



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 18-42

City Council

9/13/2018

LEGISLATIVE ACTION ITEM

SPONSOR: Ashton J. Hayward, III, Mayor

SUBJECT:

SUPPLEMENTAL BUDGET RESOLUTION NO. 18-42 - AMENDING THE FISCAL YEAR 2018 BUDGET

RECOMMENDATION:

That City Council adopt Supplemental Budget Resolution No. 18-42.

A RESOLUTION AUTHORIZING AND MAKING REVISIONS AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018; 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 2018 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 decreased as a result of decreased revenues within the Stormwater Utility Fund. Offsetting the decrease in the Stormwater Capital Projects Fund is a decrease in Grant Match Funding ensuring no existing projects would be affected. When preparing the FY 2018 Budget, the revenue was projected based on FY 2016 receipts. However, the Escambia County Tax Collector increased the fee to collect the special assessment from 1% to 2% which reduces the amount remitted to the City. Additionally, certain properties owned by the Airport have been determined to qualify for a credit to Stormwater Utility Fee and will not be submitting payment for those parcels located on Airport property. An adjustment to the FY 2019 Budget will be presented to City Council on a Non-Encumbered Supplemental Budget Resolution.

As reported in the FY 2019 Proposed Budget, City Council General Fund Reserves will be increased by \$2.2 Million bringing the Council Reserves to \$13.5 million or 25% of the General Fund FY 2019 beginning proposed appropriations.

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 throughout the fiscal year.

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. Included in the adjustments are the proceeds from the sale of CRA owned property (215 N. "A" Street, Hawkshaw Land and 120 Government Street).

Within the Stormwater Utility Fund, estimated revenue from the State Right of Way Maintenance contract has been reduced by \$189,900. In the development of the FY 2018 Budget, Public Works Staff anticipated an additional contract with the State that would have provided additional sweeping in conjunction with the construction of the Pensacola Bay Bridge. However, subsequent to the adoption of the FY 2018 Budget the State elected not to have the additional sweeping performed and revenues have been adjusted accordingly.

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

Revenue of \$45,133 has been budgeted within the Law Enforcement Trust Fund based on receipts and will be placed into Fund Balance.

Within the Eastside Tax Increment Financing District Fund the \$90,000 appropriation for the transfer to the CRA Debt Service Fund has been reduced as there were sufficient funds within the CRA Debt Service Fund to pay the debt for FY 2018.

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

As previously reported, City Council awarded a contract for the operation and management of the Roger Scott Tennis Center to Gulf Coast Tennis Group, LLC. As part of the contract, the City will receive a minimum annual guaranteed revenue of \$125,000 which is estimated to fund the City's cost of operations as outlined in the RFP. Adjustments have been made in the Roger Scott Tennis Center Fund to reflect the new management.

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

PRIOR ACTION:

September 20, 2017 - City Council formally adopted a beginning FY 2018 Budget on Budget Resolution No. 17-63.

November 9, 2017 - City Council approved Supplemental Budget Resolution No. 17-75 covering purchase orders payable.

November 9, 2017 - City Council approved Supplemental Budget Resolution No. 17-76 covering

unencumbered carryovers.

December 14, 2017 - City Council approved Supplemental Budget Resolution No. 17-84 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 2018. A final supplemental budget resolution for Fiscal Year 2018 will be brought before City Council at the November 8, 2018 Council Meeting once final revenues are received.

CITY ATTORNEY REVIEW: Yes

8/17/2018

STAFF CONTACT:

Keith Wilkins, City Administrator
Richard Barker, Jr., Chief Financial Officer

ATTACHMENTS:

- 1) Supplemental Budget Resolution No. 18-42
- 2) Supplemental Budget Explanation No. 18-42

PRESENTATION: No