



Meeting Date: 2/27/12
Agenda Item: #7b

Mission Statement
Provide quality services in a modern, courteous and cost-efficient manner.

VILLAGE BOARD MEETING STAFF REPORT

REPORT TO: President Burt McIntyre and Village Board of Trustees
REPORT FROM: Chris Haltom, Executive Director of Administrative Services
AGENDA ITEM: Review and take action on Resolution 2012-05 Amending 2012 Budget

POLICY ISSUE

Should the Village Board amend the 2012 budget for the damages caused to Fire Station #2?

RECOMMENDED ACTION BY VILLAGE BOARD

Village staff recommends the Village Board approve Resolution 2012-05. If the Board agrees, the following motion could be made:

"I move to approve Resolution 2012-05 amending the 2012 budget for damages caused to Fire Station #2."

POLICY ALTERNATIVE(S)

The Village Board could take no action and not amend the budget for 2012.

FINANCIAL INFORMATION

FISCAL IMPACT:

1. Is There A Fiscal Impact? Yes
2. Is it Currently Budgeted? No
3. If Budgeted, Which Line? N/A

FISCAL SYNOPSIS:

Without amending the budget for 2012, the fire department's capital budget will report more revenue and expenditures than budgeted.

BACKGROUND INFORMATION

A budget amendment is being requested by staff to allow the budget to be amended to reflect the cost associated with reconstructing Fire Station #2 and replacing damaged personal property within the building. The fire station was damaged by fire late in 2011. Staff has been working with our insurance company, EMC, in order to obtain insurance reimbursements to pay for the reconstruction of the building and replacing the personal property.

Staff has furnished all required materials to the insurance company to obtain reimbursements. The insurance company has made payments to the village to cover the cost of the building repairs and damaged personal property. The building has already been repaired and the personal property continues to be purchased by the fire department.

From an accounting perspective, staff recommends the board approve a budget amendment for the cost associated to the fire and the related insurance reimbursements. By making this budget amendment, the financial statements that will be prepared at the end of 2012 will more accurately reflect budget amounts for the fire department capital project fund.

The insurance reimbursements obtained in 2012 total \$141,575. Expenditures made to date in 2012 total \$117,202. Fire Chief Ed Janke continues to work on replacing equipment for the station that should bring the total cost to \$142,000.

ATTACHED INFORMATION

- I. Resolution 2012-05

The Village of Howard, Wisconsin

RESOLUTION No. 2012-05

"Authorizing Amendment to Appropriated and Budgeted Funds for 2012"

- WHEREAS,** the 2012 budget was approved in November 2011 with a 2.02% tax levy increase and a tax rate decreasing by \$.0006; and
- WHEREAS,** Fire Station #2 located on Shawano Avenue had an extensive fire in 2011 that caused damage to the building and personal property; and
- WHEREAS,** the 2012 budget did not include the cost associated with the building reconstruction or the personal property replacement within Fire Station #2; and
- WHEREAS,** the 2012 budget did not include revenue from insurance reimbursements caused by fire damage; and
- WHEREAS,** village staff desires to amend the budget to reflect the revenue and cost associated with the fire damage at Fire Station #2 and appropriate funds within the budget for the expenditures estimated to be made in 2012;

NOW THEREFORE, BE IT RESOLVED, by the Village Board of the Village of Howard, Brown County, Wisconsin hereby authorizes the 2010 budget to be amended to reflect the following changes (increases) in revenues and expenditures:

<u>Account #</u>	<u>Description</u>	<u>Amount</u>
	<i>Increasing Revenue Items</i>	
422-48440-000	Fire Capital Project Fund – Insurance recoveries	\$142,000
	<i>Increasing Expenditure Items</i>	
422-52200-810	Fire Capital Project – Capital Outlay	\$142,000

BE IT FURTHER RESOLVED, that the Clerk shall publish this resolution as a Class 1 Notice pursuant to Section 65.90(5) Wis. Stats.

IN THE TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the Great Seal for the Village of Howard, Wisconsin to be affixed.

Approved this 27th day of February, 2012.

Burt R. McIntyre, Village President

Christopher A. Haltom, Village Clerk