



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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**File #:** 17-74

City Council

11/9/2017

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

SUPPLEMENTAL BUDGET RESOLUTION NO. 17-74 - FINAL AMENDMENT TO THE FISCAL YEAR 2017 BUDGET

**RECOMMENDATION:**

That City Council adopt Supplemental Budget Resolution No. 17-74.

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 need to be approved by City Council during the course of a fiscal year. In September 2017 City Council approved a supplemental budget resolution, however at that time the final revenues and expenditures were unknown. According to Florida Statute 166.241 the governing body of a municipality may, within up to 60 days following the end of the fiscal year, amend a budget for that year. The attached resolution includes final budget adjustments for Fiscal Year 2017 that require Council action.

General Fund related budget adjustments include increases and decreases in estimated revenue from various sources which results in a net decrease in estimated revenue of \$139,620. City Council General Fund Reserves will be increased by \$850,000.

The increase in Other Grants and Aids within the Saenger Theatre is due to the greater than anticipated Facility Fee revenue. The transfer to the Stormwater Capital Projects Fund was increased as a result of increased revenues within the Stormwater Utility Fund.

Revenues within the Tree Planting Trust Fund have been adjusted in accordance with actual revenues received and will be placed into Fund Balance.

Within the Special Grants Fund, appropriations have been made to recognize grant revenues and expenditures that have occurred since the September 2017 Supplemental Budget Resolution was adopted by City Council.

With the sale of the 150 South Baylen Street property, the revenue is being appropriated within the Community Redevelopment Agency Fund. Additionally, adjustments have been made to various revenue accounts within the three CRA Funds based on the actual amounts received.

Within the Stormwater Utility Fee Fund additional appropriations are needed due to unexpected costs associated with repairs to vehicles. Capital Outlay have been reduced to offset the increase.

Revenues and expenditures in the Section 8 Housing Assistance Fund have been decreased based on available funding from the Federal Government.

Revenue of \$4,543 has been appropriated within the Law Enforcement Trust Fund based on receipts and will be placed into Fund Balance.

The revenues within the Inspection Services Fund have been more than anticipated and will be placed in Fund Balance. However, the revenues within the Golf Fund and the Roger Scott Tennis Center Fund were lower than anticipated and a drawdown of Fund Balance is necessary.

Estimated revenues within both the Recreation Fund and the Community Maritime Services Fund have been decreased based on Fiscal Year 2017 actual revenues. Appropriations have been reduced to offset the decrease in revenues.

An additional \$5,000 has been transferred to the CRA Debt Service Fund from the Westside TIF Fund for additional Interest Expense required.

Local Option Sales Tax generated revenue above the current estimated revenue by \$60,000 which will be placed into Fund Balance. Additionally Interest Income in the Deepwater Horizon Incident Fund and the Stormwater Capital Projects Fund has been recognized and are offset by either an increase in expenditures or have been placed into Fund Balance.

Interest Income in the LOGT Series 2016 Project Fund has been recognized and is offset by a reduction of Capital Outlay and has been placed into Fund Balance.

With City Council's approval to finance \$25 million for capital improvements eligible to be financed from the Local Option Sales Tax, expenditures for the Fire Station #3, the Bayview Resource Center and the Osceola Golf Course projects have been reclassified to the LOST Series 2017 Project Fund. Appropriations have been made for these projects is offset by a drawdown in Fund Balance.

Within the Gas Utility Fund revenues and expenses have been adjusted based on actual amounts received and the excess amount has been placed into Fund Balance.

Revenues in the Port Fund have been adjusted based on actual amounts received with an offsetting decrease in expenses.

However, revenues within the Sanitation Fund and Airport Fund were greater than anticipated and have been adjusted based on actual revenues received. The excess amount will be placed into Fund Balance.

Estimated revenues within the Special Assessments Fund have been decreased based on Fiscal Year 2017 actual

revenues and are offset with a reduction in appropriations.

The General Stock Fund is a “revolving fund” and accounts for the inventory of materials and supplies. The transfer from the Central Services Fund to the General Stock Fund is necessary due to an increase in inventory levels which requires an increase in cash balances within the fund. As the inventory is charged out it will be charged to the appropriate department and the General Stock Fund will be reimbursed for the cash spent on the inventory.

**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, 2016 - City Council approved a supplemental budget resolution covering unencumbered carryovers.

September 14, 2017 - City Council approved a year end supplemental budget resolution.

**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

10/27/2017

**STAFF CONTACT:**

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

**ATTACHMENTS:**

- 1) Supplemental Budget Resolution No. 17-74
- 2) Supplemental Budget Explanation No. 17-74

**PRESENTATION:** Choose an item.