

ORDINANCE NO. 2083

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SALISBURY APPROVING AN AMENDMENT TO THE FY09 CITY MARINA FUND BUDGET AND THE FY 09 GENERAL FUND BUDGET TO APPROPRIATE FUNDS TO PROVIDE FOR UNCOLLECTIBLE RECEIVABLES

WHEREAS, the City previously had an outside company, Coastal Properties Management, Inc., manage the operations of the City Marina, and;

WHEREAS, while under the management company, there was an unbilled receivable for fuel and;

WHEREAS, when the City resumed management of the Marina operations, the fuel tanks were deemed inoperable, and;

WHEREAS, the fuel tanks have now been removed from the Marina and the fuel pumped out and disposed, and;

WHEREAS, with the tanks removed and the fuel disposed of the outstanding receivable related to fuel must be written off, and;

WHEREAS, there are sufficient funds in the General Fund contingency to offset this loss;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that the City's Fiscal Year 2009 Marina and General Fund budgets be and are hereby, amended as follows:

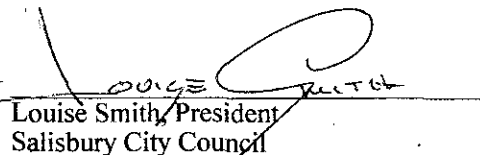
- 1) Increase the Marina Fund Revenue by \$15,499.92
- 2) Increase the Marina Fund Expense by \$15,499.92
- 3) Additionally, City Council authorizes the expenditure of \$15,499.92 from the City General Fund Contingency, which will be transferred to operating transfers.

BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on the 11th day of August, 2009, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 24th day of August, 2009.

ATTEST:


Brenda J. Colegrove, City Clerk


Louise Smith, President
Salisbury City Council

Approved by me this

25th day of August, 2009.


James Hutton, Jr., Mayor

Memo

To: John R. Pick, City Administrator
From: Pamela B. Oland, Director of Internal Services
Date: August 3, 2009
Re: Budget Amendment for Marina Fund

The Marina Fund has a current unbilled receivable on the balance sheet of \$15,499.92. This amount represents fuel provided to Coastal Management at the time they assumed operations. When the City resumed operations of the Marina the fuel tanks were inoperable. Since that time the tanks have been removed and all the remaining fuel has been pumped out and disposed of. Since this receivable is no longer collectible the balance must be written off. In order to expense this amount we request that Council adopt a budget amendment. If a budget amendment is not completed there will be a variance to budget since this entry will be required by the auditors. At this time, we are unable to provide any comment from the auditors as they are out of the office. We will attempt to receive further documentation from the auditors prior to the 2nd reading of the amendment. The budget amendment will reduce the General Fund contingency and increase the transfer to the Marina fund. In the Marina fund, the transfer from the General fund will increase, as will the fuel expense.