

**RESOLUTION 14-036**

**APPROVING BUDGET AMENDMENT/TRANSFER NO. 2014-027 AND PROVIDING AN EFFECTIVE DATE**

**NOW, THEREFORE, BE IT RESOLVED** by City Council of the City of Sanibel, Florida:

**SECTION 1.** The revised funds' budget for fiscal year 2013-2014, Budget Amendment BA 2014-027, a true copy of which is attached hereto as Exhibit A and incorporated herein by this reference, are hereby approved and accepted.

**SECTION 2.** Effective date.

This resolution shall take effect immediately upon adoption.

**DULY PASSED AND ENACTED** by the Council of the City of Sanibel, Florida this 1st day of April, 2014.

**AUTHENTICATION:**

\_\_\_\_\_  
, Mayor

\_\_\_\_\_  
Pamela Smith, City Clerk

**APPROVED AS TO FORM:**

*Kenneth B. Cuyler*  
Kenneth B. Cuyler, City Attorney

*3/25/14*  
Date

Vote of Councilmembers:

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\_\_\_\_\_  
\_\_\_\_\_

Date filed with City Clerk: \_\_\_\_\_

CITY OF SANIBEL  
BUDGET AMENDMENTFUND: ALL FUNDS  
DEPT: All Funds

FUND	ORG	OBJECT	DESCRIPTION	Project	Amount Prior To Change	Incr/(Decr) REVENUE	Incr/(Decr) EXPENSE	Amount After Change
<b>GENERAL FUND</b>								
001	001	389010	Budget Beginning Fund Balance		12,009,978	360,795	-	12,370,773
001	001	389029	Avail for Subsequent FY Budget		474,365	-	360,795	835,160
<b>TRANSPORTATION FUND</b>								
101	101	389010	Budget Beginning Fund Balance		623,214	142,236	-	765,450
101	101	389020	Budget Ending Fund Balance		-	-	142,236	142,236
<b>WATER QUALITY EDUCATION FUND</b>								
105	105	389010	Budget Beginning Fund Balance		33,500	(5,000)	-	28,500
105	105	389020	Budget Ending Fund Balance		-	-	(5,000)	(5,000)
<b>HISTORICAL COMMITTEE FUND</b>								
109	109	389010	Budget Beginning Fund Balance		142,808	99	-	142,907
109	109	389020	Budget Ending Fund Balance		145,008	-	99	145,107
<b>ROAD IMPACT FEE FUND</b>								
120	120	389010	Budget Beginning Fund Balance		128,942	12,011	-	140,953
120	120	389020	Budget Ending Fund Balance		205,442	-	12,011	217,453
<b>COMMUNITY PARK IMPACT FEE FUND</b>								
121	121	389010	Budget Beginning Fund Balance		16,460	57,009	-	73,469
121	121	389020	Budget Ending Fund Balance		24,385	-	57,009	81,394
<b>FATHER MADDEN ESTATE FUND</b>								
125	125	389010	Budget Beginning Fund Balance		25,685	125	-	25,810
125	125	389020	Budget Ending Fund Balance		24,993	-	125	25,118
<b>SHELL HARBOR CANAL DREDGING FUND</b>								
129	129	389010	Budget Beginning Fund Balance		12,921	121	-	13,042
129	129	389020	Budget Ending Fund Balance		35,955	-	121	36,076
<b>SANIBEL ESTATES CANAL TRIMMING FUND</b>								
141	141	389010	Budget Beginning Fund Balance		15,569	171	-	15,740
141	141	389020	Budget Ending Fund Balance		15,369	-	171	15,540
<b>SANIBEL ISLES/WATER SHADOWS DREDGING</b>								
142	142	389010	Budget Beginning Fund Balance		63,818	148	-	63,966
142	142	389020	Budget Ending Fund Balance		79,014	-	148.00	79,162
<b>BUILDING DEPARTMENT FUND</b>								
169	169	389010	Budget Beginning Fund Balance		782,030	92,658	-	874,688
169	169	389020	Budget Ending Fund Balance		676,257	-	92,658	768,915
<b>RECREATION FUND</b>								
170	170	389010	Budget Beginning Fund Balance		368,563	127,695	-	496,258
170	170	389020	Budget Ending Fund Balance		152,450	-	127,695	280,145
<b>BALL PARK MAINTENANCE FUND</b>								
173	173	389010	Budget Beginning Fund Balance		45,026	(41,408)	-	3,618
173	173	389020	Budget Ending Fund Balance		-	-	(41,408)	(41,408)
<b>2012 \$2.97M G.O. BOND FUND</b>								
204	204	389010	Budget Beginning Fund Balance		278,842	(18,697)	-	260,145
204	204	389020	Budget Ending Fund Balance		294,377	-	(18,697)	275,680
<b>2006 \$8.35M G.O. BOND FUND</b>								
270	270	389010	Budget Beginning Fund Balance		62,329	2,612	-	64,941
270	270	389020	Budget Ending Fund Balance		75,139	-	2,612	77,751
<b>CAPITAL ACQUISITION FUND</b>								
300	300	389010	Budget Beginning Fund Balance		630,242	129,404	-	759,646
300	300	389020	Budget Ending Fund Balance		-	-	129,404	129,404
<b>TRANSPORTATION CAPITAL PROJECTS</b>								
301	301	389010	Budget Beginning Fund Balance		244,940	17,484	-	262,424
301	301	389020	Budget Ending Fund Balance		-	-	17,484	17,484
<b>PERIWINKLE BIKE PATH/ROAD PROJECT</b>								
307	307	389010	Budget Beginning Fund Balance		515,815	(27,295)	-	488,520
307	307	389020	Budget Ending Fund Balance		-	-	(27,295)	(27,295)
<b>RECREATION FACILITY SINKING FUND</b>								
370	370	389010	Budget Beginning Fund Balance		442,200	1,540	-	443,740
370	370	389020	Budget Ending Fund Balance		364,211	-	1,540	365,751
<b>SEWER FUND</b>								
450	450	389010	Budget Beginning Fund Balance		1,916,308	1,250,996	-	3,167,304
450	450	389020	Budget Ending Fund Balance		1,582,269	-	1,250,996	2,833,265
<b>BEACH PARKING FUND</b>								
470	470	389010	Budget Beginning Fund Balance		1,144,866	41,723	-	1,186,589
470	470	389020	Budget Ending Fund Balance		18,464	-	41,723	60,187
TOTAL:					\$ 2,144,427	\$ 2,144,427		

