

TOWN OF PALM BEACH

Information for Town Council Meeting on: July 9, 2019

To: Mayor and Town Council

Via: Kirk Blouin, Town Manager

From: Jane Le Clainche, Director of Finance

Re: Amendment to the General Fund, Capital Improvement Fund, Coastal Management Fund, Accelerated Capital Improvement Fund, Recreation Enterprise Fund, Marina Enterprise Fund, Par 3 Enterprise Fund, Equipment Replacement Fund and the Retirement Fund FY19 Budgets
Ordinance No. 28-2019

Date: June 28, 2019

STAFF RECOMMENDATION

Staff recommends that the Town Council approve Ordinance No. 28-2019, which amends the General Fund, Capital Improvement Fund, Coastal Management Fund, Accelerated Capital Improvement Fund, Recreation Enterprise Fund, Marina Enterprise Fund, Par 3 Enterprise Fund, Equipment Replacement Fund and the Retirement Fund FY19 budgets.

GENERAL INFORMATION

The Town Council approved the use of General Fund unassigned fund balance to apply to the UAAL increase for the compensation and benefit changes resulting from the recent compensation study. The budget amendment Ordinance includes the transfer of \$2,641,699 to the Retirement Fund.

The 2013 bond proceeds are required to be spent by the end of the fiscal year. A portion of these proceeds were deposited in the Coastal Management Fund to fund the North Ocean Boulevard Seawall and groin projects. There are funds remaining in the Coastal Program that will not be spent on coastal related projects by the end of the year so we are recommending a transfer from the Coastal Fund in the amount of \$1,018,826 to the Accelerated Capital Improvement Fund for the remaining projects.

In FY19, we separated the Town Marina and the Par 3 Golf Course into individual enterprise funds and moved the Recreation and Tennis activities that were a part of the Recreation Enterprise Fund to the General Fund. We had to wait until the FY18 audit was complete to have the final ending amounts in order to transfer the remaining reserves of the Recreation Enterprise Fund to the individual enterprise funds, the General Fund, the Equipment Replacement Fund and the Capital Improvement Fund. The budget amendment ordinance allocates the ending reserves of the Recreation Enterprise Fund in the amount of \$29,731,221

to the appropriate funds identified on Exhibit E. These reserves include the assets of each of the funds, assigned reserves, encumbrances as well as the funds for the Recreation Center project.

FUNDING/FISCAL IMPACT

The Ordinance will amend the General Fund Budget (001) and the Retirement Fund budget (600) in the amount of \$2,641,699. The amendment will transfer \$1,018,826 from the Coastal Fund (309) to the Accelerated Capital Improvement Fund (314). The amendment for the Recreation Enterprise Fund (403) transfers \$6,096,141 to the Marina Fund (401), \$10,358,148 to the Par 3 Golf Course Fund (402), \$11,047,970 to the Capital Improvement Fund (307) (Recreation Center), \$110,268 to the Equipment Replacement Fund (320), and \$73,454 to the General Fund (001) for encumbrances related to recreation and tennis activities.

TOWN ATTORNEY REVIEW

This Ordinance has been reviewed and approved by the Town Attorney for legal form and sufficiency.

Attachments

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cc: H. Paul Brazil, Director of Public Works
Carolyn Stone, Director of Business Development and Operations
John C. Randolph, Town Attorney