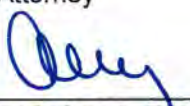


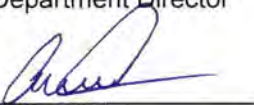



**CITY OF PALM BEACH GARDENS
CITY COUNCIL
Agenda Cover Memorandum**

**Meeting Date: September 20, 2018
Ordinance 23, 2018**

Subject/Agenda Item: Amending the City of Palm Beach Gardens Budget for the Fiscal Year Beginning October 1, 2017, and Ending September 30, 2018.

- Recommendation to APPROVE**
 Recommendation to DENY

<p>Reviewed by:</p> <p>City Attorney</p>  R. Max Lohman, Esq. <p>Finance Administrator</p>  Allan Owens	<p>Originating Dept.: Finance</p>  Allan Owens Finance Administrator <p>Advertised: NA</p> <p>Date:</p> <p>Paper:</p> <p><input checked="" type="checkbox"/> Not Required</p>	<p>Costs: \$277,443 (Total)</p> <p style="text-align: center;">\$277,443 Current FY</p> <p>Funding Source:</p> <p><input type="checkbox"/> Operating</p> <p><input checked="" type="checkbox"/> Other</p> <p>Fund 102 – Extra Duty Police Fund</p> <p>-----</p> <p>Contract/Agreement:</p> <p>Effective Date: N/A</p> <p>Expiration Date: N/A</p>	<p>Council Action:</p> <p><input type="checkbox"/> Approved</p> <p><input type="checkbox"/> Approved w/ Conditions</p> <p><input type="checkbox"/> Denied</p> <p><input type="checkbox"/> Continued to:</p>
<p>Submitted by:</p> <p>Department Director</p>  Allan Owens Finance Administrator	<p>Affected parties</p> <p><input type="checkbox"/> Notified</p> <p><input checked="" type="checkbox"/> Not required</p>	<p>Budget Acct.#:</p> <p>001.521.1030.1210</p>	<p>Attachments:</p> <ul style="list-style-type: none"> • Ordinance 23, 2018 - Exhibit "1"
<p>Approved by:</p> <p>City Manager</p>  Ronald M. Ferris			

BACKGROUND: Ordinance 23, 2018 amends the FY 2018 Budget by transferring accumulated fund balance from the Extra Duty Fund to the General Fund, and recording the financial transactions related to the lease purchase of Fire Department vehicles. These items are discussed in more detail in the following sections.

Extra Duty Fund

This fund is used to account for payments to officers for off-duty police assignments, as well as the billing and collection of the related reimbursements for these services from the private entities. The rates of pay are established through the Collective Bargaining Agreement and include amounts to cover administrative and equipment costs. Over the years, the fund balance has grown to \$517,034, excluding accounts receivable. Due to the growth of this fund, staff is recommending the transfer of \$500,000 to the General Fund to help address the following budgetary issues:

1. The estimated cost in FY 2018 for the salary adjustment for the Police Department per Resolution 45, 2018 that was approved on August 2, 2018, is \$277,443. Staff is recommending that this amount be transferred from the Extra Duty Fund to the Police Department's Salary and Wages Account to offset the impact to the General Fund for the remainder of FY 2018.
2. The proposed FY 2019 Budget projects to draw down the Budget Stabilization Reserve by \$527,359, resulting in an ending balance in the Budget Stabilization Reserve of \$670,748. This Ordinance includes the allocation of \$222,557 (the balance remaining of the \$500,000 transfer from the Extra Duty Fund, less the \$277,443 to augment Police Department Salaries and Wages) to help replenish the Budget Stabilization Reserve. Based on the proposed FY 2019 Budget, this would increase the Budget Stabilization Reserve to \$893,305.

Fire Department Lease-Purchase Budget Adjustments

During FY 2018, the Fire Department took delivery of various fire/rescue apparatus. A breakdown of these vehicles, and the Resolutions authorizing the acquisitions, is as follows:

- Lease purchase of 2 Pierce Custom HDR Pumpers (authorized via Resolution 10, 2017)
- Lease purchase of 1 Braun Super Chief Type 1 Medium Duty Ambulance (authorized via Resolution 79, 2016)
- Lease purchase of 2 Braun Super Chief Type 1 Medium Duty Ambulances (authorized via Resolution 9, 2017)
- Lease purchase of 2 Skeeter Ford F550 Brush Trucks (authorized via Resolution 39, 2017)

These agreements resulted in the issuance of \$2,641,100 debt obligations. In addition, existing equipment was sold for \$95,000 to help offset the total acquisition price of \$2,736,100.