## PURPOSE:

To roll-forward actual FY 2013 ending fund balance (pursuant to audited financial statements) to FY14 beginning fund balance for all funds. These amounts, which are more or (less) than the FY14 budget, are being appropriated to FY14 ending fund balance to provide increases or (decreases) in fund balances available to be carried forward to FY15. This amendment increases the FY14 budget by \$2,144,427; however, no new or additional funds are being appropriated with this budget amendment.

The changes to the budgeted fund balance are as follows: 1) General Fund increased by \$360,795; 2) special revenue funds increased by \$385,865; 3) debt service funds decreased by \$16,085; 4) capital project funds increased by \$121,133; 5) sewer system increased by \$1,250,996 and; 6) beach parking fund increased by \$41,723.

Prepared by:	Date	Resolution #:	Date	Entered:	Journal #:	Date
S. Chaipel	3/24/2014	14-033				

April 1, 2014

**MEMORANDUM**

TO: Judie Zimomra, City Manager  
FROM: Sylvia Edwards, Finance Director  
RE: Budget Amendment # 2014-027, Resolution 14-033

This Budget Amendment amends the estimated FY2014 beginning fund balance in each fund to the actual FY2013 ending fund balance of that fund, subsequent to the completion of the prior year's audit.

This budget amendment increases the FY2014 budget and beginning and ending fund balances by \$2,144,427.

This is an annual Budget Amendment, which is done after the completion of the previous year's audit. Unless otherwise directed by Council, adjustments are re-appropriated to ending fund balance which will then become available for the subsequent year's (FY 2015) beginning fund balance.

In addition to this budget amendment, since October 1, 2013 four roll forward budget amendments totaling \$771,049 were approved by Council to re-appropriate the expenditures in FY2014.

The primary factors in the budget amendment are summarized below.

**General Fund**

The general fund's roll forward of \$360,795 is attributable to favorable actual experience compared to estimated actual in the fiscal year 2014 budget document. During the budget process approximately \$300,000 is maintained in the prior year's reserves in the event of an unforeseen emergency. The general fund's variances are summarized below:

<b>General Fund</b>						
001	Budget	Roll Forward			Variance	
Category	Estimated	Budget	Revised	Audit	Favorable	Percent
	Actual	Amendment	Estimated	Actual	(Unfavorable)	
Revenue	\$ 12,961,122	\$ -	\$ 12,961,122	\$ 12,784,990	\$ (176,132)	-1.36%
Expenditures						
Departments	12,216,120	(81,650)	12,134,470	11,917,297	217,173	1.78%
Reserves	319,754	-	319,754	-	319,754	100.00%
Total Roll Forward					<u>\$ 360,795</u>	

### Special Revenue Funds

The special revenue funds roll forward is \$385,865. Roll forwards in the transportation fund (\$142,236), building department fund (\$92,658) and the recreation fund (\$127,695) were the major contributors to the special revenue funds amended fund balances. The aggregate roll forward for the remaining nine special revenue funds was \$23,276.

