

Regular Workshop – October 17, 2016
Agenda Item 11

Agenda Item: Proposed Resolution 2016-21, General Fund Budget Transfers for Fiscal Year 2015-2016 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 2016-21 provides preliminary estimates of the necessary transfers within the General Fund for compliance with the Town Charter. Exhibit A of Resolution 2016-21 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 7, 2016 Regular Meeting.

Attachments: 10-11-16 Memo, Finance Director to Manager;
Proposed Resolution 2016-21.

Recommended

Action: Pending discussion; forward Resolution 2016-21 to the November 7, 2016 Regular Meeting for formal action.

M E M O R A N D U M

DATE: October 11, 2016

TO: Dave Bullock, Town Manager
FROM: Sue Smith, Finance Director
SUBJECT: Resolution 2016-21 Budget Transfers for Fiscal Year 2015-2016 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.

The circumstances which cause an overage in the departmental line items are communicated on a regular basis to the Town Manager by Department Heads and/or Finance. 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 2016-21 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.

Exhibit A of Resolution 2016-21 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 up to the November 7, 2016 Regular Meeting.

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

Proposed Resolution 2016-21 is being presented at the October 17, 2016, Regular Workshop for discussion and if approved, forwarded to the November 7, 2016 Regular Meeting for formal action. If you have any questions, please feel free to contact me.

RESOLUTION 2016-21

A RESOLUTION OF THE TOWN OF LONGBOAT KEY, FLORIDA, AMENDING THE FISCAL YEAR 2015-2016 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 2015-2016 General Fund budget a total of Eighty Five Thousand, Four Hundred Seventy-Two and 00/100 dollars (\$85,472.00), 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 _____, 2016.

Jack G Duncan, Mayor

ATTEST:

Trish Granger, Town Clerk
Attachment: Exhibit A

EXHIBIT A – Resolution 2016-21

DEPT	ACCOUNT	DESCRIPTION	TRANSFER FROM	TRANSFER TO	Explanation
TRANSFERS BETWEEN DEPARTMENTS					
FIRE	001.2000.522.1201	WAGES / REGULAR	(3,096)		Savings From Contract
FIRE	001.2000.522.3104	PROF SERVICES / OTHER	(4,675)		Savings to Assist Human Resources with New Hire Physicals
EMERGENCY MGMT	001.2100.525.1402	OVERTIME - STORMS		2,876	Overtime for Tropical Storm Colin and Hurricane Hermine
EMERGENCY MGMT	001.2100.525.2101	FICA TAXES		220	Social Security/Medicare (see above)
HUMAN RESOURCES	001.1600.513.3104	PROF SERVICE / OTHER	-	4,675	Overages Due to New Hire Physicals (see above)
			(7,771)	7,771	
TRANSFERS GREATER THAN \$10,000 AND COVERED WITHIN SAME DEPARTMENT					
GEN'L SERVICES	001.3000.513.2501	UNEMPLOYMENT	(10,000)		
GEN'L SERVICES	001.3000.519.4503	INSURANCE / OTHER	(3,700)		Additional Town Commission Meetings Due to Undergrounding
GEN'L SERVICES	001.3000.519.4104	TELEVISION MEDIA	-	13,700	
			(13,700)	13,700	
LEGAL	001.1100.514.3102	CONTRACTUAL SERVICES / LI	(15,000)		
LEGAL	001.1100.514.3104	PROF SERVICES / PURCHASING		15,000	Additional Legal Services Needed for Purchasing
FIRE	001.2000.522.5204	FUEL AND OIL	(13,301)		Fuel Prices Low Most of Year
FIRE	001.2000.522.5214	BUNKER GEAR (NON CAPITAL)	(35,700)		Reclassified Bunker Gear to Capital
FIRE	001.2000.522.6403	OTHER EQUIPMENT	-	49,001	Unanticipated Costs for Dispatch Transition / Reclassified Bunker Gear to Capital
			(49,001)	49,001	
TOTALS			(85,472)	85,472	



End of Agenda Item