



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 2020-39

City Council

9/10/2020

LEGISLATIVE ACTION ITEM

SPONSOR: Grover C. Robinson, IV, Mayor

SUBJECT:

SUPPLEMENTAL BUDGET RESOLUTION NO. 2020-39 - AMENDING THE FISCAL YEAR 2020 BUDGET

RECOMMENDATION:

That City Council adopt Supplemental Budget Resolution No. 2020-39.

A RESOLUTION AUTHORIZING AND MAKING REVISIONS AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020; 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 2020 that require Council Action.

General Fund related budget adjustments include increases or decreases in estimated revenues from various sources that result in a net increase in estimated revenues. Offsetting the increases in revenues are changes to the Allocated Overhead/(Cost Recovery) based on the most recent Full Cost Allocation Study.

The Fiscal Year 2020 Budget included \$60,000 from the Downtown Improvement Board (DIB) for enhanced Community Policing within the DIB area. However, the services did not begin until January 2020, therefore only \$45,000 will be received in Fiscal Year 2020.

With the closing of schools due to the COVID-19 pandemic, the reimbursement from the Escambia County School District was less than anticipated and is being reduced by \$72,570.

The State of Florida reimburses the City of Pensacola for repairs to various traffic devices on state roadways. An appropriation was made within the Special Grants Fund, recognizing the reimbursement and expenditures for the repairs. In prior years this was addressed within the General Fund as a reimbursement to the expenditure. However, it was determined not to be appropriate to

reimburse the expenditure, but rather show as a revenue source. The Fiscal Year 2021 Budget includes appropriations in the General Fund. The supplemental budget resolution shifts the revenue and expenditures from the Special Grants Fund to the General Fund so it will be consistent with past practice as well as in future fiscal years

Tree Planting Trust Fund Revenue of \$28,500 has been recognized and will be offset with a decrease in appropriated Fund Balance. Additionally, \$3,269 is being recognized within the Housing Initiatives Fund - General Fund from Sale of Assets due to a return of funds after a property refinancing. The funds can now be reused for other qualified program participants.

Within the Special Grants Fund, appropriations have been made to recognize grant revenues and expenditures that have occurred throughout the fiscal year as well as shifting the traffic device costs and reimbursements, as previously mentioned.

Additional CARES Act revenue within the Section 8 Housing Assistance Fund is being increased due to rising per-unit costs and higher administrative costs due to COVID-19.

Revenue of \$102,575 has been budgeted with the Law Enforcement Trust Fund based on receipts and will be placed into Fund Balance.

Within the Sanitation Fund, revenue in the amount of \$1,181,082 from IRS Alternative Fuel Credits has been recognized. This revenue is from federal rebates for the use of Compressed Natural Gas (CNG) vehicles. The majority of this revenue will be placed in fund balance to provide for the purchase of vehicles and equipment in Fiscal Year 2021. The Fiscal Year 2021 Proposed Budget anticipates another \$500,000 will be received during that year. Additionally, savings from equipment and vehicle purchases of \$35,556 is being moved to Operating Expenses to provide additional funding for the maintenance and repair of aging vehicles.

A final supplemental budget resolution for Fiscal Year 2020 will be brought before City Council at the November 2020 meeting once final revenues are received. It is still uncertain how the COVID-19 pandemic will affect Fiscal Year 2020; however, revenues and expenditures are being closely monitored to ensure a balanced budget in Fiscal Year 2020.

PRIOR ACTION:

September 18, 2019 - City Council formally adopted a beginning FY 2020 Budget on Budget Resolution No. 2019-50.

November 14, 2019 - City Council approved Supplemental Budget Resolution No. 2019-61, covering purchase orders payable.

December 12, 2019 - City Council approved Supplemental Budget Resolution No. 2019-70, 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 2020. A final supplemental budget resolution for Fiscal Year 2020 will be brought before City Council at the November 12, 2020, City Council Meeting once final revenues are received.

CITY ATTORNEY REVIEW: Yes

8/26/2020

STAFF CONTACT:

Keith Wilkins, City Administrator
Amy Lovoy, Finance Director

ATTACHMENTS:

- 1) Supplemental Budget Resolution No. 2020-39
- 2) Supplemental Budget Explanation No. 2020-39

PRESENTATION: No