

ORDINANCE 17-04

AN ORDINANCE ADOPTING THE FINAL BUDGET FOR THE CITY OF MARCO ISLAND, EXCLUSIVE OF DEPENDENT TAXING DISTRICTS, FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018; APPROPRIATING FUNDS FOR OPERATING EXPENSES OF THE CITY OF MARCO ISLAND FOR THE GENERAL OPERATION OF THE SEVERAL DEPARTMENTS OF THE CITY, INCLUDING UTILITIES, AND FOR CONTRIBUTING TO THE SINKING FUNDS OF THE CITY TO PAY INTEREST ON AND PROVIDE FOR THE RETIREMENT OF THE OUTSTANDING BONDS AND OTHER FIXED OBLIGATIONS OF THE CITY FOR AND DURING THE FISCAL YEAR COMMENCING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018; PROVIDING FOR BUDGET CONTROL POLICIES; PROVIDING FOR INCORPORATION, CONFLICT AND SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Marco Island adopts a final budget and appropriates funds on an annual basis for the general operation of the several departments of the City;

WHEREAS, the City of Marco Island held budget workshops regarding the fiscal year 2017-2018 budget on June 7, 2017, June 15, 2017, July 17, 2017, August 14, 2017; and

WHEREAS, the 2017 Tax Assessment Roll for the City of Marco Island has been prepared, equalized and certified, showing:

Total Taxable Value of Real & Personal Property: \$10,016,071,149; and

WHEREAS, the process of the adoption of the annual budget is governed by Chapter 200, Florida Statutes "Truth in Millage" (TRIM) legislation, requiring calculation of the Rolled-Back Tax Rate and percentage increase over the Rolled-Rate, certain public notices, public hearings, and format of required ordinances.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA:

Section 1. That the budget for the City of Marco Island, exclusive of Dependent Taxing districts, a summary of which is attached hereto as Exhibit "A" and made a part hereof, for the fiscal year commencing October 1, 2017 and ending September 30, 2018, is hereby adopted.

Section 2. That for the payment of expenses and obligations of the City of Marco Island for the fiscal year ending September 30, 2018, there is hereby appropriated out of any monies in the treasury of the City of Marco Island and any accruing revenues of the City available for said purposes to the funds and for the purposes hereinafter set forth, the sums of money shown in attachment "Exhibit A".

Section 3. Annual expenditures of the City of Marco Island are controlled by Section 1.04 of the City Charter – Expenditure Limitation.

A. On August 18, 2014 the City Council approved Ordinance 14-08 by a vote of 7-0 to replace Resolution No. 03-03 adopted by the City Council on January 13, 2003. The Ordinance establishes the legislative intent and procedures for the calculation of the expenditure limitations. Exhibit A of the Ordinance sets forth the following policies and procedures used to calculate the spending cap limits:

1. The term "operating expenditures" shall be interpreted as "expenditures from the operating budget of the City's Government Fund."
2. Expenditures from the operating budget shall include transfers into capital asset funds for future use.
 - a. GASB (Governmental Accounting Standards Board Statements) states that "expenditures represent the use or expected use of current financial resources" and that "expenditures of governmental fund resources" may give rise to general capital assets, which are defined as "capital assets of the government that are not specifically related to activities reported in proprietary or fiduciary funds."
 - b. GASB Codification Chapter 1600.116 defines "expenditures" as "decreases in net financial resources."
3. The term "prior year's expenditures" shall be interpreted as the City's determination of actual expenditures for the current year at the time the spending cap calculation is to be undertaken.
4. The term "then-current Federal C.O.L.A. (Department of Labor, Bureau of Statistics, Consumer Price Index)" shall be interpreted as the prior year's COLA released by the Social Security Administration in October. That is starting with Fiscal Year 2015, the COLA used will be the SSA COLA released in October 2013 (effective date January 1, 2014).

