



Hallandale Beach
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400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	November 1, 2017		Item Type: <small>(Enter X in box)</small>	Resolution	Ordinance	Other	
Fiscal Impact: <small>(Enter X in box)</small>	Yes	No	Ordinance Reading: <small>(Enter X in box)</small>		X		
	X				X		
				Public Hearing: <small>(Enter X in box)</small>	Yes	No	Yes
Funding Source:	See Exhibit 1		Advertising Requirement: <small>(Enter X in box)</small>	Yes		No	
				X			
Account Balance:	See Exhibit 1		Quasi Judicial: <small>(Enter X in box)</small>	Yes		No	
						X	
Project Number:	See Exhibit 1		RFP/RFQ/Bid Number:	N/A			
Contract/P.O. Required: <small>(Enter X in box)</small>	Yes	No	Strategic Plan Priority Area: <small>(Enter X in box)</small> <div style="display: flex; justify-content: space-between;"> <div>Safety</div> <input type="checkbox"/> </div> <div style="display: flex; justify-content: space-between;"> <div>Quality</div> <input checked="" type="checkbox"/> </div> <div style="display: flex; justify-content: space-between;"> <div>Vibrant Appeal</div> <input type="checkbox"/> </div>				
		X					
Sponsor Name:	Roger M. Carlton City Manager		Department:	Marie M. Gouin, Director of Budget and Program Monitoring			

Short Title:

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AMENDING THE ADOPTED BUDGET FOR FY 16/17 TO REFLECT THE REVENUES, EXPENDITURES, APPROPRIATIONS AND RELATED TRANSACTIONS ASSOCIATED WITH HURRICANE IRMA AND OTHER MISCELLANEOUS YEAR -END BUDGET ADJUSTMENTS; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

Customarily, the City does not amend the budget once it has been adopted. In FY 15/16 there was one budget amendment to record the revenues, expenditures and related transactions

associated with the issuance of the General Obligation Bonds and Capital Improvement Refunding Revenue Bonds.

On September 22, 2016, the City Commission adopted the FY16/17 Budget in the amount of \$140,733,300. There was one amendment to the FY 16/17 Budget on June 7, 2017, which was for the appropriation and expenditures of the State Revolving Loan for the infiltration/inflow remediation to the sanitary sewer collection system in the amount of \$550,000.

Due to unforeseen circumstances, another amendment is needed for year-end closeout for the FY 16/17 Budget. This budget amendment includes the appropriation of funds for hurricane related emergency expenditures. The majority of the expense categories include payroll and debris removal and monitoring. The City had contracts in place with Ashbritt, Inc. and Eisman & Russo, Inc. for debris related work prior to the storm. Other vendors provided goods and services, however, the total cost per vendor did not exceed \$50,000. The estimated figures related to the storm may need to be updated prior to the second reading of this ordinance as the work is nearing completion but not yet finished.

Please note, that this appropriation request and budget amendment include only expenditures for FY16/17. An additional emergency appropriation request and budget amendment will be provided to you for FY17/18 hurricane related expenditures at a later date.

This budget amendment will establish, increase and appropriate budgets for the following items:

1. Cover Hurricane Irma related expenditures with General Fund balance reserves with the anticipation of 90% of the debris related expenses being reimbursed from the Federal Emergency Management Agency (FEMA). It takes time to get reimbursed from FEMA. The City's application for assistance for Hurricane Matthew was approved on October 19, 2017 in the amount of \$28,579.43, federal share and \$4,763.24, state share, which is approximately one year later after the hurricane occurred.
2. A transfer from General Fund balance reserves to cover workers' compensation claims expenses which are greater than anticipated is needed. It is important to know that the reserve balance will be reduced by the estimated FY 16/17 expenses for Irma (\$1,242,600) and the transfer to cover claims expenses to the Workers' Compensation Fund (\$412,690), which will bring the estimated General Fund reserves at the end of FY 16/17 to an estimated \$11,867,341. This means that the General Fund reserve will be 17.2 percent of the FY 16/17 projected annual expense. This calculation does not include the \$500,000 needed to adjust the employees' health insurance deductible which will lower the General Fund reserve balance to 16.2 percent, which is right at the margin of the 16 percent policy goal adopted by the City Commission as part of the FY 17/18 Budget Ordinance – **impact \$1,655,290**;
3. Due to an increase in the number of outside details, the revenues and expenditures budget in the Police/Fire Outside Services Fund needs to be adjusted to account for the increased revenue and associated adjusted expenditures – **impact \$331,563**;
4. The debt service for the unrefunded portion of the FMLC 2007A bonds was not reflected accurately in the FY 16/17 Budget. The HBCRA's portion of the debt service totaling \$22,039 was not budgeted as revenue in the newly created Capital Improvement Debt Service Fund (fund #248). In addition, the City's portion of the payment (\$7,450) was not

budgeted. A transfer from the General Fund to the Capital Improvement Debt Service Fund for this debt service expense is required - **impact \$29,489**, and

5. Increase the Workers' Compensation Fund by transferring dollars from the General Fund to cover claim expenses greater than anticipated – **impact \$412,690** (see No. 2 above).

Why Action is Necessary:

A municipal government may not expend or contract for expenditures in any fiscal year except those pursuant to the adopted budget, except for the items that the Budget Ordinance that adopts the annual budget allows to be appropriated without Commission approval, and reallocation of carryover projects that were previously approved by the Commission. Since the dollars for the storm related expenses and other year-end closed out adjustments were not anticipated in the FY 16/17 Budget nor allowable in accordance with the Budget Ordinance, a budget amendment is required to obtain Commission approval for the appropriations and expenditures of these funds.

Florida Statutes Sec 166.241 (4) authorizes a government at any time within the fiscal year, or within sixty days (November 30), following the end of the fiscal year to amend its budget. Also, budget amendments must be approved in the same manner as adoption of the original budget. Since Hallandale Beach adopts its budget by ordinance, this amendment will be adopted by ordinance. There will be two readings of this ordinance approving the amending of the FY 16/17 Budget.

Fiscal Impact:

This budget amendment will revise the FY16/17 Budget to include the revenues, expenditures and related transactions associated with Hurricane Irma and other year-end related adjustments as indicated on Attachment A of the Ordinance. An additional budget amendment will be necessary for FY 17/18 as the final costs for Hurricane Irma become known.

Proposed Action:

Staff recommends approval on First Reading of the attached Ordinance amending the FY16/17 Budget to record the revenues, expenditures and related transactions associated with Hurricane Irma, and other year-end related adjustments and to schedule Second Reading for November 15, 2017.

Attachment(s):

Exhibit 1 – Ordinance
Attachment A – Budget Amendment

Prepared by:



Marie M. Gouin