



MEMORANDUM

To: Mayor John Lampl and the City Council

From: Chris Pike, Finance Director

Date: November 23, 2021

Subject: **Second Read – Ordinance to Amend FY21 Budget**

BACKGROUND

City is underway on the FY21 audit and nearing the end of the fieldwork stage. We need to amend our FY21 budget to capture some of the changes that took place throughout the fiscal year. State law requires governments to spend within their budgets but give cities the option to amend our budget even after the end of the year. This is a common practice in government (though unnecessary in the private sector.)

In some cases, an amendment would be required because of complying with state law. For example, we are required to distribute our Hotel Motel Tax dollars. That means if your revenues exceed our budget, it's likely the expenses will as well. In other cases, you have events take place after the budget was adopted that were unknown when the budget was passed. This would include things like emergencies, grant awards, etc. And as in the case for City Manager/Finance as well as Planning/Debt, we are simply moving the budget to another department. Point being amendments are common practice and necessary in government even in situations where the fiscal year has lapsed.

At the request of Councilmember Tran, I have included the pre-amendment figures and added the amendment to it. These figures are shown in Exhibit A. Accounts/Funds/Departments not shown in the exhibit have not changed.

RECOMMENDED ACTIONS

It is respectfully requested Council adopt the budget amendment accounting for additional revenues and expenditures incurred throughout FY 2021.

ORDINANCE 2021-10

AN ORDINANCE AMENDING THE BUDGET FOR THE FISCAL YEAR 2021 FOR FUNDS OF THE CITY OF MORROW, GEORGIA, PURSUANT THE CHARTER OF THE CITY, BEGINNING JULY 1, 2020, AND ENDING JUNE 30, 2021, APPROPRIATING THE AMOUNTS SHOWN IN EACH BUDGET AS EXPENDITURES, ADOPTING THE ITEM OF ANTICIPATED FUNDING SOURCES, PROHIBITING EXPENDITURES TO EXCEED APPROPRIATIONS, AND PROHIBITING EXPENDITURES FROM EXCEEDING ACTUAL FUNDING SOURCES

WHEREAS, a proposed amended budget for each of the various funds of the City has been presented to the Mayor and City Council; and

WHEREAS, the Mayor and City Council have reviewed the proposed amendment; and

WHEREAS, each of the funds has a balanced budget, such that anticipated funding sources equal or exceed proposed expenditures; and

WHEREAS, the Mayor and City Council intend to amend the annual budget for the Fiscal Year 2021.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Morrow, pursuant to their authority, as follows:

Section 1. That the City of Morrow, Georgia hereby amends the budget for the Fiscal Year 2021, said budget being described in Exhibit A; and

Section 2. That the City Manager and his/her designee may promulgate all necessary internal rules, regulations, and policies to ensure that this Budget Ordinance is followed.

STATE OF GEORGIA
CITY OF MORROW

SO ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MORROW, GEORGIA this the 23th day of November, 2021.

Approved:



John Lampl, II, Mayor

Attest:



Markeeta Lee, City Clerk



EXHIBIT A

General Fund Account/ Department Name	Pre - Amendment DR (CR)	Amendment DR (CR)	Post - Amendment DR (CR)
GENERAL FUND			
Local Option Sales & Use Tax	\$ (1,800,000.00)	\$ (334,779.00)	\$ (2,134,779.00)
Business & Occupation Taxes	\$ (850,000.00)	\$ (250,000.00)	\$ (1,100,000.00)
MAYOR & COUNCIL	\$ 307,458.00	\$ (185,500.00)	\$ 121,958.00
CITY CLERK	\$ 107,706.00	\$ (23,500.00)	\$ 84,206.00
CITY MANAGER	\$ 674,145.00	\$ (360,000.00)	\$ 314,145.00
ELECTIONS	\$ 2,000.00	\$ 15,000.00	\$ 17,000.00
FINANCE & ADMINISTRATION	\$ 405,649.00	\$ 340,000.00	\$ 745,649.00
LEGAL	\$ 80,000.00	\$ 120,000.00	\$ 200,000.00
INFORMATION TECHNOLOGY	\$ 153,376.00	\$ (10,000.00)	\$ 143,376.00
COURT	\$ 314,085.00	\$ 85,000.00	\$ 399,085.00
POLICE	\$ 2,154,995.00	\$ (64,000.00)	\$ 2,090,995.00
FIRE	\$ 2,407,014.00	\$ (95,000.00)	\$ 2,312,014.00
E911	\$ 102,500.00	\$ (25,000.00)	\$ 77,500.00
PUBLIC WORKS	\$ 1,129,993.00	\$ 544,500.00	\$ 1,674,493.00
PLANNING & ECONOMIC DEVELOPMENT (INC DEBT PMT)	\$ 109,045.00	\$ 1,302,500.00	\$ 1,411,545.00
DEBT SEVICE (MOVED TO ABOVE)	\$ 1,059,221.00	\$ (1,059,221.00)	\$ -

AMENDMENT BALANCE

\$ -

Account		Amendment DR (CR)	Amendment DR (CR)
HOTEL MOTEL EXCISE TAXES			
Hotel/Motel Tax	\$ (597,000.00)	\$ (325,000.00)	\$ (922,000.00)
Interest Revenues	\$ (3,000.00)	\$ 3,000.00	\$ -
Appropriated Fund Balances	\$ -	\$ (100,000.00)	\$ (100,000.00)
Destination Marketing Org	\$ 262,500.00	\$ (262,500.00)	\$ -
Transfer To General Fund	\$ 225,000.00	\$ 82,000.00	\$ 307,000.00
Transfer To Product Develop	\$ 112,500.00	\$ 42,000.00	\$ 154,500.00
Transfer To Dmo/Mcta	\$ -	\$ 560,500.00	\$ 560,500.00
AMENDMENT BALANCE		<u>\$ -</u>	
SPLOST 2020 FUND			
Special Local Option Sales Tax	\$ -	\$ (50,000.00)	\$ (50,000.00)
Buildings And Grounds Repair	\$ -	\$ 50,000.00	\$ 50,000.00
AMENDMENT BALANCE		<u>\$ -</u>	
COURT FIDUCIARY FUND			
Municipal Court Revenues	\$ (1,549,600.00)	\$ 1,281,000.00	\$ (268,600.00)
Clayton County-Popidf-A&b	\$ 90,000.00	\$ 20,000.00	\$ 110,000.00
Georgla Crime Victims Dui Fund	\$ 200.00	\$ 30,000.00	\$ 30,200.00
City Of Morrow General Fund Distribution	\$ 1,331,000.00	\$ (1,331,000.00)	\$ -
AMENDMENT BALANCE		<u>\$ -</u>	