



Legislation Text

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**File #:** 18-668, **Version:** 1

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**TO:** Mayor and Commissioners  
**FROM:** Kimberly Ferrell, Finance Director  
**THROUGH:** Mark R. Lauzier, City Manager  
**DATE:** October 16, 2018

RESOLUTION NO. 125-18 BUDGET AMENDMENT

**Recommended Action:**

Motion to approve Resolution No. 125-18 amending the FY 2018/19 adopted budget to fund additional required pension contributions in the current year. This amendment will utilize \$2,280,135 of fund balance to fund additional contributions to the Police Officers' and Firefighters' Retirement Systems which resulted from a change in the actuarial assumptions and a required adjustment for pre-paid contributions as well as the application of the state contributions.

**Background:**

The Police Officers' and Firefighters' Retirement System Actuarial Valuation Reports as of October 1, 2016 were based on an assumed return of 8%. This assumed return was reduced to 7.25% in both Police Officers' and Firefighters' Retirement System Actuarial Valuation Reports as of October 1, 2017 (for contributions year ending September 30, 2019). These reduced return assumptions were passed by the Police and Fire Pension Boards in separate meetings on September 13, 2018. This action has resulted in an additional \$1,976,252 to the required contribution.

There is also a required contribution adjustment for the pre-paid contributions and the application of the state contributions. These two adjustments will result in an additional contribution for FY 18/19 of \$303,883 and will true up prior contributions to the actuarial valuation as of October 1, 2017 (for contributions year ending September 30, 2019).

**Funding Source/Financial Impact:**

Resolution No. 125-18 will be funded from General Fund unassigned fund balance.

**Timing of Request:**

This request is time sensitive. Payment of pension contributions early in the fiscal year reduces the amount of required contribution due to the availability of funds for investment.

**Attachments:**

Resolution No. 125-18  
Fund Balance Analysis

RESOLUTION NO. 125-18

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, AMENDING ITS BUDGET FOR THE FISCAL YEAR 2018/2019, REPEALING ALL RESOLUTIONS INCONSISTENT HERewith; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

**WHEREAS**, the City Commission of the City of Delray Beach, Florida adopted a budget for the 2018/2019 Fiscal Year; and

**WHEREAS**, the City Commission has determined that an amendment needs to be made to the previously adopted Fiscal Year 2018/2019 Budget; and

**WHEREAS**, the City Commission deems approval of this Resolution to be in the best interest of the health, safety and welfare of the residents and citizens of the City of Delray Beach and the public at large.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, AS FOLLOWS:

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

Section 2. The City Commission hereby amends its fiscal year 2018/2019 Budget as provided in the schedule attached hereto as Exhibit "A".

Section 3. Subject to the qualifications contained in this Resolution, all appropriations made out of the General Fund are declared to be maximum, conditional and proportionate appropriations, the purpose being to make the appropriations payable in full in the amounts herein named if necessary and then only in the event the aggregate revenues collected and other resources available during the period commencing the 1<sup>st</sup> day of October, 2018, and ending the 30<sup>th</sup> day of September, 2019, for which the appropriations are made, are sufficient to pay all the appropriations in full. Otherwise, said appropriations shall be deemed to be payable in such proportion as the total sum of realized revenue of the General Fund is to the total amount of revenues estimated by the City Commission to be available in the period commencing the 1<sup>st</sup> day of October, 2018, and ending the 30<sup>th</sup> day of September, 2019.

Section 4. All balances of the appropriations payable out of the General Fund of the City Treasury unencumbered at the close of business on the 30<sup>th</sup> day of September, 2018, except as otherwise provided for, are hereby declared to be lapsed into the City Treasury and may be used for the payment of the appropriations which may be made in any appropriation for the fiscal year commencing the 1<sup>st</sup> day of October, 2018. However, nothing in this section shall be construed to be applicable to unencumbered balances remaining to the credit of the Water and Sewer Fund, Sanitation Fund or any Fund created by the setting up of special revenue, but such balances shall be

used in financing the proposed expenditures of these Funds for the fiscal year commencing the 1<sup>st</sup> day of October, 2018.

Section 5. No department, bureau, agency or individual receiving appropriations under the provisions of this Resolution shall exceed the amount of its appropriation, except with the consent and approval of the City Commission first obtained. If such department, bureau, agency or individual shall exceed the amount of its appropriation without such consent and approval of the City Commission, the administrative officer or individual, in the discretion of the City Commission, may be deemed guilty of neglect of official duty and may be subject to removal therefor.

Section 6. Nothing in this Resolution shall be construed as authorizing any reduction to be made in the amounts appropriated in this resolution for the payment of interest on, or retirement of, the debt of the City of Delray Beach, Florida.

Section 7. None of the monies enumerated in this Resolution in connection with the General Fund, Water and Sewer Fund, Sanitation Fund or any other Fund of the City shall be expended for any purposes other than those for which they are appropriated, and it shall be the duty of the Budget Officer and/or Finance Director to report known violations of this section to the City Manager.

Section 8. All monies collected by any department, bureau, agency or individual of the City government shall be paid promptly into the City Treasury.

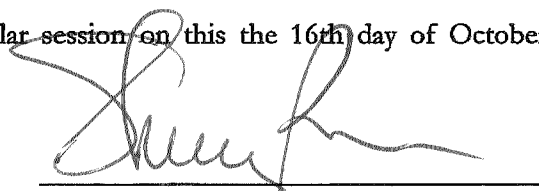
Section 9. The foregoing budget is hereby adopted as the official budget of the City of Delray Beach, Florida, for the aforesaid period. However, the restrictions with respect to the expenditures/expenses of the funds appropriated shall apply only to the lump sum amounts for classes of expenditures/expenses which have been included in this Resolution.

