



**THE CITY OF MADEIRA BEACH, FLORIDA
PUBLIC NOTICE**

**BOARD OF COMMISSIONERS
SPECIAL BUDGET MEETING**

The Board of Commissioners of the City of Madeira Beach, Florida will meet in the Patricia Shontz Commission chambers at City Hall, located at 300 Municipal Drive, Madeira Beach, Florida to discuss the agenda items of City Business listed at the time indicated below. Meetings will be televised on Spectrum Chanel 640 and streamed on Livestream.com/cityofmadeirabeach

6:00 P.M.

TUESDAY, NOVEMBER 28, 2017

COMMISSION CHAMBERS

A. CALL TO ORDER

B. ROLL CALL

C. PUBLIC COMMENT

Public participation is encouraged. If you are addressing the Commission, step to the podium and state your name and whether your address resides inside or outside City limits. Please limit your comments to three (3) minutes.

D. UNFINISHED BUSINESS

1. ORDINANCE 2017-12, BUDGET AMENDMENT FOR FISCAL YEAR 2017 (BEGINNING OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017) – SECOND READING & PUBLIC HEARING

An Ordinance of the Board of Commissioners amending the Budget for Fiscal Year 2017 (Beginning October 1, 2016 through September 30, 2017) by appropriating funds for increasing the General Fund Expenditures and Increasing Debt Service Fund Budget.

2. HIRING OF CITY ATTORNEY

Mayor Black requested that this item be placed on the Special Meeting Agenda.

E. ADJOURNMENT

Any person who decides to appeal any decision of the City Commission with respect to any matter considered at this meeting will need a record of the proceedings and for such purposes may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The law does not require the City Clerk to transcribe verbatim minutes; therefore, the applicant must make the necessary arrangements with a private reporter or private reporting firm and bear the resulting expense. In accordance with the Americans with Disability Act and F.S. 286.26; any person with a disability requiring reasonable accommodation in order to participate in this meeting should call 727-391-9951 or fax a written request to 727-399-1131.

Posted: November 21, 2017



DATE: November 21, 2017

FROM: Walter Pierce, Director of Finance

VIA: Derryl O'Neal, City Manager

RE: Ordinance 2017-12

SYNOPSIS: **ORDINANCE 2017-12: AMENDING THE BUDGET FOR THE FISCAL YEAR 2017 (BEGINNING OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017) BY APPROPRIATING FUNDS FOR INCREASING GENERAL FUND EXPENDITURES AND INCREASING DEBT SERVICE FUND BUDGET**

BACKGROUND: The intent of Ordinance 2017-12 is to increase the budget for various General Fund accounts whose actual expenditures for FY 2017 exceeded the budget. The FY 2017 year was very challenging and as Exhibit A displays, there was a legal settlement with a former employee that impacted the City Clerk budget, a legal case settlement, and increased City Attorney Non-Retainer expenses all which were not budgeted. Also, there was an upgraded position and Director overlap that impacted the Finance Department budget. There was additional Computer Support that was needed. Further, during FY 2017 we had Hurricane IRMA which contributed to non-budgeted expenses for debris and other clean-up costs. In the Debt Service Fund there was a principal payment for the series 2013 bonds that was due on October 1, 2017 which was a Sunday, so we needed to make the payment on September 28, 2017 to pay on time and to avoid any late fees. Additionally, there was a prepayment to the series 2014 bonds made in November of last year in order to reduce the principal on the backend of this note. This would further reduce the interest going forward.

FINANCIAL IMPACT: The budget for Fiscal Year 2017 to be amended to reflect an increase in the General Fund Budget in the amount of \$938,345.25 (See Exhibit A). The budget for Fiscal Year 2017 to be amended to reflect an increase in the Debt Service Fund Budget in the amount of \$638,981.25 (See Exhibit A).

RECOMMENDATION: Finance recommends approval of Ordinance 2017-12

OTHER OPTIONS: None.

ATTACHMENTS: Ordinance 2017-12

ORDINANCE 2017-12

AN ORDINANCE OF THE BOARD OF COMMISSIONERS FOR THE CITY OF MADEIRA BEACH, PINELLAS COUNTY, FLORIDA, AMENDING THE BUDGET FOR THE FISCAL YEAR 2017 (BEGINNING OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017) BY APPROPRIATING FUNDS FOR INCREASING GENERAL FUND EXPENDITURES AND INCREASING DEBT SERVICE FUND BUDGET.

