**Memorandum**

**To:** Howard Tipton, Town Manager

**From**: Sue Smith, Finance Director

**Report date:** November 16, 2024

**Meeting date:** December 2, 2024

# Subject: Resolution 2024-23, Amending the FY25 General Fund, Water and Wastewater Fund and Building Department Fund Adopted Budgets, to Carryover Open Purchase Orders (POs) from FY24 to the FY25 Budget

## Recommended Action

Pass Resolution 2024-23.

## Background

The Town Charter requires that every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered (amounts committed, but unspent).

As part of our annual housekeeping of the Budget for year-end close, we review all the accounts to determine where transfers may be required to balance the FY24 Budget. Open purchase orders are reviewed to determine what needs to be carried over to the FY25 Budget.

The Financial Accounting System (BS&A) has an automated process at year-end close, which will amend the FY25 Operating Budgets, by increasing the line items for all open purchase orders that have not been liquidated or completed in the prior year. This Resolution provides for Town Commission authorization and an audit trail approving the automated budget amendment.

**General Fund.** Resolution 2024-23, increases the General Fund Budget for FY25 in the following Departments, as shown in Exhibit A, by $166,706.46 for open purchase orders at September 30, 2024.

* Finance Department $34,739.00 The Finance Department issued one PO in September 2024 for consulting services to perform internal audit functions on reconciling credit cards from the new credit card merchant.
* I.T. Department $53,337.91. The I.T. Department has two PO’s outstanding for Office 365 Agreements.
* Planning & Zoning Department $31,481.00. Consultants contracted to review the Town Code sections related to Land Acquisition Fees.
* Police Department $15,259.27. The Police Department has three Motorola Radios on order.
* Fire Department $111.84. The Fire Department has two open PO’s related to apparatus for the new Fire Engine.

**Water and Wastewater Fund.** Resolution 2024-23, increases the Water and Wastewater Fund Budget for FY25 as shown in Exhibit A by $148,730.66 for open purchase orders at September 30, 2024:

* Water Department $49,434.56. The Water Department has several PO’s issued for annual backflow testing, GIS services and Feasibility for PW building expansion.
* Wastewater Department $99,296.10. The Wastewater Department has several PO’s issued related to the consent order for the wastewater leak, and SRF referendum communication
* Building Fund. Resolution 2024-23, increases the General Fund Budget for FY25 in the following Departments, as shown in Exhibit A, by $56,192.10 for open purchase orders at September 30, 2024.
* Building Department $56,192.10 The Building Department has three Building Inspection Services contracts in place with open balances.

**Staff Recommendation**

Pass Resolution 2024-23

### Attachments

1. Resolution 2024-23
2. Exhibit A, Open Purchase Order Listing