*The transportation fund's* roll forward of \$142,236 is largely attributable to actual expenditures for contracted services coming in under estimated budget by \$68,335. The transportation variances are summarized below:

#### **Transportation Fund**

101	Budget	Roll Forward			Variance	
	Estimated	Budget	Revised	Audit	Favorable	Percent
Category	Actual	Amendment	Estimated	Actual	(Unfavorable)	
Revenue	\$ 1,493,946	\$ -	\$ 1,493,946	\$ 1,543,788	\$ 49,842	3.34%
Expenditures	2,489,960	(278,941)	2,211,019	2,118,625	92,394	4.18%
Total Roll Forward					<u>\$ 142,236</u>	

*The building department's* roll forward of \$92,658 is comprised of \$58,246 actual revenues over estimated budgeted revenues and \$34,412 actual expenditures under estimated budgeted expenditures. The building department variances are summarized below:

#### **Building Department Fund**

169	Budget	Roll Forward			Variance	
	Estimated	Budget	Revised	Audit	Favorable	Percent
Category	Actual	Amendment	Estimated	Actual	(Unfavorable)	
Revenue	\$ 723,795	\$ -	\$ 723,795	\$ 782,041	\$ 58,246	8.05%
Expenditures	712,584	(2,500)	710,084	675,672	34,412	4.83%
Total Roll Forward					<u>\$ 92,658</u>	

*The recreation fund's* roll forward of \$127,695 is comprised of \$19,388 actual revenues over estimated budgeted revenues and \$108,307 actual expenditures under estimated budgeted expenditures. The recreation fund's variances are summarized below:

#### **Recreation Fund**

170	Budget	Roll Forward			Variance	
	Estimated	Budget	Revised	Audit	Favorable	Percent
Category	Actual	Amendment	Estimated	Actual	(Unfavorable)	
Revenue	\$ 656,490	\$ -	\$ 656,490	\$ 675,878	\$ 19,388	2.95%
Expenditures	2,258,719	(21,113)	2,237,606	2,129,299	108,307	4.80%
Total Roll Forward					<u>\$ 127,695</u>	

### Debt Service Funds

The debt services' fund balances were decreased by \$16,085. The debt service variances are summarized below:

#### Debt Service Funds

204, 270	Budget Estimated Actual	Roll Forward Budget Amendment	Revised Estimated	Audit Actual	Variance Favorable (Unfavorable)	Percent
Revenues	\$ 867,007	\$ -	\$ 867,007	\$ 850,873	\$ (16,134)	-1.86%
Expenditures						
Principal	465,000	-	465,000	465,000	-	
Interest & other expenses	373,679	-	373,679	373,630	49	0.01%
Total Roll Forward					<u>\$ (16,085)</u>	

### Capital Project Funds

The capital project funds roll forward is \$121,133. The major contributor to the roll forward was the capital acquisition fund \$129,404. The aggregate roll forward for the remaining three capital project funds was -\$8,271.

The capital acquisition fund variances are summarized below:

#### Capital Acquisition Fund

300	Budget Estimated Actual	Roll Forward Budget Amendment	Revised Estimated	Audit Actual	Variance Favorable (Unfavorable)	Percent
Revenues	\$ 12,000	\$ -	\$ 12,000	\$ 16,630	\$ 4,630	38.58%
Transfers In	538,489	-	538,489	538,489	-	0.00%
Expenditures	703,924	(14,209)	689,715	564,941	124,774	18.09%
Total Roll Forward					<u>\$ 129,404</u>	

The following major projects came in under estimated actual for FY2013 in the capital acquisition fund:

- \$78,468 – Civic Core Redevelopment Plan (estimated \$150,000)
- \$70,000 – Replace A/C Units (estimated \$70,000)

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## Enterprise Funds

In addition to variances between actual revenues and expenses and estimated budgeted revenues and expenses the amendment to the enterprise funds unrestricted net position includes adjustments for the difference between full accrual basis accounting for financial reporting and modified accrual basis accounting used for budgeting.

