



Legislation Text

File #: 20-242, **Version:** 1

TITLE:

Designation of Fund Balance for FY 2019-20 Budget Items Not Yet Spent or Encumbered

PURPOSE: The Town Council is requested to designate fund balance in the General Fund to carry over to next year for certain budget items where funds have not been spent or encumbered.

DEPARTMENT: Finance

CONTACT INFORMATION: Cary McNallan 918-7301

INFORMATION: The Town Manager has identified several projects in the adopted FY 2019-20 general fund budget where funds appropriated have not been spent or encumbered. These funds total \$147,363 and will be needed when projects are developed and a vendor identified for the service or item.

As part of the transition from one fiscal year to the next, Finance requests all departments to identify budgeted projects that are not complete, so that the funding for these unspent budgeted items may be considered for carry over at year-end for use at a future date. This avoids possible interruption of the project planning or implementation. By designating fund balance for the use of these budgeted, but unspent or not encumbered funds, allows for a more accurate presentation of the undesignated fund balance portion of the General Fund in the annual audit report.

The resolution to designate fund balance (Attachment A) authorizes the carryover to next fiscal year of unexpended budget balance for specified item(s) contingent upon confirmation by the independent audit for the year ending June 30, 2020. The Town Manager is also authorized to transfer these funds to the appropriate department.

FISCAL & STAFF IMPACT: The budget items identified total \$147,363 to be carried over from FY 2019-20 to FY 2020-21. If not carried over, an appropriation in the FY 2020-21 budget may be necessary to continue these projects.

RECOMMENDATION: The Town Council is requested to consider for adoption the attached resolution designating fund balance for the items identified.