B. Funds budgeted in a prior fiscal year, but unexpended as of the end of that fiscal year, may be brought forward into a subsequent fiscal year and the expenditure of those funds shall not be considered in the calculation of expenditures of that subsequent fiscal year against the Spending Cap.

- C. The electorate of the City of Marco Island approved a charter referendum on September 10, 2002 dealing with the Spending Cap. Voters determined that expenditures financed by grants, gifts, and impact fees were not subject to the Spending Cap and that all expenditures of utilities and other self-supporting Enterprise Fund operations were likewise exempt from the spending Cap.

Section 4. Budgetary control is maintained at the fund level for all funds. Budget amendments are approved via resolution from time to time during the course of the fiscal year through the approval of the City Council by voice vote. The City Council has authorized the City Manager to amend, modify or otherwise adjust the operating budget to a maximum limit of \$50,000 in total amendments, modifications, or adjustments during the year. A Budget Re-Appropriation Ordinance, consolidating all budget amendments approved during the course of the fiscal year and those recommended by the City Manager near the end of the fiscal year, officially amends the Annual Budget.

Section 5. The Finance Director is authorized to reserve at October 1, 2017 the unpaid purchase orders, outstanding contracts, and other commitments for Fiscal Year 2016-17. Said amounts reserved shall be designated as reservations of fund balance for encumbrances under fund equity and shall be carried forward into the next fiscal year as additions to the respective budgets. In an effort to provide fiscal stability for the City and allow City Management to apply fiscal prudence in managing the City's budget, a desired committed fund balance, per GASB 54, is established. The amounts for the desired fund balance shall be transferred from available sources into a separate general fund and capital projects fund account. The amounts deposited in the committed funds are to be used only for the purposes delineated in the budget ordinance and/or re-appropriation ordinance. Initially, the existence of the circumstances must be declared by a five-sevenths majority vote of all the members of the governing body. Thereafter, any utilization of funds committed per the capital improvement program shall require a four-sevenths vote; or if outside the established capital improvement program, it shall necessitate a five-sevenths vote. Committed funds are subject to the objective criteria of acceptable uses included below.

- A. Expenditures where proposed use is of a nonoperational nature involving capital purchases of the City government having a useful life of greater than one year. Expenditures where the proposed use is of a funding nature, such as pension liabilities, and other post-employment benefit liabilities, or matching funds for a grant, or up-front payment of grant eligible expenses to be reimbursed by grant revenues. These improvements should result in the tangible benefits such as, but not limited to, better service to the citizens or in increased productivity for City employees.

Section 6. The City Manager, through the Finance Director, is hereby authorized and directed to receipt all revenues listed herein for the purpose of which said revenues are designated and appropriated. In so doing, the Finance Director, through the City Manager, shall accurately account and record such receipts in the ledgers and financial records in each respective designated account. Such ledgers and financial records shall be maintained and reported in accordance with the standards established by General Governmental Accounting and Auditing Principles and Practices.

Section 7. The City Manager, through the Finance Director, is hereby authorized and directed to disburse moneys for the purpose of meeting the expenses and expenditures as appropriated.

Section 8. Incorporation, Conflict and Severability

- A. It is the intention of the City Council and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Marco Island, Florida, and that the sections of this Ordinance may be renumbered or re-lettered and that the word "ordinance" may be changed to "section", "article" or other appropriate word.
- B. All sections or parts of sections of the Marco Island City Code of Ordinances, all City of Marco Island resolutions or parts of resolutions made applicable by City Charter in conflict herewith are hereby repealed to the extent of such conflict.
- C. If any word, phrase, clause, subsection or section of this Ordinance is for any reason held unconstitutional or invalid by any court of competent jurisdiction, the invalidity thereof shall not affect the validity of any remaining portions of this Ordinance.

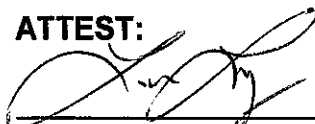
Section 9. Effective Date. This Ordinance shall take effect immediately upon adoption at second reading.

