

City Council Meeting  
April 24, 2017

Action Item   X    
Information Only           

## **BUSINESS ITEM 1**

Mid-Year 2016-2017 Budget Adjustments

**Issue:**

Budget Adjustments for Mid-Year, FY16-17.

**Background:**

The City's department heads, City Manager, and City Council directed the Finance Director to make budget adjustments during the year. Some of these adjustments affect the reserves.

Additionally, the Finance Director has met with the department heads and reviewed the budget line items for the year, and made some minor adjustments between line items.

During the review, we concluded the Police Department will require additional funding to cover overtime, caused by turnover of officers (new trainees require veteran officer overtime). We would like City Council to approve this change.

**Attachments:**

- Budget Adjustments

**Analysis:**

Budget adjustments are made when a department head requests a transfer of appropriated funds between operating accounts. If such a transfer involves a fixed asset account or a reserve account, or, the amount is significant, the City Manager must review and approve the transfer. Larger adjustments are presented to City Council during the year for approval. Adjustments that affected our reserves are shown on the attachment.

In particular, I want to bring City Council's attention to the following adjustments from reserves:

- General Fund
  - Fire department vehicle repairs, and refurbishing of two other vehicles (previously approved by council).

- Hurricane Damage—Hurricane Hermine (currently seeking FEMA reimbursements for 80% of our damage as well as additional funds for City-wide cleanup).
- Tyler Munis Software – Originally budgeted as a local server option paid over three years. Council approved the change to a Software as a Service (cloud hosted) contract; the change caused a change in the payment structure, requiring more up front costs while reducing equipment, maintenance and labor costs in the long term.
- (Not yet implemented) Police department estimates an additional \$20,000 will be needed for additional overtime. With benefits, approximately \$26,030 will need to be transferred from reserves with Council’s approval.
- Utility Fund
  - Four instances of unforeseen repairs and maintenance totaling \$139,305.
  - Land acquisition (previously approved by City Council).

**Staff Recommendation:**

Staff recommends approval of adjustments.

General Ledger  
Budget Adjustment Detail

City Of Zephyrhills



Account Number Date	Account Description Transaction Description	Transfer Description	Beginning Budget Period	Amount	Budget
001-1200-512-9400	Contingency-General			2,822,295.00	
10/05/2016	New Truck (44k); Two truck upgrades	To 001-2200-522-6400	Annual	-62,000.00	2,760,295.00
11/14/2016	Hurricane Damage Costs	To 001-1200-512-4600	Annual	-44,586.00	2,715,709.00
11/28/2016	City Share FEMA Grant	To 001-2200-522-6400	Annual	-9,581.00	2,706,128.00
12/14/2016	Replace vehicle--casualty loss	To 001-2100-521-6400	Annual	-11,427.00	2,694,701.00
02/10/2017	Equipment Upgrades, including scanners for moving to paperless processing	To 001-1600-516-5296	Annual	-5,000.00	2,689,701.00
03/30/2017	Additional funds needed for software purchases - Tyler SAAS, Website; server.	To 001-1600-516-5290	Annual	-185,000.00	2,504,701.00
04/14/2017	Landscape, parking lot, furniture	From 001-1200-512-6203	Annual	10,000.00	2,494,701.00
Various	2015-16 budgeted items carried forward	Various	Annual	-119,475.00	2,375,226.00
001-1200-512-9906	Reserve-Cemetery Perpetual Cr			203,517.00	
03/03/2017	Unexpected roof replacement - Mausoleum at Oakside Cemetery.	To 001-7200-572-4600	Annual	-2,499.00	201,018.00
041-3000-530-9400	Contingency			1,596,514.00	
10/18/2016	Unforeseen repair of roadway Driftwood water main break	To 041-3300-533-5200	Annual	-17,305.00	1,579,209.00
10/18/2016	Small tools not budgeted for	To 041-3300-533-5230	Annual	-8,000.00	1,571,209.00
11/23/2016	Acquisition of land for lift station	To 041-3500-535-6100	Annual	-8,533.00	1,562,676.00
12/20/2016	Gear Box Emergency Repair, oxidation ditch	To 041-3500-535-4610	Annual	-37,000.00	1,525,676.00
01/12/2017	Emerg Gen Repair	To 041-3500-535-4610	Annual	-5,000.00	1,520,676.00
03/10/2017	Water Division Membership Dues.	To 041-3300-533-5420	Annual	-1,800.00	1,518,876.00
04/18/2017	Aerator replacement for the one that was removed from aeration ditch #1 and put on aeration ditch #3 due to catastrophic failure	To 041-3500-535-4610	Annual	-80,000.00	1,438,876.00
043-3400-534-9400	Contingency			2,355,300.00	
10/13/2016	Pay for rental truck due to truck fire	To 043-3400-534-4400	Annual	-3,600.00	2,351,700.00
			2,355,300.00	-3,600.00	2,351,700.00