

November 12, 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: Consideration of Ordinance 2015-92, 2<sup>nd</sup> Quarter 2016 Budget Amendments

### **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.

In order to stay ahead of this responsibility, staff is proposing three budget amendments.

The amendments are as follows:

1. Transfer of \$695,818 from General Expenses to various departments within the General Fund. The four purposes of the transfers are:
  - a. Distribution of 2% wage increases and personnel reclassifications - \$601,279
  - b. Pension Budget v. Actual reclassifications - \$67,093
  - c. Additional cost for P91X Bus Service (already approved by BOMA) - \$12,870
  - d. Improvements to Town Square - \$18,500
2. Increase of \$36,595 in revenue and expense to the Hotel/Motel Fund for the McEwen/I-65 Landscaping Improvements (previously approved by the BOMA).
3. Increase of \$479,401 in expense to the Capital Projects Fund for the following projects:
  - a. \$99,401 for additional expenses incurred for the conversion and integration process of utility billing into Infor.
  - b. \$80,000 for the City's contribution for a multi-use path near the new Columbia State Community College property.
  - c. \$300,000 for the City's contribution for street lights near the new Columbia State Community College property.

This is the third budget amendment during this Fiscal Year to the budget. We will bring forward another amendment next month for several capital projects and miscellaneous expense adjustments.

### **Financial Impact**

The amendments, as proposed, would result in:

1. General Fund: No Change.
2. Hotel/Motel Fund: No Change.
3. Capital Projects Fund: Decrease of Fund Balance of \$479,401. Deficit to be made up through future revenues and/or bond proceeds.

### **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.