



TO: FRUITA CITY COUNCIL AND MAYOR

FROM: SHANNON VASSEN, ASSISTANT CITY MANAGER

DATE: SEPTEMBER 5, 2023

AGENDA TEXT: RESOLUTION 2023- 26- A Request to Approve a Resolution Amending the 2023 Budget and Transferring Funds from the General Fund and Marketing and Promotion Contingency Accounts for Entertainment Expenses and Short-Term Rental Compliance Software.

BACKGROUND

This budget amendment transfers \$14,500 from the General Fund Contingency Account as follows:

- General Fund – Code Compliance Software Subscriptions - \$7,000
 - This budget amendment transfers \$7,000 to Community Development Service Contracts to purchase software related to compliance of Short-Term Rentals. Per the City Council's request, staff will begin implementing this software this year and should be fully active by next year. The software includes modules for identifying addresses used of short-term rentals, compliance monitoring, rental activity monitoring, and a tax collection portal. The cost to implement this program will be shared between the General Fund and the Marketing and Promotion Fund.
- General Fund – Special Events Entertainment - \$7,500
 - Early this year, the City Council gave staff direction to increase the budget for the Thursday Night Concert Series by an additional \$7,500. This budget amendment formally transfers those funds.

This budget amendment also transfer \$3,4000 from the Marketing and Promotion Contingency Account as follows:

- Marketing and Promotion Fund – Software Subscriptions - \$3,400
 - This budget amendment transfers \$3,400 from the Marketing and Promotion Contingency Account to share costs related to the purchase and implementation of the Short-Term Rental Compliance software described above. Ongoing costs associated with this software is \$10,500 and will be shared between the two funds.

FISCAL IMPACT

- The General Fund Contingency Account of \$254,000 will be reduced by \$14,500 to \$239,500.
- The Marketing and Promotion Contingency Account will be reduced from \$3,400 to \$0.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

The contingency transfer includes necessary costs for the provision of core services and goals identified by the City Council. For this budget amendment, Council has advised staff to proceed with both of these changes as part of their goals for 2023.

OPTIONS AVAILABLE TO THE COUNCIL

- Approved the budget amendment as presented.
- Advise staff to amend the budget amendment.

RECOMMENDATION

It is the recommendation of staff that the Council by motion:

ADOPT RESOLUTION 2023-26 – AMENDING THE 2023 BUDGET AND TRANSFERRING FUNDS FROM THE GENERAL FUND AND MARKETING AND PROMOTION FUND CONTINGENCY ACCOUNTS FOR ENTERTAINMENT EXPENSES AND SHORT-TERM RENTAL COMPLIANCE SOFTWARE.