



## Request for Council Action

**TO:** Mayor and City Council  
**THROUGH:** Tim Murray, City Administrator  
**FROM:** Ann Remold, Interim Finance Director  
**MEETING DATE:** February 12, 2019  
**SUBJECT:** Resolution 2019-027 Approve 2018 Budget Amendments

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### Background:

Each year the City Council may approve amendments to the original budget to account for omissions, corrections, or unanticipated project expenditures and revenues. These amendments provide the necessary authority for spending additional funds or transferring budget allotments between accounts.

It is not necessary to amend every individual line item that is overspent. Total department or fund appropriations should be amended if they have exceeded the total spending authority provided by Council with the original budget. Very often these amendments represent grant funding that was acquired after the original budget was adopted, or other unanticipated spending such as flood recovery or vehicle repairs.

The year-to-date expenditure and revenue reports have been reviewed and a list of amendments prepared for Council approval. A list of accounts to be amended is provided with the amount of the budget increase or decrease along with the final budget amount. A brief description of the need for the amendment is also provided.

### Recommendation:

Staff recommends approval of Resolution 2019-027 Approve 2018 Budget Amendments.

### Attachments:

- Resolution 2019-027; List of accounts to be amended.

**CITY OF FARIBAULT**

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**RESOLUTION #2019 - 027**  
**APPROVE 2018 BUDGET AMENDMENTS**

**WHEREAS**, the annual 2018 budget may be amended by the City Council due to omissions, corrections, or unanticipated expenditures or revenues; and

**WHEREAS**, the current year-to-date budget report has been reviewed by staff and certain accounts require amendments; and

**NOW, THEREFORE BE IT RESOLVED**, that the Faribault City Council authorizes the Finance Director to amend the accounts in the 2018 Budget as identified in the attached list included with this resolution as "Exhibit A".

**Date Adopted:** February 12, 2019

**Faribault City Council**

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**Kevin F. Voracek, Mayor**

**ATTEST:**

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**Timothy C. Murray, City Administrator**

**CITY OF FARIBAULT  
2018 BUDGET AMENDMENTS**

Account Number	Account Description	Purpose	Amount of Increase		Original Budget	Final Budget
			Expenditure	Revenue		
<b>GENERAL FUND</b>						
<b>Revenues</b>						
101-00000-410-39200	Transfer In	Internal Franchise Fees Classified as Transfer		\$ 125,000.00	\$ -	\$ 125,000.00
101-00000-410-31810	Franchise Tax	Internal Franchise Fees Classified as Transfer		(125,000.00)	742,000.00	617,000.00
<b>Expenditures</b>						
<b><u>City Administration</u></b>						
101-41320-410-41110	Severance Pay	Severance Payment	\$ 12,000.00		\$ -	\$ 12,000.00
<b><u>Finance</u></b>						
101-41510-410-41110	Severance Pay	Severance Payment	21,000.00		-	21,000.00
101-41510-410-43010	Auditing & Accounting	Activity Under Budget	(12,500.00)		39,300.00	26,800.00
101-41510-410-43090	Expert & Professional	Activity Under Budget	(8,500.00)		20,500.00	12,000.00
<b><u>MIS</u></b>						
101-41580-410-41110	Severance Pay	Severance Payment	17,300.00			17,300.00
<b><u>Legal</u></b>						
101-41610-410-43040	Legal Fees - Civil Process	Activity Over Budget	8,500.00		200,000.00	208,500.00
<b><u>Human Resources</u></b>						
101-41800-410-43090	Expert & Professional Services	360 Review and Leadership Coaching	14,000.00		30,000.00	44,000.00
101-41800-410-43095	Software Maintenance	Human Resource Software Not Purchased	(7,472.00)		7,472.00	-
101-41800-410-43410	Advertising - Employment	Increased Hiring	24,000.00		15,000.00	39,000.00
101-41800-410-43610	Insurance & Bonds	Insurance Cost Under Budgeted	4,600.00		15,000.00	19,600.00
<b><u>Police Uniform Patrol</u></b>						
101-42123-420-41110	Severance Pay	Severance Payments	5,600.00		7,000.00	12,600.00
<b><u>Fire Administration</u></b>						
101-42210-420-41010	Full-Time Employees	Fire/Maintenance Inspector Split w/Fire	19,992.00		128,717.00	148,709.00
101-42210-420-41150	Uniform Allowance	Fire/Maintenance Inspector Split w/Fire	150.00		640.00	790.00
101-42210-420-41220	FICA	Fire/Maintenance Inspector Split w/Fire	1,249.00		845.00	2,094.00
101-42210-420-41225	Medicare	Fire/Maintenance Inspector Split w/Fire	292.00		1,922.00	2,214.00
101-42210-420-41310	Health Insurance	Fire/Maintenance Inspector Split w/Fire	6,123.00		16,328.00	22,451.00
101-42210-420-41330	Life Insurance	Fire/Maintenance Inspector Split w/Fire	22.00		429.00	451.00
101-42210-420-41340	Disability Insurance	Fire/Maintenance Inspector Split w/Fire	46.00		296.00	342.00

