



## Minutes - Final

### Budget and Finance Committee

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Wednesday, April 10, 2024

5:30 PM

Council Chambers

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#### Roll Call: Chair Napoli, Hendricks, Gerlach

[15-6791](#)

Bill 32

Amending the 2024 General Fund, the 2024 Risk Fund, the 2024 Solid Waste Fund, the 2024 Stormwater Fund, the 2024 Equipment Replacement Fund, the 2024 Golf Fund, and the 2024 Housing Fund by appropriating funds from the un-appropriated balances for the rollover of encumbrances for the prior year commitments.

**Sponsors:** Administration

**Attachments:** [Bill 32 Purchase Order Roll Over](#)

[Ordinance #16007](#)

Mr. Santo Napoli asked for Ms. Patel to give some background.

Ms. Bina Patel stated that she has Jessica Baraket, Deputy Finance Director and she is going to share on the rollover from 2023 to 2024.

Ms. Jessica Baraket stated good evening. This is an item that they are bringing forward to them every year. These are the items that were put on the Purchase Order in 2023. They were either for whatever reason they haven't been fully expended yet so they need to push the remainder of the balance over into the 2024 budget. This is moving the budget from 2023 over 2024. He stated thank you and asked if there were any questions from his committee members or any questions from the dais or any questions from the public.

**A motion was made by Daryl Hendricks, seconded by Ce-Ce Gerlach, that this Bill be forwarded to the full Council.**

**Yes:** 3 - Santo Napoli, Daryl Hendricks and Ce-Ce Gerlach

Enactment No: 16007

[15-6790](#)

Bill 31

ADOPTING FUND BALANCE POLICY FOR THE CITY OF ALLENTOWN

Reminder: code this up

**Sponsors:** Administration

**Attachments:** [Bill 31 Fund Balance Policy](#)  
[Ordinance #16006](#)

Ms. Bina Patel stated that the Fund Balance Policy per the GASB Governmental Accounting Standards Board Statement #54 suggest that a city follow or have a cash balance at least at 17 percent or 2 1/2 months worth of budgeted expenditures for the year. She stated that is what this is talking about for the General Fund and the Risk Fund. Seventeen percent of the expenditure for any given year should be reserved in the cash balance to pay for unexpected expenditures that arise. This helps keep the city in a healthy financial state should there be any revenue shortfall and the city cannot pay the expenditures, they can use the cash to make those payments. This is a very financial responsible move from the city.

Mr. Santo Napoli stated that is it something that does fit the criteria for Moody's in the future when it comes to grading the city's financial situation.

Ms. Bina Patel stated to Mr. Napoli, yes, you are correct. She stated absolutely. This is used when the credit rating agencies provide ratings to the city. This is one of the things their criteria is based on. She stated do they have a Fund Balance Policy. The Fund Balance Policy actually states to any entity, any rating agency that they are financially responsible. They are looking out for themselves and making sure that they will have enough monies to pay either the employees or taxes related to employment and obligations for our pension funds and should there be revenue shortfalls, they will cover that with the fund balance.

Mr. Santo Napoli thanked Ms. Patel and stated that it is good business. He asked if there were any questions from his committee members or comments.

Mr. Daryl Hendricks stated that he also agrees that instituting this policy reflects favorably on Council and it shows to be a responsible body for the city. He would recommend it highly that all Council follows this and vote for it.

Mr. Santo Napoli thanked Mr. Hendricks and asked if there were any other questions from the dais or any questions from the public.

**A motion was made by Daryl Hendricks, seconded by Ce-Ce Gerlach, that this Bill be forwarded to the full Council.**

**Yes:** 3 - Santo Napoli, Daryl Hendricks and Ce-Ce Gerlach

Enactment No: 16006

## Updates

Mr. Santo Napoli stated that it sounds good. Thank you Ms. Patel and asked if there were any other updates.

Ms. Bina Patel stated that they continue working on the migration to Munis which is a Year Piece System Migration. They opened again the 2023 financial audit that has begun. Treasury is working on that billing for business licenses and business privilege tax revenues along with city real estate revenues coming in the due dates of April. They will see significant increase in the cash balance in the March financials. Revenue and audit is busy with processing payments for the city real estate tax and the business privilege tax.

Mr. Santo Napoli stated it sounds good. He asked if there are any other questions from Ms. Patel from the dais.

**Adjournment: 5:36 PM**