

ORDINANCE NO. O-2024-0018

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY
OF OREM, UTAH, AMENDING THE FISCAL YEAR 2023-
2024 BUDGET.

WHEREAS On June 13, 2023, the City Council adopted a final budget following State law; and

WHEREAS the City Council held a public hearing on June 18, 2024, to receive input from the public regarding proposed amendments to the Fiscal Year 2023-2024 budget; and

WHEREAS the budget has been revised as deemed appropriate to accommodate new revenues and expenses.

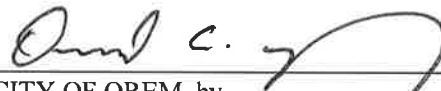
NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The Council hereby amends the Fiscal Year 2023-2024 Budget as shown in Exhibit "A" which is attached hereto and incorporated herein by reference.

2. The City Manager is directed to implement these budget amendments in accordance with State laws and appropriate City procedures.

3. This ordinance shall take effect immediately upon publication.

PASSED AND APPROVED this 18th day of June 2024.


CITY OF OREM, by
David A. Young, Mayor

ATTEST:


Teresa McKittrick, City Recorder

COUNCIL MEMBERS

Mayor David A. Young
Jenn Gale
Chris Killpack
Jeff Lambson
Tom W. Macdonald
LaNae Millett
David M. Spencer

AYE NAY ABSTAIN

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EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2023-2024

REVENUES

Account Number	Note	Description	Previous Budget	Current Budget
GENERAL FUND				
10-3316-012	1	Library - AIP Touring Fund Grant - WAA	\$ -	\$ 480.00
10-3318-014	1	Grant - Bullet Proof Vest	1,920.00	29,600.00
10-3690-005	1	Misc. Revenues - Police Department Fundraisers	-	20,000.00
10-3995-013	1	Cont. From - Fund 73 - Orem Foundation	17,500.00	34,407.50
10-3995-014	1	Cont From - Fund 73 - Orem Foundation - Oremfest	-	34,083.00
10-3995-032	4	Cont From - Fund 63 - Safety Issues	-	17,100.00
10-3997-004	2	App. Surp - CIP Projects	-	5,200,000.00
Total			<u>\$ 19,420.00</u>	<u>\$ 5,335,670.50</u>
Net Fund Increase				<u>\$ 5,316,250.50</u>
MAJOR CRIMES TASK FORCE (MCTF)				
25-3424-004-001	1	MCTF - Forfeitures Revenues - Federal (Justice)	\$ 80,000.00	\$ 105,000.00
Total			<u>\$ 80,000.00</u>	<u>\$ 105,000.00</u>
Net Fund Increase				<u>\$ 25,000.00</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-3690-008	8	Misc Revenues - Charging Stations	\$ -	\$ 13,828.57
45-3995-001	2	Cont. From - Fund 10 - CIP	-	5,200,000.00
Total			<u>\$ -</u>	<u>\$ 5,213,828.57</u>
Net Fund Increase				<u>\$ 5,213,828.57</u>
WATER FUND				
51-3610-005	3	Interest Earnings - 2021 Bonds	\$ 1,229,101.32	\$ 2,091,400.57
Total			<u>\$ 1,229,101.32</u>	<u>\$ 2,091,400.57</u>
Net Fund Increase				<u>\$ 862,299.25</u>
STORM WATER FUND				
55-3610-005	3	Interest Earnings - 2021 Bonds	\$ -	\$ 154,274.50
Total			<u>\$ -</u>	<u>\$ 154,274.50</u>
Net Fund Increase				<u>\$ 154,274.50</u>
RECREATION FUND				
56-3475-004	5	Classes - Hillcrest Park	\$ -	\$ 21,316.00
56-3475-004-001	5	Classes - Hillcrest Park - Pickleball	-	2,000.00
56-3476-004	5	Sales - Hillcrest Park	-	750.00
56-3476-004-001	5	Concessions - Hillcrest Park	-	9,500.00
56-3620-004	5	Rental Revenues - Hillcrest Park	-	3,200.00
56-3620-004-001	5	Rental Revenues - Hillcrest Park - Pickleball	-	5,400.00
Total			<u>\$ -</u>	<u>\$ 42,166.00</u>
Net Fund Increase				<u>\$ 42,166.00</u>
SELF INSURANCE FUND				
63-3997-003	4	App Surp - Operations	\$ 80,000.00	\$ 97,100.00
Total			<u>\$ 80,000.00</u>	<u>\$ 97,100.00</u>
Net Fund Increase				<u>\$ 17,100.00</u>
IT FUND				
64-3997	6	App Surp - Operations	\$ -	\$ 170,000.00
Total			<u>\$ -</u>	<u>\$ 170,000.00</u>
Net Fund Increase				<u>\$ 170,000.00</u>
OREM COMMUNITY FOUNDATION FUND				
73-3910-004	1	Donations - Orem City	\$ 17,500.00	\$ 34,407.50
73-3912	1	Oremfest - Sponsorships / Donations	-	34,083.00
Total			<u>\$ 17,500.00</u>	<u>\$ 68,490.50</u>
Net Fund Increase				<u>\$ 50,990.50</u>
SENIOR CITIZENS FUND				
76-3690-020	7	Misc Rev - Monday Meals	\$ 10,000.00	\$ 35,000.00
Total			<u>\$ 10,000.00</u>	<u>\$ 35,000.00</u>
Net Fund Increase				<u>\$ 25,000.00</u>
Total City Funds			<u>\$ 1,436,021.32</u>	<u>\$ 13,312,930.64</u>
Net City Funds Increase				<u>\$ 11,876,909.32</u>

