


DATE: 6/15/99 AGENDA ITEM # 21
() APPROVED () DENIED
() CONTINUED TO _____

TO: James L. App, City Manager
FROM: Mike Compton, Director of Administrative Services 
SUBJECT: Budget Appropriations - Year End Adjustments
DATE: June 15, 1999

Needs: For the City Council to consider adoption of a resolution approving year end "clean up" budget appropriations.

Facts:

1. During the course of the year, unforeseen circumstances arise which result in the expenditure of funds for which no budget appropriation(s) exist.
2. These unforeseen circumstances generally arise from direction received from the City Council in response to identifying a community need.
3. Other instances may arise from operational necessities which require an immediate response and it is not conducive to request a Council appropriation prior to addressing the need but are within the operational authority of the City Manager.

Analysis
and

Conclusion: Generally accepted accounting principles (GAAP) requires that financial reports include certain financial statements which compare budget to actual. When there are 'budget to actual' variances, the notes to the financial report must provide an explanation. It is desirable to keep variances to a minimum, particularly as it relates to one time expenditures. It has not been the City's practice to request additional budget appropriations for small operational budget overruns. Thus, this request does not address operational budget overruns only special needs.

Staff attempts to bring unbudgeted expenditure needs to the Council for approval prior to the expenditure commitment. In some instances, due to necessity, it is not possible to do so and the request will follow the expenditure commitment. Sometimes, however, a one time unbudgeted expenditures slip through and are not noticed until towards the end of the year when greater scrutiny is given to overall expenditure budget.

Fiscal
Impact:

There may be two different impacts depending upon the nature of the item. If the expenditure is grant reimbursable or is the result of a change in accounting practice, there is no fiscal impact. If it is not either one of these, then the expenditure may have reduced fund reserves or it may be anticipated that increased revenues will offset the one time unanticipated expenditure.

Options:

- a. That the Council adopt a resolution approving a various budget appropriations for the fiscal year ended June 30, 1999; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 99-

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF EL PASO DE ROBLES
APPROVING BUDGET APPROPRIATIONS FOR
VARIOUS YEAR END ADJUSTMENTS

WHEREAS, during the course of any given fiscal year, various unanticipated needs arise which may require an immediate response; or

WHEREAS, there may be an accounting procedural change which was anticipated at the onset of the fiscal year; or

WHEREAS, a department may have overlooked requesting a budget appropriation carryover for the acquisition of some service or equipment which was not received in the year in which it was budgeted; and

WHEREAS, it is desirable to provide budget appropriations for these various needs to mitigate budget to actual variances which must be reported in the comprehensive annual financial report.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Paso de Robles that the following budget appropriations are hereby authorized:

112-130-5454-103	\$ 2,700	CM/Fax Machine	Upgrade Capacity
112-130-5454-120	3,100	CM/IS Equipment	Network Upgrade
112-130-5454-120	20,000	CM/Email System	1998 Surplus Allocation
100-140-5224-125	86,000	AS/RDA Property Tax	Accounting Change
206-140-5454-131	29,800	AS/Bus Shelters	Grant Funded/No Carryover
112-140-5454-134	2,700	AS/Fax Machine	Broken/Unreparable
100-210-5454-135	2,900	PD/PC Workstation	Second Lietenants Position
100-210-5454-136	2,600	PD/PC Workstation	Grant Funded/Training Tool
112-210-5454-136	15,300	PD/Motorcycle	No Carryover Request
112-210-5454-161	22,500	PW/Vehicle	No Carryover Request
602-310-5454-166	21,900	PW/Airport P/U	No Carryover Request
112-310-5454-178	55,000	PW/Vehicles (3)	No Carryover Request

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 15th day of June, 1999 by the following vote:

AYES:
NOES:
ABSENT:

ATTEST:

Duane J. Picanco, Mayor

Dennis Fansler, City Clerk

