

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

36-1

AGENDA ITEM SUMMARY

Meeting Date: January 15, 2013

Consent  
 Workshop

Regular  
 Public Hearing

Department: Office of Financial Management and Budget

I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to approve:** a negotiated settlement in the amount of \$350,000.00, inclusive of interest, to resolve the 2009-2011 County public service gas tax dispute with AmeriGas Propane, L.P. (AmeriGas).

**Summary:** The Clerk & Comptroller's Audit Services Unit conducted an audit of AmeriGas Propane, L.P.'s public service gas tax remittances to Palm Beach County for the period of January 2009 thru December 2011. After reviewing the data the County demanded \$430,169.88, inclusive of accrued interest. AmeriGas has offered \$350,000.00 to resolve the outstanding public service tax dispute with the County. Staff recommends approval as this settlement recovers approximately 81.36% of the County's final demand for the years 2009-2011 without the delay and cost of litigation. Countywide (PFK).

**Background and Policy Issues:** An audit of AmeriGas Propane, L.P. was performed by the Clerk & Comptroller's Audit Services Unit to determine if AmeriGas complied with the public service gas tax requirements of Florida Statute 166.234 and Palm Beach County Ordinance 89-13, as amended. The audit was initiated as a result of a request from the Director of the County's Office of Financial Management & Budget (OFMB). The Clerk & Comptroller's Office audited sales transactions from January 1, 2009 thru December 31, 2011, and as a result of the audit, found that AmeriGas had underpaid Palm Beach County during this three year period. The County and AmeriGas held several telephone conferences to discuss the amount that AmeriGas owed in unpaid public service gas taxes for the years in question. An agreement could not be reached during these conferences. The County then sent a demand letter on November 1, 2012 for \$430,169.88, inclusive of interest due for the period of 2009-2011 with payment requested by December 31, 2012. On December 29, 2012 an agreement was reached for payment in the amount of \$350,000.00 to be paid no later than January 31, 2013.

Attachments:

Recommended by:

Elizabeth Blaser  
Department Director

01/03/13  
Date

Approved by:

[Signature]  
County Administrator

1/3/12  
Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

<b>Fiscal Years</b>	<u><b>2013</b></u>	<u><b>2014</b></u>	<u><b>2015</b></u>	<u><b>2016</b></u>	<u><b>2017</b></u>
<b>Capital Expenditures</b>	_____	_____	_____	_____	_____
<b>Operating Costs</b>	_____	_____	_____	_____	_____
<b>External Revenues</b>	<u><b>(\$350,000)</b></u>	_____	_____	_____	_____
<b>Program Income (County)</b>	_____	_____	_____	_____	_____
<b>In-Kind Match (County)</b>	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u><b>(\$350,000)</b></u>	_____	_____	_____	_____

**# ADDITIONAL FTE POSITIONS (Cumulative)**

**Is Item Included In Current Budget?**    Yes \_\_\_\_\_    No   *φ*    
**Budget Account No. Fund** \_\_\_\_\_ **Department** \_\_\_\_\_ **Unit** \_\_\_\_\_ **Object** \_\_\_\_\_

**Reporting Category** \_\_\_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

**C. Departmental Fiscal Review:**

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

<p><u><i>[Signature]</i></u> 1/3/2013          OFMB <i>mm 1-3-13</i></p>	<p align="center"><u>  N/A  </u>          Contract Dev. and Control</p>
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**B. Legal Sufficiency:**

*Paul F. [Signature]* 1/3/13  
 Assistant County Attorney

**C. Other Department Review:**

  N/A    
 Department Director

**This summary is not to be used as a basis for payment**