Common Council

Agenda Item

Cover Sheet

MEETING DATE: July 9, 2024

☐ Previously Discussed Ordinance

☐ Proposed Development Presentation

☐ New Ordinance for Discussion

☒ Miscellaneous

☐ Transfer

ITEM or ORDINANCE: #3

PRESENTED BY: Ian Zelgowski

☒ Information Attached

☐ Bring Paperwork from Previous Meeting

☐ Verbal

☐ No Paperwork at Time of Packets

THE CITY OF
NOBLESVILLE
EST. 1823

TO: Noblesville Common Council

FROM: Jeffrey L. Spalding, CFO & Controller

SUBJECT: Quarterly Appropriation Transfers per Resolution #RC-1-24, Section 1

DATE: July 3, 2024

Under RC-1-24, Section 1, the Controller is granted authority to execute small appropriation transfers of no greater than $50,000 per transfer and $125,000 in total per fiscal quarter, as necessary, for routine re-alignment of budgets with actual spending needs across the appropriated Civil City funds. Under RC-1-24, Section 2, this authority extends to transfers for certain pay adjustments, if not raising a position's annualized wage rate above the maximum amount allowed by the most recently adopted salary ordinance, as long as appropriation authority for personal services contingency remains available.

Additionally, RC-1-24, Section 3 stipulates that the Controller must report all appropriation transfers executed under its authority to the Common Council no later than the second Council meeting for the months of April, July, October, and December.

In accordance with the intent and in compliance with the requirements stipulated in RC-1-24, Section 1 attached is a summary of all fiscally neutral appropriation transfers executed by OFA, across certain Civil City funds in the second quarter of 2024.

RC-1-24 is attached for your ready reference.

Attachments

Routine Budget Adjustments
CY 2024, Quarter 2
per RC-1-24

Fund:	101	General Fund							
	Increase				Decrease				Comments
Dept Code	Dept Name	Exp Series	Amount	Dept Code	Dept Name	Exp Series	Amount		
005	Fire	200	$ 25,000	005	Fire	300	$ (25,000)		*Realign spending in the 200 series, as the Fire Department builds out their internal fleet maintenance division.*
003	OFA	300	$ 31,000	000	Non-Departmental	300	$ (31,000)		*Realignment of Arbitrage Analysis cost for various bonds previously being paid from debt service funds.* ***DOES NOT TECHNICALLY MEET REQUIREMENTS OF RC-1-24. (transfer from contigency)***
	Subtotal		**$ 56,000**				**$ (56,000)**		
Fund:	**106**	**Motor Vehicle Highway Fund**							
	Increase				Decrease				Comments
Dept Code	Dept Name	Exp Series	Amount	Dept Code	Dept Name	Exp Series	Amount		
026	Street/Improv & Rehab	300	$ 50,000	026	Street/Improv & Rehab	400	$ (50,000)		*Realign appropriation for pavement management on-call services.*
	Subtotal		**$ 50,000**				**$ (50,000)**		
Fund:	**110**	**Parks Programs Fund**							
	Increase				Decrease				Comments
Dept Code	Dept Name	Exp Series	Amount	Dept Code	Dept Name	Exp Series	Amount		
021	Parks/Golf	400	$ 263,639	021	Parks/Golf	300	$ (263,639)		*Correction of previously appropriated amount per ORD #07-03-24, approved by Council on March 26, 2024). Appropriated funds were proceeds of the sale of golf carts. Initially it was thought these proceeds would be used for a pre-planned lump sum paydown of a lease for new gold carts, but were instead used for direct purchase of those carts.* ***DOES NOT TECHNICALLY MEET REQUIREMENTS OF RC-1-24. ($ amount too high)***
	Subtotal		**$ 263,639**				**$ (263,639)**		
Fund:	**112**	**Downtown Development Fund**							
	Increase				Decrease				Comments
Dept Code	Dept Name	Exp Series	Amount	Dept Code	Dept Name	Exp Series	Amount		
016	Econ Dev/Prog & Proj	300	$ 35,500	016	Econ Dev/Prog & Proj	400	$ (35,500)		*Realign appropriation fo Hard Hat Resiliency Grant Program*
016	Econ Dev/Prog & Proj	300	$ 10,000	016	Econ Dev/Prog & Proj	400	$ (10,000)		*Realign appropriation to reflect revealed spending needs for Downtown District enhancement activities.*
	Subtotal		**$ 45,500**				**$ (45,500)**		
	Total Allowable Quarterly Transfers		***$ 125,000***						
	Total Transfers Executed		***$ 415,139***						
	Unused Balance		***$ (290,139)***				***$ 319,639***		***Total Transfers Not Technically Eligible for RC-1-24***

** Please note all funds budgeted from Fund 112 for Econ Dev/Prgrm & Project (016) were in the 400 Series.*

RESOLUTION NO. RC-1-24

AUTHORIZING CERTAIN ROUTINE FISCAL ACTIONS
FOR BUDGET YEAR 2024

WHEREAS, appropriations authorized from a Civil City fund, in the annual budget ordinance, are allocated to departments and further sub-allocated by four (4) major expenditure categories: 1) Personal Services; 2) Supplies; 3) Services & Other Charges; and 4) Capital Outlay.

