



City Commission Agenda Item

Meeting Date: December 7, 2021
From: Jennifer Waggoner, Finance Director/Treasurer
Item: Amend the 2021 Budget

- Purpose:**
1. Hold a public hearing regarding the proposed 2021 amended budget **(Voice Vote)**
 - a. Consider first reading of an Ordinance amending specified funds in the budget for the City of Arkansas City for the year beginning January 1, 2021. **(Roll Call Vote)**

Background:

Kansas State Statutes allow the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, the governing body must hold a public hearing. A published notice of such hearing must run in the City's official newspaper at least 10 days before a formal budget hearing is held to hear the public comments on the proposed changes before its adoption. This noticed was published on November 19, 2021.

Water Fund: The Brad Meek/Hillside waterline replacement and North Pressure Zone Pump Station projects were both completed in 2021. These projects came in over the anticipated budget, requiring a budget amendment.

Library Fund: The Library is budgeted to receive 6 mills per charter ordinance. This amendment increases the budget authority should the last distribution of motor vehicle tax come in stronger than expected.

Healthcare Sales Tax Fund (HST): This fund accounts for 95% of the Healthcare Sales Tax receipts, as well as 20% of total Compensating Use Tax. Sales tax and Compensating Use Tax came in stronger than anticipated. This amendment gives us budget authority to remit the funds to the Trustee.

Unpledged Healthcare Sales Tax Fund (UHST): This fund accumulates the other 5% Healthcare Sales Tax receipts, as well as 30% of total Compensating Use Tax. These funds are available for use following the guidelines set in the 2018 Sales Tax Question. Sales tax and Compensating Use Tax came in stronger than anticipated. This amendment gives us budget authority to distribute the funds if requested.

Commission Options:

1. Adopt the Ordinance approving the 2021 Amended Budget as presented.
2. Adopt the Ordinance approving the 2021 Amended Budget at lower amounts than presented.

Fiscal Impact:

Amount: Various amounts as stated in the budget forms

Fund: Department: Expense Code:

☐ Included in budget ☐ Grant ☐ Bonds ☐ Other Not Budgeted

Approved for Agenda by:

Randy Frazer, City Manager