



TO: Honorable Mayor, City Council Members and

THRU: Ed Lavalley, ICMA-CM, MPA, City Manager

FROM: Linda Senne, CPA, Finance Director *LS*

DATE: December 26, 2018

MEETING DATE: January 8, 2019

SUBJECT: Budget Amendment #1 for Fiscal Year 2019

The City of Venice, pursuant to Section 200.065, Florida Statutes, adopted its fiscal year (FY) 2019 operating budget, revenues and expenses, and capital improvement program by approving Ordinance No. 2018-34 on September 18, 2018 for \$110,533,159. The City Council can amend the budget as necessary throughout the year by adopting an amending ordinance in the same manner as the original budget adoption.

The FY2019 budget was increased by certain encumbrances (\$16,021,064) and project balances (\$25,484,518) rolled forward from FY2018. Encumbrances represent the balances on certain open purchase orders at September 30, 2018. Project balances are when a project has been approved in FY 2018, but a contract has not been finalized (or encumbered).

In addition, certain additional expenses were not anticipated at the time the original FY2019 budget was adopted. The City desires to amend its FY2019 adopted budget by \$711,457 for purposes identified on the attached memos from Department Directors, and Attachment "A" of Ordinance No. 2019-06. In addition, the \$40,000 appropriation is being moved from the Streets Capital Projects Fund #302 to the One Cent Sales Tax Fund #110 because the ADA Improvements (installation of mobi-mats at Venice Beach) is not an eligible expenditure of gas tax moneys. The proposed amended budget for FY2019 is \$152,750,198, as shown below:

	Adopted FY2019 Budget	Encumbrance Roll	Project Rolls	BA #1	Amt after BA #1
General Fund	\$ 29,886,860	\$ 392,597	\$ -	\$ -	\$ 30,279,457
1Cent Sales Tax	3,113,340	1,674,690	-	40,000	4,828,030
Building Fund	2,462,951	126,772	-	-	2,589,723
Other Special Rev	1,477,225	-	-	4,500	1,481,725
Debt Serv Fund	2,572,000	-	-	-	2,572,000
Cap Proj Funds	5,840,000	7,521,896	12,364,075	(40,000)	25,685,971
Enterprise Funds	53,369,464	5,722,451	13,120,443	586,957	72,799,315
Internal Service	11,811,319	582,658	-	120,000	12,513,977
	<u>\$ 110,533,159</u>	<u>\$ 16,021,064</u>	<u>\$ 25,484,518</u>	<u>\$ 711,457</u>	<u>\$ 152,750,198</u>

Please do not hesitate to contact me with questions or concerns.



MEMORANDUM

City of Venice

Utilities Department

TO: Ed Lavalley, ICMA-CM, MPA, City Manager

THRU: Linda Senne, CPA, CGFM, Finance Director

FROM: Javier A. Vargas, MPA, Utilities Director 

DATE: December 26, 2018

COUNCIL APPROVAL: Yes

MEETING DATE: January 8, 2019

STRATEGIC PLAN GOAL: Ensure a Financially Sound City

SUBJECT: BUDGETMENT AMENDMENT – Utilities Department

Due to certain unanticipated expenses not planned during the budget process, the Utilities Department is in need of a budget amendment for three purchases/work assignments.

Item #1.- This first item is due to recent change in the Cross Connection Control Program, which transfers responsibility of all existing backflows within the City limits to the Utilities Department. The department, with the assistance from the Finance Department, solicited bids and secured a contract with Babe's Plumbing to perform testing, repairs and installations of backflow devices. In order for all the backflows to be brought up to compliance, funds (based on the contract) are needed in the amount of \$600,000.00 for the first year. The department budgeted \$300,000 for FY 2019; therefore, an additional \$300,000 is needed to complete the first year.

Item #2.- The City of Venice operates the Eastside Water Reclamation Facility (EWRF), which has a permitted capacity to treat up to 8.0 million gallons per day (MGD) of wastewater. Current average flows are about 2 MGD. For every gallon of wastewater treated, one gallon of reclaimed water must be reused or disposed. Reuse includes use as irrigation water and disposal includes discharge to Curry Creek or to the Sarasota County deep injection well. The reclaimed water that is produced every day must be stored until it is needed for irrigation. Storage can be in lined ponds, tanks, or in a deep, poor quality aquifer. Aquifer Storage and Recovery (ASR) is the process to store reclaimed water in a specific aquifer zone and is highly regulated by the Florida Department of Environmental Regulation. An initial feasibility study is needed to determine if geological conditions are acceptable for ASR at a specific location. This study will also help identify the appropriate zone and size for the well. The ASR Well is part of our approved Capital Improvement Plan. The expected work assignment amount is \$175,000.

