Herriman City Safety Enforcement Area Agenda

Wednesday, January 25, 2023

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a meeting in the City Council Chambers, located at
5355 WEST HERRIMAN MAIN STREET, HERRIMAN, UTAH

1. **Call to Order**

   1.1. Motion for review and outline of the finalization process to approve the minutes of January 25, 2023

2. **Discussion and Action Items**

   2.1. Discuss and approve proposed amendments to the fiscal year 2023 budget – Kyle Maurer, Finance Director

3. **Adjournment**

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. Request assistance by contacting Herriman City at (801) 446-5323 or info@herriman.org and provide at least 48 hours advance notice of the meeting.

ELECTRONIC PARTICIPATION: Members may participate electronically via telephone, Skype, or other electronic means during this meeting.

I, Jackie Nostrom, certify the foregoing agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body, at the principal office of the public body, on the Utah State Public Notice website www.utah.gov/pmn/index.html and on Herriman City's website at www.herriman.org posted and Dated this 20th day of January, 2023, Jackie Nostrom, City Recorder

STAFF REPORT

DATE: January 11, 2023

TO: The Board of Trustees

FROM: Kyle Maurer

SUBJECT: Consideration and approval of amendments to the fiscal year 2023 Herriman City Safety Enforcement Area budget.

RECOMMENDATION:
Staff recommends approval of the proposed amendments.

ISSUE BEFORE COUNCIL:
Should the Board of Trustees approve the proposed budget amendments?

BACKGROUND/SUMMARY:
Good budgetary and accounting practices require periodic amendments to the Safety Enforcement Area's fiscal year budget. A number of budget amendments are proposed to ensure budgetary compliance and correct accounting in the financial system.

DISCUSSION:
Staff have done an in-depth analysis of projected property tax revenue for the year and concluded property taxes were overbudgeted by $480,000. This proposed decrease is as follows:

$350,000 – Current Property Tax
$20,000 – Delinquent Property Tax
$110,000 – Motor Vehicle in Lieu

Due to a re-examination of the Herriman City Police Department's budget (which includes a taser contract left out of the original budget, vehicle cost increases, and the purchase of fiscal year 2024 vehicles in fiscal year 2023), the City is requesting an additional transfer (payment) of $783,000 to cover these costs. This will leave the HCSEA with an ending fund balance of $275,992. It is important to note that $455,000 of the transfer is purchasing fiscal year 2024 vehicles in fiscal year 2023, which will decrease the vehicle transfer in fiscal year 2024.

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(801) 446-5323 office • (801) 446-5324 fax • herriman.org

ALTERNATIVES:
The Board of Trustees may choose to not approve the requested budget amendments or may change the amount of the amendments.

FISCAL IMPACT:
Approving the amendments will fulfill an additional transfer to Herriman City in the amount of $783,000. In addition, due to the lowering of property tax budget projections, $1,080,000 of fund balance will be required. This will leave the HCSEA with an ending fund balance of $275,992.

ATTACHMENTS:
Resolution
Proposed Budget Amendments

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Herriman City

HERRIMAN CITY SAFETY ENFORCEMENT AREA

RESOLUTION NO.__________

A RESOLUTION OF THE HERRIMAN CITY SAFETY ENFORCEMENT AREA APPROVING AN AMENDMENT TO THE 2022-2023 FISCAL YEAR BUDGET

WHEREAS, the Herriman City Safety Enforcement Area ("HCSEA") met in regular meeting on January 25, 2023, to consider, among other things, approving amendments to the 2022-2023 fiscal year budget; and

WHEREAS, the Board of Trustees of the HCSEA has determined it necessary to amend the budget to reflect various changes; and

WHEREAS, the Board of Trustees of the HCSEA determines that the amendment presented to the Board is necessary and appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees that the budget for the period of July 1, 2022, through June 30, 2023, is hereby amended as set forth on the attached amended budget.

This Resolution, shall take effect immediately upon passage and acceptance as provided herein.

PASSED AND APPROVED by the Board of Trustees of the HCSEA this 25th day of January, 2023.

HERRIMAN CITY SAFETY ENFORCEMENT AREA

By: ______________________________________
Chairman

____
District Clerk

Herriman City Safety Enforcement Area
Proposed Fiscal Year 2023 Budget Amendments

GL Account	Department	GL Account Description	FY2023 Budget (Current)	Proposed Amendment	2023 Adjusted Budget (Proposed)	Explanation
26-31100	HCSEA	Property Tax - Current	$ 8,000,000	$ (350,000)	$ 7,650,000	Revise down to match Certified Tax Rate website plus $50,000 for greenbelt rollback.
26-31102	HCSEA	Property Tax - Delinquent	100,000	(20,000)	80,000	Recalculated using estimated historical collections.
26-31150	HCSEA	Motor Vehicle in Lieu	600,000	(110,000)	490,000	Revised due to updated forecast and FY2022 historical actuals.
26-36100	HCSEA	Interest	-	3,000	3,000	Interest estimate.
26-3900	HCSEA	Budgeted Use of Fund Balance	-	1,080,000	1,080,000	Use of fund balance due to lowered revenue expectations and increased transfer to the General Fund.
		TOTAL REVENUE ADJUSTMENTS - HCSEA FUND	**$ 8,700,000**	**$ 603,000**	**$ 9,303,000**	

GL Account	Department	GL Account Description	FY2023 Budget (Current)	Proposed Amendment	2023 Adjusted Budget (Proposed)	Explanation
26-4900	HCSEA	Budgeted Increase in Fund Balance	$ 180,000	$ (180,000)	$ -	Removing budgeted increase due to recalculated revenue projections.
26-49000	HCSEA	Transfer to General Fund	8,520,000	783,000	9,303,000	Adjustment for Axon taser contract left out of budget, along with Police vehicle cost increases and FY2024 police vehicles purchased in FY2023 ($455,000).
		TOTAL EXPENDITURE ADJUSTMENTS - HCSEA FUND	**$ 8,700,000**	**$ 603,000**	**$ 9,303,000**	

Fund Balance Summary

	FY2021	FY2022	FY2023
Beginning Fund Balance	808,735	1,307,908	1,355,992
Additions (Reductions)	499,173	48,084	(1,080,000)
Ending Fund Balance	**$ 1,307,908**	**$ 1,355,992**	**$ 275,992**