

ORDINANCE NO. 21-273

AN ORDINANCE OF THE TOWN OF MIAMI LAKES, FLORIDA; AMENDING ARTICLE IV, DIVISION 2, SECTION 2-102 TITLED “GENERAL FUND RESERVES”; PROVIDING FOR INCLUSION INTO THE CODE; PROVIDING FOR ORDINANCES IN CONFLICT, SEVERABILITY, CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE. (DIEGUEZ)

WHEREAS, the Town of Miami Lakes (the “Town”) Code provides that the Town must budget a minimum of 15% contingency reserve for exigent financial circumstances (the “Town’s Reserve”), which increases to 20% for fiscal year 2022; and

WHEREAS, during the October 2020 Town Council Meeting, the Town Council unanimously voted to extend the 2022 increase from fiscal year 2022 to fiscal year 2023; and

WHEREAS, the Town Council believes this change is in the best interest of the Town, and desires that Section 2-102, General Fund Reserves, paragraph (a) be amended to reflect this change.

THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MIAMI LAKES AS FOLLOWS:

Section 1. Recitals. Each of the above stated recitals is true and correct and is incorporated herein by this reference.

Section 2. Amending Article IV, Division 2: ARTICLE IV., DIVISION 2, is amended as described in Exhibit “A.”

Section 3. Repeal of Conflicting Provisions. All provisions of the Code of the Town of Miami Lakes that are in conflict with this Ordinance are hereby repealed.

Section 4. Severability. The provisions of this Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections,

sentences, clauses, and phrases of this ordinance but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

Section 5. Inclusion in the Town Code. It is the intention of the Town Council, and it is hereby ordained, that the provisions of this Ordinance shall become and be made part of the Town Code and that if necessary the sections of this Ordinance may be renumbered or re-lettered to accomplish such intentions; and that the word “Ordinance” shall be changed to “Article”, “Division” or other appropriate word.

Section 6. Effective Date. That this Ordinance shall be effective immediately upon its adoption on second reading.

FIRST READING

The foregoing ordinance was offered by Councilmember Alvarez who moved its adoption on first reading. The motion was seconded by Councilmember Dieguez and upon being put to a vote, the vote was as follows:

Mayor Manny Cid	Yes
Vice Mayor Luis E. Collazo	Yes
Councilmember Carlos O. Alvarez	Yes
Councilmember Josh Dieguez	Yes
Councilmember Tony Fernandez	Yes
Councilmember Jeffrey Rodriguez	Yes
Councilmember Marilyn Ruano	Yes

Passed on first reading this 12th day of January, 2021

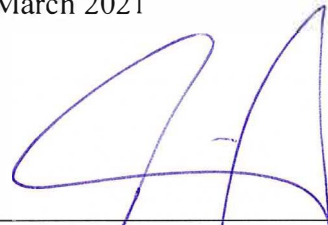
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SECOND READING

The foregoing ordinance was offered by Councilmember Dieguez who moved its adoption on second reading. The motion was seconded by Councilmember Rodriguez and upon being put to a vote, the vote was as follows:

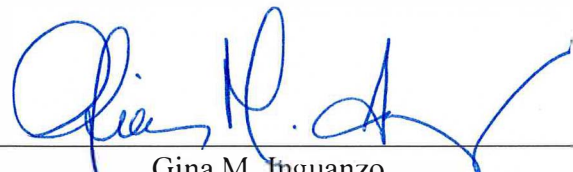
Mayor Manny Cid	Yes
Vice Mayor Luis E. Collazo	Yes
Councilmember Carlos O. Alvarez	Yes
Councilmember Josh Dieguez	Yes
Councilmember Tony Fernandez	No
Councilmember Jeffrey Rodriguez	Yes
Councilmember Marilyn Ruano	Absent

Passed and adopted on second reading this 9th day of March 2021




Manny Cid
MAYOR

Attest:



Gina M. Inguanzo
TOWN CLERK

Approved as to form and legal sufficiency:



Raul Gastesi, Jr.
Gastesi, Lopez and Mestre, PLLC
TOWN ATTORNEY

EXHIBIT “A”

CHAPTER 2 ADMINISTRATION

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ARTICLE IV. FINANCE

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DIVISION 2. – BUDGET RESERVE FUND

DIVISION 2. - BUDGET RESERVE FUND

Sec. 2-102. - General fund reserves.