Item #3.- The final request is to purchase a new backhoe for the Field Operations Division. The use of this equipment is critical to the Department for repairs to water and sewer line breaks in the event of emergencies, and scheduled maintenance. To date, the Utilities Department has paid over \$40,000 in various repairs to our current equipment. Additionally, over \$7,000 in warranty repairs have been performed in attempts to keep this unit going. When this unit has been called into service, it has stopped running in the middle of traffic multiple times and was useless in helping with cleanup after hurricane Irma. The vendor has worked on this unit multiple times and is unable to repair the unit to the satisfaction of the City. The unit is out of warranty and is not applicable to the lemon laws due to the contract venue it was purchased. The Utilities Department is in need of reliable equipment of this type to help with repairs and maintenance of water and sewer lines. The cost of the replacement equipment would be \$120,000.

Requested Action: Council’s approval for a budget amendment in the amount of \$595,000 for the Utilities Department in FY 2019

City Attorney Review/Approved: N/A

Risk Management Review: N/A

Finance Department Review/Approved: Yes

Funds Availability (account number):	\$300,000	421-1202-536.31-00
	\$175,000	421-1204-535.31-00
	\$120,000	505-1202-536.64-00

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MEMORANDUM
City of Venice

Engineering Department

TO: Edward Lavalley, City Manager

FROM: Kathleen Weeden, City Engineer

DATE: December 21, 2018

COUNCIL APPROVAL: Yes

MEETING DATE: January 8, 2019

STRATEGIC PLAN GOAL: Upgrade and Maintain City Infrastructure and Facilities

SUBJECT: Budget Amendment – Stormwater Enterprise Fund

Background: Three important stormwater improvement initiatives have required transfer of funding from the stormwater maintenance budget at the following funding amounts

1. Outfall Water Quality Monitoring	\$33,082.00
2. Stormwater Rate Study	\$48,875.00
3. City Works – Stormwater Participation	\$30,000.00
Total Transfer	\$111,957.00

This budget amendment request restores the stormwater maintenance budget as a transfer from funds that were restored into the Stormwater Enterprise Fund Reserves from savings in Fiscal Year 18.

Following this requested transfer, the remaining working capital for the Stormwater Enterprise Fund will be \$1.3 million which exceeds the required target reserve of \$650,000.

Requested Action: Authorize a budget amendment to transfer \$111,957 from Stormwater Enterprise Fund Reserves to Acct. #480-0950.46-00 Repairs/Maintenance.

City Attorney Review/Approved: N/A

Risk Management Review: N/A

Finance Department Review/Approved: Yes

Funds Availability (account number): Fund 480

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MEMORANDUM

To: Ed Lavalee, City Manager;

Thru: James Clinch, Director of Public Works and Asset Management

From: Harry Klinkhamer, Historical Resources Manager  

Date: December 18, 2018

Re: FY19 Proposed Budget Amendment – Architectural Services for the Lord-Higel House

According to the agreement between the City of Venice and Venice Heritage, Inc., dated and signed January 26, 2016, the City of Venice shall "Develop and obtain approval of a site plan for both the LHH site as well as other City property adjacent and to the east of the LHH site that includes parking, stormwater drainage, grading, landscaping, and other applicable requirements, and construction of same."

Resolution 1042-90 states that the Historical Commission may approve expenditures from the interest of the Centennial Community Fund to support historic preservation. At the June 15, 2018 Historic Preservation Board (successor to the Historical Commission) meeting, the board approved spending funds from the Centennial Community Fund to reimburse Venice Heritage for payment to Jon Barrick, Architect for site plan revisions.

The current bill is for \$2,166.85. We anticipate that there will be one more bill from Jon Barrick, Architect to complete site development work in conjunction with the civil engineer. Account 608-0204-573.49-00 only has \$500 budgeted for FY19 under other charges. However, there is funding available from the interest generated from the fund.

Therefore, we are requesting City Council approve a FY19 budget amendment for \$4,500 to cover the current and final costs for retaining John Barrick, Architect for the Lord-Higel House Site and Development Plan. The expense will come from the interest in the Centennial Community Fund.

Cc: Linda Senne, Director of Finance
Joe Welch, Controller