



Town of Miami Lakes Memorandum

To: Honorable Mayor and Councilmembers
From: Alex Rey, Town Manager
Subject: FY 2016-17 Final Budget Amendment
Date: 10/3/2017

Recommendation:

Approve amendment to the FY 2016-17 Amended Budget to create a Disaster Fund, allocate funds from General Fund Balance to the Disaster Fund for Hurricane Irma expenses, and recognize donations received for specific Town events. The proposed amendments will increase the total FY 2016-17 Operating Budget net of transfers by \$1,519,125 to \$36,932,407 as described below and summarized in Exhibit A.

Background:

Disaster Fund and Hurricane Irma Expenses

This amendment creates the Disaster Fund, a sub-fund in the Special Revenue Fund category, which is established to account for the proceeds of specific revenue sources that are restricted or committed to expenditure in the event of a natural disaster or catastrophic event. The Disaster Fund will capture all response and recovery costs associated with any major disaster, and the revenues from Federal, State, County or Local government to reimburse or offset these costs.

On September 5, 2017, President Donald J. Trump approved Governor Rick Scott's request and declared a pre-landfall emergency for the State of Florida in preparation of Hurricane Irma and due to the emergency conditions resulting from Hurricane Irma. Following a Presidential disaster declaration, the Federal Emergency Management Agency (FEMA) provides federal assistance to government organizations through their Public Assistance Grant program so that communities can quickly respond to and recover from major disasters or emergencies. Through the program, FEMA provides supplemental federal disaster grant assistance for debris removal, life-saving emergency protective measures, and the repair, replacement, or restoration of disaster-damaged publicly-owned facilities. The Public Assistance Grant program also encourages protection of these damaged facilities from future events by providing assistance for hazard mitigation measures during the recovery process.

Hurricane Irma made landfall on Sunday, September 10, 2017, causing widespread damage and destruction throughout the State of Florida. Clean-up efforts and restoration have begun and it is estimated that the hurricane related expenses for the Town of Miami Lakes through September 30, 2017 are estimated at \$1,500,000 as summarized below:

- Debris removal and monitoring - \$750,000
- Emergency protective measures - \$478,800

- Road Repairs (Street Lights and Signs) - \$122,500
- Building/Facilities Repairs - \$25,420
- Parks repairs - \$19,700
- Contingency - \$103,580

Federal disaster assistance has been made available from FEMA, and it is expected that the Town will be reimbursed approximately 85% of the total cost of disaster cleanup and restoration. It should be noted that additional hazard mitigation expenses may be incurred subsequent to September 30, 2017, at which time an amendment to the FY 2017-18 Budget will be required.

To fund the above expenditures in FY 2017, a transfer from the General Fund unassigned fund balance is required. At the beginning of FY 2016-17, the unassigned fund balance was \$4,553,946. During the year, Council approved transfers from the fund balance totaling \$1,399,523. This amendment transfers \$1,500,000 from the General Fund Balance to the Disaster Fund, which will leave the Town with a General Fund reserve of \$1,384,807. The amount in the Disaster Fund is appropriated to immediately pay expenses incurred until the Town receives reimbursement from FEMA.

Donations

During the year, unanticipated donations are received from individuals and the business community to fund specific events and enhance certain activities and programs. Due to the frequency of donations received, the immediate need to expend the funds, and the process required for budgetary adjustment via Ordinance, a Reserve for Future Donations of \$10,000 was approved at the February 2, 2016 Council Meeting. This allows the Town Manager to immediately authorize expenditures as donations are received for the purpose they were provided without the constraint of the \$700 maximum for transfers from one line-item to another. To date expenditures have been authorized and transfers from the Reserve for Future Donation processed in the amount of \$9,730.

This Ordinance now amends the FY 2016-17 General Fund Budget to recognize the donations received totaling \$19,125 for the various Committees, replenishes the reserve, and appropriates said funds for expenditure. Donations received for the Committees are as follows: Elderly Affairs \$7,450, Cultural Affairs \$5,950, Youth Activity Task Force \$3,855, Educational Affairs \$1,220, Public Safety \$500, and Veterans' Affairs \$150.

