

M E M O R A N D U M

DATE: October 22, 2013

TO: Dave Bullock, Town Manager
FROM: Sue Smith, Finance Director
SUBJECT: Resolution 2013-32, Budget Transfers for FY 2012-2013 Year End Reconciliation

At the October 21, 2013 Regular Workshop, the Town Commission considered Resolution 2013-32 which addresses all of the over budget line items greater than \$10,000, which exceed the authority of the Town Manager.

Throughout the fiscal year department heads are responsible for staying within their legally adopted budgets. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed the appropriations), per Town Charter is at the line item level vs. the departmental level. The Charter provision allows the Town Manager to transfer up to \$10,000 between line items within a department or among programs thereby, allowing department heads to overspend on some of their line items as long as they stay within the limits of their total department or program budget.

Transfers greater than \$10,000 for appropriations between departments, funds and use of unallocated funds amend the budget and require Town Commission approval.

There are many circumstances which may cause an overage in the departmental line items and these are communicated on a regular basis to the Town Manager. However, the Town waits until the close of the year end to finalize the process. There is also the possibility that additional approvals may be required as a result of the year-end audit adjustments.

Attachment A of Resolution 2013-32 illustrates the sources of funds by account number that will be used to cover overages within the departments along with an explanation for the availability/needs of such funds.

None of these transfers require the use of General Fund balance nor do they increase the total budget.

There was a consensus to forward Resolution 2013-32 to the November 4, 2013 Regular Meeting for public hearing and formal action.

If you have any questions, please feel free to contact me.

RESOLUTION 2013-32

A RESOLUTION OF THE TOWN OF LONGBOAT KEY, FLORIDA, AMENDING THE FISCAL YEAR 2012-2013 BUDGET BY TRANSFERRING A TOTAL OF \$519,696.00 IN AVAILABLE UNENCUMBERED FUNDS IN VARIOUS GENERAL FUND REVENUE AND EXPENDITURE LINE ITEM ACCOUNTS TO GENERAL FUND LINE ITEM ACCOUNTS WHERE EXPENDITURES EXCEEDED THE ADOPTED BUDGET, AS DETAILED; PROVIDING AN EFFECTIVE DATE.

WHEREAS, throughout the fiscal year individual department expenditure accounts may go over budget requiring a budget transfer to be made; and,

WHEREAS, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed the appropriations), pursuant to Town Charter is at the line item level rather than the departmental level; and

WHEREAS, pursuant to Town Charter, Article V, Section 9(d), the Town Manager has the authority to approve transfers of unencumbered funds up to \$10,000.00 within a department, office, or agency; and,

WHEREAS, the budget transfers for some of the individual expenditure accounts exceed the authority of the Town Manager requiring Town Commission approval.

NOW, THEREFORE, be it resolved by the Town Commission of the Town of Longboat Key, Florida, that:

SECTION 1. The above Whereas clauses are true and correct, are hereby ratified and confirmed, and fully incorporated by reference.

SECTION 2. The Town Commission hereby transfers in the fiscal year 2012-2013 budget a total of Five Hundred Nineteen Thousand Six Hundred Ninety-Six and 00/100 dollars (\$519,696.00), as detailed on Attachment A.

SECTION 3. This Resolution shall become effective immediately upon adoption.

Passed by the Town Commission of the Town of Longboat Key on the _____ day of _____, 2013.

James L. Brown, Mayor

ATTEST:

Trish Granger, Town Clerk

Attachment: Attachment "A"

ATTACHMENT A

OVERRUNS > \$10,000

TOWN MANAGER			
PENSION	001.1200.512.2201	<u>24,307</u>	
	Total	24,307	
To be funded by:			
PUBLIC WORKS - WAGES / REGULAR	001.2200.513.1201	(14,307)	
PUBLIC WORKS - PENSION	001.2200.513.2201	<u>(10,000)</u>	
	Total	(24,307)	Assistant Town Manager Budgeted in Public Works
FINANCE			
SEVERANCE	001.1400.513.1209	<u>23,184</u>	
	Total	23,184	Finance Director Severance
To be funded by:			
FINANCE - WAGES / EXECUTIVE	001.1400.513.1101	<u>(23,184)</u>	
	Total	(23,184)	
POLICE			
			Assumed Payroll for Actual Contribution was different from the payroll amount during budget development
PENSION	001.1900.521.2201	10,956	
TOWN CONTRIB DEF COMP / ICMA 401-A	001.1900.521.2204	14,086	Chief had not opted out of the pension plan at the time the budget was developed
FUEL AND OIL	001.1900.521.5204	<u>27,990</u>	Under Budgeted - Corrected in FY 14 Budget
	Total	53,032	
To be funded by:			
POLICE - WAGES / REGULAR	001.1900.521.1201	(14,332)	Staff shortages
POLICE - FICA TAXES	001.1900.521.2101	(5,250)	
POLICE - R/M BUILDINGS	001.1900.521.4601	(5,200)	Cleaning contract was less than anticipated
POLICE - R/M AUTOMOTIVE EQUIPMENT	001.1900.521.4603	(14,036)	Anticipated larger repairs to older vehicles.
POLICE - AUTOMOTIVE EQUIPMENT	001.1900.521.6401	<u>(14,214)</u>	Trade in value of 2 vehicles
	Total	(53,032)	
EMERGENCY MANAGEMENT			
COMMUNICATIONS	001.2100.525.4101	<u>5,546</u>	Code Red not Budgeted
	Total	5,546	
To be funded by:			
TOWN CLERK - ADVERTISING	001.1300.512.4903	<u>(5,546)</u>	Budgeted to cover special meetings if necessary. Was anticipated that there would be Comp Plan meetings in FY13
	Total	(5,546)	
PLANNING AND ZONING			
R/M AUTOMOTIVE EQUIPMENT	001.2500.515.4603	14,950	Sarasota Fleet Services initial costs higher than budget
SEVERANCE	001.2500.515.1209	<u>22,109</u>	PZB Director Severance
	Total	37,059	
To be funded by:			
P&Z - WAGES / REGULAR	001.2500.515.1201	<u>(37,059)</u>	Staff Shortage
	Total	(37,059)	
STREETS			
R/M AUTOMOTIVE EQUIPMENT	001.3200.541.4603	<u>6,861</u>	Sarasota Fleet Services initial costs higher than budget
	Total	6,861	
To be funded by:			
PARKS - R/M GROUNDS/CONTRACTUAL	001.2300.572.4608	<u>(6,861)</u>	Grounds contract was eliminated in December 2012; work done in house on a trial basis; will evaluate if feasible to continue
	Total	(6,861)	