Exhibit A

Account Number	Account Description	Purpose	Amount of Increase		Original Budget	Final Budget
			Expenditure	Revenue		
101-42210-420-41510	Workers Comp Insurance	Fire/Maintenance Inspector Split w/Fire	109.00		10,167.00	10,276.00
<b><u>Fire Suppression</u></b>						
101-42220-420-41110	Severance Pay	Severance Payments	29,500.00		-	29,500.00
<b><u>Code Enforcement</u></b>						
101-42400-420-41010	Full-Time Employees	Fire/Maintenance Inspector Split w/Fire	(19,992.00)		622,780.00	602,788.00
101-42400-420-41150	Uniform Allowance	Fire/Maintenance Inspector Split w/Fire	(150.00)		7,020.00	6,870.00
101-42400-420-41220	FICA	Fire/Maintenance Inspector Split w/Fire	(1,249.00)		4,290.00	3,041.00
101-42400-420-41225	Medicare	Fire/Maintenance Inspector Split w/Fire	(292.00)		11,277.00	10,985.00
101-42400-420-41310	Health Insurance	Fire/Maintenance Inspector Split w/Fire	(6,123.00)		94,648.00	88,525.00
101-42400-420-41330	Life Insurance	Fire/Maintenance Inspector Split w/Fire	(22.00)		2,186.00	2,164.00
101-42400-420-41340	Disability Insurance	Fire/Maintenance Inspector Split w/Fire	(46.00)		1,433.00	1,387.00
101-42400-420-41510	Workers Comp Insurance	Fire/Maintenance Inspector Split w/Fire	(109.00)		64,658.00	64,549.00
<b><u>Street Maintenance</u></b>						
101-43121-430-43090	Expert & Professional	Storm Damages (Covered 75% State)	25,000.00		14,000.00	39,000.00
<b><u>Ice &amp; Snow Removal</u></b>						
101-43125-430-42160	Chemicals	Higher Than Usual - Weather Driven	24,000.00		38,000.00	62,000.00
101-43125-430-42240	Street Maintenance Materials	Activity Under Budget	(11,000.00)		19,000.00	8,000.00
101-43125-430-44160	Rents & Leases	Higher Than Usual - Weather Driven	31,000.00		13,000.00	44,000.00
<b><u>Street Lighting</u></b>						
101-43160-430-44045	Equipment Repairs	Storm Damages (Covered 75% State)	70,000.00		32,000.00	102,000.00
<b><u>Traffic Signs &amp; Signals</u></b>						
101-43170-430-42240	Street Maintenance Materials	Higher Costs Than Expected	7,000.00		22,000.00	29,000.00
101-43170-430-42420	Minor Computer Equipment	Software & Laptop for Simple Signs	4,000.00		-	4,000.00
101-43170-430-44045	Equipment Repairs	Repairs to Paint Light Poles	9,500.00		500.00	10,000.00
<b><u>Other Financing Uses</u></b>						
101-49300-410-47200	Transfer Out	Transfer 2017 Excess Reserve Funds Per Community Management Plan	800,000.00		35,000.00	835,000.00
<b>Total General Fund Increase/Decrease</b>			<b>\$ 1,067,528.00</b>	<b>\$ -</b>		

