

Regular Workshop – June 16, 2014
Agenda Item 17

Agenda Item: Proposed Resolution 2014-21, Transferring Phase II Infrastructure Surtax Residual Balances to Phase III for the Purpose of Purchasing Police Vehicles and Other Fire Department Equipment in FY 2015-FY2019

Presenter: Town Manager

Summary: The Phase III Infrastructure Surtax referendum was passed in November of 2007 for revenue collection beginning in September of 2009 through December 31, 2024.

Sarasota County Ordinance 2007-087 requires the Town to submit a Project List for utilization of the funds and provides authority for each governing body to designate changes to the projects and reallocate funds within the project list, following a public hearing.

An internal audit performed in September 2013 revealed an unused portion of Phase II monies in the amount of \$230,555 plus accrued interest of \$66,613 that we would like to transfer into Phase III budgets.

Proposed Resolution 2014-21 provides for the additional allocation of the \$297,168 project funds to the Public Safety category for the purpose of purchasing police vehicles and Fire Department Equipment in FY2015-FY2019 in accordance with the 5 year Capital Improvement Plan. Without this source of funds, a large portion of funding would have to be paid from ad valorem taxes.

Attachments: 05-19-14 Memo, Finance Director to Town Manager;
Proposed Resolution 2014-21.

Recommended

Action: Pending discussion, forward Resolution 2014-21 to the July 7, 2014 Regular Meeting for public hearing and formal action.

MEMORANDUM

Date: May 19, 2014

TO: Dave Bullock, Town Manager
FROM: Sue Smith, Finance Director
SUBJECT: Proposed Resolution 2014-21, Transferring Phase II Infrastructure Surtax Residual Balances to Phase III for the Purpose of Purchasing Police Vehicles and Fire Department Equipment in FY 2015-FY2019.

The Phase III Infrastructure Surtax referendum was passed in November of 2007 for revenue collection beginning in September of 2009. The internal audit we performed in September of 2013 revealed a residual fund balance amount of \$230,555 derived from underspent projects as well as \$66,613 of investment income earned by the fund.

Proposed Resolution 2014-21 transfers the residual balances from Phase II to Phase III for the purpose of purchasing police vehicles and Fire Department Equipment in FY2015-FY2019 in accordance with our 5 Year Capital improvement plan.

The following excerpt from Sarasota County Ordinance 2007-087 addresses the authorization of the local governing body to adopt changes to the funding allocations.

H. Modification to Projects and to Allocated Funding. Each Local Governing Body shall have authority, after a public hearing, to adopt by resolution changes to the infrastructure projects to be funded and to reallocate its share of the Sales Tax proceeds. Each Committee shall ensure that its Local Governing Body has followed the procedural requirements for making changes to the infrastructure projects or to the allocation of Sales Tax proceeds.

The Functional Areas Categories and cumulative expenditures are attached. Attachment A of the proposed resolution as well as the table below shows the addition to the budget.

Please don't hesitate to contact me if you have any questions.

EXHIBIT F
TOWN OF LONGBOAT KEY PROJECTS LIST - PHASE III
INFRASTRUCTURE SURTAX FY 2010 - FY 2024

CATEGORIES	PROJECT TITLE	SURTAX FUNDING BUDGET	ADJUSTMENT	REVISED BUDGET	CUMULATIVE EXPENDITURES	SURTAX REMAINING
COMPREHENSIVE BEACH MANAGEMENT	Longboat Key Beach Nourishment Project 2014 and Erosion Control Structures	\$ 1,730,569		\$ 1,730,569	\$ (300,000)	\$ 1,430,569
STREETS and DRAINAGE	Street Resurfacing and Drainage Improvements	-		-	-	-
PARKS and RECREATION IMPROVEMENTS	Parks & Recreation Improvements	2,922,000		2,922,000	(34,040)	2,887,960
CANAL DREDGING	Dredging maintenance	900,000		900,000	-	900,000
PUBLIC SAFETY	Fire and Police Vehicles or Equipment	1,291,000	297,168	1,588,168	(1,269,861)	318,307
IMPROVEMENTS TO PUBLIC FACILITIES	Facilities Maintenance	922,000		922,000	(272,259)	649,741
Town of Longboat Key Infrastructure Surtax Project Grand Total		\$ 7,765,569	\$ 297,168	\$ 8,062,737	\$ (1,876,160)	\$ 6,186,577

By the end of FY2014, the remaining balance in the Public Safety Category is \$21,139. With the additional transfer, the new balance is \$318,307 to be used to cover the Fire Dept SCBA cylinders plus police vehicles in 2016 and 2017 (partial).

