

BOARD OF ALDERMEN

ITEM NO. B(4)

AGENDA ITEM ABSTRACT

MEETING DATE: June 25,2002

TITLE: Request to Approve Designation of Fund Balance for FY2001-02 Budget Items Not Yet Spent or Encumbered

DEPARTMENT: Management Services	PUBLIC HEARING: YES ___ NO <u>x</u>
ATTACHMENTS: A: Resolution to Reserve Fund Balance	FOR INFORMATION CONTACT: L. Bingham Roenigk, 918-7300

PURPOSE

The Town has identified two projects; totaling \$12,820 within the FY2001-02 general fund budget whereby funds approved by the Board have not been spent but will be needed when the projects are brought to fruition and a vendor is identified to purchase the service or item. The funds, if not spent or reserved for next year, will lapse to undesignated fund balance within the General Fund at June 30, 2002. The Board is requested to set aside these funds for the upcoming year

INFORMATION

Funds for budgeted projects or commitments made by the Board, if not spent, will accrue to undesignated fund balance. Thus, Management Services requests departments to identify all projects that are not completed so that the funding for all unspent budgeted items at year-end are set aside and are available at a future date for appropriation when needed.

This prevents the undesignated portion (uncommitted cash) of the General Fund balance from appearing artificially high in the audit report. This agenda item is a statement of the Board's intent to designate fund balance for the budget items identified on the attached spreadsheet (Attachment A).

ADMINISTRATION'S RECOMMENDATION

The Board is requested to approve the attached resolution designating fund balance for the items requested.