WHEREAS, the City of Madeira Beach Board of Commissioners has approved an annual budget for Fiscal Year 2017; and

WHEREAS, the City of Madeira Beach Board of Commissioners desires to amend the annual budget for Fiscal Year 2017; and

WHEREAS, Florida Statutes 166.241 authorizes the governing body of a municipality to amend a budget within 60 days following the end of the Fiscal Year; and

NOW, THEREFORE, Be it ordained by the Board of Commissioners of the City of Madeira Beach, Florida:

SECTION 1. The Board of Commissioners authorizes the budget for Fiscal Year 2017 to hereby be amended to reflect an increase in the General Fund Budget in the amount of \$938,345.25 (See Exhibit A).

SECTION 2. The Board of Commissioners authorizes the budget for Fiscal Year 2017 to hereby be amended to reflect an increase in the Debt Service Fund Budget in the amount of \$638,981.25 (See Exhibit A).

SECTION 3. The Board of Commissioners authorizes management to allocate the budget amendment pursuant to the account level detailed provided as Exhibit A.

SECTION 4. Ordinance 2017-12 shall become effective immediately upon final adoption by the Board of Commissioners.

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INTRODUCED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE
CITY OF MADEIRA BEACH, This _____ day of _____, 2017.

Maggi Black, Mayor

ATTEST:

Clara VanBlargan, City Clerk

APPROVED AS TO FORM:

Erica Augello, Interim City Attorney

PASSED ON FIRST READING:

November 14, 2017

PUBLISHED:

November 17, 2017

PASSED ON SECOND READING: _____

**Budget Amendment -General & Debt Service Funds
FY 2017**

Ordinance 2017-12
Exhibit A

| Budget Amendment Description | Fund | Account no. | Debit | Credit |
|--|--------------|---------------|-------------------|-------------------|
| Additional City Attorney Non-Retainer work | General | 001.1000.3102 | 7,110.00 | |
| Legal Case settlement | General | 001.1000.3103 | 139,250.00 | |
| Finance position upgrade & Director overlap | General | 001.1100.1200 | 17,923.00 | |
| Settlement previous employee | General | 001.1300.1200 | 36,954.00 | |
| Settlement previous employee | General | 001.1300.3100 | 26,937.00 | |
| Additional Computer Support | General | 001.1400.3122 | 19,669.00 | |
| Hurricane debris removal | General | 001.1400.3400 | 51,521.00 | |
| Transfer to Debt service for Bond Prepayment | General | 001.1400.9912 | 638,981.25 | |
| General Fund Appropriations | General | 001.0000.6669 | | 938,345.25 |
| | Total | | 938,345.25 | 938,345.25 |
| Prepaid Debt Payment - Principal | Debt | 170.5170.7100 | 538,000.00 | |
| Prepaid Debt Payment - interest | Debt | 170.5170.7200 | 100,981.25 | |
| Tranfer from General Fund | Debt | 170.381.001 | | 638,981.25 |
| | Total | | 638,981.25 | 638,981.25 |

**The attached are two emails sent to the
Mayor and Commissioners from
Walt Pierce providing more information on
Resolution 2017-12 and Ordinance 2017-12**

Walter Pierce

From: Walter Pierce
Sent: Wednesday, November 22, 2017 8:37 AM
To: Maggi Black; John Douthirt; Lister, Terry; Hodges, Nancy; Nancy Oakley
Cc: O'Neal, Derryl; 'Erica Augello'; Clara VanBlargan; Andrea Gamble
Subject: Information on Resolution 2017-12
Attachments: SKM_C554e17112207510.pdf

Mayor and Commissioners:

At last Tuesday's Council Meeting Resolution 2017-12 was presented to Council for approval and was approved. This Resolution is amending the fiscal year 2017 budget by decreasing capital outlay expenditures in the amount of \$3,287,269.22 and amending the fiscal year 2018 budget by the same amount. This as I indicated to Council is to maintain funding for various capital projects only that would otherwise be impacted by the fiscal year closing process. As I further indicated to Council, this same practice has been done for the past fiscal years. I have attached for your information, a copy of Resolution 2016-28 that was approved by the previous year's Council on October 11, 2016. In this Resolution, it is basically the same type capital projects whose balances totaling \$2,793,251.74 are decreased from FY 2016 and increased for the same amount in FY 2017. Going further back into the past, Resolution 2015-36 (not attached) was the same type thing where a total of \$3,517,733.61 was reduced from FY 2015 and increased for the same amount for FY 2016.

I hope the above explains in more detail that Resolution 2017-12 is a year-end practice with regard to these capital projects that we have been doing consistently.

Please contact me or come by my office any time if you have any questions or concerns regarding the above.

