

RESOLUTION NO. R-17-45

A RESOLUTION AMENDING THE 2018 ANNUAL GENERAL FUND, COMMUNITY CENTER AND PARKS SALES TAX FUND (CCPT), AND COMBINED WATERWORKS & SEWERAGE SYSTEM FUND (CWSS) BUDGET FOR THE CITY OF GLADSTONE, MISSOURI, AND AUTHORIZING EXPENDITURES OF FUNDS.

WHEREAS, the Council of the City of Gladstone, Missouri has determined the need for re-appropriation of fiscal year 2017 funds into fiscal year 2018 budget in the total amount of \$504,809 for General Fund, \$34,200 for CCPT Fund, and \$64,126 for the CWSS Fund.

WHEREAS, re-appropriations are items appropriated in fiscal year 2017, not expended in fiscal year 2017, and therefore are projected to be expended in fiscal year 2018.


NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI AS FOLLOWS:

THAT, Operating Budgets be amended as set forth below:

	<u>ADOPTED BUDGET NO. R-17-23</u>	<u>REVISING BUDGET NO. R-17-45</u>	<u>INCREASE (DECREASE)</u>
<u>GENERAL FUND</u>			
EXPENDITURES	\$17,654,672	\$18,159,481	\$504,809
<u>CCPT FUND BUDGET</u>			
EXPENDITURES	\$ 4,088,255	\$ 4,122,455	\$ 34,200
<u>CWSS FUND BUDGET</u>			
EXPENDITURES	\$10,471,426	\$10,535,552	\$ 64,126

THAT, the City Manager of the City of Gladstone, Missouri is hereby authorized to expend the amounts as shown in the Revised Budget.

INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF OCTOBER, 2017.



R.D. Mallams, Mayor

ATTEST:



Ruth E. Bocchino, City Clerk



Department of Finance
Memorandum

DATE: October 5, 2017
TO: Scott Wingerson, City Manager
FROM: Dominic Accurso, Interim Finance Director
RE: 2017 Fiscal Yearend and 2018 Budget Reappropriations

The yearend closing for fiscal year 2017 is substantially complete. Each fund has been analyzed and was found to have positive fund balances at fiscal yearend 2017. The audit of all funds and any final adjustments will be completed in November. Results of the completed audit will be presented to the Council at a future work session.

The General Fund, Community Center Park Tax Fund (CCPT), Public Safety Sales Tax Fund (PSST), and Combined Waterworks and Sewerage System Fund (CWSS) will be discussed in this memorandum along with the recommended re-appropriations for applicable funds.

2017 FISCAL YEAREND FUND ANALYSIS & 2018 REAPPROPRIATIONS

GENERAL FUND (Exhibit A)

Total revenues for the General Fund for the 2017 fiscal year were \$17,834,036. Total expenditures were \$17,329,227. Actual revenue over expenditures or net income is \$504,809.

We are recommending re-appropriations of \$504,809. Re-appropriations are budgeted amounts that were authorized in the previous budget year but not yet expended. As has been the practice, re-appropriations are considered after yearend and the status of certain projects is known. Re-appropriations totaling \$504,809 represent an ongoing contract or project expected to be completed in the near future and are therefore being recommended for re-appropriation into the 2018 fiscal year. A listing of re-appropriations with justification for applicable funds is attached for Council review. See Exhibit B.

The General Fund's projected available balance at the 2018 yearend, including the recommended re-appropriations, is projected to be \$3,711,332 which exceeds the estimated 20% funds available requirement of \$3,631,896 by \$79,435.

COMMUNITY CENTER AND PARK TAX FUND (Exhibit C)

For fiscal year 2017, the Community Center and Park Tax Fund (CCPT) revenues totaled \$3,781,209 and expenses totaled \$3,551,093 resulting in net income of \$230,117.

The Community Center/Natorium, and the Municipal Pool had operating revenues of \$2,319,854 and \$179,823 respectively. The Community Center had operating expenses of \$837,817; the Natatorium had operating expense of \$743,192; and the Municipal Pool had operating expenses totaling \$127,063. Non-Departmental expenses for debt service, insurance, and Transfers totaled \$1,609,760. Ending Fund Balance for the fiscal year is \$1,771,281. We are recommending re-appropriations of \$34,200 for the CCPT Fund. Projected Unreserved Fund Balance for the end of the 2018 fiscal year is expected to be \$1,585,016.

