

STAFF REPORT

City Council Business Item

DATE: October 7, 2024

TO: Honorable Mayor and Council Members

FROM: Bob Natt, General Services Superintendent

THROUGH: Amy Nilsen, Interim City Manager

SUBJECT: **Consider Approval of Supplemental Budget Request for Rollover of Fiscal Year (FY) 23-24 Capital Outlay Funds to FY 24-25**

STAFF RECOMMENDATION:

Approve a Supplemental Budget Request to rollover Capital Outlay funds from FY 23-24 to be used in FY 24-25 for purchase of two service vehicles for Utility and Waste Water Treatment Plant Departments.

EXECUTIVE SUMMARY:

Staff is requesting that the unused funding from the Fiscal Year (FY) 23-24 budget for Utility and Wastewater Departments vehicle replacements be rolled over to the current budget year (FY 24-25). The amount of unused funds from last fiscal year is \$160,000. The two vehicles were ordered in September of 2023. The City has still not been assigned vehicle allocations under this order, due to delays in microchips and material shortage, and all manufactures are experiencing extended lead times.

In the current budget, the rollover amount was not applied to these vehicles but were applied to the Community Development Department vehicles. This was an oversight in the budget review process, as these funds were intended to be brought forward to this fiscal year.

In addition to the funds rollover noted above, staff are requesting that the Council approve an additional \$20,000 to the rollover which would increase the budget to \$180,000. The additional request would cover the cost increases to vehicles and outfitting over the last two years, and provide a bit more flexibility in procuring an available vehicle under the State contract (as sometimes the base models are not available, as has been the case with the current vehicle order).

FISCAL IMPACT:

Approval of the recommended Supplemental Budget Request will increase \$45,000 to the FY 24-25 Capital Outlay in four sources. 500-8000-6000 (water), 550-8000-6600 (waste water), 500-8000-6100 (water utility), and 550-8000-6500 (waste utility) for total of \$180,000.

RECOMMENDED COUNCIL ACTION:

Motion to Approve Supplemental Budget Request to rollover unused Capital Outlay Funds from FY 23-24 to be used in FY 24-25 for vehicle purchases. Voice vote.

ATTACHMENTS:

- Supplemental Budget Request