



Agenda Item: 8.E

Date of Meeting: April 8, 2024

Department: Finance

STAFF REPORT

To: City Council
From: Ethan Aukee
Subject: **Sewer Fund Budget Adjustment**
Prepared On: March 29, 2024

Background/History:

The Sewer Fund budget as currently constituted does not account for the depreciation of the Sewer Trunk Line and the Trailer Mounted Chipper assets that were both capitalized in FY 22-23.

Analysis/Discussion:

While working on construction of the FY 24-25 budget, it was noticed that the FY 23-24 depreciation expense budget for the Sewer Fund did not account for new assets being depreciated. In order to account for the depreciation of new assets, the budget for 002-051-56025, Depreciation, needs to be increased from \$132,000 to \$150,908. City staff are requesting council approval to increase the budget figure for the Sewer Fund depreciation expense account.

Economic Impacts:

No economic impacts.

Budget Impacts:

Sewer Fund expense account 002-051-56025, Depreciation, would be increased from \$132,000 to \$150,908.

Legal Review:

City Attorney Pucci has reviewed this item and finds that the recommended action complies with the law.

Recommended Action:

Council consideration to approve the Sewer Fund budget adjustment as follows:
Increase the Sewer Fund expense account 002-051-56025, Depreciation, from \$132,000 to \$150,908.

Approved By: Ethan Aukee 3/29/2024

Approved By: Robin Picken 3/29/2024

Approved By: Deston Dishion 3/29/2024

Approved By: