

RESOLUTION

AMENDING 2024 CITY BUDGET
TO PROVIDE INCREASED FUNDING
FOR GENERAL FUND BUDGETED CONTINGENCY
TO HELP OFFSET ANTICIPATED EXTRA-ORDINARY
POLICE DEPARTMENT COSTS

WHEREAS, the adopted 2024 General Fund Budget for the City of Two Rivers includes a modest Contingency line item of \$310,000 (2.5 percent of budgeted expenditures of \$12.2 million) for any extra-ordinary expenses that may be incurred over the course of the City’s fiscal year; and

WHEREAS, most of that contingency is offset by a revenue line item of \$222,505 for “Reappropriated Surplus,” which indicates a possible draw-down of the General Fund’s fund balance by such amount, should that budget be fully spent, inclusive of the contingency amount; and

WHEREAS, in light of the significant additional costs being incurred, primarily by the Police Department, but also by other City departments in the ongoing search and investigation related to a child reported missing from our community, it is appropriate that the City take action to provide a “fully funded” Contingency line item to help absorb such extra-ordinary costs;

NOW, THEREFORE BE IT RESOLVED that the City Council does hereby adopt the following budget amendment as recommended by the City Manager and endorsed by action of the City Council's Personnel and Finance Committee, which fully funds from the sources identified a General Fund Contingency line item in the amount of \$336,241 :

| <u>100 General Fund</u> | <u>Adopted</u> | <u>Amended</u> | <u>Net Change</u> | <u>Explanation</u> |
|--|----------------|----------------|---------------------|--|
| Revenues | | | | |
| Reappropriated Surplus | \$ 222,505 | \$ - | \$ (222,505) | Eliminate any use of fund balance to fund budgeted Contingency |
| Transfer from Other Funds (Fund 417) | \$ 320,000 | \$ 336,000 | \$ 16,000 | Increase Transfer-In from Fund 417 |
| Other Revenues | \$ 5,000 | \$ 60,000 | \$ 55,000 | Deposit Focus on Energy Rebate for HVAC system work to General Fund |
| Change in Budgeted Revenues | | | \$ (151,505) | |
| Expenditures | | | | |
| Public Works | \$ 1,751,501 | \$ 1,589,755 | \$ (161,746) | Defund new FT Maint position, new GIS position (20% Gen Fund), Cut Snow and Ice budget (savings due to weather), move bridge inspections to Bridge Capital Add back \$15,000 for 2 Summer seasonal positions (\$15 per hour, 12 weeks) |
| Culture, Recreation & Education | \$1,356,173 | \$ 1,340,173 | \$ (16,000) | Cut Parks and Rec operating budget by 1 percent |
| Other Financing Uses--Contingency | \$310,000 | \$ 336,241 | \$ 26,241 | |
| Change in Budgeted Expenditures | | | \$ (151,505) | |
| 291 Community Development Fund | | | | |
| Revenues | | | | |
| Transfer from Fund 417 | \$ 65,000 | \$ 49,000 | \$ (16,000) | Reduce transfer from Fund 417; Fund 291 ended 2023 with Fund Balance \$16,000 higher than projected during development of 2024 budget |

Approved this 18th day of March, 2024.

Council Member

Gregory E. Buckley
City Manager