



Legislation Details (With Text)

File #: 18-268 **Version:** 1 **Name:**
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On agenda: 6/14/2018 **Final action:**
Title: Adoption of Resolution 2018-18 Approving Year End Budget Adjustments for FY 2017/18

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution 2018-18 YE Budget Adjustment for FY2018, 2. Exhibit A - Budget Adjustments, 3. Exhibit B - Budget and actual, 4. Exhibit C - Council Action Report 9/14/2017

Date	Ver.	Action By	Action	Result
6/14/2018	1	Town Council	Adopted	Pass

TO: Mayor Collins and Town Council Members

FROM: Kevin Burke, Town Manager
Douglas W. Allen, CPA

DATE: 06/14/18

DEPARTMENT: Finance

AGENDA TITLE:

Adoption of Resolution 2018-18 Approving Year End Budget Adjustments for FY 2017/18

Town Value(s):

- ☐ Primarily one-acre, residential community
- ☒ Limited government
- ☐ Creating a sense of community
- ☐ Partnerships with existing schools and resorts to enhance recreational opportunities
- ☐ Improving aesthetics/creating a brand
- ☐ Preserving natural open space

Council Goals or Statutory Requirements:

RECOMMENDATION:

Adopt Resolution number 2018-18 approving year end budget adjustments for FY2017/18.

SUMMARY STATEMENT:

The budget adjustments being recommended for Council approval were unanticipated expenditures at the time of assembling the July 2017-June 30 2018 Budget. These costs exceed the Town

Manager's expenditure authority (less than \$25,000). The largest adjustment is associated with the Town Manager's reorganization that created a Chief Information Officer for Information Technology, a Chief Financial Officer for Finance as well as bringing more help to the Town Manager's Office in the form of a Deputy Town Manager. Second, as Mayor and Council will recall, FY18 represented a restructuring of the Post Office where the Town now purchased stamps and meter inventory from USPS rather than reimbursing. This was due to getting a more modern and reliable postage meter. Unfortunately, the budget to buy stamps was approximately \$115,000 less than what was actually sold. While there was an equal amount of revenue received, the Town must appropriate the expenditure authority. Third, due to the State losing the Parker and Hall pension court cases, the Town had to reimburse beneficiaries substantial contributions and interest. The contributions were refunds from the pension plan, but the interest was an expense to the Town totaling nearly \$60,000.

Year-end budget adjustments are part of the year-end housecleaning. These adjustments are being brought to Council now rather than immediately after the end of the fiscal year due to the summer recess. The Town's books for FY2018 will be close at the end of August (60 days after the close of the fiscal year).

Should further budget adjustments be identified that require council consideration and action for FY2018, they will be communicated and ready on the first meeting in September. But none are anticipated at this time.

BUDGETARY IMPACT:

The Council authorized transfer from the Alarm Fund to various departments in the General Fund to provide funding for two positions--one in the Finance Division and one in the Information Technology Division.

However, reflecting upon the FY as it closes, the positions were only filled for approximately five (5) months. This shortened timeframe resulted in adequate funding being within the existing departmental budgets to support this reorganization and the opportunity to eliminate the need to transfer from the Alarm Fund.

Rescinding the Council action to transfer money from the Alarm Fund assists in keeping the Alarm Fund intact for future Council decisions. Services rendered to the Alarm Fund by Finance, IT and Police are charged to the Alarm Fund at the close of the FY.

Council action to transfer budget authority as outlined in Exhibit A aligns unexpected obligations with budget authority and keeps the Town in legal budgetary compliance.

Also find a Projected Year End Expenditure Summary (Exhibit B). This schedule shows the Town General Fund is anticipated to come in \$1 million under budget for FY18.

ATTACHMENT(S):

PV Resolution approving year end budget adjustments for FY2018.

Exhibit A - General Fund Budget Adjustments

Exhibit B - Summary of Budget and "Estimated Actual" Expenditures - General Fund

Exhibit C - Council Action Report 09/14/2017

