



## Legislation Text

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**File #:** 17-219, **Version:** 1

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**Agenda Item Title:**

Council Member Smith proposing changes to the carryover funds appropriation process.

**Presenter:**

Council Member Smith

**Description/Background:**

Budget Carryover Cash Flow

The budget carryover process can at times be somewhat confusing with the carryover activity information being consolidated in a way that shows only the end results. I believe there is a need for greater disclosure on how the carryover funds were generated and where they are ultimately applied. These spreadsheets are simply one way to do that

For example, I believe departments should get credit for managing their budgets, and the savings that are generated on the expense side should generally be available to them for carryover. The only caveat to this would be HOW the carryover was generated. Showing more detail in the Budget Vs Actual allows the Council to review and the department heads to describe the management steps taken that resulted in the carryover. I believe such a review provides opportunities for questions and feedback that would not otherwise occur, which provides the Council greater insight into the budget challenges departments face.

Secondarily, I believe the allocation of any General Fund revenue surplus for the year should reflect the Council's priorities. The Capital Projects and other Funds should be reviewed, the administration should propose allocations, and the "GASB 34" analyses for departments should set broad parameters for the appropriate use of the surplus. Departments may wish to use part of their carryover funds for capital projects, as well.

These spreadsheets are clearly rough and will need some refinement before Finance is ready with hard numbers. This is merely a proposal to move our carryover discussion as a Council in a more deliberative direction.