Exhibit A

Account Number	Account Description	Purpose	Amount of Increase		Original Budget	Final Budget
			Expenditure	Revenue		
<b>SPECIAL REVENUE FUNDS</b>						
<b><u>Airport</u></b>						
225-00000-430-33422	Other State Grants & Aids	Taxilane G & Fuel Farm		\$ 360,000.00	\$ 31,296.00	\$ 391,296.00
225-00000-430-36240	Refunds & Reimbursements	League of MN Cities Storm Damage Advance		250,000.00	-	250,000.00
225-00000-430-39200	Transfer In	Transfer from TIF Districts-Resolution 2018-107		96,700.00	30,000.00	126,700.00
225-49810-430-44046	Disaster Recovery	Storm Damages YTD	125,000.00		-	125,000.00
225-49810-430-45200	Building & Improvements	Storm Hangar Damages YTD	125,000.00		-	125,000.00
<b><u>Community Development</u></b>						
240-00000-460-39200	Transfer In	MIF Funds Resolution 2018-149		638,165.00	-	638,165.00
<b><u>SCDP Revolving Loans</u></b>						
247-46310-460-43090	Expert & Professional	Environmental Review	3,900.00		-	3,900.00
247-46310-460-44600	Loans & Grants	Banners for City Streets	15,600.00		-	15,600.00
<b><u>State MIF Loans</u></b>						
249-46500-462-47200	Transfer Out	MIF Funds Resolution 2018-149	638,165.00		-	638,165.00
<b><u>TIF Funds</u></b>						
266-46500-462-47200	Transfer Out	Transfer to Airport Fund Resolution 2018-107	39,250.00		-	39,250.00
267-46500-462-47200	Transfer Out	Transfer to Airport Fund Resolution 2018-107	48,000.00		-	48,000.00
268-46500-462-47200	Transfer Out	Transfer to Airport Fund Resolution 2018-107	7,335.00		-	7,335.00
269-46500-462-47200	Transfer Out	Transfer to Airport Fund Resolution 2018-107	2,115.00		-	2,115.00
<b>Total Special Revenue Funds</b>			<b>\$ 1,004,365.00</b>	<b>\$ 1,344,865.00</b>		
<b>DEBT SERVICE</b>						
<b><u>Debt Service Reserve Fund</u></b>						
301-47000-470-47200	Transfer Out	Closeout Debt Reserve-Resolution 2018-161	\$ 1,236,892.00		\$ -	\$ 1,236,892.00
301-47000-470-47200	Transfer Out	Closeout Transer to 437- Resolution 2018-107	400,000.00			\$ 400,000.00
<b><u>2012A GO Crossover Refunding</u></b>						
344-00000-470-39200	Transfer In	Closeout Debt Reserve-Resolution 2018-161		466,892.00	-	\$ 491,892.00
344-00000-470-39200	Transfer In	Internal Franchise Fees Classified as Transfer		25,000.00		-
344-00000-470-31810	Franchise Fees	Internal Franchise Fees Classified as Transfer		(25,000.00)	76,500.00	51,500.00
<b><u>Equipment Certificates</u></b>						
360-47000-470-39200	Transfer In	Closeout Debt Reserve-Resolution 2018-161		770,000.00	-	\$ 770,000.00
<b>Total Debt Service</b>			<b>\$ 1,636,892.00</b>	<b>\$ 1,236,892.00</b>		

