



## COUNCIL AGENDA SUMMARY

**TO:** Mayor Craft & Members of the City Council

**THROUGH:** Steve Griffin, City Administrator

**FROM:** Cindy King, Finance & Administrative Services Director

**SUBJECT:** 2019 Budget Amendment 2

**DATE:** May 15, 2019

**ISSUE:** 2019 Amendment 2 proposes the following:

**General Fund Revenue total increase of \$30,000:**

Increase by \$30,000 for transfer from Capital Improvement Fund for Sidewalk Match in Lieu of Construction.

**General Fund Expense total increase of \$0:**

- Increase \$132,662 for landscaping laborers for City School System and related expenses approved 5/13/19 by Council Resolution and reduce appropriation to City School System by \$132,662

**Fund 38 Capital Improvements \$8.8 million City School System Improvements from LOC:**

- Increase Proceeds from 2019-C GO Warrant by \$8.8 million for use of NBC Line of Credit (LOC)
- Add \$8.8 million expenses for Phase I Gulf Shores School System Improvements (\$5.7Million); \$800K Public Works expenses, and \$1 million for Professional Services for design & program management; Security, Roofing & Interior Improvements \$1.3 million.
- Increase transfer to General fund by \$30K and reduce borrowed fund expenses by \$30K to offset.

**Fund 40 – Non-Taxable Lines of Credit for Transfer from 2018 GO Warrants Fund Revenue**

- Increase proceeds from 2018A Warrant (Non-Taxable) by \$451,000 for 2018 year end project expenses paid in 2019

**Fund 42 – 2016B GO Warrant Fund Taxable Line of Credit**

- Increase Revenue \$500,000 for Restore Act Grant Funds
- Increase Expenses \$500,000 for Gulf Coast Center Ecotourism design costs to be paid in 2019 (\$1 million total)

**Fund 43 - 2018 GO Non Taxable Warrants Fund Expense for Transportation Projects**

Reduce Fund 43 revenue as follows:

- 2018 A GO Warrant proceeds reduce \$53,527
- Grant ALDOT-IAR-Business & Aviation Park Phase V reduce \$435,849 for grant funds not awarded
- Grant EDA-Business & Aviation Park reduce \$462,000 for grant funds not awarded



SMALL TOWN, BIG BEACH

- Transfer from Capital Improvements fund reduced by \$30,000 to offset General Fund Expenses

Total Revenue Reduction for Fund 43 of \$981,376

Fund 43 2018 GO Non Taxable Warrant Expense changes as follows:

- Increase Professional Services \$582,000 for
  - Major Street Plan \$93K plus \$20K for school transportation designs
  - Corridor Study \$285K
  - Fabre cost \$131K for West Lagoon Project
  - E 34<sup>th</sup> \$24.9K and E 2<sup>nd</sup> Street \$28K
- Increase County Road 6 Improvements \$49K for 2018 year end project carryovers
- Add \$400K to Transportation Improvements for West 20<sup>th</sup> Ave and West 1<sup>st</sup> box culvert
- Add \$30K to Hwy 182 Improvements for landscaping and extra asphalt removal
- Reduce Beach Walking District \$2,493,276 for work that won't be completed in 2019 – leaving only enough to cover Volkert's \$225K design cost
- Transfer to 2014 GO Warrant Fund increase \$451K to cover year end project carryovers

Total Expenses of \$981,376 reduction for fund 2018 GO Warrant.

**Total All Funds Revenue increased by \$8,799,624 to \$84,721,063**

**Total All Funds Expense increased by \$8,318,624 to \$84,104,589**

**Total Expense exceeds Revenues by \$481,000 for Amendment 2 and \$616,474 year-to-date**

**BACKGROUND:** Council passed the original 2019 Budget November 26th, 2018. The Council approved Amendment 1 on February 25th, 2019.

**PREVIOUS COUNCIL ACTION:** None

**BUDGET IMPLICATIONS:** Overall total 9% increase in revenues and 8.5% expenses from 2019 Budget Amendment 1.

**RELATED ISSUES:** None

**ATTACHMENTS:** 2019 Budget Amendment 2

**DEPARTMENT:** Finance and Administrative Services

**STAFF CONTACT:** Cindy King