

Budget Message Amended FY20 Budget

General Fund Amendments:

As the TRE/Cholla Bridge was nearing completion, expenses above the budget amount came in for payment, kicking this line over. By State Code we are not supposed to make any payment that puts a Fund deficit. In order to be in line with that Code, we had to make a decision as to where to pay for the overextension. The payment becomes a little convoluted because we can't pay out of the 10-63-140 line where the project has been budgeted, or it will kick the expenditures over, so it has to be paid out of the lines where funds will be transferred from, then that transfer will be done with the budget amendment, then a Journal Entry will be done to move the expenditure to the newly-funded line in 10-63-140.

Since we had to do one amendment now, it is just as well that further amendments for Funds that appear to be headed in the wrong direction be amended at the same time. Because we budgeted to spend the fund balance down in this Fiscal Budget Year, I'm not sure where the Appropriation of Fund Balance will land – all these amendments are being done by transfer between Funds. Hopefully, this will be all the amendments that will need to be done before the end of the year, but our vision will be better in June when we see what all the Fund balances and the Appropriation Fund look like.

For Trails 10-63-140, Streets 10-60-710, and 10-64-900:

In the Street Fund line 10-60-710 for Construction/Capital New \$18,000 was set aside to do road pillows, but it has become clear that those pillows would not be included in road improvements during the current fiscal year. \$10,000 of that budget will be moved to Trails Maintenance Supplies line 10-63-140.

Also, since the bridge is considered an asset to the TRE Subdivision, there is \$4,500 set for TRE expenditure in line Parks 10-64-900 from the money paid to the city for the 2nd phase of Mesa Views. This amount was not totally enough to bear the entire charges of \$10,000 that moved the 10-63-140 over the top, but since there may be more invoices come in for the bridge, that \$4,500 will also be moved to the Trail line and will be considered first expenditure on that improvement.

The amendment: \$10,000 from Streets 10-60-710 and \$4,500 from Parks 10-64-900 will be transferred to Trails 10-63-140 for a total of \$14,500 increasing the 10-63-140 original budget to \$114,500.

Utility Collections 10-62, and Administration 10-45: Garbage Collection line 10-62-360 may go over budget at the end of June if it is not amended. \$5,000 will be transferred from line Administration Professional Services 10-45-300 to protect that from happening. That increases the 10-62-360 original budget to \$90,000.

As stated above, \$5,000 will be transferred from Administration Professional Services 10-45-300 to Garbage Collection 10-62-360. That decreases the 10-45-300 original budget to \$35,000.

The amendment: \$5,000 from Administration 10-45-300 to Utility Collections 10-62-360.

Parks: 10-64, and Cemetery 10-65: As stated above \$4,500 from line 10-64-900 TRE Expenses will be transferred to Trails 10-63-140. But the Parks budget is a little slim because of wages and so that bottom line is in trouble of over spending as well. Cemetery Capital Outlay 10-65-710 was given \$35,000 in the original budget for a project that will not be done in this Fiscal Year. So, \$10,000 will be transferred from Cemetery 10-65-710 to Park Wages 10-64-100. That leaves the Parks TRE line at a "0" original budget and the Parks Wages with a \$22,000 original budget.

The amendment: Cemetery Fund 10-65-710 will transfer \$10,000 to Parks Wages 10-64-100 for \$22,000 in that original budget. Cemetery Capital Outlay will have a decrease in the original budget to \$25,000.

Total General Fund Balance: Since all the amendments were done by transferring between Funds, Budgeted revenue and expenditures have not changed from the original budget of 1,243,025.