



# MEMORANDUM

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August 6, 2015

TO: Members of the Board of Mayor and Aldermen  
Members of Budget and Finance Committee

FROM: Eric Stuckey, City Administrator  
Russ Truell, ACA/CFO  
Mike Lowe, Comptroller  
Michael Walters Young, Business Process Improvement Manager

RE: Budget Amendment for Fiscal Year 2016

## **Purpose**

The purpose of this item is to amend the Fiscal Year 2016 Budget for compliance with State budgeting guidance regarding:

1. Ensuring authorizations in place to balance each fund's budget on a cash basis on June 30, 2015.

## **Background**

The State Comptroller has provided guidance that budget amendments are to be on the cash basis and must occur prior to fiscal year end (June 30) to ensure no fund has a deficit fund balance or deficit cash balance at June 30. If not in compliance with this requirement, approval of future bond issues by the State may be affected. In order to stay ahead of this responsibility, staff is proposing three budget amendments for capital items.

The amendments are as follows:

1. Authorization to add \$13,856 to budgeted expenditures in the Sanitation and Environmental Service Fund – Collection Division for the added lease cost of an Automated Front-End Load Truck w/ Curotto Can. Originally, the SES Department had request the purchase of one new Automated Front-End Load Truck w/ Curotto Can through the Facilities Tax and the replacement of an existing side loader truck. Having now tested the Automated Front-End Load Truck w/ Curotto Can and seen what it can do, for \$13,856 more in FY 2016 the department can purchase a second Automated Front-End Load Truck w/ Curotto Can and have essentially two trucks in one.
2. Authorization to add \$197,271 to budgeted expenditures in the Facilities Tax Fund – Solid Waste Collection Division for the added purchase cost of an Automated Front-End Load Truck w/ Curotto Can. The budget was built with the assumption the item was to be leased, but instead it will be purchased outright with Facilities Tax Funds.
3. Authorization to add \$142,191 to budgeted expenditures in the Facilities Tax Fund – Fire Department for the following items:
  - a. \$72,075 for the cost to purchase rather than lease SCBA Equipment for Stations 7&8
  - b. \$29,516 for the cost of 1 LifePak Defibulator for Station 8 (this purchase was already approved by the BOMA, and was budgeted in FY 2015, but could not be completed until FY 2016).

- c. \$30,960 for the cost of 1 LifePak Defibulator for Station 7. The quote is attached.
- d. \$9,640 for the cost of 1 Washer/Extractor for Station 8 (this purchase was budgeted in FY 2015, but could not be completed until FY 2016).

This will be the first of several budget amendments during the Fiscal Year to the budget. In September staff plans to bring to you a series of corrections and amendments which are more traditionally found in the 1<sup>st</sup> Quarter, including the distribution of wage adjustments from General Expenses to Departments, pension adjustments and miscellaneous expense adjustments.

**Financial Impact**

The amendments, as proposed, would result in:

1. Reduction of Sanitation and Environmental Service Fund balance by \$13,856.
2. Reduction of Facilities Tax Fund balance by \$339,462.

**Options**

1. Approve amendment(s) as proposed and forward to BOMA.
2. Make changes to the amendment(s) where desired and forward to BOMA.

**Recommendation**

Staff recommends approval of the amendments.