- (a) ~~Effective October 1, 2022, as of October 1st of each Fiscal Year (FY), the Town shall maintain during each fiscal year a reserve minimum unassigned fund balance, known as a “General Fund Reserve” equal to a minimum of 15 an average of two (2) months 1 percent of the total “Adopted” General Fund (GF) general funds expenditures budget, including transfers ., the fund balance reserve shall increase to a minimum of 20 percent.~~
- (b) ~~The calculation of the percentage reserve specified in Subsection (a) of this section shall be based upon the budget as originally adopted by ordinance in September of the applicable fiscal year. Unassigned fund balance over and above the General Fund Reserves shall be known as “Excess Unassigned Fund Balance”.~~
- (c) The ~~reserve~~ General Fund Reserve shall be in addition to all other contingency funds, reserves or designations of fund balances, including, but not limited to, reservations of uncollected receivables and reservations of funds which have expenditure authority limited to specific purposes.

(Ord. No. 2003-41, § 1, 10-14-2003; Ord. No. 20-256, § 2(Exh. A), 2-18-2020)

1. As recommended by the Government Finance Officers Association (GFOA) Best Practices – “Fund Balance Guidelines for the General Fund”, as amended from time to time

Sec. 2-103. - Purposes for which reserve may be used.

The ~~reserve~~ General Fund Reserve may be utilized ~~and the fund balance of ten percent of the annual budget may be decreased,~~ by action of the Town Council, for any of the following purposes:

- (1) ~~Unscheduled~~ Natural, manmade, biological & radiological disasters and emergencies;
- (2) Unanticipated capital improvements or infrastructure needs;
- (3) Unforeseen or budgetary contingent liabilities;
- (4) Acts of God or war; or
- (5) The emergency health, safety and welfare needs of the Town.

(Ord. No. 2003-41, § 2, 10-14-2003)

Sec. 2-104. - Limitations and Replenishment of reserves.

- (a) If in any fiscal year the Town is unable to maintain the ~~ten percent~~ minimum General Fund Reserve fund balance, required by this division, the Town, in the ~~next subsequent~~ following the conclusion of the emergency purposes listed in Section 2-103, shall not be entitled to appropriate any portion of the remaining General Fund Reserve reserve funds until the reserves are replenished to ~~at the required~~ minimum of ten percent of the general fund.
- (b) If, at the end of any fiscal year, the actual amount of ~~unreserved, undesignated fund balance~~ General Fund Reserve reserves or unrecovered retained earnings falls below the required levels as established, the Town Manager shall prepare and submit a plan for expenditure or expense reductions and/or revenue increases to the Town Council in order to replenish the ~~ten percent~~ General Fund Reserve fund balance reserve requirement.
- (c) As a part of the Town's annual budgeting process, the Town Council shall review the expenditure plan submitted by the Town Manager under Subsection (b) and, if necessary, amend the plan. After such review, the Town Council shall direct the Town Manager to implement the plan as submitted or as amended into the general fund budget for the following fiscal years.
- (d) Any deficit in the required ~~reserve~~ General Fund Reserve amount must be restored no later than the end of the second fiscal year following the conclusion of the emergency purposes listed in Section 2-103 ~~its occurrence~~.

(Ord. No. 2003-41, § 3, 10-14-2003)

Sec. 2-105. - Utilization of ~~surplus reserves~~ Excess Unassigned Fund Balance.

(a) Prior to the utilization of the Excess Unassigned Fund Balance by the Town Council, the Town Manager shall provide a written recommendation to the Town Council stipulating the portion of the Excess Unassigned Fund Balance that is recommended for Town Council to utilize.

(b) In the event that the unassigned fund balance exceeds the minimum reserve General Fund Reserve established under this division and considering the recommendation of the Town Manager, the excess funds Excess Unassigned Fund Balance may be utilized for any lawful purpose, as approved by the Town Council.

(Ord. No. 2003-41, § 4, 10-14-2003)

Sec. 2-106. - Reserved.

Editor's note— Ord. No. 20-256, § 2(Exh. A), adopted Feb. 18, 2020, repealed § 2-106, which pertained to longterm debt service and derived from Ord. No. 2003-41, § 5, adopted Oct. 14, 2003.

Sec. 2-107—2-115. - Reserved.

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