Section 10. Public hearings were held on the tax levy and the budget on September 6, 2018, and September 25, 2018.

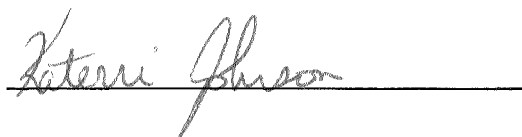
Section 11. All Resolutions inconsistent herewith shall be and the same are repealed.

Section 12. This Resolution shall become effective immediately upon passage.

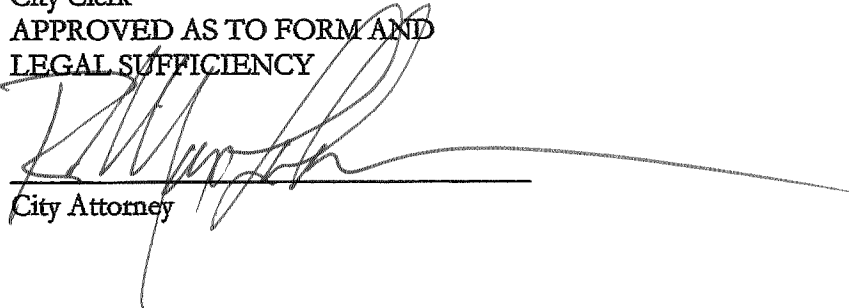
PASSED AND ADOPTED in regular session on this the 16<sup>th</sup> day of October, 2018.

  
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MAYOR

ATTEST:

  
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Kateri Johnson

City Clerk  
APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY



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City Attorney

Exhibit A  
Budget Summary (as amended)

	GENERAL FUND	GO DEBT SERVICE	DOWNTOWN DEVELOPMENT FUND	ENTERPRISE FUNDS	SPECIAL REVENUE FUNDS	TOTAL
CASH BALANCES BROUGHT FORWARD	5,428,576	0	0	15,202,784	0	20,631,360
<b>ESTIMATED REVENUES:</b>						
<b>TAXES</b>						
AD VALOREM TAXES	6.7611 67,050,347	0	0	0	0	67,050,347
AD VALOREM TAXES	0.2108 0	2,091,275	0	0	0	2,091,275
AD VALOREM-DELINQUENT & PENALTIES	26,000	623	0	0	0	26,623
AD VALOREM - DDA	1.0000 0	0	1,039,547	0	0	1,039,547
Sales & Use Taxes	1,524,490	0	0	0	0	1,524,490
Utility Taxes	6,932,360	0	0	0	0	6,932,360
Other Taxes	4,266,280	0	0	0	0	4,266,280
Franchise, Licenses & Permits	13,134,049	0	0	1,650	0	13,135,699
Intergovernmental	7,929,881	0	0	62,150	648,909	8,640,940
Charges for Services	13,682,332	0	0	44,514,795	0	58,197,127
Fines & Forfeitures	1,302,000	0	0	0	204,250	1,506,250
Miscellaneous Revenues	9,892,696	0	45,025	450,564	217,656	10,605,941
Other Financing Sources	4,172,374	0	0	109,000	1,119,120	5,400,494
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>129,912,809</b>	<b>2,091,898</b>	<b>1,084,572</b>	<b>45,138,159</b>	<b>2,189,935</b>	<b>180,417,373</b>
<b>TOTAL ESTIMATED REVENUES AND BALANCES</b>	<b>135,341,385</b>	<b>2,091,898</b>	<b>1,084,572</b>	<b>60,340,943</b>	<b>2,189,935</b>	<b>201,048,733</b>
<b>EXPENDITURES/EXPENSES:</b>						
General Government Services	21,089,253	0	0	0	0	21,089,253
Public Safety	73,659,534	0	0	0	204,250	73,863,784
Physical Environment	1,080,038	0	0	34,672,032	0	35,752,070
Transportation	5,805,055	0	0	0	0	5,805,055
Economic Environment	13,386,474	0	1,080,005	0	950,077	15,416,556
Human Services	112,000	0	0	0	0	112,000
Culture & Recreation	12,268,312	0	0	3,766,286	974,852	17,009,450
Debt Service	1,913,128	2,091,898	0	2,225,798	0	6,230,824
Other Financing Uses	5,659,591	0	0	19,375,184	0	25,034,775
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>134,973,385</b>	<b>2,091,898</b>	<b>1,080,005</b>	<b>60,039,300</b>	<b>2,129,179</b>	<b>200,313,767</b>
Reserves	368,000	0	4,567	301,643	60,756	734,966
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THE TENTATIVE, ADOPTED AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD.

**Exhibit A  
Budget Summary (as amended)**

	<b>GENERAL FUND</b>	<b>GO DEBT SERVICE</b>	<b>DOWNTOWN DEVELOPMENT FUND</b>	<b>ENTERPRISE FUNDS</b>	<b>SPECIAL REVENUE FUNDS</b>	<b>TOTAL</b>
<b>CASH BALANCES BROUGHT FORWARD</b>	5,428,576	0	0	15,202,784	0	20,631,360
<b>ESTIMATED REVENUES:</b>						
<b>TAXES</b>						
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