PUBLIC SAFETY SALES TAX FUND (Exhibit D)

For fiscal year 2017, revenues totaled \$884,591 and expenses totaled \$843,587. Net income, or operating revenue less expense, was \$41,004. Ending Fund Balance totaled \$214,734. There are no recommended re-appropriations for the Public Safety Sales Tax Fund. The PSST Fund's projected available balance at yearend of fiscal year 2018 is \$215,523.

COMBINED WATERWORKS AND SEWERAGE SYSTEM (CWSS) FUND (Exhibit E)

For fiscal year 2017, the Combined Waterworks and Sewerage System Fund revenues were \$9,657,012. Expenses were \$9,649,714. Net income totaled \$7,298. Funds available at yearend are \$1,252,057. Recommended re-appropriations for the CWSS Fund come to \$64,126. Projected funds available at the end of fiscal year 2018, after re-appropriations is 1,198,412.

CONCLUSION

In conclusion, the General Fund, the Community Center Park Tax Fund, the Public Safety Sales Tax Fund, and the Combined Water and Sewer System Fund all ended fiscal year with a positive fund balance.

Staff recommends re-appropriations for the General Fund of \$504,809, \$34,200 in the CCPT Fund, and \$64,126 in the CWSS Fund. Please reference Exhibit B. A resolution to amend the 2018 Budget based on requested re-appropriations has been placed on the Council agenda for consideration. If you have any questions, please contact me at your convenience.

GENERAL FUND
STATEMENT OF REVENUES & EXPENDITURES-UNAUDITED

EXHIBIT A

	PRELIM ACTUAL 2017	BUDGET YR END 2017	BUDGET vs. ACTUAL	BUDGET vs. ACTUAL
<u>Revenue Sources</u>			(under) vs. over	
Property Tax	\$ 3,367,163	\$ 3,363,674	3,489	100.1%
Sales Tax	4,017,537	3,854,668	162,869	104.2%
Gross Receipts Tax	3,501,836	3,579,331	(77,495)	97.8%
Licenses & Permits	615,258	554,150	61,108	111.0%
Intergovernmental	1,336,328	1,322,874	13,454	101.0%
Charges for Services	3,522,577	3,366,734	155,843	104.6%
Fine & Forfeitures	873,706	863,094	10,612	101.2%
Misc. Revenue & Transfers	599,631	925,624	(325,993)	64.8%
Operating Revenues	17,834,036	17,830,149	3,887	
Equity Transfer	-	500,676		
TOTAL REVENUE	\$ 17,834,036	\$ 18,330,825	\$ (496,789)	
<u>Expenditures</u>				
General Administration	\$ 1,182,956	\$ 1,243,591	(60,635)	95.1%
Finance	1,454,123	1,527,120	(72,997)	95.2%
Public Safety	7,884,491	8,278,100	(393,609)	95.2%
Public Works	2,104,711	2,249,896	(145,185)	93.5%
Community Development	729,574	733,994	(4,420)	99.4%
Parks & Recreation	2,731,822	2,829,970	(98,148)	96.5%
Non-Departmental & Transfers	1,241,552	1,447,569	(206,017)	85.8%
TOTAL EXPENDITURES & Trans	\$ 17,329,227	\$ 18,310,240	\$ (981,013)	

GENERAL FUND - ANALYSIS OF FUNDS AVAILABLE

	2017 PRELIM ACTUAL	2018 BUDGET	2018 RE-APPROP	
Beg Funds Available	\$ 3,707,489	\$ 3,553,452	\$ 4,212,298	
Revenues	17,834,036	17,658,515	18,163,324	504,809
Re-appropriations	-	-	(504,809)	(504,809)
Equity Adj	-	-	-	-
Net Funds Available	21,541,525	21,211,967	21,870,813	
Expenditures	(17,329,227)	(17,654,672)	(18,159,481)	(504,809)
Net Income (Loss)	504,809	3,843	3,843	
Ending Funds Available	<u>\$ 4,212,298</u>	<u>\$ 3,557,295</u>	<u>\$ 3,711,332</u>	
20% Fund Balance Req		3,530,934	3,631,896	
Over (Under) Fund Bal Req		\$ 26,361	\$ 79,435	

2018 FISCAL YEAR RE-APPROPRIATIONS

GENERAL FUND RE-APPROPRIATIONS \$504,809

FINANCE DEPARTMENT \$1,511

Allegiant Networks, LLC

\$1,511 is recommended to upgrade the phone system to the latest version.

