

AGENDA ITEM SUMMARY SHEET
VILLAGE COUNCIL MEETING
May 18, 2022

Agenda Item:

Resolution No. 2022-09, amending the Fiscal Year 2021-2022 Village Budget.

A resolution of the Village Council of the Village of Estero, Florida, approving the first budget amendment for Fiscal Year 2021-2022 to approve the use of Village Funds and to recognize increased revenues and increased expenditures for capital projects and debt retirement; and providing an effective date.

Motion to approve Resolution 2022-09, to amend the 2021-2022 Fiscal Year Budget to recognize increased revenues and increased expenditures for capital projects and debt retirement.

Background:

On September 22, 2021 Village Council approved Resolution 2021-22 setting the Village's Fiscal Year 2021-2022 budget. The budget included \$15,181,963 in total revenue and \$19,206,200 for Capital Projects.

As part of the Federal Government American Rescue Plan Act (ARPA) the Village has and will receive funding that must be spent by December 31, 2024. The Village received half of the funding, \$8,482,207 in September 2021.

To spend all of the ARPA funds by December 31, 2024, some projects must be expedited and added to the Fiscal Year 2021-2022 budget.

Description:

The Village performs budget amendments throughout each fiscal year as new appropriations, transfers or increased revenue occur. This amendment, the first for the current fiscal year, is to recognize new revenue and appropriate funding for debt retirement and capital projects.

This budget amendment is being proposed to add the ARPA funds to the Village's Fiscal Year 2021-2022 budget, add projects that will utilize the ARPA funds, and add new

projects to the Village's CIP. Following is a summary of each proposed change.

Additional Funding

1. Add \$8,482,207 of federal ARPA funds to the CIP Budget.

Bike/Ped Improvements

2. Sandy Lane Bike/Ped Improvements (\$193,000): The project and Broadway E Shared Use Path received state appropriations that will require both projects to be expedited. To meet required timelines additional work will need to be completed in Fiscal Year 2021-2022.
3. Broadway E Shared Use Path (\$205,600): See Sandy Lane Bike/Ped Improvement description above.
4. Broadway West Benches (\$100,000): Unspent funds in the Fiscal Year 2020-2021 budget for the Broadway West benches were not brought forward into Fiscal Year 2021-2022. This amendment reallocates these funds to pay for the recently completed benches along Broadway West.

Parks & Recreation

5. Estero Community Park (\$760,000): Increase budget to accommodate more design and permitting this fiscal year.
6. Estero on the River (\$1,000,000): Additional funding to expedite design, permitting and phase 1 trail construction.

Utility Projects

7. Package WWTP UEP Design & Permitting (\$420,000): Project added to expedite design and permitting for the package WWTP UEP and use ARPA Funds
8. Broadway West UEP Design & Permitting (\$1,170,000): Project added to expedite design and permitting for the Broadway W. UEP and use ARPA Funds.
9. Broadway East UEP Design & Permitting (\$1,250,000): Project added to expedite design and permitting for the Broadway E. UEP and use ARPA Funds

Land Purchases

10. Driving Range Property Purchase (\$4,250,000): Purchase Gulf Coast Driving Range property.
11. River Oaks Preserve Purchase (\$1,100,000): Purchase River Oaks Preserve property.

Debt Reduction

12. Additional debt payments (\$17,219,171) to pay off the loan for the Estero on the River Property.

This results in an increase in the Fiscal Year 2021-2022 Total Revenue from \$15,181,963 to \$23,664,170, an increase of \$8,482,207 (ARPA Funding).

The result is an increase in the Fiscal Year 2021-2022 Capital Project Budget spending from \$19,206,200 to \$29,650,800 for an increase in expenditures of \$10,448,600. This includes the additional projects and land purchases listed above. The additional ARPA funding of \$8,482,207 will help offset the additional spending.

Paying off the \$17,219,171 in debt on the Estero on the River property will be funded by the debt retirement reserve, general fund unassigned fund balance, and Capital Project Reserves.

Action Requested:

Approve Resolution 2022-09, to amend the 2021-2022 Fiscal Year Budget to recognize increased revenues and increased expenditures for capital projects and debt retirement.

Process and Timeline:

This resolution will amend the budget to accommodate the American Rescue Plan Act funding in September 2021 and the current fiscal year.

Financial Impact:

This action will increase revenues (ARPA Grant) and increase expenditures (debt retirement and capital projects). The proposed budget amendment will add \$8,482,207 of ARPA funding to the Village's budget and increase Capital Project spending from \$19,206,200 to \$29,650,800. The largest increases in Capital Project spending are land acquisition - \$5,350,000, Utility Extension Projects - \$2,688,750, and Park Projects - \$1,000,000.

The budget will be modified to reflect paying off the debt on the Estero on the River property using funds within the debt retirement reserve, general fund unassigned fund balance, and Capital Reserves

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Attachments:

1. Resolution No. 2022-09
2. Resolution No. 2021-22