



CITY COUNCIL WORK SESSION

MEETING DATE: August 31, 2020

AGENDA ITEM: SteamPlant Budget and Name Change

FROM: Aimee Tihonovich, Finance Director

The original concept of the SteamPlant Event Center was to be a fee generating, self-supporting division of the City and was thus set up as an “Enterprise Fund” of the City. In order to meet the criteria of an enterprise fund, at least 90% of the expenses of the fund need to be covered by direct fees generated. Although the Event Center has proven to be a very valuable asset of the City that increases tourism and generates sales tax dollars for the community, the direct fees generated only cover roughly 60% of the expenses. In addition to the SteamPlant, expenses have been charged to this fund for the Scout Hut and Riverside Park events (often free events).

In order to correct the accounting classification, it is advisable that the “SteamPlant” Enterprise Fund become a department of the General Fund. It is also requested that the name be changed to the “Arts & Culture” Department to better describe the activities of the department. The operations of the SteamPlant Event Center, Scout Hut and Riverside Park events will all be charged to this new general fund department and the “SteamPlant Enterprise Fund” will no longer be utilized.

In order to accomplish this, an amendment to the 2020 budget needs to be made. A draft amendment resolution follows. You will note that the amended amounts going into the general fund are different than those coming out of the Arts & Culture Fund. This is due to there no longer being a need to transfer \$331,400 from the general fund into the Arts & Culture (SteamPlant) fund.