



MEMORANDUM

To: Mayor and Members of the City Council

From: Rich Olson, City Manager
Suzanne Tungate, Finance Director

Date: June 6, 2018

Ref: Consideration – Approval of Budget Amendments

BACKGROUND:

Sometimes, Budget Amendments are needed after the initial budget is adopted by the City Council for the following fiscal year. These amendments are necessary for a variety of reasons; to carry forward projects that were approved in the prior year but were not completed prior to June 30th, to reflect contracts that were approved in the current year but were not foreseen and previously budgeted, and increases in costs that were estimated in the budget at a lower amount.

ANALYSIS:

A Budget Amendment has been completed for \$77,500 for additional costs incurred in the Customer Service Department for overtime pay, temporary help returning calls for messages taken by TASCOS answering service, and customer account adjustments. These additional costs were not expected and as such were not estimated in budgeted expenses. The increase in revenues is from receipts for late fees and system development fees that exceeded estimated budgeted amounts, as well as revenues from both the Electrical Fund and the Water & Sewer Fund since the Customer Service Department is split between both funds.

FINANCIAL:

The Finance Committee discussed this matter during their June 7, 2018 meeting. Upon motion made by Councilwoman Young, seconded by Councilwoman Hummer, the Committee unanimously recommended approval by the City Council.

STAFF RECOMMENDATION:

By motion, approve the Enterprise Fund Budget Amendments attached to modify the original Budget Ordinance as approved by City Council on June 26, 2017.



BUDGET AMENDMENT

BE IT ORDAINED by the City Council of the City of Elizabeth City that the following amendment be made to the annual budget ordinance for fiscal year ending June 30, 2018:

SECTION I. That the Electric Fund Customer Service Overtime (307200.0220) be increased by \$16,000,

That the Electric Fund Contracted Services (307200.4500) be increased by \$22,500,

That the Water & Sewer Fund Customer Service Overtime (317200.0220) be increased by \$14,000,

That the Water & Sewer Fund Contracted Services (317200.4500) be increased by \$25,000,

That the Electric Fund Late Fee Revenue (303720.0000) be increased by \$38,500,

That the Water & Sewer Fund System Development Fee Revenue (313930.0030) be increased by \$39,000,

(To increase budgeted revenue for excess revenues received and to increase budgeted expenditures for Customer Service overtime and contracted services expenditures that were under-estimated.)

ADOPTED, this 11th day of June 2018.

Bettie J. Parker
Mayor

Attest:

April Onley
Interim City Clerk