



Treasurer's Webinar Training  
Controlling and Managing  
the Budget  
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*Presenters*

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# Managing the Budget

## ❑ WHO?

- Treasurer
- Commissioners
- Chief

## ❑ WHY?

- Limited Resources
- Balanced Budget
- Timely detection of budget shortfalls

## ❑ When?

- At least Monthly



# Controlling the Budget

## □ Budget vs Actual Reports

- Monthly Actual vs Monthly Budget.
  - Narrative
- Year to Date Actual vs. Year to Date Budget.
  - Narrative
- Review large variances, from analysis determine need for modifications.



# Controlling the Budget cont'd

## ❏ Encumbrances

### ➤ What are they?

- Unperformed or Unreceived Procurements

### ➤ What is the purpose?

- Budgetary (Appropriation Control)



# Subsidiary Expenditure Ledger

<b>Account – Fire Protection</b>					<b>A3410.4</b>
<b>Date</b>	<b>Description</b>	<b>Appropriation</b>	<b>Encumbrances</b>	<b>Expenditure</b>	<b>Balance</b>
1/1/2020	Budget	\$ 100,000.00			\$100,000.00
1/10/2020	Order placed		\$ 15,500.00		\$ 84,500.00
6/25/2020	Order received		\$ (15,500.00)	\$ 15,600.00	\$ 84,400.00



# BUDGET MODIFICATIONS

**A budget modification is an amendment to the adopted budget.**

## ❑ Possible Types of Modifications

### ➤ Transfers

Contingency line item 1990.4

### ➤ Fund Balance and Unanticipated Revenue

(not included in original budget)

### ➤ Grants in Aid

Grants – NYS or Federal

Disaster Aid – FEMA or SEMA



## BUDGET MODIFICATIONS - Continued

### ➤ Insurance Recovery

- Can increase the budget immediately to replace or repair item damaged.
- For other purpose must determine if there is unappropriated surplus.

### ➤ Gift(s)

- **Restricted Gifts**  
Required to be expended for particular objects or purposes.
- **Unrestricted Gifts**  
No purpose stated.



# BUDGET MODIFICATIONS - Continued

## ➤ Budget Notes (debt issuance)

- Local Finance Law, § 29

Provide funding for expenditures where insufficient or no provision was made in budget.

**Limit:** Up to 5% of Budget

Unforeseen public emergency.

**Limit:** None

**Governing Board Resolution must identify  
line items and corresponding amounts**

MUST budget for:

Principal & Interest

Less

Unspent Cash from Note





# BUDGET MODIFICATIONS

## Legal

By Board Resolution

## Accounting

By General Journal Entry

A3410.1 Personal Services	\$ 65,000.00
A3410.2 Equipment & Capital Outlay	\$110,000.00
A3410.4 Contractual & Other	\$455,000.00
A3410.8 Employee Benefits	\$ 170,000.00
<b>Total</b>	<b>\$800,000.00</b>

A-100 Personal Services	
A3410.12 District Secretary	\$ 35,000.00
A3410.13 District Treasurer	\$ 25,000.00
A3410.14 Deputy Treasurer	\$ 5,000.00
Total .1	\$ 65,000.00
A-200 Equipment & Capital Outlay	
Hose	\$ 5,000.00
Miscellaneous Equipment	\$ 25,000.00
Pagers	\$ 5,000.00
Personal Protective Equipment	\$ 50,000.00
SCBA	\$ 25,000.00
Total .2	\$ 110,000.00
A-400 Contractual & Other	
Apparatus Maintenance/Repairs	\$ 100,000.00
Audit	\$ 5,000.00
Contingency Fund (1990.4)	\$ 10,000.00
Convention	\$ 5,000.00
Dues. Legal Fees	\$ 20,000.00
Equipment Inspection	\$ 10,000.00
Fire Prevention	\$ 5,000.00
Fire Training	\$ 20,000.00
Insurance	\$ 50,000.00
IT Services	\$ 25,000.00
Operations	\$ 30,000.00
Physicals & Infectious Disease	\$ 20,000.00
Repairs, Building Maint & Grounds	\$ 80,000.00
Utilities	\$ 75,000.00
Total .4	\$ 455,000.00
A-800 Employee Benefits	
A9025.8 Local Pension Fund	\$ 100,000.00
A9030.8 Social Security	\$ 5,000.00
A9040.8 Workers' Compensation	\$ 5,000.00
A9050.8 Unemployment Insurance	\$ 10,000.00
A9055.8 Disability Insurance	\$ 25,000.00
A9060.8 Hospital, Medical & Accident Ins.	\$ 20,000.00
A9089.8 Other Employee Benefits	\$ 5,000.00
Total .8	\$ 170,000.00



## BUDGET MODIFICATIONS - Continued

### ❏ Transfers:

- Have no real affect on budget - realigns budget
  - Transfer from contingent line item (1990.4)
  - Transfer from appropriation line item to line item
  - Transfer between objects of expenditure in same line item



# BUDGET MODIFICATIONS - Continued

## ❑ Using Unappropriated FB or Unanticipated Revenues

- When?
- How Much?
- **INCREASES BUDGET**

### EXAMPLE:

Budget:	Est. Revenues	(510)	\$ 5,000,000
	Appropriated FB	(599)	<u>500,000</u>
			\$ 5,500,000
Actual:	Revenues**	(980)	\$ 4,850,000
	Beginning FB	(909)	<u>715,000</u>
			\$ 5,565,000
You Can Appropriate			\$ 65,000

\*\* Plus revenues that are reasonably expected to be recognized in the current year.



# QUESTIONS?



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