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2023-2024

EXPENDITURES

<u>Account Number</u>	<u>Note</u>	<u>Description</u>	<u>Previous Budget</u>	<u>Current Budget</u>
GENERAL FUND				
Oremfest				
10-4013-600-001	1	Oremfest - Administration	\$ 20,000.00	\$ 54,083.00
Public Safety Administration				
10-6510-230-010	1	Employee Development - Fundraising	-	25,500.00
Patrol Services				
10-6520-250-001	1	Equipment - Body Armor	1,920.00	29,600.00
Support Services				
10-6550-623	1	VIPS Vehicle Lease	-	11,287.50
Fire & Medical Services				
10-7040-290-042	4	Maintenance & Repair - Fire Station 2	-	17,100.00
Patron Services				
10-8530-240-013	1	Supplies - Maker Space - Donations	-	120.00
10-8530-310-012	1	Prof & Tech Services - AIP Touring Fund Grant	-	480.00
Non-Departmental Expenditures				
10-9910-920-001	2	Cont. To - Fund 45 - CIP	-	5,200,000.00
Total			<u>\$ 21,920.00</u>	<u>\$ 5,338,170.50</u>
Net Fund Increase				<u>\$ 5,316,250.50</u>
MAJOR CRIMES TASK FORCE (MCTF)				
25-6531-250-004	1	Equipment - Forfeitures (Justice)	\$ 70,000.00	\$ 95,000.00
Total			<u>\$ 70,000.00</u>	<u>\$ 95,000.00</u>
Net Fund Increase				<u>\$ 25,000.00</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-6034-730-330	8	Electric Vehicle Charging Stations	\$ -	\$ 13,828.57
45-6034-732-230	2	Future Projects	-	5,200,000.00
Total			<u>\$ -</u>	<u>\$ 5,213,828.57</u>
Net Fund Increase				<u>\$ 5,213,828.57</u>
WATER FUND				
51-7575-733-230	3	Water Projects - Bond	\$ -	\$ 862,299.25
Total			<u>\$ -</u>	<u>\$ 862,299.25</u>
Net Fund Increase				<u>\$ 862,299.25</u>
STORM WATER FUND				
55-7562-736-551	3	1500 W / 130 S Storm Drain Project	\$ -	\$ 154,274.50
Total			<u>\$ -</u>	<u>\$ 154,274.50</u>
Net Fund Increase				<u>\$ 154,274.50</u>
RECREATION FUND				
56-8022-110	5	Salaries & Wages - Permanent	\$ -	\$ 15,166.00
56-8022-130	5	Salaries & Wages - Temporary	-	20,000.00
56-8022-240	5	Supplies	-	7,000.00
Total			<u>\$ -</u>	<u>\$ 42,166.00</u>
Net Fund Increase				<u>\$ 42,166.00</u>
SELF INSURANCE FUND				
63-4260-920-005	4	Cont To - Fund 10 - Safety Issues	\$ -	\$ 17,100.00
Total			<u>\$ -</u>	<u>\$ 17,100.00</u>
Net Fund Increase				<u>\$ 17,100.00</u>
IT FUND				
64-4290-290-036	6	Software Licensing & Maint Agreements - Microsoft	\$ -	\$ 70,000.00
64-4290-743-487	6	Disaster Recovery Software & Equipment	-	100,000.00
Total			<u>\$ -</u>	<u>\$ 170,000.00</u>
Net Fund Increase				<u>\$ 170,000.00</u>
OREM COMMUNITY FOUNDATION FUND				
73-8591-920-004	1	Cont. To - Fund 10 - Orem City	\$ 17,500.00	\$ 34,407.50
73-8591-920-014	1	Cont To - Fund 10 - Orem City - Oremfest	-	34,083.00
Total			<u>\$ 17,500.00</u>	<u>\$ 68,490.50</u>
Net Fund Increase				<u>\$ 50,990.50</u>
SENIOR CITIZENS FUND				
76-8097-240-020	7	Supplies - Monday Meals	\$ 10,000.00	\$ 35,000.00
Total			<u>\$ 10,000.00</u>	<u>\$ 35,000.00</u>
Net Fund Increase				<u>\$ 25,000.00</u>
Total City Funds			<u>\$ 119,420.00</u>	<u>\$ 11,996,329.32</u>
Net City Funds Increase				<u>\$ 11,876,909.32</u>

