



STAFF REPORT

DATE: February 23, 2021
TO: Honorable Mayor and City Council
FROM: Bruce Riddle, Finance Director
SUBJECT: FY 2021 BUDGET AMENDMENT

RECOMMENDED MOTION

The Finance Department recommends adopting Resolution _____ to open and amend the General Fund, Internal Service Fund, Special Revenue Fund, Water Fund, Sewer Fund, Electric Fund, Solid Waste Fund and Golf Fund budgets for operating and capital expenses applying to the Fiscal Year ending June 30, 2021 as outlined in Exhibit A (attached).

SUMMARY OF ISSUES/FOCUS OF ACTION

The Uniform Fiscal Procedures Act for Utah Cities sets forth the procedures for the governing body to review and increase or decrease the appropriations in operating and capital budgets of the city. The resolution will provide the budget authority for the city to proceed with the projects detailed in the report.

BACKGROUND

Unexpected expenses have emerged since the beginning of the budget year. In order to proceed with addressing the variations from the original budget, The Council will need to act through amending the budget.

DISCUSSION

In response to new developments and after reviewing the various fund budgets the Finance Department recommends the following budget appropriation. Requests for appropriation as well as the funding sources are summarized in Exhibit A (attached). A brief description of the recommended action is as follows:

- *Various Funds - Payroll and Operating Expenses.* Various departments throughout the city have incurred COVID-related expenses in the form of personal protective equipment, materials, supplies and additional payroll expenses resulting from Federally mandated COVID leave rules. These expenses are reimbursable under CARES Act funding that the City received from Utah County. This fiscal year, the City received approximately \$1.9M in CARES Act funding from the

County. These budget amendments restore payroll and operating budgets to their previous levels by appropriating CARES Act money to the accounts where the expenses were incurred.

- *General Fund*
 - Planning Department. The Planning Department applied for and received a UDOT Technical Planning Assistance (TPA) grant of \$55,000. This appropriation allows the Planning Department to hire the necessary consultants to complete a South Main Street Corridor Study. The grant requires a \$5,000 match from the City, which can be cash or in-kind labor. As the project develops, the City may perform some labor and the balance of the match will come from existing budget in the department's professional services line item.
 - Engineering Study. The Engineering Department has applied for and received a \$450,000 grant from the Natural Resources Conservation Service to complete a Flood Protection Study and related Environmental Impact Assessment. This appropriation will allow the department to proceed with hiring a consultant to complete the study.
 - Senior Center. The Senior Center staff applied for and received a \$3,000 Community Development Block Grant (CDBG) to purchase an additional warming oven to assist in meal distribution at the Senior Center. This appropriation will allow the department to complete the purchase of the equipment.
 - Building & Grounds. The Building & Grounds Department issued a Request for Proposals (RFP) soliciting turf mowing and care services. The department has provided a separate staff report explaining their findings. These budget amendments reduce payroll budgets in Parks, Canyon Parks and Cemeteries by \$120,000 in order to fund the addition of a mowing contract for the remainder of the year.
 - CRC PT Labor. In the FY 2021 budget, the PT labor line item was cut 25% from FY 2020 in anticipation of the CRC being closed 3 months of the year. In reality, the CRC was able to partially reopen before the beginning of the budget year and not only never closed again, it actually resumed activities very close to being fully open. Child watch did not open until September and fitness classes were adjusted and operating at less than full capacity, but the pool was able to reopen fully. Reopening did come with additional costs from standard operations as there were some adjustments required to the guard rotations as well as additional cleaning and disinfecting duties. Additionally, staff deemed it necessary to be offering something close to normal services in order to sell full-priced passes so that revenue budgets could be met. It appears revenue will come in at or slightly above budget, but PT labor will exceed the reduced budget by approximately \$130,000.
- *Special Revenue Fund - Street Oversizing Project (Impact Fees)*. The City entered into two separate development agreements with developers doing projects along



the 750 West corridor. In these agreements, the City agreed to reimburse developers for the cost of upsizing the roadway to a “collector” road size using impact fee reserves. The Council has previously approved the development agreements. This amendment appropriates the funds from impact fee reserves into the budget for expenditure.

