

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

DATE: October 21 , 2014

TO: Dave Bullock, Town Manager

FROM: Sue Smith, Finance Director

SUBJECT: Resolution 2014-30, Budget Transfers for Fiscal Year 2013-2014 Year End Reconciliation

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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 Article V, Section 9(d), 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 requires 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.

Resolution 2014-30 is being presented for Commission consideration and addresses all of the over budget line items greater than \$10,000, which exceed the authority of the Town Manager.

Exhibit A of Resolution 2014-30 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.

Resolution 2014-30 was presented to the Town Commission at the October 20, 2014, Regular Workshop Meeting and was forwarded to the November 3, 2014, Regular Meeting for formal action. The amount of the Resolution has increased by \$4,890 since the Regular Workshop due to additional invoices processed relevant to the prior fiscal year.

Some of modifications made subsequent to the Regular Workshop Meeting include the reduction in the amount needed from the Town Clerk to cover Fire Incentive Pay. Fuel and Oil ended up with a surplus after all expenditures were posted resulting in the Fire Department to be able to cover the overage in Incentive Pay. Other changes include additional lines over budget in the Town Manager's expenditures and the Human Resources budget that went slightly over. The overages in Town Manager and Human Resources will be offset by the Town Clerk Regular Wages line.

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

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

**RESOLUTION 2014-30**

**A RESOLUTION OF THE TOWN OF LONGBOAT KEY, FLORIDA, AMENDING THE FISCAL YEAR 2013-2014 BUDGET BY TRANSFERRING A TOTAL OF \$308,502.00 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 2013-2014 budget a total of Three Hundred Eight Thousand Five Hundred Two and 00/100 dollars (\$308,502.00), as detailed on Exhibit A, attached hereto.

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 \_\_\_\_\_, 2014.

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

ATTEST:

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

Attachment: Exhibit A

### Exhibit A

Finance	001.1400.513.3104	Prof Services / Other	\$ 12,100		Hired Temps for vacant positions
			<b>Totals \$ 12,100</b>	<b>\$ (12,100)</b>	
Police Department	001.1900.521.1201	Wages / Regular		\$ (14,849)	Vacant Positions
	001.1900.521.1206	Wages / Holiday	\$ 14,849		Contract Increase
			<b>Totals \$ 14,849</b>	<b>\$ (14,849)</b>	
Police Department	001.1900.521.2201	Pension		\$ (114,568)	Prior overpayment as well as estimated without PBA contract complete
	001.2000.522.1201	Wages / Regular		\$ (18,101)	Replacement of a retirement with lower wage worker
	001.2000.522.2202	FRS Town Contribution		\$ (48,235)	First year for Florida Retirement System. Budget was estimated before full knowledge of FRS rates
Fire Department	001.2000.522.5204	Fuel and Oil		\$ (12,106)	Fuel Prices did not increase as much as expected
	001.2000.522.1204	Incentive Pay / Regular	\$ 12,106		Contract Changes
	001.2000.522.2201	Pension	\$ 180,904		Budgeted Prepayment that had already been accounted for previously
			<b>Totals \$ 193,010</b>	<b>\$ (193,010)</b>	
Town Clerk	001.1300.512.1201	Wages / Regular		\$ (5,400)	Two part time budgeted. One not filled part of year
Human Resources	001.1600.513.3104	Professional Services	\$ 650		New employee physicals
	001.1200.512.4101	Communications	\$ 900		
Town Manager	001.1200.512.4001	Travel/Training	\$ 200		Additional Costs for Assistant Town Manager
	001.1200.512.5401	Subscriptions And Memberships	\$ 1,900		Budgeted appropriately in FY 15
Town Manager	001.1200.512.2203	Town Contrib Salary Savings / 401-K	\$ 1,750		Additional Employee Contribution resulting in increased Town contribution
			<b>Totals \$ 5,400</b>	<b>\$ (5,400)</b>	
<b>Grand Total Transfers</b>			<b>\$ 308,502</b>	<b>\$ (308,502)</b>	



**End of Agenda Item**