NON-DEPARTMENTAL \$381,869

Supervisor Training

\$11,178 is recommended for re-appropriation for supervisor training.

Hollis & Miller Architects, Inc.

\$6,896 is recommended for re-appropriation for professional fees related to the design of Downtown Gladstone. Purchase orders 17-004602, 17-004603, 17-004604, and 17-004605 in the amounts of \$1,600, 2,304, 1,442, and 1,550, respectively.

National Civic League of Colorado

\$20,721 is recommended for re-appropriation for professional services related to purchase order 16-003789 for Phase II of Strategic Plan.

Economic Development

\$64,503 is recommended for re-appropriation for economic development expenditures.

Security Bank of Kansas City

\$200,000 is recommended for re-appropriation to pay down principle amounts for the land loan and Atkins-Johnson Farm loan (100,000 each).

Continue Classification & Compensations Plan

\$200,000 is recommended for re-appropriation to continue with the recommendations from the Classification & Compensation plan of a 2% merit increase and 1% range adjustment.

CCPT FUND RE-APPROPRIATIONS \$34,200

Recommissioning of the HVAC system

\$34,200 is recommended for re-appropriation for the recommissioning of the HVAC system at the Community Center.

CWSS FUND RE-APPROPRIATIONS \$64,126

Hettinger Excavating, LLC

\$64,126 is recommended for re-appropriation to pay the balance of the water main replacement for the previous fiscal year.

**COMMUNITY CENTER PARKS SALES TAX FUND
STATEMENT OF REVENUES & EXPENDITURES - UNAUDITED**

	PRELIM ACTUAL 2017	BUDGET YR END 2017	BUDGET vs. ACTUAL	BUDGET vs. ACTUAL
<u>Revenue source:</u>				
<u>Community Center/Natatorium</u>				
Sales Tax	\$ 883,487	\$ 837,430	\$ 46,057	105.5%
Charges for Services	1,043,389	1,127,950	(84,561)	92.5%
Rents & Royalties - Facility Rental	233,483	242,160	(8,677)	96.4%
Other Misc Income	9,495	24,765	(15,270)	38.3%
NKC Operating User Fee	150,000	150,000	-	100.0%
Total Comm Ctr/Natorium	<u>\$ 2,319,854</u>	<u>\$ 2,382,305</u>	<u>\$ (62,451)</u>	
<u>Outdoor Pool</u>				
Charges for Services	\$ 179,823	\$ 193,375	\$ (13,552)	93.0%
Other Misc Income	-	12,500	(12,500)	0.0%
Total Outdoor Pool	<u>\$ 179,823</u>	<u>\$ 205,875</u>	<u>\$ (26,052)</u>	
Total Operating Revenues	<u>\$ 2,499,678</u>	<u>\$ 2,588,180</u>	<u>\$ (88,502)</u>	
NKC Capital User Fee	\$ 525,000	\$ 525,000	\$ -	100.0%
Misc Revenue	13,032	8,000	5,032	162.9%
Transfers	743,500	743,000	(500)	100.1%
Equity Transfer	-	196,002	(196,002)	0.0%
Total Non-Operating Revenues	<u>\$ 1,281,532</u>	<u>\$ 1,472,002</u>	<u>\$ (191,470)</u>	
TOTAL REVENUES	<u>\$ 3,781,209</u>	<u>\$ 4,060,182</u>	<u>\$ (279,973)</u>	
<u>Expenditures:</u>				
Community Center	\$ 837,817	\$ 879,048	\$ (41,231)	95.3%
Natatorium	743,192	858,717	(115,526)	86.5%
Outdoor Pool	127,063	164,346	(37,283)	77.3%
Non-Departmental	1,609,760	1,617,251	(7,491)	99.5%
Transfer Out - Capital Projects	233,261	540,820	(307,559)	43.1%
TOTAL EXPENDITURES	<u>\$ 3,551,093</u>	<u>\$ 4,060,183</u>	<u>\$ (509,090)</u>	

CCPT - ANALYSIS OF FUNDS AVAILABLE

	2017 PRELIM ACTUAL	2018 BUDGET	2018 RE-APPROP	
Beg Funds Available	\$ 1,541,164	1,350,775	1,771,281	
Revenues	3,781,209	4,088,255	4,122,455	34,200.00
Re-appropriations	-	-	(34,200)	(34,200.00)
Equity Adj	-	(152,065)	(152,065)	-
Net Funds Available	5,322,373	5,286,965	5,707,471	
Expenditures	(3,551,093)	(4,088,255)	(4,122,455)	(34,200.00)
Net Income (Loss)	230,117	-	-	
Projected End Unreserved Fund Balance	<u>\$ 1,771,281</u>	<u>\$ 1,198,710</u>	<u>\$ 1,585,016</u>	

