



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
5/6/2020	<input type="checkbox"/> Resolution	Ordinance Reading	4/15/2020	5/6/2020
File No.:	<input checked="" type="checkbox"/> Ordinance	Public Hearing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
20-113	<input type="checkbox"/> Other	Advertising Required	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number :	
See Below	See Attachment A	General Fund and Workers' Compensation Fund	N/A	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Marie M. Gouin	Budget & Program Monitoring	
Strategic Plan Focus Areas:				
<input checked="" type="checkbox"/> Financial	<input type="checkbox"/> Organizational Capacity	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Development, Redevelopment and Economic Development	
Implementation Timeline				
Estimated Start Date:		N/A	Estimated End Date: N/A	

SHORT TITLE:

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AMENDING THE ADOPTED BUDGET FOR FY 19/20 TO REFLECT THE REVENUES, EXPENDITURES, APPROPRIATIONS AND OTHER MISCELLANEOUS BUDGET ADJUSTMENTS; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

The proposed ordinance is being made to amend the FY 19/20 Budget and account for unanticipated expenditures incurred during the current Fiscal Year. Amending the adopted budget will increase the General Fund's budget from fund balance reserves. Unanticipated expenditures include attorney fees, legal fees and Corona Virus Pandemic Crisis (COVID-19)

expenses. There is also a need to reconcile the General Fund for expenditures related to the Layne Blvd guardhouse and camera equipment and labor used for the Golden Isles Safe Neighborhood District (GISND). Finally, one last item the amendment will address is the need to increase the Workers' Compensation Fund from unanticipated revenues and fund balance to cover claims expense.

Background:

On September 23, 2019, the City Commission adopted the FY19/20 Budget in the amount of \$134,076,185 (includes all funds). Due to unforeseen circumstances, the proposed mid-year budget amendment is required for the current fiscal year (FY 19/20 Budget) to re-appropriate unanticipated expenditures and revenues.

Current Situation:

The proposed budget amendment includes the appropriation of funds from the GISND, the Workers' Compensation Fund and the General Fund to cover unanticipated expenses and revenues described below.

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

1. On February 5, 2019, the City Commission authorized the payment of legal fees in the amount \$486,637 for the defense of the Mayor after the acquittal from all charges of misconduct and backpay of all associated expenses from October 2019 through December 2019 in the amount of \$11,189. An allocation of the General Fund reserve is required to recognize the City Commission approved expenditures - ***impact \$497,826;***
2. It is common practice that the City Attorney's Office does not budget for trials, as outcomes are unforeseen. Recent legal activity requires an amendment to the City Attorney's budget for the Rosemond trial preparation for legal fees incurred. The trial has been postponed, due to current COVID-19 Crisis. If trial occurs before October 1, 2020, another amendment may be required, pending outcome of trial. - ***impact \$50,000;***
3. The current novel corona virus (COVID-19) required setting up an emergency fund for response and disaster related items. As of the April 7, 2020, the City has spent and encumbered a total of \$72,682 of expenditures related to COVID-19 incident. The proposed amendment will formally establish a \$200,000 budget for COVID-19 related items from fund balance reserves. All COVID-19 expenditures are being tracked with the anticipation of being reimbursed at 75% from the Federal Emergency Management Agency (FEMA) - ***impact \$200,000;***
4. A transfer for \$28,000 from the GISND Fund is required to reimburse the General Fund for the upgrades performed to the District's Security Camera System at Layne Blvd. The recent upgrade at the guardhouse to include adding the current fifteen (15) street cameras to the new video management system (VMS) - ***impact \$28,000;*** and
5. A reconciliation to the Workers' Compensation Fund is required to recognize \$16,792 of unanticipated revenues and \$400,000 use of fund balance to cover claim expenditures greater than anticipated. In FY 19/20 staff budgeted \$650,000 for claim expenses; approximately 84% of the budget has been spent through the end of March 2020. The budget is being increased to cover expenditures for the remainder of the fiscal year. The

amendment to the FY 2019-20 Budget will increase this fund by \$416,792 – ***impact \$416,792.***

Why Action is Necessary:

In accordance with Florida Statutes Section 166.241(2), a municipal government may not expend or contract for expenditures in any fiscal year except those expenditures 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 for the reallocation of carryover projects that were previously approved by the Commission. Since these adjustments were not anticipated in the FY 19/20 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 the City of Hallandale Beach adopts its budget by ordinance, this amendment will be adopted by ordinance. There will be two readings of the proposed ordinance approving the amending of the FY 19/20 Budget.

Cost Benefit:

The proposed budget amendment will revise the FY 19/20 Budget by an amount not to exceed \$1,192,618 from Fund Balance Reserves and GISND in the General Fund. It will also increase revenue in the Workers' Compensation Fund by \$416,792. The proposed transactions include changes in revenues and expenditures as indicated on Attachment A of the Ordinance. It is important to note that these adjustments will not require a property tax or fee increase. The proposed amendment is also required for compliance accounting for adequate reporting for the Comprehensive Annual Financial Report and allocating necessary funds for unexpected expenditures.

PROPOSED ACTION:

Staff recommends approval on First Reading of the attached Ordinance amending the FY 19/20 Budget to record the revenues, expenditures and other related adjustments.

ATTACHMENT(S):

Exhibit 1 – Proposed Resolution/Ordinance
Attachment A – Budget Amendment
Exhibit A - Governors EO 19-264 Joy Cooper
Exhibit B - Resolution 2020-013 Authorizing Payment of Legal Fees-Mayor Cooper