



Cover Memorandum/Staff Report

File #: 22-1779

Agenda Date: 1/17/2023

Item #: 7.D.

TO: Mayor and Commissioners
FROM: Hugh Dunkley, Chief Financial Officer
THROUGH: Terrence R. Moore, ICMA-CM
DATE: January 17, 2023

RESOLUTION NO. 08-23 AMENDING THE FISCAL YEAR 2022-23 BUDGET ADOPTED BY
RESOLUTION NO. 157-22 ON SEPTEMBER 19, 2022

Recommended Action:

Motion to Approve Resolution No. 08-23 amending the budget for Fiscal Year 2022-23 adopted on September 19, 2022.

Background:

The purpose of this request is to amend the adopted Fiscal Year (FY) 2022-23 budget to account for encumbrances outstanding at the end of the previous FY 2021-22, to carryforward FY 2021-22 unused capital project appropriations in the approved FY 2022-23 Capital Improvement Plan (CIP), and to adjust the budget for grants in the Neighborhood Services Fund. These items represent budget adjustments that are processed each fiscal year and were not measurable at the time of original budget adoption.

Provided below is a summary of the budget changes staff is recommending. Additionally, Exhibit A contains specific details of the amendment's impacts on each fund in the City's FY 2022-23 Operating and Capital Budgets. Staff requests amendments to:

Encumbrances - \$30,138,269

Carry-forward encumbrances for goods and services for which a contract or purchase order was issued in the prior fiscal year but has not been fully paid prior to September 30, 2022. These encumbered amounts from various funds must be brought forward so that the requested goods and services are received and paid.

Staff requests to increase revenues and expenditures in various funds in the amount of **\$30,138,269** for encumbrances that were budgeted in the prior fiscal year. The attached Exhibit A provides details of the proposed changes.

Capital Projects - \$7,416,296

Carry-forward unused capital project appropriations in the approved CIP. The FY 2021-22 appropriations have lapsed at year-end, and capital projects that are ongoing need to be re-appropriated for FY 2022-23. Staff requests the unspent budgets for previously approved capital projects totaling **\$7,416,296** be added to the current FY 2022-23 approved CIP budget in the following funds:

- **Building Fund (125)**

Increase revenues and expenditures in the amount of **\$1,078,400** in the Building Fund for capital projects that were budgeted in the prior fiscal year but were not completed.

- **General Construction Fund (334)**

Increase revenues and expenditures in the amount of **\$1,522,416** in the General Construction Fund for capital projects that were budgeted in the prior fiscal year but were not completed.

- **One Cent Sales Tax (377)**

Increase revenues and expenditures in the amount of **\$4,765,480** in the One Cent Sales Tax Fund for capital projects that were budgeted in the prior fiscal year but were not completed.

- **Utility Renewal and Replacement Fund (442)**

Increase revenues and expenditures in the amount of **\$50,000** in the Utility Renewal and Replacement Fund for capital projects that were budgeted in the prior fiscal year but were not completed.

Grants

- **Neighborhood Services Fund - \$2,605,810**

Carry-forward revenues and expenditures in the Neighborhood Services Fund totaling **\$2,605,810** for various grants and contributions, which were previously budgeted in the prior year or not measurable at the time of original budget adoption.

City Attorney Review:

Approved as to form and legal sufficiency.

Finance Department Review:

Finance Department recommends approval.

Funding Source/Financial Impact:

See Exhibit A appended to Resolution No. 08-23.

Timing of Request:

Approval of this request will properly amend the City's operating and capital budgets to carry forward outstanding encumbrances and unfinished projects that were budgeted in the prior years but not completed or received and appropriate funds for changes necessary to meet operational commitments.