ALTERNATIVES

The Council has the alternative of considering different funding sources than those recommended by staff in Exhibit A. However, taking no action at all on the resolution will leave the staff without the budget authority to proceed with this project.

FISCAL IMPACT

The fiscal impacts of the proposed appropriations are included in Exhibit A.



**Exhibit A
City of Springville
Budget Amendment Form**

Fiscal Year Ending June 30, 2021

<i>Item</i>	<i>Fund</i>	<i>Dept.</i>	<i>Acct.</i>	<i>Description</i>	<i>Beginning Budget</i>	<i>Increase</i>	<i>Decrease</i>	<i>Amended Budget</i>	<i>Purpose and Funding Source</i>
Revenues									
	10	3300	360	General Grants	17,000	1,908,155		1,925,155	CARES Act Grant
	10	3300	360	General Grants	1,925,155	55,000		1,980,155	UDOT TPA Grant
	10	3300	360	General Grants	1,980,155	450,000		2,430,155	NRCS Grant
	10	3300	370	CDBG Grant	0	3,000		3,000	CDBG Grant (Sr. Citizens)
	Utilize Reserves					105,000			Street Impact Fees
	Total Revenue Amendments					2,521,155			
Expenditures									
	10	4165	310	Professional Services	150,000	55,000		205,000	UDOT TPA Grant
	10	4510	110	Payroll - FT	375,808		20,000	355,808	Mowing Contract
	10	4510	120	Payroll - PT	115,268		30,000	85,268	Mowing Contract
	10	4510	130	Employee Benefits	254,820		15,000	239,820	Mowing Contract
	10	4510	310	Professional Services	106,762	120,000		226,762	Mowing Contract
	10	4520	120	Payroll - PT	91,909		40,000	51,909	Mowing Contract
	10	4550	120	Payroll - PT	757,392	130,000		887,392	COVID-impact labor
	10	4561	120	Payroll - PT	43,150		15,000	28,150	Mowing Contract
	10	4610	250	Equipment Expense	1,800	3,000		4,800	Warming Oven, CDBG Grant
	10	4185	310	Professional Services	68,800	450,000		518,800	Flood Protection Study; NRCS Grant
	46	7000	001	Street Oversizing Projects	77,000	105,000		182,000	750 W Oversizing agreements; Street Impact Fees
				COVID Payroll - Various	5,084,479	15,094		5,099,573	Detail Attached
				COVID Operations - Various	1,208,951	92,951		1,301,902	Detail Attached
	Total Expenditure Amendments					971,045	120,000		