**BUDGET AMENDMENTS
FISCAL YEAR 2023-2024**

NOTES

These notes are attached to the budget amendments summary to describe the more unusual or extraordinary amendments to the Fiscal Year 2023-2024 City of Orem Budget that have been necessitated to this point in the fiscal year. Many of the amendments listed in the summary are immaterial and/or are technical corrections that any organization of this size would expect to encounter during an operating year and therefore, no specific note has been given for these items. Please contact Brandon C. Nelson, CPA, Finance Director, at 801-229-7010, if you have any questions or concerns.

- 1) The City receives grant or donation funds during the year to aid many different operations such as federal funding for the Library (Touring Fund Grant), Police Department (Bullet Proof Vest Grant and Major Crimes Task Force Grants), and Community Events (Various Oremfest Sponsorships/Donations). The funds are received from Federal, State, and other governmental (or private) entities. These entries represent the adjustments necessary to adjust the appropriate budgets.
- 2) After completing the Fiscal Year 2022-2023 Annual Comprehensive Financial Report (ACFR) and calculating the State of Utah's maximum allowable General Fund fund balance, the City exceeded the maximum allowable amount of 35%. Therefore, the City is required to either spend or transfer \$5,200,000 by the end of the current fiscal year. City staff has identified a number of projects that could be funded by these excess funds. However, these projects would not be able to be completed by fiscal year end and thus, the funds need to be transferred to the Capital Projects Fund so that the funds will be available when the specific projects are identified and receive approval to proceed. By making this transfer, the General Fund's fund balance would fall below the State of Utah's fund balance maximum and the City would then be in compliance.
- 3) The 2021 Water, Sewer & Storm Water Bonds construction account earns interest on unspent funds. This amendment adds these revenues to the water fund which are to be spent on bond eligible projects.
- 4) A safety issue will be addressed by fixing a door at Fire Station #2 that essentially locked a person inside the room as you could enter the room by forcibly opening the door but could not exit if it shut.
- 5) With the opening of Hillcrest Park and operations beginning, funds are to be added to provide budgeted funds for the new revenues and associated expenditures.
- 6) The Information Technology Fund needs to upgrade our Microsoft products licensing as well as our disaster recovery equipment and software. They will be using fund surplus to pay for these items.
- 7) The Senior Center has a Monday Meals program which has been extremely successful. This amendment accounts for the additional revenues received and to be used to cover expenditures.
- 8) Accounts for charging station revenues received in the current fiscal year.