ATTACHMENTS:

Description

Ordinance (First Reading)

Exhibit A - FY 2016-17 Amended Budget Detail

ORDINANCE NO. 2017-_____

AN ORDINANCE OF THE TOWN OF MIAMI LAKES, FLORIDA, AMENDING ORDINANCE NO. 16-197, AS AMENDED BY ORDINANCE 17-199; AMENDING THE TOWN'S FISCAL YEAR 2016-2017 BUDGET; CREATING A DISASTER FUND; PROVIDING FOR EXPENDITURE OF FUNDS; PROVIDING FOR AMENDMENTS; PROVIDING FOR CONFLICTS; AUTHORIZING THE TOWN MANAGER TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE TERMS AND CONDITIONS OF THIS ORDINANCE; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with Section 200.065, Florida Statutes and Section 8.7 of the Town of Miami Lakes (the "Town") Charter, the Town Council adopted Fiscal Year 2016-2017 Budget (the "Budget") by Ordinance 16-197; and

WHEREAS, on February 7, 2017, the Town Council approved amendments to the Budget by Ordinance Number 17-199; and

WHEREAS, on September 10, 2017, Hurricane Irma made landfall causing widespread damage throughout the State of Florida, including the Town of Miami Lakes; and

WHEREAS, in order to address funding needs associated with recovery efforts, it is necessary to create a Disaster Fund, as a sub-fund in the Special Revenue Fund Category; and

WHEREAS, it will also be necessary to transfer funds from the General Fund Balance to the Disaster Fund for Hurricane Irma related expenses.

WHEREAS, additionally, the Town has received an unanticipated amount of donations to fund specific events and enhance certain activities; and

WHEREAS, it is necessary for the manager to be able to authorize expenditure of the donations received for the purpose they were provided; and

WHEREAS, based upon the review, analysis, and the recommendation of the Town Manager, the Town Council has determined that it is necessary to amend the Budget as described in Exhibit “A” attached hereto.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MIAMI LAKES, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. Budget Amendment. The Fiscal Year 2016-2017 Budget adopted in Ordinance No. 16-197 as amended by 17-199, shall be amended to create a Disaster Fund, provide a transfer of funds from the General Fund Balance to the Disaster Fund, and allow for recognition and expenditure of donations received to fund specific events and enhance certain activities and programs as reflected in Exhibit “A” attached and incorporated herein. All other terms and conditions of Ordinance No. 16-197, as amended by 17-199 not otherwise amended by this Ordinance remain in full force and effect.

Section 3. Authorization of Town Manager. The Town Manager is hereby authorized to take all actions necessary to implement the terms and conditions of this Ordinance.

Section 4. Authorization of Fund Expenditures. The Town Manager or his/her designee is authorized to expend or contract for expenditures such funds as are necessary for the operation of the Town government in accordance with the Budget and the terms and conditions of this Ordinance.

Section 5. Conflicts. All sections or parts of sections of the Town Code that conflict with this Ordinance are repealed to the extent of such conflict.

Section 6. Severability. The provisions of this Ordinance are declared to be severable and if any section, subsection, sentence, clause, provision or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance, but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

Section 7. Effective date. This Ordinance shall be effective upon adoption on second reading.

FIRST READING

The foregoing ordinance was moved by Councilmember _____ who moved its adoption on first reading. The motion was seconded by Councilmember _____ and upon being put to a vote, the vote was as follows:

Mayor Manny Cid	_____
Vice Mayor Nelson Rodriguez	_____
Councilmember Luis Collazo	_____
Councilmember Tim Daubert	_____
Councilmember Ceasar Mestre	_____
Councilmember Frank Mingo	_____
Councilmember Marilyn Ruano	_____

Passed and adopted on first reading this ____ day of October 2017.

THIS SPACE INTENTIONALLY LEFT BLANK

SECOND READING

The foregoing ordinance was moved by Councilmember _____ who moved its adoption on second reading. The motion was seconded by Councilmember _____ and upon being put to a vote, the vote was as follows:

Mayor Manny Cid	_____
Vice Mayor Nelson Rodriguez	_____
Councilmember Luis Collazo	_____
Councilmember Tim Daubert	_____
Councilmember Ceasar Mestre	_____
Councilmember Frank Mingo	_____
Councilmember Marilyn Ruano	_____

Passed and adopted on second reading this _____ day of _____, 2017.

Manny Cid
MAYOR

Attest:

Gina Inguanzo
TOWN CLERK

Approved as to form and legal sufficiency:

Raul Gastesi, Jr.
Gastesi & Associates, P.A.
TOWN ATTORNEY