Thank you.
Walt

Walter Pierce
Director of Finance
City of Madeira Beach
Tel.: 727-391-9951 ext. 230
email: WPierce@Madeirabeachfl.gov

From: Scanner
Sent: Wednesday, November 22, 2017 7:51 AM
To: Walter Pierce <wpierce@madeirabeachfl.gov>
Subject: Message from KM_C554e



MADEIRA BEACH BOARD OF COMMISSIONERS

October 11, 2016 – Agenda Report

FROM: Vincent M. Tenaglia, Assistant City Manager

SUBJECT: RESOLUTION 2016-28: AMENDING THE FISCAL YEAR 2016 BUDGET BY DECREASING CAPITAL OUTLAY EXPENDITURES IN THE AMOUNT OF \$2,793,251.74; AMENDING THE FISCAL YEAR 2017 BUDGET BY INCREASING CAPITAL OUTLAY EXPENDITURES IN THE AMOUNT OF \$2,793,251.74; AND PROVIDING FOR AN EFFECTIVE DATE

BACKGROUND: The intent of Resolution 2016-28 is to maintain funding for various capital projects that would otherwise be impacted by the fiscal year closing process. The specific allocation to individual projects will not change; rather, the projects' budgetary balances will be carried forward from one fiscal year to the next. In total, \$2,793,251.74 will be removed from the fiscal year 2016 budget and be re-appropriated to the fiscal year 2017 budget.

FINANCIAL IMPACT: The net effect of Resolution 2016-28 has no impact to long-term fund balance.

| <u>Project description</u> | <u>Fund</u> | <u>Account no.</u> | <u>Reductions FY 2016</u> | <u>Additions FY 2017</u> |
|---|-------------|--------------------|--------------------------------|-------------------------------|
| City Centre | General | 001.1400.6318 | \$ (87,600.00) | \$ 87,600.00 |
| Gulf Blvd. improvements (utility undergrounding) | General | 001.1400.6323 | \$(1,038,323.74) | \$ 1,038,323.74 |
| Citywide park beautification | General | 001.4900.6300 | \$ (35,000.00) | \$ 35,000.00 |
| Transient dock construction (John's Pass Village) | General | 001.8000.6300 | \$ (265,190.00) | \$ 265,190.00 |
| Madeira Way improvements | L.O.S.T. | 103.9519.6325 | \$ (82,700.00) | \$ 82,700.00 |
| Storage facility design | Sanitation | 402.7000.6300 | \$ (40,000.00) | \$ 40,000.00 |
| Stormwater rehabilitation and repair | Stormwater | 404.9200.6300 | \$ (212,688.00) | \$ 212,688.00 |
| Stormwater drainage and roadway improvements | Stormwater | 404.9200.6320 | \$(1,031,750.00) | \$ 1,031,750.00 |
| Total | | | <u>\$(2,793,251.74)</u> | <u>\$ 2,793,251.74</u> |

RECOMMENDED BY STAFF: Finance recommends approval of Resolution 2016-28.

ATTACHMENT(S): Resolution 2016-28

RESOLUTION 2016-28

A RESOLUTION OF THE CITY OF MADEIRA BEACH, FLORIDA AMENDING THE FISCAL YEAR 2016 BUDGET BY DECREASING CAPITAL OUTLAY EXPENDITURES IN THE AMOUNT OF \$2,793,251.74; AMENDING THE FISCAL YEAR 2017 BUDGET BY INCREASING CAPITAL OUTLAY EXPENDITURES IN THE AMOUNT OF \$2,793,251.74; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of Madeira Beach Board of Commissioners has approved an annual budget for fiscal year 2016; and

WHEREAS, the City of Madeira Beach Board of Commissioners has approved an annual budget for fiscal year 2017; and

WHEREAS, the City of Madeira Beach Board of Commissioners desires to amend the annual budgets for fiscal years 2016 and 2017; and

WHEREAS, Florida Statutes 166.241 authorizes the governing body of a municipality to amend a budget within 60 days following the end of the fiscal year; and

WHEREAS, Section 10.5 of the Madeira Beach City Charter authorizes the Board of Commissioners to amend the adopted budget by resolution; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF MADEIRA BEACH, FLORIDA:

Section 1. The Board of Commissioners authorizes the decrease of capital outlay expenditures from the fiscal year 2016 budget, in the amount of \$2,793,251.74.

Section 2. The Board of Commissioners authorizes the increase of capital outlay expenditures to the fiscal year 2017 budget, in the amount of \$2,793,251.74.

Section 3. The Board of Commissioners authorizes management to allocate the budget amendment pursuant to the account level detailed provided as Exhibit A.

