

ORDINANCE NO. O-2026-0004

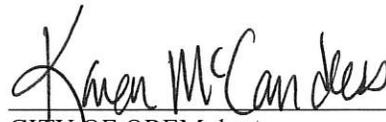
AN ORDINANCE BY THE CITY COUNCIL OF THE
CITY OF OREM, UTAH, AMENDING THE
FISCAL YEAR 2025-2026 BUDGET

WHEREAS On June 10, 2025, the City Council adopted a final budget following State law; and
WHEREAS the City Council held a public hearing on February 24, 2026, to receive input from the public regarding proposed amendments to the Fiscal Year 2025-2026 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 2025-2026 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 24th day of February 2026.



CITY OF OREM, by
Karen A. McCandless, Mayor

ATTEST:


Teresa McKittrick, City Recorder

COUNCIL MEMBERS

AYE NAY ABSTAIN

Mayor Karen A. McCandless

Jenn Gale

Chris Killpack

Jeff Lambson

Quinn Mecham

LaNae Millett

Crystal Muhlestein

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2025-2026

REVENUES

Account Number	Note	Description	Previous Budget	Current Budget
GENERAL FUND				
10-3429	5	Fees - Police Services	\$ 120,000.00	\$ 805,000.00
10-3698-005-005	1	Donations - Lights On Celebration	-	6,000.00
10-3698-010	1	Donations - Gold Star Family Monument/Memorial	-	35,788.60
10-3995-013	1	Cont. From - Fund 73 - Orem Foundation	3,004.55	5,616.55
10-3997-004	2	App. Surp - CIP Projects	-	3,645,000.00
10-3997-018	2	App. Surp - Operations	-	455,000.00
Total			<u>\$ 123,004.55</u>	<u>\$ 4,952,405.15</u>
Net Fund Increase				<u>\$ 4,829,400.60</u>
MAJOR CRIMES TASK FORCE (MCTF)				
25-3318-005-003	1	Grant - MCTF - HIDTA Jan-June	\$ -	\$ 303,934.00
25-3424-004-001	1	MCTF - Forfeitures Revenues - Federal (Justice)	112,867.00	118,076.10
Total			<u>\$ 112,867.00</u>	<u>\$ 422,010.10</u>
Net Fund Increase				<u>\$ 309,143.10</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-3690	6	Miscellaneous Revenues	\$ -	\$ 80,000.00
45-3995-001	2	Cont. From - Fund 10	-	3,680,788.60
45-3995-013	1	Cont. From - Fund 73 - Orem Foundation	72.75	62,165.38
Total			<u>\$ 72.75</u>	<u>\$ 3,822,953.98</u>
Net Fund Increase				<u>\$ 3,822,881.23</u>
CAPITAL IMPROVEMENT PROJECT FUND - 2024 SALES TAX REV BONDS				
46-3610-005	3	Interest Earnings - Sales Tax Rev Bonds	\$ 142,380.79	\$ 183,518.28
Total			<u>\$ 142,380.79</u>	<u>\$ 183,518.28</u>
Net Fund Increase				<u>\$ 41,137.49</u>
OREM COMMUNITY FOUNDATION FUND				
73-3910-004-001	1	Donations - Orem City - Gold Star Memorial	\$ 72.75	\$ 20,076.57
73-3910-006-002	1	Donations - Recreation - Karl Hirst Youth Sports Scholarship	4.55	119.55
73-3910-007	1	Donations - Orem Police	3,000.00	4,100.00
73-3997-002	1	App Surplus - Donations	-	43,485.81
Total			<u>\$ 3,077.30</u>	<u>\$ 67,781.93</u>
Net Fund Increase				<u>\$ 64,704.63</u>
SENIOR CITIZENS FUND				
76-3997-004	4	App. Surp - Operations	\$ -	\$ 13,776.45
Total			<u>\$ -</u>	<u>\$ 13,776.45</u>
Net Fund Increase				<u>\$ 13,776.45</u>
Total City Funds			<u>\$ 381,402.39</u>	<u>\$ 9,462,445.89</u>
Net City Funds Increase				<u>\$ 9,081,043.50</u>

