



Staff Report

Agenda Item: **FISCAL YEAR 2011/2012 BUDGET TRANSFERS**– Discussion and consideration regarding authorization for fund transfers within the Fiscal Year 2011/2012 budget.

Sponsored By: Kathy Bainbridge, Town Clerk/Finance Director

Meeting Date: June 26, 2012

Background: Each year the Council adopts a balanced budget based on projections of local revenue as well as projections from the State of Arizona revenue (State Shared Revenues and State Sales Tax). Staff uses these projections to budget for expenses expected to be incurred in the following year. During the year, Council may make changes to a budget based on economic factors by authorizing additional transfers when needs are identified.

Exact amounts available for the requested budget balancing transfers will not be available until well after June 30th, when final sales tax collections are distributed by the State of Arizona and yearly closing entries have been completed. The following transfer totals are based on current projections of year end funds available. For audit purposes, these adjustments need to take place before the June 30th end of the Fiscal Year. Actual transfer amounts may differ due to changes in actual revenue received for the remainder of the year and amounts required to balance the General Fund, HURF Fund, Capital Projects Fund, Water Fund, Wastewater Fund, Sanitation Fund, and Cemetery Fund.

Proposed transfers are as follows and are based on total dollars available:

<u>Transfers out of:</u>	<u>Transfers into:</u>	<u>Amount:</u>	<u>Current Budget</u>
<u>Construction Tax Transfer to Capital Projects Fund and General Fund offset amount</u>			
General Fund – Construction Tax	Capital Projects Fund	\$ 52,000.00	\$25,000.00
General Fund - General	Capital Projects Fund	\$ 0	\$14,510.00
<u>General Fund Transfer to HURF Fund</u>			
General Fund – Street Funding	Street (HURF) Fund	\$34,095.00	\$34,095.00
<u>Administration Fee Fund transfers to General Fund</u>			
Streets Fund	General Fund	\$31,008.64	\$31,008.64
Wastewater Fund	General Fund	\$29,881.82	\$29,881.82
Water Fund	General Fund	\$55,800.64	\$55,800.64
Sanitation Fund	General Fund	\$23,549.50	\$23,549.50
Grants Fund	General Fund	\$10,000.00	\$ 5,412.95
Cemetery Fund	General Fund	\$ 3,649.09	\$ 3,649.09
Developer Reimbursement	General Fund	\$40,000.00	\$40,000.00

<u><i>Transfers out of:</i></u>	<u><i>Transfers into:</i></u>	<u><i>Amount:</i></u>	<u><i>Current Budget</i></u>
Sanitation Fund	Streets Fund	\$40,000.00	\$40,000.00
Perpetual Care Fund	Cemetery Fund	\$ 11,500.00	\$15,500.00
Water Fund (Equipment Rental)	Streets Fund	\$ 3,000.00	\$ 3,000.00

Recommendation: Staff recommends that the Council authorize the staff to make the necessary budget balancing fund transfers within the Fiscal Year 2011-2012 budget.