Section 4. This resolution shall become effective immediately upon its adoption.

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INTRODUCED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE CITY OF MADEIRA BEACH,

THIS _____ day of _____, 2016.

TRAVIS PALLADENO, Mayor

ATTEST:

AIMEE SERVEDIO, City Clerk

Capital Project Roll-Forward Schedule
 FY 2016 to FY 2017

Resolution 2016-28
 Exhibit A

| Project description | Fund | Account no. | Reductions FY 2016 | Additions FY 2017 |
|---|------------|---------------|--------------------------|------------------------|
| City Centre | General | 001.1400.6318 | \$ (87,600.00) | \$ 87,800.00 |
| Gulf Blvd. Improvements (utility undergrounding) | General | 001.1400.6323 | \$ (1,038,323.74) | \$ 1,038,323.74 |
| Citywide park beautification | General | 001.4900.6300 | \$ (35,000.00) | \$ 35,000.00 |
| Transient dock construction (John's Pass Village) | General | 001.8000.6300 | \$ (265,190.00) | \$ 265,190.00 |
| Madeira Way Improvements | L.O.S.T. | 103.9519.6325 | \$ (82,700.00) | \$ 82,700.00 |
| Storage facility design | Sanitation | 402.7000.6300 | \$ (40,000.00) | \$ 40,000.00 |
| Stormwater rehabilitation and repair | Stormwater | 404.9200.6300 | \$ (212,688.00) | \$ 212,688.00 |
| Stormwater drainage and roadway improvements | Stormwater | 404.9200.6320 | \$ (1,031,750.00) | \$ 1,031,750.00 |
| Total | | | <u>\$ (2,793,251.74)</u> | <u>\$ 2,793,251.74</u> |

Walter Pierce

From: Walter Pierce
Sent: Wednesday, November 22, 2017 12:55 PM
To: Maggi Black; John Douthirt; Lister, Terry; Hodges, Nancy; Nancy Oakley
Cc: O'Neal, Derryl; 'Erica Augello'; Clara VanBlargan; Andrea Gamble
Subject: Information/Clarification on Ordinance 2017-12

Mayor & Commissioners:

At last Tuesday's Council Meeting Ordinance 2017-12 was presented to Council for a First Public Hearing Reading and was approved. This Ordinance was published on November 17, 2017 and the Second Public Hearing Reading will be next Tuesday, November 28, 2017.

As I explained to Council at last Tuesday's meeting, this budget amendment is to increase the budgetary expenditures for general fund accounts whose expenditures exceeded the FY 2017 budget. Departmental expenditures in total cannot exceed the total budget for a particular department and Florida statutes authorizes the governmental body to amend a budget within 60 days following the end of the Fiscal Year. The FY 2017 year was very challenging and the **Exhibit A for this Ordinance** lists seven General Fund issues that caused total expenditures to exceed the budget for four departments (City Manager, Finance, City Clerk, and Non-Departmental).

I would like to clarify in more detail for Council the Debt Service Prepayment that I addressed at the meeting. There is two Debt Prepayments impacting the Debt Service & General Fund budgets. One is a payment on the **Series 2013 Bond** in the amount of \$195,981.25 (principal and interest). This is the payment that I was referring to in my communication with Commissioner Lister that was due on October 1, 2017 (the start of our new 2018 fiscal year) which was a Sunday. To be current and to avoid any late fees, we paid this on September 28, 2017 (impacting the FY 2017 budget). As mentioned by Vice Mayor Douthirt this was just a timing issue. So, paying this on Monday October 2, 2017 was not an option. The other prepayment was on the **Series 2014 Bond** in the amount of \$443,000.00. This was done by the previous Finance Director (on November 4, 2016). The rationale for this was to reduce the principal on the backend of the note and would further reduce the interest on payments going forward. Both of these prepayments total \$638,981.25 which is the amount of the budget amendment for the Debt Service Fund (as noted on Exhibit A).

Finally, I can understand members of Council disagreeing with one or more issues that caused the need to amend the General Fund as well as the Debt Service Fund Budgets. However, the budget amendment process that we are doing is a way to resolve these differences and to correct budgets for departments whose total expenditures have exceeded their total budget. **This is something we are mandated to do and there is a time limit by Florida Statutes.** So, voting against this budget amendment would be in my mind voting against the correction that is needed more so than the issue or issues that caused it.

Please contact me or come by my office any time if you have any questions or concerns regarding the above.

Thank you.
Walt

**Budget Amendment -General & Debt Service Funds
FY 2017**

**Ordinance 2017-12
Exhibit A**

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