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2025-2026

EXPENDITURES

Account Number	Note	Description	Previous Budget	Current Budget
GENERAL FUND				
Community Promotion				
10-4012-600-029	1	Lights On Celebration	\$ -	\$ 6,000.00
Police Administration				
10-6510-600-010	1	Misc Expenses - Fundraising	1,000.00	2,000.00
Patrol Services				
10-6520-140	5	Salaries & Wages - Overtime	165,000.00	660,000.00
10-6520-230	1	Employee Development	40,000.00	40,100.00
Investigation Services				
10-6530-140	5	Salaries & Wages - Overtime	97,038.00	252,038.00
Support Services				
10-6550-140	5	Salaries & Wages - Overtime	30,000.00	65,000.00
Communications				
10-6551-310	2	Professional & Technical Services	1,450,000.00	1,905,000.00
Recreation / Outdoor Programs				
10-8010-310-003	1	Prof & Tech Services - Rec Prgm Scholar	4.55	1,364.55
Library Administration				
10-8510-600-004	1	Misc Expenses - Library OCF Donations - Education	-	48.00
Patron Services				
10-8530-240-013	1	Supplies - Maker Space - Donations	-	104.00
Non-Departmental Expenditures				
10-9910-920-001	2	Cont. To - Fund 45 - CIP	-	3,680,788.60
Total			<u>\$ 1,783,042.55</u>	<u>\$ 6,612,443.15</u>
Net Fund Increase				<u>\$ 4,829,400.60</u>
MAJOR CRIMES TASK FORCE (MCTF)				
25-6531-140-003	1	Overtime - HIDTA - Jan-June	\$ -	\$ 80,000.00
25-6531-290-003	1	Maintenance & Repairs - HIDTA - Jan-June	-	20,000.00
25-6531-600-003	1	C.I. Funds - HIDTA - Jan-June	-	55,000.00
25-6531-623-003	1	Facility Lease/Rent - HIDTA Jan-June	-	133,560.00
25-6531-623-022	1	Vehicle Lease/Rent - HIDTA July-Dec	-	5,209.10
25-6531-623-023	1	Vehicle Lease/Rent - HIDTA Jan-June	-	15,374.00
			<u>\$ -</u>	<u>\$ 309,143.10</u>
Net Fund Increase				<u>\$ 309,143.10</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-6034-600-010	1	Misc Expenses - Skip McWhorter Memorial	\$ -	\$ 100.00
45-6034-731-230	2	Future Projects	-	3,645,000.00
45-6034-731-361	6	400 W 1200 S Round-a-bout - MAG	-	80,000.00
45-6034-732-488	1	Gold Star Family Monument/Memorial	72.75	97,853.98
Total			<u>\$ 72.75</u>	<u>\$ 3,822,953.98</u>
Net Fund Increase				<u>\$ 3,822,881.23</u>
CAPITAL IMPROVEMENT PROJECT FUND - 2024 SALES TAX REV BONDS				
46-6515-730-765	3	Public Safety Building Improvements	\$ 142,380.79	\$ 183,518.28
Total			<u>\$ 142,380.79</u>	<u>\$ 183,518.28</u>
Net Fund Increase				<u>\$ 41,137.49</u>
OREM COMMUNITY FOUNDATION FUND				
73-8591-920-002	1	Cont. To - Fund 10 - Orem Library	\$ -	\$ 152.00
73-8591-920-004	1	Cont To - Fund 10 - Orem City	3,004.55	5,464.55
73-8591-920-013	1	Cont To - Fund 45 - Orem City	72.75	62,165.38
Total			<u>\$ 3,077.30</u>	<u>\$ 67,781.93</u>
Net Fund Increase				<u>\$ 64,704.63</u>
SENIOR CITIZENS FUND				
76-8097-730-172	4	Senior Center - Door Lock Replacement	\$ -	\$ 13,776.45
Total			<u>\$ -</u>	<u>\$ 13,776.45</u>
Net Fund Increase				<u>\$ 13,776.45</u>
Total City Funds			<u>\$ 1,928,573.39</u>	<u>\$ 11,009,616.89</u>
Net City Funds Increase				<u>\$ 9,081,043.50</u>

**BUDGET AMENDMENTS
FISCAL YEAR 2025-2026**

NOTES

These notes are attached to the budget amendments summary to describe the more unusual or extraordinary amendments to the Fiscal Year 2025-2026 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 the Police Department (Major Crimes Task Force Grants and Gold Star Memorial) and Recreation (Karl Hirst Youth Sports Scholarship and Lights On). 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 2024-2025 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 \$4,100,000 by the end of the current fiscal year. City staff has identified a number of projects that could be funded by these excess funds as well as an operational need for dispatch services. However, the project items may not be able to be completed by fiscal year end and thus, these specific 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 2024 Sales Tax Revenues Bonds construction account earns interest on unspent funds. This amendment adds these revenues to the CIP fund which are to be spent on bond eligible projects.
- 4) The Orem Senior Friendship Center needs to have its door locks replaced. This amendment allocates funds from Senior Citizens Fund surplus to address this concern.
- 5) The Police Department has been providing public safety personnel coverage at UVU who has been reimbursing the City for the overtime costs of doing so. This amendment makes the necessary adjustments to the revenue received as well as the specific overtime accounts of the department.
- 6) The City was reimbursed by MAG for costs associated with the 1200 S roundabout. This amendment makes the funds originally used to cover the cost available for use on other traffic projects.