



FINANCE

To: Mayor and Town Council

From: Chris Landrum, Finance Director

**Through: Mario Canizares, Town Manager
Bob Scott, Deputy Town Manager**

Re: Amending Ordinance No. 2023-60 (FY 2023-2024 Annual Budget)

Town Council Meeting – January 9, 2024

Strategic Visioning Priority: 4. Provide Excellent Municipal Services

Agenda Item:

Consider and act upon an ordinance amending Ordinance No. 2023-60 (FY 2023-2024 Annual Budget). (CL)

Description of Agenda Item:

Budget Amendments

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources and the payment of long-term debt. The sale of debt took place late in the budget process. A final debt service schedule was not available until late in the process. A budget amendment is required to increase expenditures by \$795,430 from \$14,952,436 to \$15,747,866.

Park Development Fund

A budget amendment is required to increase expenditures by \$1,150,000 from \$1,713,800 to \$2,863,800. The increase will partially fund the Lakewood Park project.

PO Roll

Supply Chain Delays – Equipment/Vehicles

There have been delays in procuring vehicles and equipment due to supply chain issues. A total of \$706,750 in P.O.s are requested to roll related to this. The specific details can be found on the detailed PO Roll page. Below is a summary of the amounts by fund for rolls requested for supply chain issues.

Fund	PO Roll Amount
General Fund	\$199,368.78
Water & Sewer Fund	\$17,856.26
VERF Fund	\$489,525.17
TOTAL	\$706,750.21

Long-term Special Projects

Certain projects, once approved, are expected to take more than a year to complete. These projects may not necessarily result in the creation of a capital asset. Examples include software implementation, Americans with Disability Act transition plans, and smaller infrastructure/facility improvement projects. Many municipalities transfer the funding for these special projects to a multi-year fund. The request is to roll purchase orders related to long-term special projects to the fiscal year 2023-2024 and then transfer them to the appropriate multi-year fund. Below is a summary of these requests.

Fund	Special Project	Amount
General Fund	Downtown Park Pond Project	\$2,295.00
General Fund	ADA Transition Plan	\$11,220.00
General Fund	ERP Implementation	\$382,105.23
General Fund	EPL Laserfiche Conversion	\$6,462.50
General Fund	EDA Broadband Grant	\$16,500.00
	TOTAL	\$418,582.73

Capital Projects Funded by Impact Fees

In the past, capital projects funded by impact fees were budgeted and accounted for in the impact fee funds. A more efficient approach in this situation is to transfer the funding to the suitable multi-year fund. Therefore, the request is to roll the purchase orders and transfer them to the relevant multi-year fund.

Fund	Project	Amount
Water Impact Fee Fund	2151-WA 12" Water Line DNT	\$35,121.36
Water Impact Fee Fund	Impact Fee Survey	\$41,760.85
Wastewater Impact Fee Fund	Doe Branch WW Line	\$526,006.97
Wastewater Impact Fee Fund	Impact Fee Survey	\$58,239.14
East Thoroughfare Impact Fee	Coit Road (First-Frontier)	\$367,539.53
East Thoroughfare Impact Fee	Impact Fee Survey	\$41,353.69
West Thoroughfare Impact Fee	Impact Fee Survey	\$41,353.69
	TOTAL	\$1,127,853.53

Other PO Roll Request

The PO for Pattillo, Brown & Hill, LLP for \$8,175 is requested to be rolled to use these services for the ERP implementation process and for consulting to take production of the Annual Comprehensive Financial Plan in-house.

The Motorola Solutions, Inc. PO for \$356,722.72 is awaiting final acceptance by the Police Department before it may be invoiced.

These changes have been reviewed in detail and approved by the Finance Committee.

Budget Impact:

The Debt Service Fund expenditures will increase by 795,430 and the Park Development Fund expenditures will increase by \$1,150,000.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Ordinance
2. Exhibit "A" – Detail of Budget Amendment
3. Exhibit "B" – Fund Summaries
4. Detailed List of Purchase Order Roll

Town Staff Recommendation:

Town Staff recommends approval of amending Ordinance No. 2023-60 (FY 2023-2024 Annual Budget) to provide funding increased expenditures in the Debt Service Fund and the Park Development Fund.

Proposed Motion:

I move to approve amending Ordinance No. 2023-60 (FY 2023-2024 Annual Budget) to provide funding increased expenditures in the Debt Service Fund and the Park Development Fund.