PUBLIC SAFETY SALES TAX FUND
STATEMENT OF REVENUES & EXPENDITURES-UNAUDITED

EXHIBIT D

	PRELIM ACTUAL	BUDGET YR END	BUDGET vs. BUDGET	vs. ACTUAL
	2017	2017	ACTUAL	ACTUAL
<u>Revenue Sources</u>				
Sales Tax	\$ 883,553	\$ 837,430	46,123	105.5%
Misc. Revenue & Transfer:	1,038	500	538	207.6%
Equity transfer	-	36,425	(36,425)	0.0%
TOTAL REVENUE	<u><u>\$ 884,591</u></u>	<u><u>\$ 874,355</u></u>	<u><u>\$ 10,235</u></u>	
 <u>Expenditures</u>				
PSST	\$ 621,127	\$ 670,845	49,718	92.6%
Non-Departmental	222,460	241,197	18,737	92.2%
TOTAL EXPENDITURES	<u><u>\$ 843,587</u></u>	<u><u>\$ 912,042</u></u>	<u><u>\$ 68,455</u></u>	

PSST - ANALYSIS OF FUNDS AVAILABLE

	2017	2018	2018	
	<u>PRELIM ACTUAL</u>	<u>BUDGET</u>	<u>RE-APPROP</u>	
Beg Funds Available	\$ 173,730	\$ 99,618	\$ 214,734	
Revenues	884,591	864,738	864,738	-
Re-appropriations	-	-	-	-
Equity Transfer	-	-	-	-
Net Funds Available	1,058,321	964,356	1,079,472	
Expenditures	<u>(843,587)</u>	<u>(863,949)</u>	<u>(863,949)</u>	-
 Net Income (Loss)	 41,004	 789	 789	
 Ending Funds Available	 <u><u>\$ 214,734</u></u>	 <u><u>\$ 100,407</u></u>	 <u><u>\$ 215,523</u></u>	

**COMBINED WATERWORKS & SEWER SYSTEM FUND
STATEMENT OF REVENUES & EXPENDITURES - UNAUDITED**

	PRELIM ACTUAL 2017	BUDGET 2017	BUDGET vs. ACTUAL	BUDGET vs. ACTUAL
<u>Revenue source:</u>				
Water	\$ 3,847,382	\$ 3,804,781	42,601	101.1%
Sanitation	5,707,364	5,765,721	(58,357)	99.0%
Interest	22,777	21,000	1,777	108.5%
Other income	79,489	77,744	1,745	102.2%
Operating revenue	9,657,012	9,669,246	(12,234)	
Equity Transfer	-	165,748		
TOTAL REVENUE	\$ 9,657,012	\$ 9,834,994		
<u>Expenditures:</u>				
Water Production	\$ 1,287,492	\$ 1,211,248	76,243	106.3%
Water Operations & Maint	1,280,079	1,527,834	(247,754)	83.8%
Sewer Collection	357,284	418,000	(60,716)	85.5%
Non-Departmental, Debt & Transfers	6,724,858	6,772,110	(47,252)	99.3%
TOTAL EXPENDITURES	\$ 9,649,714	\$ 9,929,192	\$ (279,478)	

CWSS - ANALYSIS OF FUNDS AVAILABLE

	2017 PRELIM ACTUAL	2018 BUDGET	2018 REAPPROP	
Beg Funds Available	\$ 1,244,760	\$ 1,238,562	\$ 1,252,057	
Revenues	9,657,012	10,481,907	10,546,033	64,126
Re-appropriations	-	-	(64,126)	(64,126)
Equity Transfer	-	-	-	-
Net Funds Available	10,901,771	11,720,469	11,733,964	
Expenditures	(9,649,714)	(10,471,426)	(10,535,552)	(64,126)
Net Income (Loss)	7,298	10,481	10,481	
Ending Funds Available	\$ 1,252,057	\$ 1,249,043	\$ 1,198,412	
20% Retained Earnings Requirement	946,480.12	991,778.60	1,004,603.80	
Over (Under) 20% Retained Earnings Requirement	\$ 305,577	\$ 257,264	\$ 193,809	