

RESOLUTION NO. R2025-XX

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, ESTABLISHING A COMPREHENSIVE POLICY GOVERNING INTERNAL BUDGET TRANSFERS, CONTINUING APPROPRIATIONS, REPORTING REQUIREMENTS, AND FINANCIAL TRANSPARENCY; SETTING FORMAL APPROVAL THRESHOLDS; PROVIDING FOR CONFLICTS; PROVIDING FOR SCRIVENER ERRORS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of North Miami Beach (“City”) is committed to fiscal transparency, structural balance, and the responsible use of public funds; and

WHEREAS, the City recognizes the need to adopt a formal, comprehensive internal budget control policy to govern the reallocation of appropriations during the fiscal year, clarify internal roles, and improve financial oversight; and

WHEREAS, Section 166.241, Florida Statutes, authorizes municipalities to amend their adopted budgets by ordinance or resolution and permits the delegation of limited authority to the City Manager to initiate administrative budget amendments when such delegation is provided by local policy; and

WHEREAS, in the absence of a formal policy, the City lacks consistent internal guidance on budget transfer thresholds, departmental authority, City Manager discretion, and continuing appropriation practices; and

WHEREAS, this resolution responds to a legislative request by Commissioner Daniela Jean to adopt a formal administrative policy framework that ensures clear approval thresholds for budget changes, timely and public reporting of administrative transfers, structured oversight of interdepartmental and interfund budget movements, and a consistent process for carrying forward project and funds in accordance with State law and best practices recommended by the Government Finance Officers Association (GFOA); and

WHEREAS, this policy also aligns with recommendations from the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB), both of which advocate for strong financial controls, regular Commission oversight, documentation of budget amendments, and public accountability; and

WHEREAS, this resolution supports the City’s long-term goals of financial sustainability, budget transparency, and operational efficiency, and it will guide financial decisions in alignment with the City's Strategic Plan and Five-Year Forecast; and

WHEREAS, any prior resolution or internal policy inconsistent with this resolution is hereby repealed to the extent of such inconsistency;

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NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF NORTH MIAMI BEACH, FLORIDA:

Section 1. The aforementioned recitals are true and correct.

Section 2. The Comprehensive Policy Governing Internal Budget Transfers, Continuing Appropriations, Reporting Requirements, and Financial Transparency, attached hereto as Exhibit "A," is hereby approved.

Section 3. The City Manager or designee is authorized to do all things necessary to effectuate this Resolution.

Section 4. All Resolutions or parts of Resolutions in conflict with this Resolution are repealed to the extent of such conflict.

Section 5. Any scrivener or typographical errors that do not affect intent may be corrected with notice to, and the authorization of the City Attorney and City Manager without further process.

Section 6. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

Section 7. This Resolution shall take effect immediately upon adoption.

APPROVED AND ADOPTED by the City of North Miami Beach City Commission at the regular meeting assembled this **17th day of June 2025**.

ATTEST:

ANDRISE BERNARD, MMC
CITY CLERK

MICHAEL JOSEPH
MAYOR

(CITY SEAL)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE

RESOLUTION NO. R2025

AND RELIANCE OF THE CITY OF NORTH MIAMI BEACH ONLY:

GREENSPOON MARDER, LLP.

By: _____
CITY ATTORNEYS

Sponsored by: Commissioner Daniela Jean & Commissioner Lynn Su

EXHIBIT A

SECTION 1. PURPOSE.

To establish clear and consistent rules for internal budget transfers and continuing appropriations that strengthen oversight, improve reporting, and comply with Florida Statutes and best practices in municipal budgeting. This policy supports timely financial decisions, prevents unauthorized expenditures, and ensures efficient use of appropriations across fiscal years.

SECTION 2. DEFINITIONS.

- **Intradepartmental Transfer:** Moving funds between accounts within the same department and fund.
- **Interdepartmental Transfer:** Moving funds between departments within the same fund.
- **Interfund Transfer:** Moving appropriations between separate funds.
- **Continuing Appropriation:** Carrying forward budgeted funds for grants, capital projects, or legally obligated encumbrances.
- **Encumbrance:** A commitment of funds for a specific purpose, documented by purchase orders or contracts.
- **Structural Balance:** A condition where recurring revenues equal or exceed recurring expenditures.

SECTION 3. BUDGET TRANSFER APPROVAL AUTHORITY.

A. Intradepartmental Transfers (Same Department, Same Fund)

- **\$0–\$25,000:** May be approved by the Department Director, with Finance Department review.
- **\$25,001–\$100,000:** Requires City Manager approval.
- **Above \$100,000:** Requires City Commission approval by resolution.

B. Interdepartmental Transfers (Different Departments, Same Fund)

- Require City Commission approval, regardless of amount.

C. Interfund Transfers (Different Funds)

- Require City Commission approval, unless previously authorized in the adopted budget.

D. Personnel-Related Transfers (Any Fund)

- Transfers involving salaries, benefits, or staffing funds and budget appropriations require City Commission approval, regardless of amount.

SECTION 4. CONTINUING APPROPRIATIONS.

To ensure that committed, legally obligated, or strategically important funds remain available beyond a single fiscal year, the following continuing appropriation rules shall apply:

A. Capital Project Appropriations

- Appropriations for active **capital improvement projects (CIP) shall automatically carry forward** until project completion or closeout.
- The Finance Department will validate the remaining balances annually to ensure they are aligned with the original scope and funding source.
- Projects with no activity for two consecutive fiscal years may be subject to review and potential re-appropriation or closeout by the City Commission, except where restricted by law or external grant/loan requirements.

B. Grant Fund Appropriations

- Unspent grant funds shall carry forward in full if:
 - The grant agreement remains active;
 - The unspent balance is tied to eligible project activities; and
 - The Finance Department has verified the availability of the grant award balance and remaining performance period.

C. Encumbered Operating Funds (All Funds, Including General Fund)

- Open encumbrances (e.g., purchase orders or signed contracts) may carry forward into the next fiscal year if:
 - The encumbrance was legally established before September 30;
 - The related contract remains valid and unfulfilled; and
 - The rollover is necessary due to timing delays in delivery, construction, or service completion.
- City Commission approval is required to include encumbered appropriations in the following year's adopted budget as continuing appropriations.
- Departments must submit rollover requests to the Chief Financial Officer no later than October 15, with supporting documentation:
 - PO or contract reference,
 - Explanation of the timing delay,
 - Confirmation that the obligation remains active.

- The Chief Financial Officer shall review and prepare a year-end Continuing Appropriation resolution for City Commission consideration.

D. Unencumbered Operating Appropriation

- Operating budget funds that are not encumbered or contractually obligated by September 30 shall lapse at year-end.
- These funds will return to fund balance unless re-appropriated by Commission action in the year-end Continuing Appropriation resolution.

SECTION 5. REPORTING & DOCUMENTATION.

- 1) The Chief Financial Officer shall compile and submit a quarterly report to the City Commission summarizing all transfers approved by Directors and the City Manager.
- 2) Reports shall include:
 - Department name
 - Amount
 - Purpose
 - Fund and account numbers
 - Cumulative transfer totals
- 3) Reports will be included in public records and posted with the Commission meeting agenda.

SECTION 6. ENFORCEMENT AND INTERNAL CONTROLS.

- The City Manager and Chief Financial Officer are responsible for enforcing this policy.
- Any unauthorized transfer is a violation of this resolution and may be reversed or subject to Commission review.
- All transfers shall be documented in the City's financial system (e.g., Munis).