



Town of Miami Lakes Memorandum

To:	Honorable Mayor and Town Council
From:	Alex Rey, Town Manager
Subject:	Amendment to FY2015-16 Amended Budget
Date:	May 3, 2016

Recommendation:

Approve amendment to the FY2015-16 Amended Budget as described below and summarized in Exhibit A. This amendment increases revenues and related expenses resulting from the Dunnwoody Lake and Downtown Development Projects, makes final adjustments to the carry forward fund balances based on the FY2014-15 audited financial statements, funds the Special Election Mail-in Ballot, recognizes the grant to fund the Senior Class Program, and revises select line items within departmental budgets that have no impact on the bottom line budget.

Background:

The proposed budget amendment will increase the Town's FY 2015-16 Budget from 29,799,989 to \$37,614,076, which represents an increase of \$7,814,088.

The increase is related to one-time revenues from the Dunnwoody Lake and Downtown development projects (\$5,369,484), the final adjustments to the carry forward fund balances based on the FY2014-15 audited financial statements (\$280,042), and recognizing grant award for the Senior Program (\$13,000). We will first describe the rationale behind these increases and then address how each fund is impacted by these revenues. Additionally, the overall budget increases due to several transfers between funds that though they are not new monies they do increase both revenues and expenses (\$2,139,964) and the net impact to the General Fund's unassigned fund balance (\$11,598).

Dunnwoody Lake and Downtown Development Projects

The Dunnwoody Lake and Downtown Development Projects are expected to generate related revenues in the amount of \$5,369,484 as follows:

- Impact Fees - \$2,891,257
- 154th Street Roadway Expansion Reimbursement and Loan Payoff - \$1,828,227
- Dunnwoody Lake Developer Contribution for Education - \$300,000 and Parks - \$200,000
- Building Permit Revenue - \$150,000

Impact Fees \$2,891,257

Impact fees are paid by developers to offset the cost to adequately serve the impacts and demands of new development. Parks Impact Fees are collected to offset the impact of residential development on park open space and to address the need for improvements to local park property. Public Safety (Police) Impact Fees are intended to offset the cost of additional capital resources required to maintain adequate police protection for the existing population and to accommodate projected population growth due to new development.

Miami Dade County collects the impact fees for parks and police on behalf of the Town of Miami Lakes. Fees are required to be paid prior to the issuance of any building permit for development activity within Miami-Dade County. No building permit may be issued until all required impact fees are paid in full. With the impending development of the Dunnwoody Lake property and the Downtown area, staff is proposing to amend the FY2015-16 Budget to include impact fees anticipated from these projects. The total amendment as proposed to the Impact Fee Fund is \$2,891,257 as depicted in the chart below.

Impact Fees:	Dunnwoody Lake	Downtown Area	Total
Parks Open Space	884,290	386,605	1,270,895
Parks Improvements	826,697	356,864	1,183,561
Public Safety	258,964	177,836	436,801
Total Impact Fees:	\$ 1,969,951	\$ 921,305	\$ 2,891,257

154th Street Roadway Expansion Reimbursement - \$1,828,227

As part of the Development Agreement for the Dunnwoody Lake Property, the developer was obligated to widen 154th Street from 87th Avenue to 89th Avenue from two lanes to four lanes. However, the agreement provided the option for the Town to construct the road and then be reimbursed for the expense. On April 23, 2013, in order to expedite the roadway expansion, the Town passed Ordinance 2013-157 authorizing the issuance of Special Obligation Notes, Series 2013 in an aggregate principal amount not to exceed \$2 million to finance the cost of acquisition, construction and equipping of the 154th Street roadway project. The developer is required to reimburse the Town for the road construction and for expenses incurred for the issuance and administration of the debt. The total cost, including design, construction, engineering services, landscaping, loan issuance, interest, permits and management is \$1,828,227.

Dunnwoody Lake Developer Contribution for Education - \$300,000 and Parks \$200,000

As part of the Development Agreement for Dunnwoody Lake, the Developer is obligated to make a \$300,000 contribution for educational purposes.

In addition to the requirements set forth in the Development Agreement for the Dunnwoody Lake property, the Town secured a \$200,000 contribution for passive park development. At this time, funds are earmarked for conceptual design and planning of the Par 3, and the Bridge Park at 154th Street and I75.

Building Permit Activity - \$150,000

The permitting, inspection and Building Code enforcement activity in the Building Department is expected to increase with the development of the Dunnwoody Lake Property and Downtown area. This proposed amendment increases the revenue for building permit fees. The increase in revenue is offset by the additional expense of resources required to handle the increased permit activity.

Final Adjustment to Carry Forward Fund Balances - \$280,042

General Fund - \$63,402

At the end of FY2014-15, the General Fund balance was estimated at \$4,349,203. In accordance with the audited financials as reported in FY2014-15 Comprehensive Annual Financial Report (CAFR) for the Town of Miami Lakes, the General Fund's unassigned Fund Balance at the end of FY2014-15 is \$4,412,605. This amount is \$63,402 more than previously estimated.

The Town's FY 15-16 Budget programmed \$1,429,340 from the unassigned fund balance, leaving a revised unassigned fund balance of \$2,983,265.