RESOLUTION 2014-21

A RESOLUTION OF THE TOWN OF LONGBOAT KEY, FLORIDA, TRANSFERRING PHASE II INFRASTRUCTURE SURTAX RESIDUAL BALANCES TO PHASE III FOR THE PURPOSE OF PURCHASING POLICE VEHICLES AND FIRE DEPARTMENT EQUIPMENT IN FY 2015-FY2019 AND AMENDING THE PHASE III INFRASTRUCTURE SURTAX PROJECT AMOUNTS INCLUDED ON EXHIBIT F IN SARASOTA COUNTY ORDINANCE 2007-087; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, In 1997, Sarasota County enacted Ordinance No. 97-083 (the "County Ordinance") which provided for a one percent local government Infrastructure Sales Tax for the construction of infrastructure projects subject to referendum approval; and,

WHEREAS, the voters within Sarasota County subsequently approved the Infrastructure Sales Tax (also known as Infrastructure Surtax); and,

WHEREAS, Pursuant to Section 212.055(2), Florida Statutes, Sarasota County voters approved the extension of Phase II of the Sales Tax to be continued commencing September 1, 2009 through December 31, 2024, with the extension known as Phase III; and,

WHEREAS, at the request of Sarasota County, the Town of Longboat Key provided the County with a list of areas to be funded with the anticipated Infrastructure Surtax revenue, as well as Project Titles, and probable amounts to be allocated to each as reflected in Exhibit "F" of the County Ordinance, which is attached hereto; and,

WHEREAS, the Infrastructure Surtax, Phase III, commenced on September 1, 2009, and will continue through December 31, 2024; and,

WHEREAS, based on an internal audit performed by the finance department, the Infrastructure fund Phase II has a residual fund balance amount of \$230,555 derived from underspent projects as well as \$66,613 of investment income earned by the fund; and,

WHEREAS, the Town Commission wishes to amend Exhibit "F" – Public Safety increasing the allocation by \$297,168; and,

WHEREAS, in accordance with Sarasota County Ordinance No. 2007-087, Section 5.H., each Local Governing Body shall have the authority, after a public hearing, to designate changes to the infrastructure projects to be funded and to reallocate its share of the sales tax proceeds.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF LONGBOAT KEY, FLORIDA, THAT:

SECTION 1. The above Whereas clauses are true and correct and are hereby ratified, confirmed, and fully incorporated herein.

SECTION 2. The Town Commission hereby amends Exhibit "F" of the Phase III Infrastructure Surtax program by increasing the funding allocation for the Functional Area of Public Safety by \$297,168.00.

SECTION 3. Effective Date. This Resolution shall become effective immediately upon adoption.

Passed by the Town Commission of the Town of Longboat Key on the _____ day of _____, 2014.

James L. Brown, Mayor

ATTEST:

Trish Granger, Town Clerk

Exhibit A - Exhibit "F" of Sarasota County Ordinance 2007-087

EXHIBIT "F"

FUNCTIONAL AREA CATEGORIES	PROJECT TITLE	CURRENT SURTAX FUNDING	SURTAX FUNDING REVISED	PROJECT IMPLEMENTATION DATE
COMPREHENSIVE BEACH MANAGEMENT	Longboat Key Beach Nourishment Project 2014 and Erosion Control Structures	\$1,730,569	\$1,730,569	FY2010 - FY2024
	Comprehensive Beach Management Total	\$1,730,569	\$1,730,569	
STREETS and DRAINAGE	Street Resurfacing and Drainage Improvements	\$0	\$0	
	Streets & Drainage Total	\$0	\$0	
PARKS and RECREATION IMPROVEMENTS	Parks & Recreation Improvements	\$2,922,000	\$2,922,000	FY2010 - FY2020
	Parks & Recreation Total	\$2,922,000	\$2,922,000	
CANAL DREDGING	Dredging maintenance	\$900,000	\$900,000	FY2010 - FY2024
	Canal Dredging Total	\$900,000	\$900,000	
PUBLIC SAFETY	Police Patrol, Detective Vehicles and Radio Equipment Fire and Rescue Capital Vehicle Acquisitions and Equipment	\$1,291,000	\$1,588,168	FY2010-FY2024
	Public Safety Total	\$1,291,000	\$1,588,168	
IMPROVEMENTS TO PUBLIC FACILITIES	Facilities Maintenance	\$922,000	\$922,000	FY2010 - FY2024
	Public Facilities Improvements Total	\$922,000	\$922,000	
	Town of Longboat Key Infrastructure Surtax Project Grand Total	\$7,765,569	\$7,806,737	
	Town of Longboat Key Estimated Infrastructure Surtax Revenue FY 2010-FY 2024	\$7,765,569	\$7,806,737	



End of Agenda Item