

Moab City Council Agenda Item
Meeting Date: June 11, 2019

Title: FY 2018-2019 Budget Opening - Resolution #34-2019

Date Submitted: June 1, 2019

Staff Presenter: Rachel Stenta, Finance Director

Attachment(s): Proposed Resolution, Summary of Requested Changes

Options: Approve, deny, or modify.

Recommended Motion: I move to send “ Proposed Resolution #34-2019 Amending the FY 2018-2019 Annual Budget to a Public Hearing on June 25. 2019”

Background/Summary:

At the end of each budget year we find it necessary to open our budget to accommodate any changes that have happened throughout the year. A detailed summary of the changes is attached, and the current financial statement is available for review on the shared Google Drive. My apologies, I won't be attending the public hearing – I will provide a more detailed explanation here:

General Fund

- We received a grant, mid-year, for the Victim Advocate program. This was not included in our original budget and is budgeted for the next FY. This includes the revenue and expenditures.
- Due to the difference of the City being on a fiscal year and Grand County being on a calendar year, we neglected to budget for the last payment to the County for building inspection services. This reflects the last contractual payment for building inspection services.
- The solid waste collection fee structure has changed along with the addition of recycling services. These are pass through revenues and expenses, and we don't have a complete estimate yet of the changes. I

have purposefully estimated high to be safe. I don't anticipate the changes will be this high, however if we don't bring in the revenue, we don't pay it out to the contractor.

- Our auction of surplus city property brought in more revenue than expected.

Community Development Fund

The Housing Authority of Southeastern Utah applied for and was awarded grant fund through the Community Development Block Grant program. We are a pass-through funding agency – we receive the funds on behalf of HASU and then disburse the funds to HASU. This corrects the budget to reflect this year's funding.

Health Insurance Fund

This is a new fund this fiscal year so that we can segregate our self funding costs associated with our health and dental insurance along with all health related benefit costs. The incoming revenue represents the amounts charged to departments for this expense. The expenses shown in this fund are the payments made to benefit providers for either premiums or actual claims. I anticipate a transfer to fund balance at the end of this fiscal year.

Sewer Fund

To prepare the Water Reclamation Facility budget for this year, we received estimates of operating costs from our contract engineer, Bowen Collins and Associates. As these were just estimates and we haven't had a full year to operate the plant, we've had shortfalls in several areas. If you would like more details on the operational processes represented here, please let our City Manager know. We are able to cover these shortfalls with an increase in revenue for both Sewer Service Charges as well as the portion of impact fee collections that is allowed for operational usages.

Thank you and please let us know if you have any questions.