Governmental accounting standards require these transactions to be recorded on the fund financial statements as both an Other Financing Source and Other Financing Use when the City takes delivery of the assets. Accordingly, this Ordinance is housekeeping in nature in that there is no net expenditure or revenue from this budget amendment; the expenditure is recorded, and budgeted annually, when the related debt service payments are made.

STAFF RECOMMENDATION: Staff recommends approval of Ordinance 23, 2018 as presented on first reading.

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ORDINANCE 23, 2018

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM BEACH GARDENS, FLORIDA, AMENDING THE CITY OF PALM BEACH GARDENS' BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017, AND ENDING SEPTEMBER 30, 2018, INCLUSIVE; PROVIDING A CONFLICTS CLAUSE, A SEVERABILITY CLAUSE, AND AUTHORITY TO CODIFY; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, the City Council of the City of Palm Beach Gardens, Florida, adopted a Budget for the 2017/2018 Fiscal Year; and

WHEREAS, the City Council has determined that an amendment needs to be made to the previously adopted Fiscal Year 2017/2018 Budget; and

WHEREAS, the City Council deems approval of this Ordinance to be in the best interests of the health, safety, and welfare of the residents and citizens of the City of Palm Beach Gardens and the public at large.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PALM BEACH GARDENS, FLORIDA, that:

SECTION 1. The foregoing recitals are hereby affirmed and ratified.

SECTION 2. The City Council hereby amends the revenues and expenditures listed in the attached Exhibit "1" and adopts such amendments as to the Budget of the City of Palm Beach Gardens for the Fiscal Year October 1, 2017, through September 30, 2018, inclusive.

SECTION 3. All ordinances or parts of ordinances in conflict be and the same are hereby repealed.

SECTION 4. Should any section or provision of this Ordinance or any portion thereof, any paragraph, sentence, or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder of this Ordinance.

SECTION 5. This Ordinance shall become effective immediately upon adoption.

PASSED this ____ day of _____, 2018, upon first reading.

PASSED AND ADOPTED this ____ day of _____, 2018, upon second and final reading.

CITY OF PALM BEACH GARDENS	FOR	AGAINST	ABSENT
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BY: _____	_____	_____	_____
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Maria G. Marino, Mayor

_____	_____	_____	_____
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Carl W. Woods, Vice Mayor

_____	_____	_____	_____
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Mark T. Marciano, Councilmember

_____	_____	_____	_____
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Matthew Jay Lane, Councilmember

_____	_____	_____	_____
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Rachelle A. Litt, Councilmember

ATTEST:

BY: _____

Patricia Snider, CMC, City Clerk

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

BY: _____

R. Max Lohman, City Attorney



EXHIBIT "1"

City of Palm Beach Gardens
 Budget Amendment - Ordinance 23, 2018
 FYE 09/30/18

Exhibit "1"

		Increase (Decrease)
Revenues (Sources)		
Appropriated Fund Balance	102.389.0000	500,000
Expenditures (Uses)		
Unassigned Reserves	102.1000.521.9920	500,000
Revenues (Sources)		
Transfer in From Other Funds	001.381.0000	500,000
Expenditures (Uses)		
Salaries and Wages	001.1030.521.1210	277,443
Assigned for Budget Stabilization	001.0900.519.9930	222,557
Transfer Out to Other Funds	102.1000.521.9140	500,000
Unassigned Reserves	102.1000.521.9920	(500,000)
Revenues (Sources)		
Installment Purchase Proceeds/ Capital Leases	001.383.0000	2,641,100
Sale of General Capital Assets	001.388.1000	95,000
Expenditures (Uses)		
Capital Equipment Vehicles	001.1200.522.6410	2,613,952
Capital Equipment	001.1230.522.6400	122,148