*The sewer fund* unrestricted net position increase of \$1,250,996 is mainly attributable to the following variance/adjustments:

- Favorable variance of actual versus estimated budgeted revenues, ad valorem taxes and capital contributions in the amount of \$23,133.
- Favorable adjustment of \$12,614 in assessment payments received over estimated collection (assessment receivables are reported as restricted assets, when payments are collected restricted assets are decreased and unrestricted net position is increased).
- Favorable variance of actual versus estimated budgeted expenses in the amount of \$359,410 (primary line items under budget were repairs & maintenance \$126,566; contracted services \$66,408; and professional services \$166,145).
- Favorable variance of actual capital outlay expenditures under estimated budgeted capital outlay expenditures in the amount of \$80,314 (primary capital item under budget was lift station improvements \$35,006; items not purchased were insertion valves for force mains \$30,000 and replacement CL<sub>2</sub> influent value \$15,000). Although capital assets are not expensed under full accrual accounting, the amount invested in capital assets decreases unrestricted net position and increases net investment in capital assets.

*The sewer fund's* variances are summarized below:

### **Sewer Fund**

450	Budget	Roll Forward			Variance	
Category	Estimated	Budget	Revised	Audit	Favorable	Percent
	Actual	Amendment	Estimated	Actual	(Unfavorable)	
Ad valorem taxes	\$ 949,018	\$ -	\$ 949,018	\$ 949,124	\$ 106	0.01%
Revenues	6,363,250	-	6,363,250	6,234,756	(128,494)	-2.02%
Capital contributions	-	-	-	151,521	151,521	
Assessments collections	1,105,000	-	1,105,000	1,117,614	12,614	1.14%
<b>Expenditures</b>						
Operating expenditures	4,233,111	(83,221)	4,149,890	3,790,480	359,410	9.48%
Capital outlay	336,880	(168,955)	167,925	87,611	80,314	47.83%
<b>Variance between budget and full accrual basis</b>						
Reserves	100,000	-	100,000	-	100,000	
*Loan principal & interest	4,023,296	-	4,023,296	943,238	3,080,058	
Depreciation	-	-	-	2,463,893	(2,463,893)	
Full accrual adjustments	-	-	-	59,360	59,360	
Total Roll Forward					<u>\$ 1,250,996</u>	

\*Note: Principal is included in budget; interest only for full accrual financial reporting.

*The beach parking fund* unrestricted net position increase of \$41,723 is mainly attributable to the following variances/adjustments:

- Favorable variance of actual operating and interest revenues over estimated budgeted operating and interest revenues in the amount of \$138,811
- Unfavorable variance of actual intergovernmental revenues under estimated budgeted intergovernmental revenues in the amount of \$304,622. The intergovernmental revenue consists of reimbursement grants for operating and capital projects from the Tourist Development Council (TDC). Only revenue earned based on actual reimbursable expenses are recognized. Remaining operating grant funds of \$327,560 are eligible for subsequent year's expenses.
- Favorable variance of actual operating expenses under estimated budgeted operating expenses in the amount of \$210,299 (primary line items under budget were professional services \$66,250; contracted services \$43,651; repairs and maintenance \$38,025 and travel and per diem \$24,089)
- Unfavorable variance of actual capital outlay expenditures under estimated budgeted capital outlay expenditures in the amount of \$5,863 (although capital assets are not expensed under full accrual accounting, the amount invested in capital assets decreases unrestricted net position and increases net investments in capital assets).

*The beach parking fund's* variances are summarized below:

**Beach Parking Fund**

470 Category	Budget	Roll Forward		Audit Actual	Variance		
	Estimated Actual	Budget Amendment	Revised Estimated		Favorable (Unfavorable)	Percent	
Revenue	\$ 1,563,401	\$ -	\$ 1,563,401	\$ 1,702,212	\$ 138,811	8.88%	
Intergovernmental	1,647,488	-	1,647,488	1,342,866	(304,622)	-18.49%	
<b>Expenditures</b>							
Operating expenditures	2,662,861	(45,000)	2,617,861	2,407,562	210,299	7.90%	
Capital outlay	657,626	(25,020)	632,606	638,469	(5,863)	-0.89%	
<b>Variance between budget and full accrual basis</b>							
Depreciation	-	-	-	183,008	(183,008)		
Full accrual adjustments	-	-	-	(186,106)	186,106		
Total Roll Forward					<u>\$ 41,723</u>		

**ATTACHMENT:**

Budget Amendment 2014-027