

Regular Workshop – October 17, 2016
Agenda Item 10

Agenda Item: Proposed Ordinance 2016-29 Amending the FY 2015-2016 Beach Capital Project Fund Budget to Use Unappropriated Fund Balance for Expenses Related to Fund

Presenter: Town Manager and Staff

Summary: In October of each year, the Finance Department reviews all accounts in all funds for overages and prepares Budget Transfer requests by Resolution or Ordinance, when required, to balance out the accounts at fiscal year end.

The Town Manager requests a transfer from unappropriated fund balance in the amount of \$83,396 for the Beach Capital Project Fund to cover additional expenses associated with wages, memberships, travel, monitoring protected species, bond closing costs and legal expenses.

An Ordinance is required by Town Charter to cover the overages in the budget.

Attachments: 10-11-16 Memo, Manager to Commission;
Proposed Ordinance 2016-29

Recommended

Action: Pending discussion, forward Ordinance 2016-29 to the November 7, 2016 Regular Meeting for first reading and public hearing.

M E M O R A N D U M

Date: October 11, 2016

TO: Town Commission
FROM: Dave Bullock, Town Manager
SUBJECT: Ordinance 2016-29, Amending the FY 2016-2016 Beach Capital Project Fund Budget to Use Unappropriated Fund Balance for Expenses Related to Fund

The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed the appropriations), per Town Charter is at the line item level.

I am requesting an appropriation from the Beach Capital Project Fund Unappropriated Fund Balance in the amount of \$144,911 to cover for the following overages for the following line items:

| | |
|----------------------------------------------------|--------------|
| 303.4600.519.1200 Wages/Benefits-Beach Maintenance | \$ 7,335 |
| 303.4600.519.5401 Memberships | 500 |
| 303.4600.519.4001 Travel/Conf/Training-Beach | 986 |
| 303.4600.519.6527 Bond Closing Costs | 66,559 |
| 303.4600.519.6534 Legal Expense | <u>8,016</u> |
| | \$ 83,396 |

In addition, the New Pass and Longboat Pass Dredging projects were bid out as one contract. Finance requests that the two project budgets be combined as one project for accounting purposes:

| | |
|----------------------------------------------------|----------------------|
| 303.4600.519.6520 Longboat Pass/ New Pass Dredging | Increase \$4,300,000 |
| 303.4600.519.6552 New Pass Dredging | Decrease \$4,300,000 |

The total budget for this project including carryover amounts for FY17 is \$6 million.

Line item variances are explained below:

The Finance Department allocated wages and benefits associated with maintenance of the beaches, which exceeded original estimates by \$7,335. Beach maintenance items are reimbursable under the Tourist Development Tax.

Membership to the Florida Shore and Beach Preservation Association was originally budgeted for \$6,000. Member fees in this association increased and the amount paid for FY 16 membership was \$6,500, which is \$500 greater than original budget amount. This is the second year the membership increased by \$500.

The Town issued bonds in October 2016 requiring payment of bond issuance costs of \$66,599 and legal costs associated with the Beach Ordinances revisions and procurement of bidding the bonds totaling \$8,016.

Ordinance 2016-29 amends the FY 2015-2016 Beach Capital Fund Budget to provide for an appropriation from fund balance in the amount of \$83,396. The Beach Capital Project Fund has an unappropriated fund balance of approximately \$551,000.00 as of September 27, 2016.

As we continue to process year end invoices, amounts shown are subject to change through date of adoption.

Pending discussion, forward Ordinance 2016-29 to the November 7, 2015 Regular Meeting for first reading and public hearing.

Please contact me if you have any questions.

ORDINANCE 2016-29

AN ORDINANCE AMENDING THE BEACH CAPITAL FUND BUDGET OF THE TOWN OF LONGBOAT KEY, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015, AND ENDING SEPTEMBER 30, 2016; TRANSFERRING FUNDS FROM UNAPPROPRIATED FUND BALANCE TO COVER OVERAGES IN OPERATING EXPENSE LINE ITEMS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town desires to amend the Beach Capital Fund budget for Fiscal Year 2016 to balance out the fund at year end due to increased expenses for various line items within the fund; and

WHEREAS, the original adopted budget is insufficient to cover to the additional costs; and

WHEREAS, the Finance Director certifies that sufficient unappropriated balances are available in the Beach Capital Project Fund to make the required appropriations; and

WHEREAS, Article V, Section 9 of the Town Charter provides for such a supplemental appropriation;

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

SECTION 1. The above Whereas clauses are true and correct and are hereby ratified and confirmed.

SECTION 2. The Beach Capital Project Fund budget of the Town of Longboat Key for the fiscal year beginning October 1, 2015, and ending September 30, 2016, as adopted pursuant to Ordinance 2015-23, is hereby amended to transfer Eighty-three Thousand Three Hundred Ninety-Six dollars and 00/100 (\$83,396.00) from unappropriated fund balance to the following accounts:

| | |
|----------------------------------------------------|-----------------|
| Transfers to: | |
| 303.4600.519.1200 Wages/Benefits-Beach Maintenance | \$ 7,335.00 |
| 303.4600.519.5401 Memberships | 500.00 |
| 303.4600.519.4001 Travel/Conf/Training-Beach | 986.00 |
| 303.4600.519.6527 Bond Closing Costs | 66,559.00 |
| 303.4600.519.6534 Legal Expense | <u>8,016.00</u> |
| | \$ 83,396.00 |

SECTION 3. The Beach Capital Project Fund budget of the Town of Longboat Key for the fiscal year beginning October 1, 2015 and ending September 30, 2016, as adopted pursuant to Ordinance 2015-23, is hereby amended to combine the New Pass and Longboat Pass projects into one project through the following adjustment:

Transfer to:
303.4600.519.6520 Longboat Pass/ New Pass Dredging \$4,300,000.00
Transfer from:
303.4600.519.6552 New Pass Dredging \$4,300,000.00

SECTION 4. If any section, subsection, sentence, clause, or provision of this Ordinance is held invalid, the remainder of the Ordinance shall not be affected.

SECTION 5. All ordinances or parts of ordinances in conflict herewith shall be and the same are hereby repealed.

SECTION 6. This Ordinance shall take effect upon second reading and public hearing in accordance with Law and the Charter of the Town of Longboat Key.

Passed on the first reading and public hearing the ____ day of _____, 2016.

Adopted on the second reading and public hearing the ____ day of _____, 2016.

Jack G. Duncan, Mayor

ATTEST:

Trish Granger, Town Clerk



End of Agenda Item