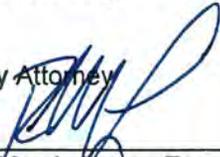
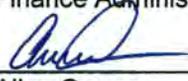
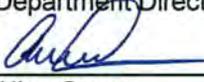


**CITY OF PALM BEACH GARDENS
CITY COUNCIL
Agenda Cover Memorandum**

**Meeting Date: March 7, 2013
Ordinance 1, 2013**

Subject/Agenda Item: Second and Final Reading and Adoption - Amending the Fiscal Year 2012/13 budget to adjust fund balance carryovers to actual amounts and to carry forward amounts committed from the FY 2011/2012 budget for outstanding purchase orders and open projects that cross fiscal years.

- Recommendation to APPROVE**
 Recommendation to DENY

<p>Reviewed by:</p> <p>City Attorney  R. Max Lohman, Esq.</p> <p>Finance Administrator  Allan Owens</p>	<p>Originating Dept.: Finance</p> <p> Allan Owens Finance Administrator</p> <p>Advertised: Date: 2/20/13 Paper: Palm Beach Post</p> <p><input type="checkbox"/> Not Required</p> <p>Affected parties <input type="checkbox"/> Notified <input type="checkbox"/> Not required</p>	<p>Costs: \$ 1,658,725 (Total)</p> <p>\$1,658,725 Current FY</p> <p>Funding Source: <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Other FY 2012 Surplus</p> <p>Contract/Agreement: Effective Date: <u>N/A</u> Expiration Date: <u>N/A</u> Budget Acct.#: See attached exhibits for detail</p>	<p>Council Action:</p> <p><input type="checkbox"/> Approved <input type="checkbox"/> Approved w/ Conditions <input type="checkbox"/> Denied <input type="checkbox"/> Continued to:</p> <p>Attachments:</p> <ul style="list-style-type: none"> • Ordinance 1, 2013 - Exhibit "1" - Exhibit "2" -Capital justifications
<p>Submitted by:</p> <p>Department Director  Allan Owens</p>			
<p>Approved by:</p> <p>City Manager  Ronald M. Ferris</p>			

BACKGROUND: Section 166.241, *Florida Statutes*, requires that amounts available from taxation and other sources, including amounts carried over from prior fiscal years, must equal total appropriations for expenditures and reserves. To ensure budgeted expenditures do not exceed available resources, it is customary to adjust beginning fund balances to the prior year's actual year-end amounts. This Ordinance amends the FY 2012/2013 budget by adjusting Fund Balance Carryovers to actual amounts, as detailed in Exhibit "1".

In addition, under Generally Accepted Accounting Principles, as one (1) fiscal year comes to a close and a new fiscal year begins, the City is required to carry forward the funds appropriated for prior year obligations that will be paid in the new fiscal year. This Ordinance amends the FY 2012/2013 budget for amounts reserved and designated from the FY 2011/2012 budget for outstanding purchase orders and commitments as they relate to open projects that cross fiscal years, as detailed in Exhibit "2".

On January 10, 2013, Ordinance 1, 2013 was approved by Council on first reading. The budget amendment as presented at this meeting allocated \$1,658,725 surplus from FY 2011/2012 to the Budget Stabilization Reserve Account. This surplus was realized from a combination of favorable revenue and expenditure results that exceeded our projections last fiscal year.

At the February 7, 2013 Council Meeting, the City Council directed staff to develop a plan to reallocate the \$1,658,725 surplus from last fiscal year to provide for the following items:

- A 2% Cost of Living Adjustment (COLA) for all full-time and year-round part-time employees
- A one-time 1.5% lump-sum payment for all full-time and year-round part-time employees
- Funding for capital improvement projects that need to be addressed in the current fiscal year that are unbudgeted

The above adjustments have been provided for in the attached Exhibit "1", and reallocate the \$1,658,725 surplus as follows:

• Increase in Personnel Costs – 2% COLA	\$ 399,479
• Increase in Personnel Costs – 1.5% lump-sum	476,493
• Increase in Capital	<u>782,753</u>
Grand Total	\$1,658,725

Attached to this Agenda Cover Memorandum are written justifications from management for the capital projects that are recommended for funding in the current fiscal year, which consist of the following:

• Golf course irrigation modernization	\$610,753
• City-wide security system enhancements	50,000
• Covered structure for Fire Department generator	50,000
• Youth Enrichment Center fenced multipurpose area	<u>72,000</u>
Grand Total	\$782,753

In addition to the above adjustments, the ordinance as presented on second reading reflects the following changes:

- A donation of \$30,000 from the PBGYAA Palm Beach Gardens Predators Soccer Program has been added to Contributions/Donations in the Recreation Impact Fund. This donation augments the existing Gardens Park concession building project in the current fiscal year.
- A grant of \$10,000 for gun storage racks has been added. This grant is from the U.S. Department of Justice, through the Florida Department of Law Enforcement.
- A donation of \$20,000 from the BallenIsles Charities Foundation has been added to Contributions/Donations in the General Fund for the purchase of 1 Stryker Power-loaded Cot Fastener for Emergency Medical Services.
- A donation of \$50,000 from Florida Blue, Health Insurance Provider, for employee related wellness programs and activities has been added to the Self-Insurance Fund.
- Revenue in the amount of \$140,131 was received from Palm Beach County for \$12.50 traffic fine collections and has been added to the General Fund.

STAFF RECOMMENDATION: Staff recommends approval of Ordinance 1, 2013 as presented on second and final reading.