

## ORDINANCE NO. 2090

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE FY 10 GENERAL FUND BUDGET TO BUDGET THE RECEIPT OF SURPLUS PROPERTY PROCEEDS AND THE FINAL PAYOFF OF A LEASE.

WHEREAS, the City of Salisbury desires to sell two (2) surplus fire trucks; and

WHEREAS, these fire trucks have a remaining lease payment due; and

WHEREAS, the proceeds from the sale of the trucks will be sufficient to pay off the lease; and

WHEREAS, City Council desires to amend the FY 10 General Fund budget to reflect the receipt of the truck sale proceeds and the final lease payment.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF COUNCIL OF THE CITY OF SALISBURY, MARYLAND that the City's Fiscal Year 2010 General Fund budget be and is hereby, amended as follows:

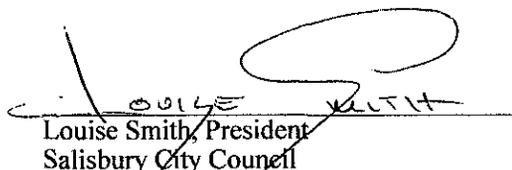
- 1) Increase General Fund Revenue – Sale of Fixed Assets (01000-469200) \$80,085.49
- 2) Increase Fire Department \$80,085.49

AND, 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 12<sup>th</sup> day of October, 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 26<sup>th</sup> day of October, 2009.

ATTEST:

  
Brenda J. Colegrove, City Clerk

  
Louise Smith, President  
Salisbury City Council

Approved by me this 27<sup>th</sup> day of October,  
2009.

  
James Veton Jr., Mayor

# Memo

**To:** John R. Pick, City Administrator  
**From:** Pamela B. Oland, Director of Internal Services *PBO*  
**Date:** October 5, 2009  
**Re:** Budget Amendment Related to Sale of Fire Trucks

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At the September 14, 2009 City Council meeting, Council approved during the Award of Bids the sale of three (3) surplus fire trucks. The net proceeds from the sale totaled \$339,200. Two (2) of the trucks have an existing lease purchase agreement. To complete the sale of these vehicles, the lease must be paid off. In planning the replacement of these trucks, we anticipated making the last lease payment, which is due in FY 11, from the proceeds of the sale; however, we only included a portion of the anticipated sale proceeds (\$160,586) in the FY 10 budget. We planned to request a budget amendment for both the sale proceeds and the final lease payment once the amount of the sale was known. Now that the sale is final, we are requesting an amendment to the budget to appropriate enough of the sales proceeds to cover the final lease payment (\$80,085). The budget amendment also includes adding the final lease payment to the FY 10 budget.

If this budget amendment is approved, there will be an amount of \$98,528.51 of the sales proceeds that has not been appropriated in the FY 10 budget. This amount has been included as a partial offset to the loss in State shared revenues of which we were notified last month.

If you have any questions regarding this information please let me know.