

Regular Workshop – October 19, 2015
Agenda Item 11

Agenda Item: Proposed Resolution 2015-25, General Fund Budget Transfers for Fiscal Year 2014-2015 Year End Reconciliation

Presenter: Town Manager

Summary: The Town Charter requires that sufficient budgets are available in each general ledger account to cover the expenditures charged to the account. The Town Manager has the authority to transfer up to \$10,000 within a department, program or agency, however the Town Commission must authorize, by resolution, transfers exceeding \$10,000 and transfers across departments.

Proposed Resolution 2015-25 provides preliminary estimates of the necessary transfers within the General Fund for compliance with the Town Charter. Attachment A of Resolution 2015-25 lists the individual accounts we are recommending transfers from, the reason for the surplus, and the accounts the funds are being transferred to, along with an explanation for the budgetary shortfall.

As we continue to process invoices over the next few weeks, we will make any necessary adjustments prior to the November 2, 2015 Regular Meeting.

Attachments: 10-12-15 Memo, Finance Director to Manager;
Proposed Resolution 2015-25.

Recommended

Action: Pending discussion; forward Resolution 2015-25 to the November 2, 2015 Regular Meeting for formal action.

M E M O R A N D U M

DATE: October 12, 2015

TO: Dave Bullock, Town Manager
FROM: Sue Smith, Finance Director
SUBJECT: Proposed Resolution 2015-25, Budget Transfers for Fiscal Year 2014-2015 Year End Reconciliation for the General Fund

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 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.

Proposed Resolution 2015-25 is being presented for Commission consideration and addresses all of the General Fund over budget line items greater than \$10,000, or overall departmental shortages, which exceed the authority of the Town Manager.

Attachment A of proposed Resolution 2015-25 illustrates the sources of funds by account number that will be used to cover overages within or between the departments along with an explanation for the availability/needs of such funds. As we continue to process invoices over the next few weeks, we will make any necessary adjustments prior to the November 2, 2015 Regular Meeting.

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.



**BUDGET TRANSFERS
FY ENDING 9/30/2015**

**AGENDA ITEMS 11 THROUGH 12
REGULAR WORKSHOP
OCTOBER 19, 2015**



YEAR END CLOSE PROCESS

- **Final Accounts Payable Processing and Post close accruals for payroll, accounts payable and contracts occur from September 30th through mid-November.**
- **Transfers of appropriations up to \$10,000 between line items within a department or among programs within a department are approved by the Town Manager.**
- **Transfers from one department to another require approval by the Town Commission by Resolution.**
- **Transfers of appropriations between funds, the use of unallocated fund balances or other revenue sources amend the budget and require approval by the Town Commission by Ordinance.**
- **State Statute 166.241 (4) allows amendments to budget within a fiscal year or within 60 days following the end of a fiscal year.**



PROPOSED ORDINANCES AND RESOLUTIONS FY2015

**Workshop
9/21/15**

**Workshop
10/19/15**

**Regular
Meeting
10/05/15**

**Regular
Meeting
11/2/15**

ORD 2015-24
Park & Rec Fund
ORD 2015-25
Land Acquisition
Fund
ORD 2015-26
Beach Fund
ORD 2015-28
Tennis Center

RES 2015-25
General Fund
RES 2015-26
Utility Fund

1st Reading
ORD 2015-24
ORD 2015-25
ORD 2015-26
ORD 2015-28

2nd Reading and
Adoption
ORD 2015-24
ORD 2015-25
ORD 2015-26
ORD 2015-28

1st Reading and
Adoption
RES 2015-25
RES 2015-26

RESOLUTION 2015-25

A RESOLUTION OF THE TOWN OF LONGBOAT KEY, FLORIDA, AMENDING THE FISCAL YEAR 2014-2015 BUDGET BY TRANSFERRING AVAILABLE UNENCUMBERED FUNDS IN VARIOUS GENERAL FUND EXPENDITURE LINE ITEM ACCOUNTS TO OTHER 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 within the General Fund 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 2014-2015 General Fund budget a total of One Hundred Twenty Nine Thousand, Six Hundred Twenty-Two and 00/100 dollars (\$129,622.00), within or among departments, 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 _____, 2015.

Jack G Duncan, Mayor

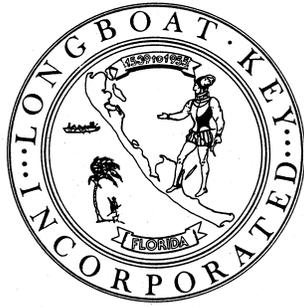
ATTEST:

Trish Granger, Town Clerk

Attachment: Exhibit A

EXHIBIT A

ACCOUNT	DESCRIPTION	TRANSFER FROM	TRANSFER TO	Explanation
001.3000.525.3110	PROF SERVICES / RED TIDE CLEAN UP	(48,376)		Did not have a Red Tide event
001.1100.514.3102	CONTRACTUAL SERVICES / LEGAL	(11,086)		Actual charges over the retainer not as much as anticipated.
001.1100.514.3105	MISC LEGAL EXPENSES	(15,000)		Line Item Not Charged - Moved to Other Attorney line in FY16
001.1100.514.5401	SUBSCRIPTIONS AND MEMBERSHIPS	(3,000)		Line Item Not Charged - Moved to Other Attorney line in FY16
001.1100.514.3106	OTHER ATTORNEYS		28,000	Lobbyists, Fire Contract Negotiations
001.1100.514.3108	TOWN ATTORNEY / LITIGATION		20,000	Longboat Pass, Colony
001.1200.512.2301	INSURANCE / MEDICAL		12,612	Town Manager Health Insurance incorrectly budgeted. FY16 corrected
001.1600.513.3104	PROF SERVICE / OTHER		12,100	Employee turnover with spike in new employee physicals
001.2100.525.4101	COMMUNICATIONS	-	4,750	Code Red and Satellite Phones underbudgeted
		<u>(77,462)</u>	<u>77,462</u>	
001.1400.513.1201	WAGES / REGULAR	(8,800)		
001.1400.513.2301	INSURANCE / MEDICAL	(3,600)		Hired Interim Purchasing Manager (classified as Temporary) until hiring process completed
001.1400.513.1302	WAGES / TEMPORARY	-	12,400	
		<u>(12,400)</u>	<u>12,400</u>	
001.1500.519.1201	WAGES / REGULAR	(28,250)		
001.1500.519.1209	SEVERANCE		28,250	IT Director Resignation reduced salaries and required a severance payout.
001.1300.512.1201	WAGES / REGULAR	(11,510)		
001.1300.512.1302	WAGES / TEMPORARY		11,510	One front desk employee charged to temp classification until after probation.
	TOTALS	(129,622)	129,622	



End of Agenda Item