STAFF REPORT

DATE: June 13, 2023

TO: Honorable Mayor and City Council

FROM: Bruce Riddle, Finance Director

SUBJECT: **MUNICIPAL BUILDING AUTHORITY FY 2024 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, 2024.**

EXECUTIVE SUMMARY

As required by State Code, the Board of Directors needs to adopt a Final Budget. The budget has been presented in preliminary form in an April 24, 2023 budget retreat and then adopted as a Tentative Budget on May 2, 2023. The Tentative budget was made available for public inspection and is now presented for adoption as a Final Budget after a public hearing, which is to be held on June 20, 2023. No changes have been made to the budget since its adoption as a Tentative Budget.

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 2, 2023.

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 30, 2023.

FISCAL IMPACT

The FY2024 MBA budget is $405,878, which represents principal and interest payments along with bond administration fees associated with the MBA Lease Revenue Bonds.

RESOLUTION #2023-___M

MUNICIPAL BUILDING AUTHORITY

A Resolution adopting the Final Budget of the Municipal Building Authority of the City of Springville, Utah for the Fiscal Year ending June 30, 2024.

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, 2024, is hereby adopted as proposed in the attached Exhibit A.

PASSED, by unanimous vote of the Municipal Building Authority of Springville, Utah this 20th day of June, 2023.

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Matt Packard, Chairman

ATTEST:

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Kim Crane, Secretary-Treasurer

EXHIBIT A

Springville Municipal Building Authority FY2024 Final Budget

SPRINGVILLE CITY
FISCAL YEAR 2024
FINAL BUDGET

MBA Fund

GL Acct	Line Description	FY2022 ACTUAL	FY2023 APPROVED BUDGET	FY2023 MIDYEAR ACTUAL	FY2024 TENTATIVE BUDGET	FY2024 VS FY2023 INC/(DEC)
	ESTIMATED BEGINNING FUND BALANCE1				3,585	
REVENUES						
32-3200-100	MBA PROCEEDS AND BONDS					-
32-3600-600	REVENUES FROM SPRINGVILLE CITY	397,134	404,165	202,080	405,878	1,713
32-3600-610	INTEREST INCOME	105	-	531		-
32-3800-810	TRANSFER FROM OTHER FUNDS					-
						-
	TOTAL REVENUES	397,239	404,165	202,611	405,878	1,713
EXPENDITURES						
32-4800-500	COST OF ISSUANCE					-
32-4800-780	MBA BONDS - INTEREST	90,334	82,365	43,223	74,078	(8,287)
32-4800-781	MBA BONDS - PRINCIPAL	305,000	320,000	320,000	330,000	10,000
32-4900-500	INTEREST PAID					
32-4900-740	TRANSFER TO CAPITAL IMPRV FUND					-
32-4900-790	BOND ADMINISTRATION FEES	1,800	1,800	-	1,800	-
						-
						-
	TOTAL EXPENDITURES	397,134	404,165	363,223	405,878	1,713
	SURPLUS / (DEFICIT)	105	-	(160,611)	-	
	ESTIMATED ENDING FUND BALANCE				3,585	

Notes:
1. Estimated Beginning Fund Balance subject FY 2023 Actual results and audit entries.