First Reading (tentatively adopted) passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida, on the 5th day of September 2017.

The timing compliance requirements set forth in sections 197.3632(4)(a), 197.3632(4)(b), 197.3632(5)(a), 200.065(2)(c), 200.065(2)(d), 200.065(2)(f) and 200.065(4), Florida Statutes, and Rule 12D-17.003, Florida Administrative Code, as well as any additional ad valorem or non-ad valorem assessment requirements of law that cannot be timely carried out due to the emergency conditions, are hereby suspended for thirty (30) days from the issuance of EO 17-235, unless otherwise extended by the Department.

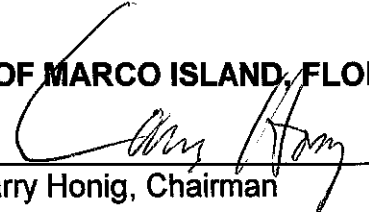
Second Reading passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida, this 2nd day of October 2017.

ATTEST:



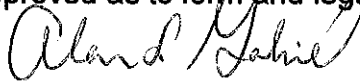
Laura M. Litzan, City Clerk

CITY OF MARCO ISLAND, FLORIDA

By: 

Larry Honig, Chairman

Approved as to form and legal sufficiency:



Alan L. Gabriel, City Attorney

BUDGET SUMMARY
 City of Marco Island - Fiscal Year 2017-2018
 Exhibit A

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	ENTERPRISE FUNDS	INTERNAL FUNDS	HIDEAWAY BEACH TAX DISTRICT	TOTAL BUDGET
ESTIMATED REVENUES:								
Taxes:								
Millage Per \$1,000	18,166,205							18,166,205
Ad Valorem Taxes	1,8976		793,830					793,830
Ad Valorem Taxes (Voted Debt)	0,0821						655,905	655,905
Ad Valorem Taxes (Hideaway)	1,4000	1,644,000			31,063,496			34,977,531
Charges for Services	2,270,035		0	750,000	0			5,090,436
Intergovernmental Revenue	4,340,436	10,000		455,205		1,413,045		2,009,250
Other Revenues	131,000							
	24,897,676	1,654,000	793,830	1,205,205	31,063,496	1,413,045	655,905	61,683,157
TOTAL SOURCES								
Interfund Transfers In	0	0	1,200,489	4,893,246	0			6,193,655
Fund Balances/Reserves	7,397,900	3,579,353	1,514,071	1,492,269	9,274,039	2,554,287	937,199	26,749,118
TOTAL REVENUES, TRANSFERS AND BALANCES	32,295,576	5,233,353	3,508,310	7,690,720	40,337,535	3,967,332	1,593,104	94,625,930
EXPENDITURES/EXPENSES:								
General Government	3,981,712							3,981,712
Growth Management	522,024							522,024
Public Safety	10,978,082	1,848,578					655,905	12,826,660
Parks & Recreation	1,466,937							2,114,842
Public Works	2,825,422		1,996,739					2,825,422
Debt Service					15,092,294			17,098,034
Capital Projects				6,198,451	10,241,300			16,439,751
Water & Sewer					13,481,785	1,413,045		13,481,785
Internal Services	19,766,177	1,848,578	1,996,739	6,198,451	38,815,379	1,413,045	655,905	70,694,274
TOTAL EXPENDITURES/EXPENSES	5,131,499	0	1,511,571	1,522,156	1,522,156	2,554,287	937,199	16,822,796
Interfund Transfers Out	7,397,900	3,384,775	3,508,310	1,037,064	0			
Fund Balances/Reserves	32,295,576	5,233,353	3,508,310	7,690,720	40,337,535	3,967,332	1,593,104	94,625,930
TOTAL APPROPRIATED EXPENDITURES AND RESERVES								

THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD.

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