

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: April 14, 2015

File: BIS 15 – 144

File: TMP-2015-00149

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED 2015 AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF HOLLYWOOD AND BROWARD COUNTY REGARDING THE LOCAL OPTION GAS TAX, THE ATTACHED 2015 AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF HOLLYWOOD AND BROWARD COUNTY REGARDING ADDITIONAL LOCAL OPTION GAS TAX ON MOTOR FUEL, AND THE ATTACHED 2015 AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF HOLLYWOOD AND BROWARD COUNTY REGARDING ADDITIONAL LOCAL OPTION GAS TAX ON MOTOR FUEL FOR TRANSIT.

Statement of Budget Impact:

1. No Budget Impact associated with this action;
2. Sufficient budgetary resources identified/available;
3. Budgetary resources not identified/unavailable;
4. Potential Revenue is possible with this action;
5. Will not increase the cost of Housing;
6. May increase the cost of Housing; (CDAB review required)

Explanation:

There are currently Interlocal Agreements between the Cities within Broward County and the County to distribute the proceeds from the Local Option Gas Tax. Included among these Interlocal Agreements are the following:

- Adopted in 1983, the "original" Local Gas Tax provides for Cities to receive 37.5% of proceeds of the six cents of gas tax.

- Adopted in 1993, the "additional" Local Option Gas Tax provides for Cities to receive 51.27% of the three cents of gas tax.

- Adopted in 2000, the "transit" gas tax provided for Cities to receive 26% of the proceeds of gas tax.

Pursuant to a 1997 Board approved Policy, the Cities' share of Local Option Gas Taxes was increased to take into account the population shift resulting from annexation. This

policy allowed both the "original" and "additional" Interlocal agreements to be amended in 1997 and 1999 to increase the Cities' share. Even though the Cities' share of the "original" Local Option Gas Tax did not change, the Cities received the full benefit of the population shift resulting from annexation through an increase in the Cities' share of "additional" Local Option Gas taxes. This has resulted in the Cities' share of the three cent "additional" to be more than the Cities' share of the six cents "original" Local Option Gas Tax.

This resolution seeks authorization to execute the attached 2014 Amendment to the Interlocal Agreements between the City of Hollywood and Broward County regarding the Local Option Gas Tax, the additional tax on motor fuel, and the additional tax on motor fuel for transit. The amendments to the three (3) agreements are as follows:

- The 2015 Amendment to the six cents "original" Local Option Gas Tax agreements adjusts each City's percentage share based on updated population figures while retaining the Cities' share at 37.5% in order to comply with County bond covenants .
- The 2015 Amendment to the three cents "additional" agreement retains the Cities' share at 51.27% and adjusts each City's percentage share based on updated population figures.
- The 2015 Amendment to the one cent "transit" gas tax includes adjustments to each City's percentage based on updated population figures with no change in the 26% Cities' share.

Since the agreements are based on the population distribution within the County, annual amendments are required to reflect the population changes within the County. Based on the population figures from the most current edition of the Florida Estimates of Population, the City of Hollywood has a population of 144,310 and represents 8.0643% of the total incorporated areas of Broward County. This population percentage is a decrease from last year's percentage of 8.1318%. Given this year's population percentage, the City of Hollywood's share of the proceeds of the Local Option Gas tax will decrease from 3.049443% to 3.024099%; its share of the proceeds of the additional Local Option Gas Tax will decrease from 4.169198% to 4.134548%; and its share of the proceeds of the additional Local Option Gas Tax on Motor Fuel Transit will decrease from 2.114280% to 2.096709%. For FY 2016, gas tax proceeds are estimated at \$2,460,202 based on the trend for the past ten fiscal years.

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