Exhibit A

Account Number	Account Description	Purpose	Amount of Increase		Original Budget	Final Budget
			Expenditure	Revenue		
<b>CAPITAL PROJECTS</b>						
<u><b>Street Improvement Projects</b></u>						
401-00000-430-39200	Transfer In	Internal Franchise Fees Classified as Transfer		\$ 62,500.00	\$ -	\$ 62,500.00
401-00000-430-31810	Franchise Fees	Internal Franchise Fees Classified as Transfer		(62,500.00)	250,000.00	187,500.00
<u><b>Capital Replacement Fund</b></u>						
431-00000-410-39200	Transfer In	Transfer of 2018 Excess Reserve Funds		\$ 400,000.00	\$ -	\$ 400,000.00
<u><b>Facilities Fund</b></u>						
437-00000-410-39200	Transfer In	Transfer of 2018 Excess Reserve Funds		400,000.00	100,000.00	2,237,500.00
437-00000-430-39200	Transfer In	Transfer from Debt Reserve Fund		400,000.00		
437-00000-430-39200	Transfer In	Tran From Property Liability Res 2018-107		800,000.00		
437-00000-430-39200	Transfer In	Tran From Work Comp Resolution 2018-107		500,000.00		
437-00000-430-39200	Transfer In	Internal Franchise Fees Classified as Transfer		37,500.00		
437-00000-410-31810	Franchise Fees	Internal Franchise Fees Classified as Transfer		(37,500.00)	146,500.00	109,000.00
437-42110-420-45200	Building & Improvemets	Police Evidence Storage in 2019 Budget	(360,000.00)		360,000.00	-
437-43121-430-45100	Land	Purchase of KC's 17 NE 3 Street & Downpayment 225 1 Ave NW, Etc	360,000.00		-	360,000.00
<b>Total Capital Projects</b>			<b>\$ -</b>	<b>\$ 2,500,000.00</b>		
<b>ENTERPRISE FUNDS</b>						
<u><b>Water</b></u>						
601-49430-000-47200	Transfer Out	Internal Franchise Fees Classified as Transfer	\$ 78,858.00		\$ -	\$ 78,858.00
601-49430-000-43085	Water/Sewer Franchise Fees	Internal Franchise Fees Classified as Transfer	(78,858.00)		\$ 78,858.00	-
<u><b>Sewer</b></u>						
602-49450-000-47200	Transfer Out	Internal Franchise Fees Classified as Transfer	68,642.00		-	171,067.00
602-49450-000-47200	Transfer Out	Transfer to Storm Water In Lieu of Rate Increase	102,425.00			
602-49480-000-47200	Transfer Out	Internal Franchise Fees Classified as Transfer	102,500.00		-	102,500.00
602-49450-000-43085	Water/Sewer Franchise Fees	Internal Franchise Fees Classified as Transfer	(68,642.00)		68,642.00	-
602-49480-000-43085	Water/Sewer Franchise Fees	Internal Franchise Fees Classified as Transfer	(102,500.00)		102,500.00	-
<u><b>Storm Water</b></u>						
603-00000-000-39200	Transfer In	Transfer fr Sewer In Lieu of Rate Increase		102,425.00	-	-
<b>Total Enterprise Funds</b>			<b>\$ 102,425.00</b>	<b>\$ 102,425.00</b>		

Account Number	Account Description	Purpose	Amount of Increase		Original Budget	Final Budget
			Expenditure	Revenue		
<b>INTERNAL SERVICE FUNDS</b>						
<i><b>Workers Compensation</b></i>						
704-41950-000-47200	Transfer Out	Tran to Facilities Resolution 2018-107	\$ 500,000.00		\$ -	\$ 500,000.00
<i><b>Workers Compensation</b></i>						
705-41950-000-47200	Transfer Out	Tran to Facilities Resolution 2018-107	800,000.00			800,000.00
<b>Total Internal Service Funds</b>			<b>\$ 1,300,000.00</b>	<b>\$ -</b>		
<b>TOTAL BUDGET INCREASE/DECREASE</b>			<b>5,111,210.00</b>	<b>5,184,182.00</b>		