WHEREAS, approval by the local fiscal body is required to increase, reduce, or transfer of appropriation authority within a Civil City fund.

WHEREAS, certain fiscal demands may arise subsequent to the adoption of the current Civil City annual budget so that it becomes necessary to transfer appropriation authority within a fund without increasing the overall appropriation authority.

WHEREAS, in some cases, those actions may involve transfers from the Personal Services Contingency to a departmental budget for a pay adjustment that does not increase a position's annualized wage rate above the maximum amount by the most recently approved Salary Ordinance for 2024.

WHEREAS, in the interest of sound budget management practice, executing a resolution or ordinance for each small, fiscally neutral adjustment is inefficient and of questionable benefit.

WHEREAS, the City's central finance believes a more effective process is to submit a summary list of such transfers to the Common Council for review on a recurring basis.

WHEREAS, the determination of certain budget shortfalls is not confirmed until after the final Common Council meeting of the budget year,

WHEREAS, for each budget year the City's central finance office must close the accounting period, at year end, and compile an annual report of the City's financial position.

WHEREAS, the Common Council expects all departmental expenditures to be less than or equal to departmental appropriations at the time of the official accounting period close for each budget year.

WHEREAS, during the annual budget approval process, when submitting certain current year financial estimates to the Indiana Department of Local Government Finance planned reversions of appropriations are not acknowledged without authorization by the Common Council that appropriations have been reduced.

WHEREAS, executing an ordinance to reduce appropriations in a fund to reflect planned reversions in the current year is inefficient and of questionable benefit.

NOW, THEREFORE, BE IT RESOLVED, by Common Council of the City of Noblesville, Indiana, as follows:

SECTION 1: For the 2024 budget year, the Controller is authorized to execute appropriation transfers within a Civil City fund that do not increase or decrease the total appropriations from the fund, of no greater than $50,000 per transfer and $125,000 in total per fiscal quarter, as necessary to cover routine re-alignments of departmental budgets that are technical in nature.

SECTION 2: For the 2024 budget year, the Controller is authorized to execute appropriation transfers within a Civil City fund that do not increase or decrease the total appropriations from the fund, for certain pay adjustments that do not raise a position's annualized wage rate above the maximum amount allowed by the most recently adopted salary ordinance, using only unencumbered appropriation balances available within the fund's Personal Services Contingency.

SECTION 3: The Controller must present for review, to the Common Council, a summary of all appropriation transfers executed under SECTION 1 and SECTION 2 no later than the second Council meeting for the months of April, July, October, and December.

SECTION 4: The Controller is authorized to execute appropriation transfers, within a Civil City fund, that do not increase or decrease the total appropriations from the fund, as necessary to cover any departmental budget shortfalls existing during the official year-end accounting period close process for 2024.

SECTION 5: The Controller must present for review, to the Common Council, a summary of all appropriation transfers executed under SECTION 4 no later than the first Council meeting convened in February of the subsequent year.

SECTION 6: The Controller is authorized to reduce appropriations from a Civil City fund, only to the extent of known reversions, when submitting current year financial estimates to the Indiana Department of Local Government Finance as part of the annual budget approval process.

SECTION 7: The Controller must present for review, to the Common Council, a summary of all planned appropriation reductions to be executed under SECTION 6 no later than the first Council meeting in November, and a summary of all final appropriation reductions executed under SECTION 6 no later than the first Council convened in February of the subsequent year.

Approved on this 9th day of January, 2024 by the Common Council of the City of Noblesville, Indiana:

AYE		NAY	ABSTAIN
	Mark Boice		
	Michael J. Davis		
	Evan Elliott		
	David M. Johnson		
	Darren Peterson		
	Pete Schwartz		
	Aaron Smith		
	Todd Thurston		
	Megan G. Wiles		

ATTEST: Evelyn L. Lees
Evelyn L. Lees, City Clerk

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Presented by me to the Mayor of the City of Noblesville, Indiana, this 9th day of January, 2024 at 7:30 P.M.

Evelyn L. Lees, City Clerk

MAYOR'S APPROVAL

Chris Jensen, Mayor

1-9-24
Date

MAYOR'S VETO

Chris Jensen, Mayor

Date

ATTEST: Evelyn L. Lees, City Clerk

CITY OF NOBLESVILLE INCORPORATED MAY 6, 1887 SEAL INDIANA