TOWN OF CALLAHAN, FLORIDA
RESOLUTION NO. 2015-R02

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CALLAHAN, FLORIDA TO WRITE OFF JOURNAL ENTRY OBLIGATIONS OF $884,327.57 SHOWN AS OWED TO THE GENERAL FUND BY THE WATER AND SEWER ENTERPRISE FUND AS OF SEPTEMBER 30, 2014; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Town of Callahan accounts for water and sewer enterprise income and expenses separately from the Town's general income and expenses;

WHEREAS, due to the Town's small size, water and sewer personnel and equipment are used at times for general town obligations;

WHEREAS, at times water and sewer enterprise activities have not generated sufficient income to cover expenses;

WHEREAS, the Town accounted for overlaps between general Town activities and water and sewer enterprise activities and shortfalls in water and sewer revenues through inter-fund journal entries;

WHEREAS, over the years the journal entries accumulated to a point where an actual transfer of the amount shown as owed by the water and sewer enterprise fund to the general fund is not feasible;

WHEREAS, the Town has improved its accounting practices so that they now more accurately reflect the water and sewer enterprise's actual income and expenses, thereby reducing or eliminating the need for inter-fund journal entries.

NOW THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CALLAHAN, FLORIDA:

Section 1. The Town Council hereby authorizes the write-off of the $884,327.57 balance shown on the Town's accounting records as owed to the general fund by the water and sewer enterprise fund as of September 30, 2014.

Section 2. This Resolution shall become effective upon its adoption.

INTRODUCED, PASSED, AND ADOPTED THIS 20 DAY OF JANUARY, 2015.

TOWN OF CALLAHAN, FLORIDA

Ken Bass, Town Council President

ATTEST:

Stephanie Knagge, Town Clerk

APPROVED:

Robert Rau, Mayor