



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** June 28, 2016
From: Marc Puckett, Assistant Town Manager **Item No:** 5
Subject: APPROVAL OF BUDGET AMENDMENT NO. 2016-29 APPROVING CERTAIN BUDGET ADJUSTMENTS AND ADOPTING RELATED APPROPRIATIONS FOR FISCAL YEAR 2015-16

T.M. Approval: _____ **Budgeted Item:** Yes No N/A

RECOMMENDED ACTION:

Adopt Budget Amendment No. 2016-29 in the amount of \$564,000, amending estimated revenues and approved budget appropriations by like amounts, for modifications and adjustments to the operating and capital improvement budget for all funds as noted at year-end.

SUMMARY:

Once the adopted budget appropriations have been established for the fiscal year, staff is required to monitor the implementation of the fiscal plan and budgetary performance throughout the course of the fiscal year. The Town Manager is authorized to transfer operating budget appropriation balances within and between categories of expense at the organization/program or function level when he deems it appropriate to do so.

Implementation of the spending plan is controlled through constant monitoring of the fund, organization, program or activity and line-item appropriation levels at which the budget is adopted. This process helps establish an appropriate level of budgetary control and review mechanisms desired to monitor expenditures throughout the fiscal year.

Periodically throughout the year, budget adjustments are made to adjust the spending plan and true-up budget to actual expenditures. Budget amendments require approval of Council. The attached budget amendment is presented to Council for consideration. This budget amendment is intended to “true-up” the budget to actual presentation prior to the end of the fiscal year end based upon expenditure activity that has occurred throughout

the year. Adoption of the attached Budget Amendment No. 2016-29 will approve adjustments to estimated revenues and appropriation levels in like amounts, which changes net to zero, and providing the necessary appropriations for the purposes stated herein.

BACKGROUND:

The proposed Fiscal Year 2015-2016 Operating and Capital Improvement Budget was adopted at the fund, organization and account detail level. Although the Town Manager is authorized to transfer appropriations between functions and/or programs when appropriate, amendments to the budget must be presented to Council for review and approval.

Each year, through implementation of the spending plan, modifications are required throughout the year as actual experience varies from plans approved at time of budget adoption. The process of monitoring and reviewing the budget requires that amendments be submitted to Council for consideration when appropriate.

The attached budget amendment recommended for Council's approval is intended to "true-up" the budget to actual expenditure presentation prior to the end of the fiscal year based upon expenditure activity that has occurred throughout the year. Adoption of the attached Budget Amendment No. 2016-29 will approve the necessary funding for the purposes stated herein.

FISCAL REVIEW

Adoption of the attached Budget Amendment No. 2016-29 will adopt the recommended changes estimated revenues and appropriation funding in the amount of \$564,000 to "true-up" actual revenues and expenditures across all accounts when compared to budgetary funding at the organization level for Fiscal Year 2015-2016.

CONCLUSION

Adoption of the attached Budget Amendment No. 2016-29 will approve the adjustments necessary in estimated revenues and appropriations necessary to "true-up" budget to actual comparisons included in the Operating and Capital Improvement budget for budgetary funds for Fiscal Year 2015-16.

ATTACHMENT:

Budget Amendment No. 2016-29



TOWN OF APPLE VALLEY

2016-29

BUDGET AMENDMENT REQUEST

Requesting Department	Prepared By	Date Prepared
Finance	Marc Puckett	June 20, 2016

REVENUES AND OTHER FINANCING SOURCES

Account Description	Fund	Dept	Account No.	Amendment Amount
Property Tax	1001	0000	4020-0000	164,000
Sales and Use Tax	1001	0000	4055-0000	100,000
Budgetary Fund Balance	1001	0000	3060-0000	300,000
REVENUE TOTAL				<u>564,000</u>

EXPENDITURES AND OTHER FINANCING USES

Account Description	Fund	Dept	Account No.	Amendment Amount
Contract Services	1001	1010	8940-0000	9,000
Contract Services	1001	1030	8940-0000	20,000
Contract Services	1001	1050	8940-0000	45,000
Contract Services	1001	1060	8940-0000	20,000
Contract Services	1001	1080	8940-0000	20,000
Contract Services	1001	1200	8940-0000	250,000
Contract Services	1001	2010	8940-0000	50,000
Contract Services	1001	3010	8940-0000	50,000
Contract Services	1001	4410	8964-0000	100,000
EXPENDITURE TOTAL				<u>564,000</u>

PURPOSE

To "true-up budget to actual presentations across all funds and accounts as of the end of the fiscal year. Appropriation amounts and estimate revenues are estimated.

Department Director	Date	Finance Mgr. / Dir.of Finance	Date

Town Manager	Date	Entered by	Date