

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Hugh Riley, Assistant City Manager 

BY: Irmina Lumbad, Finance/Accounting Manager

DATE: September 9, 2008 (City Council Meeting of September 17, 2008)

SUBJECT: Consider Resolution Amending FY 2008/09 Budget to Increase Appropriations for FY 2007/08 Purchase Orders Roll-overs

SUMMARY

Staff is recommending to roll-over FY 2007/08 Purchase Orders for goods and services into FY 2008/09. This action would increase the current year's appropriation and encumbrances by \$90,400.

DISCUSSION

On July 2, 2008 the City Council adopted the FY 2008/09 Operating and Capital Improvements Budget for the City of Moorpark. The resolution granted the City Manager the authority to amend the capital improvement budget after final accounting of FY 2007/08 project costs. The original adopted appropriation was \$49.5M, which includes \$19.5M for capital improvement projects.

In the prior years, Purchase Orders (PO's) for goods and services were closed and except for Capital Improvement Projects (CIP), all unexpended encumbrances and appropriations were not carried forward into the current year. Thus, payments against these PO's were usually charged against current year appropriations and the budget was subsequently adjusted during mid-year budget amendments.

Staff realized that there were some commitments entered into by the City to purchase goods or services in the prior year. Funds were accordingly encumbered and Purchase Orders were issued. But the timing of delivery for such goods and services went beyond June 30 and could not be recorded as accrued expenses in FY 2007/08. Therefore, such transactions should be paid in the current FY 2008/09. By approving

the budget amendment, any remaining encumbrance amounts in PO's listed in Exhibit 1 would be carried forward into FY 2008/09 to cover these payments.

FISCAL IMPACT

The total roll-over will increase the City's appropriations by \$90,400 and will impact the following funds:

Funds	Original Adopted Budget	Proposed Budget Amendment	Adjusted Budget
1000 General Fund	\$15,271,545	\$50,400	\$15,321,945
1010 Library Services Fund	\$797,507	\$10,000	\$807,507
2200 Community Development	\$2,574,711	\$10,500	\$2,585,211
2400 Park Maintenance Fund	\$1,892,224	\$12,000	\$1,904,224
2605 Gas Tax	\$1,828,971	\$7,500	\$1,836,471
TOTAL	\$21,364,958	\$90,400	\$22,455,358

STAFF RECOMMENDATION (Roll Call Vote)

Adopt Resolution No. 2008-_____.

Attachment: Exhibit 1
Resolution No. 2008-_____

**CITY OF MOORPARK
 FY 2007/08 Purchase Order
 Carry Forward to FY 2008/09**

<u>Purchase Order No</u>	<u>Vendor</u>	<u>Description</u>	<u>Budget Unit</u>	<u>Amount</u>
07000145	CPI Solutions	Imaging Software-Library	1010-7640-0000	\$9,962.89 City
07000152	CPI Solutions ¹	Dell Hardware/Software	0100-3120-0000	\$65,126.02 See Note
07000154	Dell Marketing ¹	2 Year Extended Contract	0100-3120-0000	\$5,263.92 See Note
07000156	Dell Marketing ¹	Processor	0100-3120-0000	\$9,673.84 See Note
07000157	Signature Signs	Repaint Aluminum City Seal-Monument PD	1000-9200-0000	\$855.00 City
07000160	Amuseum	Moorpark Mammoth Multimedia	1000-2120-0000	\$3,000.00 City
07000162	Preferred Glass & Window	Remove & Install New Window-City Hall	1000-7620-0000	\$1,694.00 City
				<u>\$95,575.67</u>

NOTE:

¹ Internal Services Fund/Information Systems: Any operating or capital outlay charges in this budget unit is subsequently allocated to various other funds/divisions. The percentage allocation is based on the Cost Plan for FY 2007/08 and total encumbrance of \$80,100 will impact the following budget units:

Budget Unit	Percent of Allocation	Amount Allocated
1000-2100-0000	6.780%	5,428.32 City
1000-3100-0000	10.750%	8,606.86 City
1000-3110-0000	2.280%	1,825.45 City
1000-5110-0000	9.100%	7,285.80 City
1000-7100-0000	22.950%	18,374.64 City
1000-8100-0000	4.120%	3,298.63 City
2200-6100-0000	13.140%	10,520.38 City
2400-7800-0000	14.920%	11,945.52 City
2605-8310-0000	9.440%	7,558.02 City
2901-2420-0000	1.670%	1,337.07 MRA
2902-2410-0000	4.850%	3,883.09 MRA
		<u>80,063.78</u>

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FY 2008/09 OPERATING BUDGET TO INCREASE APPROPRIATIONS FOR FY 2007/08 PURCHASE ORDER ROLL-OVERS

WHEREAS, on July 2, 2008 the City Council adopted the Operating and Capital Improvements Budget for FY 2008/09; and

WHEREAS, a staff report has been presented to the Council requesting a budget amendment to increase appropriations by \$90,400 to allow FY 2007/08 Purchase Order encumbrances to be carried forward to FY 2008/09; and

WHEREAS, as the roll over will impact the Library Services, Community Development, Park Maintenance, Gas Tax and General Funds; and

WHEREAS, Exhibit "A" hereof describes said budget amendment and its resultant impact to the budget line item(s).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. A budget amendment appropriating \$90,400 per Exhibit "A" and encumbering said funds for FY 2007/08 Purchase Order rolled over to FY 2008/09 is hereby approved.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 17th day of September, 2008.

Patrick Hunter, Mayor

ATTEST:

Deborah S. Traffenstedt, City Clerk

Attachment: Exhibit "A"

Exhibit A

BUDGET AMENDMENT FOR FY 2007/08 PURCHASE ORDER ENCUMBRANCES ROLLED OVER TO FY 2008/09

FUND ALLOCATION FROM:

Fund	Account Number	Amount
General Fund	1000-5500	\$50,400
Library Services Fund	1010-5500	\$10,000
Community Development Fund	2200-5500	\$10,500
Park Maintenance District Fund	2400-5500	\$12,000
Gas Tax	2606-5500	\$7,500
TOTAL		\$90,400

DISTRIBUTION OF APPROPRIATION TO EXPENSE ACCOUNTS:

Account Number	Current Budget	Revision	Amended Budget
1000-2100-0000-9598	\$0	\$5,400	\$5,400
1000-2120-0000-9240	\$0	\$3,000	\$3,000
1000-3100-0000-9598	\$0	\$8,600	\$8,600
1000-3110-0000-9598	\$0	\$1,800	\$1,800
1000-5110-0000-9598	\$0	\$7,300	\$7,300
1000-7100-0000-9598	\$0	\$18,400	\$18,400
1000-7620-0000-9102	\$23,400	\$1,700	\$25,100
1000-8100-0000-9598	\$0	\$3,300	\$3,300
1000-9200-0000-9205	\$18,350	\$900	\$19,250
1010-7640-0000-9102	\$478,002	\$10,000	\$488,002
2200-6100-0000-9598	\$0	\$10,500	\$10,500
2400-7800-0000-9598	\$0	\$12,000	\$12,000
2605-8310-0000-9598	\$0	\$7,500	\$7,500
TOTAL	\$519,752	\$90,400	\$610,152

Approved as to Form: *Jpl*