CARES Act-Reimbursable COVID Leave

Dept. / Division	G/L #	Beginning Budget	Increase	Amended Budget
Administration	10-4130-120	\$ 87,119.00	\$ 283.05	\$ 87,402.05
	10-4130-130	\$ 233,451.00	\$ 21.65	\$ 233,472.65
Treasury	10-4145-120	\$ 87,567.00	\$ 1,741.33	\$ 89,308.33
	10-4145-130	\$ 58,357.00	\$ 133.21	\$ 58,490.21
Building Inspections	10-4160-120	\$ 40,298.00	\$ 618.80	\$ 40,916.80
	10-4160-130	\$ 165,771.00	\$ 47.34	\$ 165,818.34
Police	10-4210-120	\$ 95,260.00	\$ 1,018.50	\$ 96,278.50
	10-4210-130	\$ 1,456,465.00	\$ 77.92	\$ 1,456,542.92
Dispatch	10-4211-120	\$ 73,051.00	\$ 231.72	\$ 73,282.72
	10-4211-130	\$ 255,230.00	\$ 17.73	\$ 255,247.73
Fire	10-4220-120	\$ 278,864.00	\$ 1,277.53	\$ 280,141.53
	10-4220-130	\$ 236,403.00	\$ 97.73	\$ 236,500.73
Court	10-4250-120	\$ 33,119.00	\$ 369.36	\$ 33,488.36
	10-4250-130	\$ 107,451.00	\$ 28.26	\$ 107,479.26
Museum	10-4530-120	\$ 26,335.00	\$ 481.89	\$ 26,816.89
	10-4530-130	\$ 150,516.00	\$ 36.86	\$ 150,552.86
CRC	10-4550-120	\$ 887,392.00	\$ 5,879.00	\$ 893,271.00
	10-4550-130	\$ 157,355.00	\$ 449.74	\$ 157,804.74
Recreation	10-4560-120	\$ 85,851.00	\$ 648.00	\$ 86,499.00
	10-4560-130	\$ 197,536.00	\$ 49.57	\$ 197,585.57
Library	10-4580-120	\$ 270,729.00	\$ 1,344.02	\$ 272,073.02
	10-4580-130	\$ 162,814.00	\$ 102.82	\$ 162,916.82
Senior Citizens	10-4610-120	\$ 61,989.00	\$ 128.16	\$ 62,117.16
	10-4610-130	\$ 5,556.00	\$ 9.80	\$ 5,565.80
		\$ 5,084,479.00	\$ 15,094.00	\$ 5,099,573.00



CARES Act-Reimbursable Operating Expenses

	Beginning Budget	Amendment	Final Budget
104130160	\$ 40,000.00	\$ 42.40	\$ 40,042.40
104130240	\$ 7,000.00	\$ 1,039.93	\$ 8,039.93
104130310	\$ 15,000.00	\$ 1,574.51	\$ 16,574.51
104132240	\$ 4,000.00	\$ 160.84	\$ 4,160.84
104132710	\$ 22,457.00	\$ 6,100.00	\$ 28,557.00
104135240	\$ 3,000.00	\$ 493.14	\$ 3,493.14
104135241	\$ 1,750.00	\$ 84.18	\$ 1,834.18
104135731	\$ 5,875.00	\$ 30.99	\$ 5,905.99
104140240	\$ 21,250.00	\$ 129.41	\$ 21,379.41
104140720	\$ 500.00	\$ 297.16	\$ 797.16
104145240	\$ 2,000.00	\$ 69.15	\$ 2,069.15
104145720	\$ -	\$ 597.30	\$ 597.30
104165240	\$ 4,150.00	\$ 884.37	\$ 5,034.37
104165255	\$ 1,430.00	\$ 375.01	\$ 1,805.01
104180240	\$ 700.00	\$ 123.86	\$ 823.86
104180241	\$ 750.00	\$ 1,888.00	\$ 2,638.00
104180255	\$ 2,000.00	\$ 375.01	\$ 2,375.01
104185300	\$ 44,435.00	\$ 588.00	\$ 45,023.00
104210236	\$ 9,728.00	\$ 2,963.13	\$ 12,691.13
104210240	\$ 7,000.00	\$ 1,383.80	\$ 8,383.80
104210241	\$ 7,000.00	\$ 2,373.49	\$ 9,373.49
104210550	\$ 22,960.00	\$ 1,415.60	\$ 24,375.60
104211241	\$ 3,000.00	\$ 86.45	\$ 3,086.45
104220241	\$ 15,350.00	\$ 6.80	\$ 15,356.80
104220244	\$ 67,289.00	\$ 14,828.59	\$ 82,117.59
104410243	\$ 14,000.00	\$ 78.38	\$ 14,078.38
104510241	\$ 16,550.00	\$ 2,482.99	\$ 19,032.99
104510255	\$ 4,000.00	\$ 375.01	\$ 4,375.01
104520241	\$ 9,650.00	\$ 899.57	\$ 10,549.57
104530240	\$ 12,000.00	\$ 974.32	\$ 12,974.32
104530513	\$ 49,950.00	\$ 339.93	\$ 50,289.93
104531255	\$ 5,400.00	\$ 214.20	\$ 5,614.20
104550240	\$ 9,400.00	\$ 4,109.49	\$ 13,509.49
104550241	\$ 10,500.00	\$ 10,528.17	\$ 21,028.17
104550250	\$ 21,125.00	\$ 4,187.40	\$ 25,312.40
104550255	\$ 13,520.00	\$ 101.80	\$ 13,621.80
104550260	\$ 139,825.00	\$ 12,009.37	\$ 151,834.37
104550610	\$ 27,336.00	\$ 506.19	\$ 27,842.19
104550650	\$ 17,425.00	\$ 503.10	\$ 17,928.10



