



# BUDGET TRANSFERS FY ENDING 9/30/2014

TOWN COMMISSION  
APRIL 7, 2014



## PROPOSED ORDINANCES FY2014

- 1. Ordinance 2014-09 Eliminates Infrastructure Surtax  
Funds from the General Fund in the amount of \$449,000**
- 2. Ordinance 2014-10 Appropriates \$296,000 of Fund  
Balance from the Building Fund for Expenses Related  
to The Colony and Other Contracted Services**



## **PROPOSED RESOLUTIONS AND ORDINANCES FY2014 CONT.**

- 3. Ordinance 2014-11 Amends the Utility Fund Budget to  
Provide \$300,000 for Rehabilitation of Lift Station E  
from Utility Fund Contingency and Fund Balance**
- 4. Ordinance 2014-12 Appropriates \$250,000 of Fund  
Balance in the Beach Capital Project Fund to Provide  
for Expenses related to Litigation Defense on North End  
Structures and Revisions to Beach District Ordinances**



# CONTINGENCY BALANCES

<b>Utility Fund Contingency:</b>	
Opening balance	\$ 200,000
Proposed Ordinance 2014-11	<u>(200,000)</u>
Remaining Balance	\$ -0-



**Enterprise Funds**

**General Fund**

ORD 2014-09

**Utility Fund**

ORD 2014-11

**Building Fund**

ORD 2014-10

**Special Revenue Fund**

**Infrastructure Fund**

ORD 2014-09

**Capital Projects Fund**

**Beach Fund**

ORD 2014-12



# FUND BALANCE IMPACT

	Beginning Fund Balance <u>Oct 1, 2013</u>	Proposed Ordinance	Ending Balance
General Fund	\$ 3,116,520	-0-	3,116,520
Infrastructure Fund	\$ 1,091,978	-0-	1,091,978
Building Fund	\$ 899,407	(\$296,000)	603,407
Utility Fund (Unrestricted)	\$ 16,300,000	(\$100,000)	16,200,000
Beach Fund	\$ 5,276,491	(\$250,000)	5,026,491



ORDINANCE 2014-09

ORD 2014-09

**General Fund**

**Eliminates Infrastructure Surtax Funds in the Amount of \$449,000 From the General Fund Budget**

-----

- **Reduces General Fund Budgeted Revenues-Transfers In**
- **Reduces General Fund Budgeted Expenditures-Capital**
- **Increases Infrastructure Fund Expenditures Budget-Capital**

ORD 2014-09

**Special Revenue Fund**

**Infrastructure Fund**

ORD 2014-09





ORDINANCES 2014-10 AND 2014-11

Enterprise Funds

**Utility Fund**

ORD 2014-11

Transfers \$200,000 from Contingency and \$100,000 from Fund Balance To The Rehabilitation of Lift Station E Project

-----  
Total \$300,000

Fund Balance after transfer \$31.4 million of which approx \$16.2 million is unrestricted.

**Building Fund**

ORD 2014-10

Transfers \$296,000 from Fund Balance To Building Code Enforcement Professional Services

-----

\$170,000 The Colony  
\$126,000 Contract Inspections

**Fund Balance after transfer \$603,407**



ORDINANCES 2014-12

Capital Projects Fund

Beach Fund

ORD 2014-12

Transfers \$250,000  
 from Fund Balance  
 To Professional  
 Services

-----

\$150,000 Litigation  
 Defense  
 \$100,000 Ordinance  
 Revision

Fund Balance after transfer \$5 million

## M E M O R A N D U M

Date: March 3, 2014

**TO:** Town Commission

**FROM:** Dave Bullock, Town Manager

**SUBJECT:** Ordinance 2014-09, Amending the FY 2013-2014 Budget to Eliminate Infrastructure Surtax Funds from the General Fund

---

In October of 2013 an internal audit was performed on the Infrastructure Fund by the Town's finance director and as a result we are recommending a change in accounting practice along with the associated budget amendment.

The Town maintains a special revenue fund to account for the infrastructure surtax collections but has not been recording the related expenditures in this fund. Other funds, such as the general fund, incur the expense and the money is transferred over to the general fund from the infrastructure surtax fund to reimburse it.

As a result of this accounting practice, the Town had cumulatively overfunded the general fund during Infrastructure Phase II and Phase III by \$66,543 and \$12,820, respectively. This overfunding was corrected and returned to the Infrastructure Fund during the FY2013 budget cycle.

