PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

| Meeting Date: | April 18, 2023 | [] | Consent | [] Regular | | |
|---------------|----------------|----|----------|--------------------|--|--|
| | | [] | Workshop | [X] Public Hearing | | |

Submitted By: Department of Airports

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) Adopt Resolution of the Board of County Commissioners of Palm Beach County, Florida Approving Fiscal Year 2023 Mid-Year Budget Amendment in Airports Operations Fund; and
- B) Approve budget amendment in Airports Operations Fund reflecting an adjustment in the balance brought forward and reserves. The total adjustment is a decrease of \$7,780,764 in this one fund.

Summary: This budget amendment is necessary to adjust FY 2023 budget to reflect differences between actual and estimated revenues and expenditures of FY 2022. This amendment adjusts the balance brought forward and reserves accounts to their audited balances for Airports Operating fund. This amendment results in a decreased fund balance of \$7,780,764.

The proposed adjustment will result in a decrease of \$7,780,764 in Airport Operating reserves. FY2023 budget projections currently assume the additional fund balance will be used to balance the annual budget. <u>Countywide (AH)</u>

Background and Policy Issues: In order to ensure compliance with General Accounting Standards Board Statement No. 87 (GASB 87), the Department of Airports (Department) required additional guidance from the external auditor that prepares the Department's annual Financial Report to ensure compliance with the new accounting standard. GASB 87 replaces the previous lease accounting methodology, which resulted in a delay in providing the required information to the Office of Financial Management and Budget for the annual mid-year budget amendment approved on March 14, 2023. The Department manages a significant number of lease and contracts that are subject to new accounting standard, requiring coordination with outside consultants and auditors ensure proper reporting.

Attachments:

- 1. Resolution
- 2. Budget Amendment

Recommended by:

Approved by:

Department Director

Date

County Administrator

Agenda Item #: 4A-1

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2023 | 2024 | 2025 | 2026 | 2027 |
|-----------------|------|------|---|------|------|
| Capital | | | | | |
| Expenditures | | | | | |
| Operating Costs | | | and a second the second the second | | |
| External | | | | | |
| Revenues | | | | | |
| Program | | | | | |
| Income(County) | | | | | |
| In-Kind | | | | | |
| Match(County | | | | | |
| NET FISCAL | | | | | |
| IMPACT | | | | | |
| #ADDITIONAL | | | | | |
| FTE | | | | | |
| POSITIONS | | | | | |
| (CUMULATIVE | | | | | |

Is Item Included in Current Budget? Yes No X Does this item include the use of Federal Funds? Yes No X

Budget Account No:

| Fund | Agency | Organization | Object |
|------|--------|--------------|--------|
| 4100 | 800 | 8200 | 8901 |
| 4100 | 120 | 9900 | 9901 |

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

See attached amendment of the adjustments to balances brought forward and to reserve account.

| ſ | C. Departmental Fiscal Review: | |
|---|--------------------------------|--|
| | Willsmen un canson | |
| 1 | | |

III. REVIEW COMMENTS:

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

OFMB

3/123 Cor tr∕act Dev ontrol

B. Legal Sufficiency

Assistant Count∳∕Attorney

C. Other Department Review

Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

RESOLUTION NO. R-2023-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING FISCAL YEAR 2023 MID-YEAR BUDGET AMENDMENT IN AIRPORTS OPERATIONS FUND.

WHEREAS, per Section 129.06, Florida Statutes, the Board may, amend the budget for the current year by resolution or ordinance following a public hearing; and

WHEREAS, during the development of the FY 2023 budget, estimates of revenues and expenditures were made for the FY 2022 budget year, which form the basis for the carryover of fund balances into the FY 2023 budgets; and

WHEREAS, for a variety of reasons, the actual revenues and expenditures differ from the estimated revenues and expenditures; and

WHEREAS, this budget amendment is necessary to correct the differences between the estimated carryover amounts and the actual carryover amounts.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the Board hereby adopts this Resolution amending the FY 2023 Budget as set forth below:

| Fund | Amendment | Reserve | Operating | Amended Fund |
|------|---------------|---------------|------------|---------------|
| | Amount | Adjustment | Adjustment | Budget |
| 4100 | \$(7,780,764) | \$(7,780,764) | | \$186,222,926 |

SEVERABILITY

If any section, paragraph, sentence, clause or word of this Resolution is for any reason held by the Court to be unconstitutional, inoperative, or void, such holding shall not affect the remainder of this Resolution.

EFFECTIVE DATE

This Resolution shall take effect immediately upon its passage and adoption.

The foregoing Resolution was offered by Commissioner ______ who moved its adoption. The motion was seconded by Commissioner ______ and upon being put to a vote, the vote was as follows:

| Commissioner GREGG K. WEISS, Mayor | - |
|--------------------------------------|---|
| Commissioner MARIA SACHS, Vice Mayor | - |
| Commissioner MARIA G. MARINO | - |
| Commissioner MICHAEL A. BARNETT | - |
| Commissioner MARCI WOODWARD | - |
| Commissioner SARA BAXTER | |
| Commissioner MACK BERNARD | |
| | |

The Mayor thereupon declared the Resolution duly passed and adopted this 18th day of April, 2023.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

ATTEST: Joseph Abruzzo Clerk of the Circuit Court & Comptroller

County Attorney

By:____ Deputy Clerk

23-0594

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET AMENDMENT

Advantage Document Numbers BGRV: 032323*477 BGEX: 032323*1118

Board of County Commissioners

FUND 4100 Airport Operations

| ACCT.NUMBER | ACCOUNT NAME | ORIGINAL BUDGET | CURRENT BUDGET | INCREASE | DECREASE | ADJUSTED BUDGET | EXPENDED/ ENCUMBERED As of 03/15/2023 | REMAINING BALANCE |
|---|---------------------|--------------------|--------------------|----------|-----------|--|---|----------------------|
| <u>REVENUES</u> | | | | | | | | |
| 800-8200-8901 Balance | e Brought Forward | 63,070,810 | 75,626,932 | 00 | 7,780,764 | 67,846,168 | | |
| Total Receipts and Balance | es | 177,461,724 | 194,033,694 | 0 | 7,780,764 | 186,252,930 | | |
| EXPENDITURES | | | | | | | | |
| 120-9900-9901 Conting | gency Reserves | 73,397,729 | 89,721,798 | 0 | 7.780,764 | 81,941,034 | 0 | 81,941,034 |
| Total Appropriations & Ex | spenditures | 177,461,724 | 194,033,694 | 0 | 7,780,764 | 186,252,930 | | |
| | | | | | | | | |
| | Management & Dudget | | Signatures & Dates | | | By Boa | rd of County Commission | ers |
| Office of Financial Management & Budget INITIATING DEPARTMENT/DIVISION | | - Kinnet | Kennet / Karl | | 3/15/23 | | At Meeting of April 18, 2023 | |
| Administration/Budget Department Approval | | June Mart | | 3]0 | 14/2023 | Name (1997) - 1997 - 19 | Deputy Clerk to the | |

OFMB Department - Posted