Special Revenue Fund Balance Adjustment - \$118,466 – The FY2015-16 Adopted Budget assumed a conservative carry-forward fund balance of \$792,327. This budget amendment adjusts the carry-forward amount to \$910,793 as reported in the audited financials of the FY2014-15 CAFR.

Electric Utility Tax Fund Balance Adjustment - \$30,083 – The FY2015-16 Adopted Budget assumed a carry-forward fund balance of \$33,159. This budget amendment adjusts the carry-forward amount to \$63,242 as reported in the audited financials of the FY2014-15 CAFR.

Impact Fee Fund Adjustment - (\$18,765) - Reversing budgeted carry-forward as per the audited financials of the FY2014-15 CAFR.

Capital Fund Balance Adjustment - \$24,381 - The FY2015-16 Adopted Budget as amended on February 2, 2016, Council approved Ordinance #16-190 to adjust the carryforward amount to \$5,447,416 and re-appropriate the balances for projects which were funded yet not completed from the prior year. This budget amendment further adjusts the fund balance by \$24,381 to \$5,471,797 as reported in the audited financials of the FY2014-15 CAFR.

Stormwater Utility Fund - \$62,475 - The FY2015-16 Adopted Budget assumed a carry-forward fund balance of \$225,913. This budget amendment adjusts the carry-forward amount to \$288,388 as reported in the audited financials of the FY2014-15 CAFR.

GENERAL FUND

The General Fund reflects an increase in revenues from the transfer from the unassigned fund balance of \$75,000 to cover the cost of conducting a mail ballot for the amendments proposed by the Charter Revision Commission (CRC). This proposed amendment allocates \$75,000 from the General Fund Balance reserves to fund the Mail Ballot including: a Voter's Guide to provide general information and impartial explanation of the ten ballot questions (\$12,000), Miami-Dade Elections Department estimated cost to administer the Mail Ballot (\$52,000), and costs for proper notice and advertising (\$11,000). This further reduced the unassigned General Fund balance to \$2,908,265.

Additionally, we are increasing building permit revenues and corresponding salaries for the reason previously explained (\$150,000).

This budget amendment recognizes an additional award of \$13,000 from Commissioner Bovo for continuance of the senior programs through the end of FY2015-16.

The 154th Street reimbursement in the amount of \$1,828,227 will be received in the General Fund and expensed as follows:

- Transfer in the amount of \$1,548,580 to the Debt Service Fund to pay off the loan
- Transfer in the amount of \$176,384 to the Special Revenue Fund, People's Transportation Plan to reimburse the Town for floating the loan in Fiscal Year's 2015 and 2016
- Administrative and overhead costs in the amount of \$103,263 will remain in the General Fund Operating Contingency

A revision is also being incorporated in the Community Services Department to convert the Arborist position, which was budgeted as an ICA, to full-time status to provide more stability in a position that is of critical importance. \$40,500 will be transferred from Professional Services to Regular Salaries.

SPECIAL REVENUE FUND

The additional \$118,466 will remain as reserves in the Special Revenue Fund. A revision is being added to the People's Transportation Plan (80%) to transfer \$37,780 from Contingency for traffic studies related to Transportation Summit Implementation.

The Town Council established the Mobility Fee Trust Fund Account at the April 25, 2016 Special Call meeting. This budget amendment will create the Mobility Fee sub-fund within the Special Revenue Fund. Staff will provide a proposed revenue and expense budget for this sub-fund on second reading of the ordinance.

ELECTRIC UTILITY TAX FUND

The additional \$30,083 will remain as reserves in the Electric Utility Tax Fund.

CAPITAL PROJECTS FUND

The total amendment as proposed to the Capital Projects Fund, which includes budget transfers of \$243,669 from contingency line items, are being used for the following projects:

Parks IT Infrastructure Improvements (\$65,000) – Pursuant to the IT Master Plan and 2025 Strategic Plan, an IT infrastructure improvement is required to securely network the park facilities to Government Center and improve the Wi-Fi capabilities at the parks. This amendment includes the initial investment in firewalls for IT security, wireless access points to improve Wi-Fi coverage, cable management, electrical work and permitting of the project.

Park East (\$54,598) – Irrigation and sod installation at Picnic Park East.

Mary Collins Community Center Improvements (\$155,000) – The facility is in need of roof replacement (\$50,000), impact resistant windows and doors (\$75,000) and air condition replacement (\$30,000).

Optimist Clubhouse (\$248,357) – To fully fund the contract contingency and provide furniture, fixtures and equipment for the Clubhouse.

Passive Park Development (\$200,000) - These funds are earmarked to fund the conceptual design and planning of the Par 3 and Bridge Park at 154th Street.

Pedestrian Crosswalk Construction (\$130,000) – Approve amendment for an inter-fund transfer from the Special Revenue Fund – People's Transportation Plan (80%) to the Capital Projects Fund for construction of crosswalks at Main Street and Bull Run (\$43,500), traffic calming pavers at 154th Street and Palmetto (\$61,500) and pavers at 67th Avenue and 138th Street (\$25,000).

Hutchinson Roadway and Drainage Improvement Project \$115,000 - to conduct a localized drainage project along this road.

IMPACT FEE FUND

The additional \$2,872,492 in revenue is being kept in contingency except for \$285,000 that is being transferred to the Parks Capital Budget as described above.

Attachments:

**Exhibit A Budget Amendment
Ordinance**