

Memorandum



Date: June 26, 2007

To: Honorable Chairman Bruno A. Barreiro
And Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: FY 2006-07 Mid-Year Supplemental Budget

Amended
Agenda Item No. 5(K)

O#07-83

Recommendation

It is recommended that the Board approve the attached supplemental budgets in accordance with the Home Rule Charter and Section 129.06 of the Florida Statutes so that budgets will reflect changes in projected expenditures that have occurred since the September 2006 budget hearings.

Scope and Fiscal Impact/Funding Source

Detailed below

Background

A supplemental budget is required by the Home Rule Charter and state law when expenditures exceed budgeted appropriations. To meet this requirement, supplemental budgets for various funds are needed to reflect extraordinary or unplanned events which occurred since the FY 2006-07 Budget was adopted in September 2006. It is anticipated that during the fiscal year certain proprietary operations may require supplemental budget adjustments due to changes such as federal and state grant funding, increased energy costs, acquisition of new buildings, and other unanticipated events. At this time a number of adjustments are required to meet the above mentioned requirements. A description of each required supplemental budget is provided below.

Convention Development Tax/Carnival Center for the Performing Arts

The Carnival Center for the Performing Arts requires an additional \$4.1 million to cover the costs associated with higher than expected costs for occupancy including utilities, security and police services, and building maintenance. Despite using estimates from other facilities, these costs have been significantly higher than budgeted due to the building's unique design characteristics and location. Staff of the Office of Strategic Business Management (OSBM), Cultural Affairs, and General Services Administration has been working closely with Carnival Center staff to identify operational changes in order to mitigate these expenses as much as possible. Based on current cash flows, the PAC Trust will run out of cash by June 15th. These additional costs will be funded in part by the County through a reimbursement to the Convention Development Tax revenues from savings in the project's construction budget and from future designated multi-year County funding. Discussions are ongoing with the PAC

Trust and Foundation to provide cash to continue operations until this supplemental budget allocation is considered by the Board as well as to help fund this shortfall. The increased subsidy of \$4.1 million from the County increases the total County operating subsidy to the Carnival Center for the Performing Arts to \$7.854 million. Any funding from the Performing Art Center Trust and Foundation will, dollar for dollar, reduce this additional public sector support. The Foundation will be meeting on May 16th to determine what, if any, additional private sector support can be provided. More detailed explanation of the revenue shortfalls can be found in the separate status report provided to you.

End-of-Year Adjustments

At this time, I would like to inform the Board that the following departments may require an end-of-year general fund budget amendment and/or supplemental budget associated with technical adjustments, higher than anticipated operating expenses, such as separation costs and wage adjustments, and appropriation of additional revenues received throughout the year (federal and/or state grants).

General Fund Amendment

- *Board of County Commissioners*, for the appropriation of unexpended FY 2005-06 office carryover and expenses associated with additional positions incorporated into the Office of Commissioner Auditor as per Resolution No. 506-07;
- *Elections* for expenditures associated with the December 2006 District 13 and January 2007 countywide elections;
- *Medical Examiner's Office* for expenses associated with higher than budgeted Special Risk Retirement back pay and termination payouts;
- *Alliance for Human Services* for the extension of three months of funding to all community-based organizations (CBOs) to align the funding cycle to the County's fiscal year; in addition, two public service contracts that were inadvertently omitted from the CBO funding list; five CBOs approved by the Board through Resolution R 1423-06, need to be incorporated;
- *Office of Community and Economic Development* for expenditures associated with public services allocations in FY 2006;
- *Miami-Dade Housing Agency* to cover potential deficit in the current fiscal year shortfalls and payments owed to County departments for services provided in prior fiscal years;
- *Office of Historic Preservation and Office of the County Manager* for expenses associated with separation costs;

Other Revenues

- *Performing Arts Center* for expenses associated with additional funding received through the Board approved Sunshine State Loan agreement Resolution 202-07;

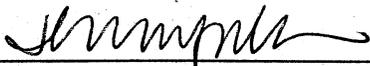
- *Legal Aid* for expenses associated with additional personnel costs that will be funded by additional revenues;
- *Metropolitan Planning Organization* for expenses associated with the South Florida Regional Transportation Authority van pool program;
- *Public Works* will require a technical adjustment to transfer funding from PTP Fund 402 to Fund 325 of Public Works for pay-as-you-go-capital projects;
- *Public Health Trust* for expenditures associated with new facilities and revenues realized throughout the fiscal year;
- *Seaport* for expenditures in excess of budget including unrealized savings in security operations.

OSBM staff continues to work with each of these departments to ensure potential end-of-year adjustments are minimized to the extent possible.

Track Record/Monitor

N/A

Attachment



Jennifer Glazer-Moon, Director, OSBM

cmo12307

**CONVENTION DEVELOPMENT TAX
(Fund 160)**

Revenues:

	<u>Total</u>
Previously Approved Revenues	\$53,889,000
Reimbursement from Performing Arts Special Obligation Bond (Fund 360)	\$3,100,000
Total	<u>\$56,989,000</u>

Expenditures:

Debt Service Fund (Project 206100, 206300, 298500)	\$15,613,000
Payment to the City of Miami Beach	4,500,000
Transfer to Cultural Affairs (Museum Operating Grants) (Fund 030, Subfund 033)	2,975,000
Park and Recreation (Fund 040)	1,000,000
Cultural Affairs Grants	1,000,000
Performing Arts Center Trust Subsidy	7,854,000
Payment to the City of Miami	2,000,000
American Airlines Arena-related Costs	6,400,000
North and South Dade Operating Subsidy	770,000
Transfer to Vizcaya Operating Subsidy (Fund 450, Subfund 001)	856,000
Reserve for Future Payments	13,021,000
Other Costs	<u>1,000,000</u>
Total	<u>\$56,989,000</u>



MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: June 26, 2007

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Amended
Agenda Item No. 5(K)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Amended
Agenda Item No. 5(K)
6-26-07

ORDINANCE NO. 07-83

ORDINANCE APPROVING AND ADOPTING SUPPLEMENTAL BUDGETS FOR VARIOUS COUNTY DEPARTMENTS AND FUNDS; RATIFYING AND APPROVING ADMINISTRATIVE ORDERS AND OTHER BOARD ACTIONS WHICH SET CHARGES; AUTHORIZING FEES CONSISTENT WITH APPROPRIATIONS; APPROPRIATING GRANT FUNDS; PROVIDING SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. In compliance with the provisions of Section 1.02(A) of the Miami-Dade County Home Rule Charter and Section 129.06 of the Florida Statutes, the supplemental budgets attached hereto and made a part hereof are hereby approved, adopted, and ratified, and the budgeted expenditures therein provided are hereby appropriated.

Section 2. All resolutions, administrative orders and other actions taken by the Board of County Commissioners setting fees, charges, and assessments as well as all fees, charges and assessments, consistent with appropriations adopted herein, are hereby ratified, confirmed and approved, and may be amended during the year.

Section 3. All grant funds received by the County are hereby appropriated at the levels and for the purposes intended by the grants.

Section 4. With the exception of the amendments to the budget specifically approved in this ordinance, all other provisions of the budget remain unchanged.

Section 5. The County's grant of the operational subsidies approved herein and any prospective funding is conditioned upon the Performing Arts Center Trust's agreement to an amendment to the Operating Agreement that would accord the County Manager and the Commission Auditor the right to oversight. Such amendment will be subject to ratification by this Board.

Section 6. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 7. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as
to form and legal sufficiency:

Prepared by:

R. A. Cuevas, Jr.

