

RESOLUTION NO. R-19-12

A RESOLUTION AMENDING OR REVISING THE 2019 GENERAL FUND, COMMUNITY CENTER PARKS SALES TAX FUND, PUBLIC SAFETY SALES TAX FUND, CAPITAL IMPROVEMENT SALES TAX FUND, TRANSPORTATION IMPROVEMENT SALES TAX FUND, CAPITAL EQUIPMENT REPLACEMENT FUND, AND COMBINED WATER AND SEWERAGE SYSTEM FUND, 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 additional appropriations in the above referenced funds.

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

THAT, the General Fund, Community Center Parks Sales Tax Fund, Capital Improvement Sales Tax Fund, Transportation Improvement Sales Tax Fund, Capital Equipment Replacement Fund, and the Combined Water and Sewerage System Fund, be adopted or amended as set forth below:

	FY19 BUDGET RESOLUTION NO. R-18-43	REVISING BUDGET RESOLUTION NO. R-19-xx	INCREASE (DECREASE)
<u>General Fund Expenditures</u>	\$18,267,302	\$18,829,017	\$561,715
<u>Community Center Parks Sales Tax Expenditures</u>	\$4,132,396	\$4,226,040	\$93,644
<u>Public Safety Sales Tax Fund Expenditures</u>	\$922,586	\$950,186	\$27,600
<u>Capital Improvement Sales Tax Expenditures</u>	\$2,134,425	\$2,977,598	\$843,173
<u>Transportation Sales Tax Expenditures</u>	\$2,163,282	\$3,803,142	\$1,639,860
<u>Capital Equipment Replacement Fund Expenditures</u>	\$362,130	\$2,570,315	\$2,208,185
<u>Combined Water & Sewerage System Expenditures</u>	\$10,943,431	\$11,273,431	\$330,000

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

INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI THIS 11th DAY OF MARCH, 2019.



Mayor Bill Garnos

ATTEST:



Ruth Bocchino, City Clerk



Request for Council Action

RES ☒ # R-19-12

BILL ☐ # City Clerk Only

ORD # City Clerk Only

Date: 3/5/2019

Department: Finance

Meeting Date Requested: 3/11/2019

Public Hearing: Yes ☐ Date: [Click here to enter a date.](#)

Subject: 2019 Midyear Budget

Background: The 2019 Midyear Budget was presented to the City Council at an Open Study Session on February 25, 2019 to be approved at the March 11, 2018 City Council meeting.

Budget Discussion: Funds are budgeted in the amount of \$ [Click here to enter amount](#) from the [Choose a Fund](#) Fund. Ongoing costs are estimated to be \$ [Click here to enter amount](#) annually. Previous years' funding was \$ [Click here to enter amount](#).

Public/Board/Staff Input: Staff is recommending that the 2019 budget be amended as presented in the February 25, 2019 study session. Accompanying the request for Council Action form is the 2019 Fiscal Year Midyear Budget memo.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor

Dominic Accurso
Department Director/Administrator

City Attorney

City Manager



Department of Finance

Memorandum

DATE: March 6, 2019

TO: Scott Wingerson, City Manager

FROM: Dominic Accurso, Director of Finance

RE: 2019 Fiscal Year Midyear Budget

The Midyear Budget review for Fiscal Year 2019 is complete and hereby submitted to the City Council for review. The midyear budget review gives staff the opportunity to compare budget projections to actual revenues and expenditures, economic trends, and adjust budgeted funding levels based upon unique circumstances that have arisen in the first seven months of the fiscal year. This memorandum and exhibits will provide information on the General Fund, Community Center and Parks Tax Fund (CCPT), Public Safety Sales Tax Fund (PSST), Combined Water and Sewerage System Fund (CWSS), Capital Improvements Sales Tax Fund (CIST), Transportation Sales Tax Fund (TST) and Capital Equipment Replacement Fund (CERF). The comparisons referencing budgeted revenues and expenditures in the narrative are based on the January Interim Financial Report.

GENERAL FUND (Exhibit A)

During the first seven months of the fiscal year, the General Fund has experienced multiple events that have called for adjustments in both revenue and expense. Operating revenue is trending 1% higher than the previous year. Sales tax in the General Fund is 3% over previous year. While telecom and wireless gross receipts taxes are down, electricity gross receipts have increased yielding a 3% increase from the previous year. Charges for services are 6% over projected total revenues due to senior activities. Fines and forfeitures have decreased from prior year due to fewer tickets being issued and legislation. Miscellaneous revenue has decreased from prior year, but on track to exceed budget while the equity transfer has decreased due to prior year re-appropriations.

