



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 17-51

City Council

9/14/2017

LEGISLATIVE ACTION ITEM

SPONSOR: Ashton J. Hayward, III, Mayor

SUBJECT:

SUPPLEMENTAL BUDGET RESOLUTION NO. 17-51 - AMENDING THE FISCAL YEAR 2017 BUDGET

RECOMMENDATION:

That City Council adopt Supplemental Budget Resolution No. 17-51.

A RESOLUTION AUTHORIZING AND MAKING REVISIONS AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017; PROVIDING FOR AN EFFECTIVE DATE.

HEARING REQUIRED: No Hearing Required

SUMMARY:

In order to maintain a balanced budget, supplemental budget resolutions require approval by City council during the course of a fiscal year. The attached resolution includes budget adjustments for Fiscal Year 2017 that require Council Action.

General Fund related budget adjustments include increases or decreases in estimated revenues from various sources which results in a net increase in estimated revenues. Offsetting the increase in revenues are changes to the Allocated Overhead/(Cost Recovery) based on the most recent Full Cost Allocation Study. The Transfer to the Stormwater Capital Projects Fund was increased as a result of increased revenues within the Stormwater Utility Fund. In April 2017, a supplemental budget resolution as approved by City Council appropriating a transfer from the General Fund to the CDBG Fund for the reimbursement for the sale of the Blount School property. Since that time, the City has been notified that there were no restrictions on the future use of the land, and therefore, the reimbursement was not required. With the unwind of the New Market Tax Credits (NMTC) various adjustments have been made within the General Fund, the CRA Fund, the Recreation Fund, the Community Maritime Park Management Services Fund and the Insurance Retention Fund. City Council General Fund Reserves will be increased by \$650,000 bringing the Council Reserves to the minimum 20% of the General Fund FY 2018 beginning proposed appropriations as was amended by City Council on March 9, 2017.

Within the Special Grants Fund, appropriations have been made to recognize grant revenues and expenditures that have occurred throughout the fiscal year.

The Local Option Gasoline Tax Fund includes increases in estimated revenues and are offset with a transfer to the LOGT Debt Service Fund to provide funding for debt reserves.

Within the Community Redevelopment Agency Fund adjustments include increases or decreases in estimated revenues from various sources which results in a net increase in estimated revenues. Additionally, the remaining loan balance of \$621,100 is being paid off and \$39.8 million of Fund Balance is being appropriated to unwind the NMTC loan.

Within the Urban Core Redevelopment Trust Fund Interest Income in the amount of \$6,000 has been recognized and will be offset with a transfer of the same amount to the CRA Fund. Additionally, within the CRA Debt Service Fund, the increased revenue will allow for a reduction in the amount of Fund Balance drawn down.

Within the Section 8 Housing Assistance Fund revenues have been decreased based on the available funding from the Federal Government.

Revenue of \$13,927 has been appropriated within the Law Enforcement Trust Fund based on receipts and will be placed into Fund Balance.

Within the Eastside Tax Increment Financing District Fund appropriations recognizing the extension of the \$500,000 loan from the City's Insurance Retention Fund is being made.

The revenues within the Inspection Services Fund have been more than anticipated and will be placed into Fund Balance.

Revenues in the Sanitation Fund have been adjusted based on actual revenues received resulting from the rate increase adopted by City Council effective June 1, 2017.

PRIOR ACTION:

September 24, 2016 - City Council formally adopted a beginning FY 2017 Budget.

November 17, 2016 - City Council approved a supplemental budget resolution covering purchase orders payable.

December 8, 2017 - City Council approved a supplemental budget resolution covering unencumbered carryovers.

FUNDING:

N/A

FINANCIAL IMPACT:

All appropriations of City funds in the supplemental budget resolution are covered by fund balances, shifts in expenses or changes in revenues. Approval of the supplemental budget resolution provides for a balanced budget for Fiscal Year 2017.

CITY ATTORNEY REVIEW: Yes

8/22/2017

STAFF CONTACT:

Eric W. Olson, City Administrator
Richard Barker, Jr., Chief Financial Officer

ATTACHMENTS:

- 1) Supplemental Budget Resolution No. 17-51
- 2) Supplemental Budget Explanation No. 17-51

PRESENTATION: No