



# City of Grand Island

Tuesday, November 13, 2007

Council Session

## Item G20

**#2007-287 - Approving Law Enforcement Center Costs in Excess of Budget**

Staff Contact: David Springer

# Council Agenda Memo

**From:** Steve Lamken, Police Chief  
Dave Springer, Finance Director

**Meeting:** November 13, 2007

**Subject:** Approving Law Enforcement Center Costs in Excess of Budget

**Item #'s:** G-20

**Presenter(s):** Steve Lamken, Police Chief  
Dave Springer, Finance Director

## Background

At the end of fiscal year 2007 on September 30, City Finance and Police Administration encumbered \$2,360,283 in the Capital Projects Fund to provide budget for the completion of the Law Enforcement Center (LEC) with an estimated total cost of \$8.8 million. At this time, due to the costs of equipment and furnishings, it is projected that the final cost will nearer \$9,050,000. The Capital Projects Fund is budgeted for 2008 at \$6.5 million, plus \$3.1 million encumbered from 2007, that is, budgeted but not spent in 2007 and carried forward to the next fiscal year.

## Discussion

It would be highly unusual that in a \$9.6 million Capital Projects budget, that their wouldn't be \$250,000 available to final out the Law Enforcement Center from other projects that get delayed, under run from conservative budgeting, or ones that can be pushed to another year. There are revenue offsets, as there is \$60,000 in unspent contingency funds, approximately \$40,000 in late penalties on contractors, and about \$180,000 in earnings on bond proceeds, net of arbitrage. Thus, it is not anticipated that a formal budget amendment would be necessary, but it is appropriate that council be appraised of these higher costs and is requested to approve a redirection of funds as indicated above.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council approve the Resolution to provide a higher spending level for the LEC than currently budgeted without increasing total project spending.

## **Sample Motion**

Move to approve the Resolution to increase budgeted spending for the LEC by \$250,000, with no total budget increase for the Capital Projects Fund.

RESOLUTION 2007-287

WHEREAS, the city's Finance Department and Police Administration encumbered \$2,360,283.00 from the 2006/2007 Capital Projects Fund to provide budget for the completion of the Law Enforcement Center; and

WHEREAS, the City of Grand Island 2007/2008 Budget Statement was approved and adopted on August 28, 2007 by Ordinance No. 9135; and

WHEREAS, it is recommended that the city reallocate \$250,000.00 within the Capital Projects Fund for the purpose of completing the Law Enforcement Center within no overall increase in the fund.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the city reallocate \$250,000.00 within the general fund for the purpose of completing the Law Enforcement Center.

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Adopted by the City Council of the City of Grand Island, Nebraska on November 13, 2007.

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Margaret Hornady, Mayor

Attest:

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RaNae Edwards, City Clerk

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| Approved as to Form ? _____<br>November 9, 2007 ?City Attorney |
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