ATTACHMENT A - Continued

OVERRUNS > \$10,000

FIRE			
WAGES / REGULAR	001.2000.522.1201	47,162	Accrued Vacation Payouts for DC that resigned. DC's 3% Increase
WAGES / OVERTIME	001.2000.522.1402	15,781	Staff Shortages Result in Additional OT
FUEL AND OIL	001.2000.522.5204	12,643	Under Budgeted - Corrected in FY 14 Budget
BOATS	001.2000.522.6410	12,338	Fire Pump not originally budgeted; Paid by WCIND
OTHER EQUIPMENT	001.2000.522.6403	19,875	WCIND grant for jet skis not originally budgeted
PENSION	001.2000.522.2201	<u>160,076</u>	Estimated pension budget was based on a salary amount that changed when payment was calculated resulting in a higher Town contribution; State monies were short of budget by \$65k; Estimated Pension Board Expenses were 78k higher than budgeted
	Total	267,875	
To be funded by:			
FIRE DEPT - WORKERS COMPENSATION	001.2000.522.2401	(13,549)	Estimated increase during budget planning was not as high as expected
FIRE DEPT - PROF SERVICES / OTHER	001.2000.522.3104	(75,600)	Part time Fire Marshal Paid from Wages / Regular
FIRE DEPT - SMALL TOOLS AND MINOR EQUIPMENT	001.2000.522.5210	(10,215)	Transfer to cover various fire department overages
TOWN CLERK - ADVERTISING	001.1300.512.4903	(19,693)	Budgeted to cover special meetings if necessary. Was anticipated that there would be Comp Plan meetings in FY13
TOWN ATTORNEY - CONTRACTUAL SERVICES / LEGAL	001.1100.514.3102	(34,000)	Town Attorney resigned; New town Attorney contract at lower cost
R/M BUILDINGS	001.2600.572.4601	(5,600)	Cleaning contract was less than anticipated
R/M GROUNDS/CONTRACTUAL	001.2600.572.4608	(4,445)	Grounds contract was eliminated in December 2012; work done in house on a trial basis; will evaluate if feasible to continue
R/M GROUNDS/CONTRACTUAL	001.2300.572.4608	(9,139)	Grounds contract was eliminated in December 2012; work done in house on a trial basis; will evaluate if feasible to continue
IT - WAGES / REGULAR	001.1500.519.1201	(42,000)	Vacant Position
P&Z - WAGES / REGULAR	001.2500.515.1201	(17,941)	Vacant position
PUBLIC WORKS - WAGES / REGULAR	001.2200.513.1201	<u>(35,693)</u>	Anne Ross wages moved to TM 50% and Water 50%
	Total	(267,875)	
GENERAL SERVICES			
UNEMPLOYMENT	001.3000.513.2501	13,232	No Budget - Cannot anticipate
PROF SERVICES / OTHER	001.3000.519.3104	31,600	Pension Consultants
PROF SERVICES / OTHER	001.3000.519.3104	<u>57,000</u>	Pension Consultants
	Total	101,832	
To be funded by:			
GENERAL SERVICES - INSURANCE / PROPERTY	001.3000.519.4502	(21,399)	Estimated increase during budget planning was not as high as expected
GENERAL SERVICES - INSURANCE / OTHER	001.3000.519.4503	(19,834)	Estimated increase during budget planning was not as high as expected
GENERAL SERVICES - MISCELLANEOUS	001.3000.519.4902	(3,599)	Budgeted for unanticipated expenses - transfer to Prof Svcs
GENERAL SERVICES - CONTINGENCIES	001.3000.519.9901	<u>(57,000)</u>	Per 2014 Budget Book-Pension Consultants
	Total	(101,832)	



End of Agenda Item