

DISCUSSION ON 08-23-22 BUDGET AMENDMENTS

A few additional amendments are needed to close out this fiscal year. Uncertainties in the City's staffing situation prompted staff to submit the previous budget amendment earlier than normal; hence, the need for one more round of amendments. In view of the circumstances, staff wanted to take care of as many housekeeping matters as possible. The proposed amendments are highlighted in yellow. A column with year-to-date data through August 12th had been provided for your reference.

One major amendment involves funds for engineering for recently approved WWTP change order work. The project is in next year's budget, but eHT has already done much of the engineering. Grant funding will be provided, but the transactions need to be run through our budget.

Another significant one involves our trash collection expenditures. The expenditures have exceeded the budget for several reasons. First, there was the Republic increase. Second, several new customers have been added during the year. And third, the original budget was miscalculated. When the budget was initially prepared in May/June, the year-to-date billing data was used. Staff assumed that the May budget reflected 8 months of expenses, but it didn't. Due to accrual accounting, the auditors had worked with staff to move the October trash payment into the previous year, so the budget through May only reflected 7 months of expenses. Going forward detailed reports will be consulted.

A couple of the amendments involve squaring up Utility Fund capital improvement projects which straddled the last fiscal year and this year. It's always difficult determining how much of the cost will fall in each of the years involved.

Another involves a request from the Garden Club for \$1,400 for new Christmas bows for the Paluxy Bridge. Is this something the Council wishes to approve?

Several smaller amendments involve gasoline, utilities, and postage. Contributing factors are the inflation we have been experiencing and the increased activity in the building department where more certified mail has been sent.

Funds have been reallocated from within the budget, so there is a net \$0 change to the bottom line. As has been explained before, it is important to amend the budget to cover expenditures to keep our auditors happy. If this exercise isn't done, the City will get dinged in the audit, which could affect future borrowing rates.