation CIP.

Discussion

Operating Budgets:

City Council: \$15,000

\$15,000 is requested to cover legal fees associated with the settlement and release agreement within R19-23. This was not a budgeted expense for FY 23; therefore, the account is currently over budget.

Community Development: \$75,000

The Building & Site Division is currently over budget in both Fuel and Credit Card Fees. The budgets for both these items will increase in the FY 24 Proposed Budget due to consistently going over. The Fuel budget is currently over by nearly \$6,000 – this request would increase this budget by **\$15,000** for the remainder of FY 23. Similarly, Credit Card Fees are currently over budget by nearly \$18,000 – this request would increase this budget by **\$60,000** for the remainder of FY 23.

Airport: \$1,910,000

Airport is requesting a budget adjustment of **\$90,000** to increase their electric budget. While staff estimated utility increases for the new terminal, more is needed for electric.

Approximately 80% of the Airport terminal electric budget has been spent for the first seven months of FY 23. This item will show an increase for the FY 24 Proposed Budget.

Airport is also requesting **\$1,820,000** for the Airport Master Plan update. In preparation of the FY 24 Budget, staff had requested to add funding for an FAA required Airport Master Plan update; however, the FAA has notified staff that the timeline for this project has moved up and a grant agreement is expected in August of this year. In order to meet the FAA's tight schedule to receive the grant funding, staff requests to appropriate \$1,820,000 for this project, which also includes an environmental assessment, obstruction survey, and wildlife hazard assessment. The FAA will reimburse the City 90% of this amount, or \$1,638,000, and the 10% local match of \$182,000 will be funded by TST.



Economic Development: \$25,000

This amendment would provide funding for **The Shops at Sharp End**. The funds will assist with purchasing the equipment needed for the space, such as display cases, cabinetry, racks, and shelving for the client's retail items, as well as inventory storage equipment and the POS system. **The Shops at Sharp End** program will incubate retail startups in a shared space that allows them to prove their concept by selling their products; and, learn the necessary skills to grow their business into a viable retail operation (brick and mortar and/or e-commerce enterprises). Programmatic aspects include: workshops, training courses, business coaching, peer to peer mentoring, as well as access to resources including various funding opportunities, potential investors, scholarship opportunities, etc.

Non Motorized Grant Fund: \$65,715

The Non Motorized Grant (NMG) Fund was set up for the administration and other costs related to the Non Motorized Grant, which funded projects such as bike paths. This grant is completed and the remaining balance for this fund (**\$65,715**) needs to be covered by General Fund Reserve.

Streets & Engineering: \$62,557.10

Two divisions in Streets & Engineering (Streets Admin and PW Traffic) will receive FEMA funds to reimburse costs that resulted from flooding that occurred in June 2021 (DR-4612). Expenses for this incident came out of Streets & Engineering operating budgets.

Information Technology (IT): \$90,000

This request would appropriate **\$90,000** from IT Fund Balance for the Emergency Management System (EMS) Supervisory Control and Data Acquisition (SCADA) cluster. Due to regulations and delays with the SCADA vendor, the old EMS cluster has remained in operation for this fiscal year requiring additional support, licensing and upgrades. Properly maintaining our Energy Management System and its role in the Continental power grid keeps Columbia electric power stable, reliable and compliant.

Columbia Police Department (CPD): \$146,170

CPD is requesting **\$122,170** from General Fund Reserves for the purchase of FY 22 portable radios that were not purchased prior to the close of the FY 22 fiscal year. Radios were not purchased during FY 22 due to transmission issues diagnosed by Boone County Joint Communications Radio Consultant with the current radios. Given the fact that these were the same radios CPD planned on purchasing, the purchase was postponed in order to find a workable solution. A solution has been identified and will be able to purchase the radios that should have been purchased in FY22 to keep up with the technology replacement plan. A grant for \$22,170 was received in FY 22 and needs to be spent or the City will have to refund the grant.

CPD is also requesting **\$24,000** for the purchase of Airpacks for the Airport Safety Officers. These were approved in FY22 but not purchased prior to close of the fiscal year due to supply chain issues.



Columbia Fire Department (CFD): \$100,000

ARPA Grant Funding was recently awarded to Fire for the purchase of Radios (award accepted by Council previously B55-23). This grant was not known when we completed the FY 23 budget. This would appropriate a total of **\$40,000** (\$20,000 grant, \$20,000 matching funds) to complete the purchase.

Fire is also requesting **\$60,000** to replace the roof at Fire Station #1. The roof is leaking and if action is not taken soon, there could be significant property damage.

Capital Improvement Projects:

Parking: \$44,465.93

The request would appropriate **\$44,465.93** in the Parking Inconvenience Fee (PK061) project account, then transfer it to the Camera System Replacement (PK065) account. The Parking camera system has been in the process of upgrading the cameras and increasing the locations. This would allow Parking to complete the project.

Other General Government: \$1,425,000

This relates to the former VFW Post 280 location on Ashley St. The **\$1,425,000** includes the purchase cost, Facility Management costs to-date, costs to work on the parking lot, cost to bring the kitchen up to both Fire and Environmental Health code, as well as the costs to add shower/bathroom combos and washer/dryer combos. This would appropriate the amount to a capital project account.

Parks & Recreation: \$158,000

The request would appropriate **\$100,000** from Park Sales Tax revenue to the South Regional Park Tennis and Pickleball project and **\$58,000** from the General Park Improvement Donations account to the ARC Improvement project. The funds for the South Regional Park Tennis and Pickleball project are needed due to increased labor and material costs. The project is partially complete and the remaining items include pickleball courts, connecting sidewalks, and necessary utility connections. These additional funds would allow the completion of the project as proposed and we would not forfeit any grant funding received to date. The \$58,000 in donated funds that were received are for the ARC water zone play structure and for the purchase and installation of fans in the three ARC meeting room spaces.

Fiscal Impact

Short-Term Impact: \$4,118,908.03

Long-Term Impact: N/A



Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Resilient Economy, Secondary Impact: Safe Neighborhoods, Tertiary Impact: Reliable Infrastructure

Comprehensive Plan Impacts:

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Legislative History

Date	Action
	B23-23 – Amending the FY 2023 Annual Budget for first quarter appropriation of funds B73-23 – Amending the FY 2023 Annual Budget for second quarter appropriation of funds

Suggested Council Action

Approve the requested budget adjustments.