



## AGENDA REPORT

**Meeting Date:** November 15, 2011

**Item Number:** G-12

**To:** Honorable Mayor & City Council

**From:** Scott Miller, Director of Administrative Services and CFO  
Noel Marquis, Assistant Director of Administrative Services - Finance

**Subject:** **APPROPRIATING FUNDS IN THE AMOUNT OF \$10,005,600 FROM FISCAL YEAR 2010/2011 REVENUES TO REPLACE FUNDING REDUCTIONS**

### RECOMMENDATION

Staff recommends that the City Council move to appropriate funds in the amount of \$10,005,600 from fiscal year 2010/2011 revenues to replace funding reductions that were made as a part of the approved budget as follows:

From	To
General Fund Revenues	General Fund Operating Transfers Out

### INTRODUCTION

During preparation of the 2010/2011 budget reductions were made in several areas related to vehicle and equipment replacements to avoid service level cuts in City programs. As a result of improvements in tourism and related revenues the City experienced total revenues greater than anticipated during budget preparation.

### DISCUSSION

Replacement schedules and associated charges for vehicle replacement, computer equipment replacement, general office equipment and furniture replacement, and other City current and future OPEB liabilities funding were reduced. These funding reductions were expected to be temporary with the reduction to be made-up if revenue received were greater than expected or through higher payments in future years. In fiscal year 2010/2011 the City was fortunate to receive revenues in excess of what was anticipated

and budgeted for current operations. The actual revenues received in the General Fund for the current fiscal year exceeded the budget expectations by \$10.3 million allowing the City to fully fund the reductions that were taken and avoid impacts on future years budgets.

**FISCAL IMPACT**

Funds were not budgeted but are available from increased revenue to restore full funding for the following:

- \$1,027,500 for the Vehicle Replacement fund
- \$1,484,700 for Computer Equipment replacement
- \$1,900,000 for general office equipment and furniture replacement
- \$5,243,400 for current and future OPEB liabilities
- \$ 350,000 for subway consultant funding

Using these increased revenues will not affect the City's reserves and will avoid increasing operating costs in future years to make up these reductions to replacement fund payments.



Noel Marquis

Finance Approval



Scott G. Miller

Approved By