



**FINANCE DEPARTMENT
Memo No. 19-01**

DATE: November 7, 2018

TO: Greg Harrison, City Manager

VIA: Erjeta Diamanti, Budget Officer

FROM: Andrew Jean-Pierre, Finance Director

SUBJECT: Budget adjustment for FY2018

A budget is an estimate of anticipated expenditures and revenues. The Finance Department in conjunction with the Budget Department has reviewed the current estimates and has found a need to transfer budgeted amounts within certain fund expenditures for the end of the fiscal year ending 2018. This will also provide administration a realistic view of the City's financial position and improve the ability of a department to review and compare past performance.

Below is a summary of the adjustments and the impact on the funds.

General Fund

Preliminary results for FY 2018 show the City's General Fund will exceed its projection for revenues by \$2,895,814 for the electric utility tax, electric franchise tax, half-cent sales tax, state revenue sharing and sale of capital assets. Also several of the City's expenditure line items were under expended by \$594,500. The result of this activity has created a favorable variance for the City of \$3,490,314.

Management is requesting your approval to use a portion of this variance to adjust the below line items related to the General Fund.

- \$963,581 to cover costs associated with the transfer of the sanitation division from the General Fund to the Solid Waste Disposal Fund. The General Fund received a rebate for this amount. However this rebate should follow the operating costs that were transferred to the Solid Waste Disposal Fund during FY 2018. This change has been implemented going forward as part of the 2019 Adopted Budget.

EMS Fund

- \$251,467 to cover regular overtime due to delayed hiring of new firefighters to fill vacancies that unfortunately took over six months to process. Furthermore, on any given week, there may be one to three employees unavailable for work due to an injury sustained in the line of duty. These cases also affect overtime.

The EMS fund balance will cover the \$251,467.

On behalf of Finance and the Budget department, we respectfully request your approval of the suggested line item adjustments for a grand total \$1,215,048.