Increases in budgeted expenditures are mainly due to senior activity expenditures and one time expenditures. Additional revenue from senior activities will offset the additional senior activity expense. One time expenditures and additional expenses will be funded by one time revenues and other revenue adjustments. Supplemental requests for professional services, supplies and maintenance are being recommended in the amount of \$561,715 (\$387,175 of which is Senior

Activities). Staff is recommending budget authority for expenditures of \$18,829,017 from \$18,267,302.

COMMUNITY CENTER AND PARK TAX FUND (Exhibit B)

Adjustments for the CCPT fund supplement maintenance and repairs and electricity for the Community Center and Municipal Pools. Operating revenues for the fund have increased from the prior year; however charges for service and other revenue are behind expected budgeted revenue with 7 out of 12 months completed in the fiscal year. Supplemental requests will be funded by increasing the equity transfer from \$187,085 to \$292,015. Primary new supplemental requests include \$50,000 for additional electricity, \$27,000 for HVAC re-commissioning and the remainder for a pump motor for the competition pool and the gymnasium floor screen and recoat. Staff is recommending increasing the budget authority for the CCPT fund to \$4,226,040 from \$4,132,396, an increase of \$93,644.

PUBLIC SAFETY SALES TAX FUND (Exhibit C)

Revenue for the PSST is tracking slightly ahead of expected budgeted revenue. Sales tax is up 2% from the previous year with 61% of the total budgeted revenue collected at January 31st or 58% of the fiscal year passed. Expenditures are below expected budgeted due to staffing levels. Staff is recommending additional budget authority of \$27,600 to fund additional equipment. The equipment consists of two new radar trailers and replacements to Shield and homemade PEW tracking. The equipment will be funded by an equity transfer. Projected ending fund balance for PSST will be \$174,021.

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

Actual revenues for the CWSS fund are tracking right along with budget with 59% of budgeted revenues received with 58% into the fiscal year. Expenditures are slightly more than the previous year, but below actual budgeted with 53% of budget used 58% into the fiscal year. Due to the increased usage and water main breaks, staff is recommending supplementary chemicals (\$25,000) and water line supplies (\$15,000). Staff is also recommending the re-appropriation of \$290,000, the remaining balance of 2018 fiscal year's water main replacement budget. We are requesting budget authority to be increased from \$10,943,431 to \$11,273,431 or an increase of \$330,000

Capital Improvement Sales Tax Fund (Exhibit E)

Adjustments to the Capital Improvement Sales Tax Fund include prior year's projects cost to complete in the amount of \$309,876. The recommended budget authority for CIST is \$2,977,598. Projected ending fund balance available for future projects is \$178,909.

Transportation Sales Tax Fund (Exhibit F)

Adjustments needed for the Transportation Sales Tax Fund is to fund prior year's projects cost to complete in the amount of \$1,120,181. Budget authority requested for TST is \$3,803,142. Projected ending fund balance available for future projects is \$1,357,812.

Capital Equipment Replacement Fund (Exhibit G)

Staff is recommending adjustments to the Capital Equipment Replacement Fund (CERF) to fund downtown Gladstone development plans that carried into the 2019 fiscal year as well as additional property and development plans for the current fiscal year. Budget authority requested for CERF is \$2,570,315 leaving a projected ending fund balance of \$194,600.

CONCLUSION

In conclusion, the General Fund, the Community Center Park Tax Fund, the Public Safety Sales Tax Fund, Combined Water and Sewer System Fund, Capital Improvement Sales Tax Fund, Transportation Sales Tax Fund and Capital Equipment Replacement Fund all ended fiscal year with a positive fund balance. These adjustments in budget authority will assist staff in carrying out council goals and improve operations at the City.

Staff recommends budget authority for the General Fund of \$18,829,017, \$4,226,040 in the CCPT Fund, \$950,186 for PSST, \$11,273,431 in the CWSS Fund, \$2,977,598 in the CIST Fund, \$3,803,142 in the TST Fund, and \$2,570,315 in the CERF Fund. A resolution to amend the 2019 Budget based on recommended budgets will be placed on the Council agenda for consideration on March 11, 2019. If you have any questions, please contact me at your convenience.