



TO: FRUITA CITY COUNCIL AND MAYOR

FROM: SHANNON VASSEN, ASSISTANT CITY MANAGER

DATE: OCTOBER 17, 2023

AGENDA TEXT: RESOLUTION 2023-30 - A Request to Approve a Resolution Amending the 2023 Budget and Transferring Funds from the General Fund Contingency Accounts for Legal Expenses for the Remainder of the Fiscal Year

BACKGROUND

This budget amendment transfers \$50,000 from the General Fund Contingency Account into the Legal Program for legal fees accrued and for the remainder of the year. The Legal Program has had unanticipated expenses throughout 2023 that has led to being over budget. Staff does believe that these expenses are one-time expenses and should not have an impact on future budgets. The bulk of the overages are expenses related to Mountain Water Properties (\$25,700 in total expenses through September of 2023), land and property acquisition (\$5,000 through September), and TMDL expenses (\$25,000 through September). Historically, the City spends \$25,000 - \$35,000 in legal expenses from October – December, and this budget amendment should cover costs for the remainder of the year.

FISCAL IMPACT

- The General Fund Contingency Account of \$239,500 will be reduced by \$50,000 to \$189,500.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

The contingency transfer includes the necessary costs for legal services needed by the City and City Council to effectively conduct City business in a consistent and transparent manner.

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 2023-30 – AMENDING THE 2023 BUDGET AND TRANSFERRING FUNDS FROM THE GENERAL FUND CONTINGENCY ACCOUNT TO THE LEGAL PROGRAM FOR LEGAL EXPENSES FOR THE REMAINDER OF THE FISCAL YEAR