104560240	\$	2,900.00	\$	3,401.55	\$	6,301.55
104560250	\$	26,700.00	\$	579.42	\$	27,279.42
104561240	\$	2,150.00	\$	1,696.55	\$	3,846.55
104580240	\$	20,300.00	\$	3,690.91	\$	23,990.91
104580250	\$	1,500.00	\$	785.04	\$	2,285.04
104610160	\$	213.00	\$	53.56	\$	266.56
104610262	\$	11,300.00	\$	2,391.82	\$	13,691.82
474000240	\$	1,100.00	\$	9.02	\$	1,109.02
474000250	\$	55,000.00	\$	125.60	\$	55,125.60
474182241	\$	82,950.00	\$	3,019.04	\$	85,969.04
474182260	\$	40,900.00	\$	456.00	\$	41,356.00
515100241	\$	2,393.00	\$	50.96	\$	2,443.96
525250241	\$	117,340.00	\$	375.01	\$	117,715.01
535300241	\$	47,500.00	\$	44.04	\$	47,544.04
535300255	\$	5,500.00	\$	375.01	\$	5,875.01
535350241	\$	80,500.00	\$	383.66	\$	80,883.66
575700241	\$	4,000.00	\$	268.01	\$	4,268.01
585861260	\$	47,400.00	\$	24.99	\$	47,424.99
	\$	1,208,951.00	\$	92,951.23	\$	1,301,902.23



RESOLUTION #2021-XX

A RESOLUTION OPENING AND AMENDING THE GENERAL FUND, INTERNAL SERVICE FUND, SPECIAL REVENUE FUND, WATER FUND, SEWER FUND, ELECTRIC FUND, SOLID WASTE FUND, AND GOLF FUND BUDGETS FOR OPERATING AND CAPITAL EXPENSES APPLYING TO THE FISCAL YEAR ENDING JUNE 30, 2021 AS OUTLINED IN EXHIBIT A.

WHEREAS, the City Council has received a recommendation from the Administration that the Springville City General Fund, Internal Service Fund, Special Revenue Fund, Water Fund, Sewer Fund, Electric Fund, Solid Waste Fund and Golf Fund budgets be opened and amended for operating and capital expenses; and,

WHEREAS, on March 2, 2021 the City Council held a duly noticed public hearing to ascertain the facts regarding this matter, which facts and comments are found in the meeting record; and,

WHEREAS, after considering the Administration's recommendation, facts and comments presented to the City Council, the Council finds the proposed appropriations reasonably further the health, safety, and general welfare of the citizens of Springville City.

NOW, THEREFORE, be it resolved by the City Council of Springville, Utah as follows:

PART I:

The Budget Officer is hereby authorized and directed to amend the budgets in the General Fund, Internal Service Fund, Special Revenue Fund, Water Fund, Sewer Fund, Electric Fund, Solid Waste Fund and Golf Fund for operating and capital expenses as outlined in Exhibit A.

PART II:

This resolution shall take effect immediately.

PASSED AND APPROVED this 2nd day of March, 2021.

Richard J. Child, Mayor

ATTEST:

Kim Crane, City Recorder