

# City of Los Alamitos

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| <b>Agenda Report</b>    | <b>September 21, 2009</b> |
| <b>Consent Calendar</b> | <b>Item No: 8C</b>        |

**To:** Mayor Troy Edgar & Members of the City Council

**Via:** Jeffrey L. Stewart, City Manager

**From:** Nita McKay, Assistant City Manager

**Subject:** Carryover Funds from Fiscal Year 2008-09 to Fiscal Year 2009-10

**Summary:** This report details appropriations for projects that were not complete at June 30, 2009 and seeks City Council approval to carryover the appropriations from Fiscal Year 2008-09 to Fiscal Year 2009-10.

**Recommendation:** Approve the Fiscal Year 2008-09 carryover of appropriations to Fiscal Year 2009-10 as detailed in Attachment 1 to this report.

## Background

The City of Los Alamitos Charter, Section 1205 authorizes the City Council to "...amend or supplement the budget by motion adopted by a majority vote so as to authorize the transfer of unused balances appropriated for one department to another department or to appropriate available funds not included in the budget..." This report requests that the City Council review and approve the carryover of unexpended appropriations from Fiscal Year 2008-09 to Fiscal Year 2009-10 as detailed in Attachment 1 to this report.

## Discussion

The governmental accounting and financial reporting standards under the Governmental Accounting Standards Board (GASB) Pronouncement 1700.129 provides that the City should establish budgetary authority for carryover appropriations that the City intends to carry forward to the ensuing fiscal year, by obtaining City Council's approval for such carryovers.

At the end of Fiscal Year 2008-09, there were projects that had not been completed, had not been encumbered via a purchase order, or had not been rebudgeted in the 2009-10 fiscal year. These remaining funds need to be carried over to the current fiscal year in order to authorize the completion of projects. Approved carryovers are added to the current budget and are funded from a designation of fund balance; they do not increase or decrease a given fund's current financial position.

At the end of each fiscal year, a process is used to determine amounts that should be appropriately carried over to the following fiscal year. Appropriation carryovers are funds budgeted in the prior fiscal year for specific purposes but not expended or encumbered during that period due to timing considerations. Capital improvement projects spanning multiple years are an example of the type of appropriation to be carried forward from one fiscal year to the next.

Attachment 1 details capital improvement projects that are multi-year projects and not yet complete at June 30, 2009.

## **Fiscal Impact**

Appropriation carryover amounts are detailed in Attachment 1 and summarized by fund.

Submitted By:

Approved By:

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Nita McKay  
Assistant City Manager

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Jeffrey L. Stewart  
City Manager

*Attachment:* 1) Fiscal Year 2008-09 Capital Improvement Projects Carryovers