The accounting definition of a special revenue fund is a fund used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes. We recommend that the expenditures be recorded in the Infrastructure Surtax Fund for better accountability and matching of the revenues which were committed for a specific purpose.

Ordinance 2014-09 amends the FY 2013-2014 Budget to provide for the change in accounting practice. The ordinance reduces the revenue and expenditures by the same amount in the general fund and creates the appropriations in the Infrastructure Surtax Fund for the projects already approved during the FY2013-2014 process.

Ordinance 2014-09 was presented to the Commission at their Feb. 18, 2014 Regular Workshop Meeting for consideration. First reading and public hearing was held at the March 3, 2014 Regular Meeting. The Ordinance was forwarded to the April 7, 2014 Regular Meeting for second reading, public hearing and discussion.

Please don't hesitate to contact me if you have any questions.

**ORDINANCE 2014-09**

**AN ORDINANCE AMENDING THE GENERAL FUND BUDGET OF THE TOWN OF LONGBOAT KEY, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013, AND ENDING SEPTEMBER 30, 2014; REDUCING TRANSFERS IN INFRASTRUCTURE SURTAX REVENUE IN THE AMOUNT OF \$449,000.00; AND REDUCING RELATED CAPITAL EXPENDITURES FROM INFORMATION TECHNOLOGY, MUNICIPAL BUILDINGS, AND POLICE DEPARTMENTAL BUDGETS; AND REAPPROPRIATING EXPENDITURES IN THE INFRASTRUCTURE SURTAX FUND; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, an internal audit performed by the Town's Finance Director on the Infrastructure Surtax Fund resulted in a recommended change in an accounting practice relating to special revenue funds; and,

**WHEREAS**, a special revenue fund is a fund used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes; and,

**WHEREAS**, certain expenditures which were originally budgeted in the General Fund will be moved to the special revenue fund, Infrastructure Surtax Fund, for better accountability and matching of the revenues which were committed for a specific purpose; and,

**WHEREAS**, the revenue which was originally budgeted in the General Fund to cover such expenditures, will also be reduced by the amount of transfer;

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN OF LONGBOAT KEY, FLORIDA, THAT:**

**SECTION 1.** The above Whereas clauses are true and correct and are hereby ratified and confirmed.

**SECTION 2.** The general fund budget of the Town of Longboat Key for the fiscal year beginning October 1, 2013, and ending September 30, 2014, as adopted pursuant to Ordinance 2013-23, is hereby amended as follows:

Reduce Revenue Line	
001.0900.381.0102 Transfer In-Infrastructure Fund	\$449,000
Reduce Expenditure Line	
001.1500.519.6403 IT-Other Equipment	\$ 181,000
001.1700.519.6202 Municipal Buildings-Paint/Floor	20,000
001.1900.521.6401 Automotive Equipment	144,000
001.1900.521.6403 Other Equipment	<u>104,000</u>
	\$ 449,000

SECTION 3. The Infrastructure Surtax Fund budget of the Town of Longboat Key for the fiscal year beginning October 1, 2013, and ending September 30, 2014, as adopted pursuant to Ordinance 2013-23, is hereby amended as follows:

Reduce Expenditure Line	
102.3400.572.9001 Transfer Out to General Fund	(\$449,000)
Increase Expenditure Line	
102.3400.519.6202 Interior Painting	\$ 10,000
102.3400.519.6203 Floor Coverings	10,000
102.3400.519.6404 Server Replacement	96,000
102.3400.519.6405 Telephone System	85,000
102.3400.521.6401 Police Cars	108,000
102.3400.521.6402 SUV	36,000
102.3400.521.6403 Radio Equipment	<u>104,000</u>
	\$449,000

SECTION 4. If any section, subsection, sentence, clause, or provision of this Ordinance is held invalid, the remainder of the Ordinance shall not be affected.

SECTION 5. All Ordinances or parts of Ordinances in conflict herewith shall be and the same are hereby repealed.

SECTION 6. This Ordinance shall take effect upon second reading and public hearing in accordance with Law and the Charter of the Town of Longboat Key.

Passed on the first reading and public hearing the \_\_\_\_ day of \_\_\_\_\_, 2014.

Adopted on the second reading and public hearing the \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
James L. Brown, Mayor

ATTEST:

\_\_\_\_\_  
Trish Granger, Town Clerk



**End of Agenda Item**