



STAFF REPORT

DATE: June 9, 2020
TO: Honorable Chairman and Board of Directors
FROM: Bruce Riddle, Finance Director
SUBJECT: MUNICIPAL BUILDING AUTHORITY FY 2021 FINAL BUDGET

RECOMMENDED MOTION

The Finance Department recommends that the Board of Directors of the Municipal Building Authority of Springville City approve a **Resolution adopting the Municipal Building Authority Final Budget for the Fiscal Year ending June 30, 2021.**

SUMMARY OF ISSUES/FOCUS OF ACTION

State statute (Utah Code 17B-1-607) requires the board to adopt a tentative budget on or before the first regular meeting in May for the ensuing year and set a date and time for a public hearing on the tentatively adopted budget wherein interested parties are provided an opportunity to comment on the tentatively adopted budget. State statute (Utah Code 17B-1-614) also requires that the Board of Directors adopt a budget for the ensuing fiscal year after holding the public hearing.

BACKGROUND

A budget message and tentative budget documents along with presentation materials were distributed to the Board of Directors prior to the budget retreat held in April. Subsequently, the Board adopted a Tentative Budget on May 5, 2020.

DISCUSSION

The budget for the MBA is comprised of scheduled debt service payments associated with the MBA Lease Revenue bonds issued to construct the Civic Center. No changes have been made since the adoption of the Tentative budget.

ALTERNATIVES

The Council can provide additional direction on items in the proposed Tentative Budget; however the Council is required by State statute to adopt a final budget by June 22, 2020.

FISCAL IMPACT

The FY2021 MBA budget is \$394,634, which represents principal and interest payments along with bond administration fees associated with the MBA Lease Revenue Bonds.

RESOLUTION #2020-00M

A Resolution adopting the Final Budget of the Municipal Building Authority of the City of Springville, Utah for the Fiscal Year ending June 30, 2021.

WHEREAS, the Municipal Building Authority of Springville City, Utah, has been created and operates in accordance with the procedures and subject to the limitations of the Utah Municipal Building Authority Act, Title 17a, Chapter 3, Part 9, Utah Code Annotated 1953, as amended, in order to accomplish the purposes for which the City exists; and

WHEREAS, the Municipal Building Authority operates as a 501(c)(3) non-profit organization and is therefore organized not for gain but for purely civic, benevolent, charitable and philanthropic purposes;

NOW, THEREFORE, be it resolved by the Municipal Building Authority of Springville City, Utah, that the Municipal Building Authority Final Budget for the fiscal year ending June 30, 2021, is hereby adopted as proposed in the attached exhibit.

PASSED, by unanimous vote of the Municipal Building Authority of Springville, Utah this 16th day of June, 2020.

Richard J. Child, Chairman

ATTEST:

Kim Crane, Secretary-Treasurer

Exhibit A



SPRINGVILLE CITY FISCAL YEAR 2021 FINAL BUDGET

MBA Fund

ESTIMATED BEGINNING FUND BALANCE ¹					3,244	
GL Acct	Line Description	FY2019 ACTUAL	FY2020 APPROVED BUDGET	FY2020 MIDYEAR ACTUAL	FY2021 FINAL BUDGET	FY2021 VS FY2020 INC/(DEC)
<u>REVENUES</u>						
32-3200-100	MBA PROCEEDS AND BONDS					-
32-3600-600	REVENUES FROM SPRINGVILLE CITY	383,978	386,965	193,482	394,634	7,669
32-3600-610	INTEREST INCOME					-
32-3800-810	TRANSFER FROM OTHER FUNDS					-
TOTAL REVENUES		383,978	386,965	193,482	394,634	7,669
<u>EXPENDITURES</u>						
32-4800-500	COST OF ISSUANCE					-
32-4800-780	MBA BONDS - INTEREST	111,816	105,315	54,293	97,984	(7,331)
32-4800-781	MBA BONDS - PRINCIPAL	270,000	280,000	280,000	295,000	15,000
32-4900-500	INTEREST PAID					-
32-4900-740	TRANSFER TO CAPITAL IMPRV FUND					-
32-4900-790	BOND ADMINISTRATION FEES	1,650	1,650	1,650	1,650	-
TOTAL EXPENDITURES		383,466	386,965	335,943	394,634	7,669
SURPLUS / (DEFICIT)		512	-	(142,460)	-	
ESTIMATED ENDING FUND BALANCE					3,244	

Notes:

1. Estimated Beginning Fund Balance subject FY 2019 Actual results and audit entries.