



## AGENDA ITEM ANALYSIS

Project/Issue Name: 20-50 An Ordinance of the City Council of the City of Republic, Missouri, Appropriating from the Revenue of the City of Republic, Missouri, Expenditures in Accordance with the Fiscal Year 2021 Budget of the City of Republic, Missouri, and Providing for Adjustments Thereto.

Submitted By: Debbie Parks, Finance Director

Date: November 3, 2020

### Issue Statement

Under Chapter 67 of the Missouri Revised Statutes and by City Charter, the City is required to prepare an annual budget, which will serve as a comprehensive financial plan for the ensuring budget year.

### Discussion and/or Analysis

The 2021 Budget presented for City Council consideration includes total expenditures of \$27,838,230 which is an increase of 21.62% of the 2020 Budget.

Funding for the following functions and their respective share of the total budget are:

- General Fund departments including, Administration, Community Development, Court, Police, Fire and Animal Control – \$8,082,993 (29%)
- Water Services Fund – \$2,069,096 (7.40%)
- Wastewater Services Fund – \$8,570,051 (30.8%)
- Streets Fund – \$2,060,971 (7.4%)
- Stormwater Fund – \$180,000 (.6%)
- Parks and Recreation Fund – \$3,673,022 (13.2%)
- Fire Sales Tax Fund – \$546,067 (2%)
- Capital Improvement Tax Fund – \$1,501,304 (5.4%)
- Debt Fund – \$1,154,726 (4.1%)

Capital Outlay is \$7,303,919 (26.2%) and debt service is \$1,709,414 (6.1%)

Projects included in the General Fund include:

#### Capital Projects

- Completion of Council Chamber/Municipal Court Remodel



#### Technology Upgrades

- Computer Replacement - \$25,500

#### Personnel

- Reclassification of part-time Human Resource Generalist – full time Human Resource Generalist
- Addition of part time employee – Kennel Technician
- 1.5% Merit Raise
- 1.3% Possible COLA (to be determined at midyear)
- Police Wage Adjustments \$2.00 hour
- Fire Wage Adjustments 4% Firefighter, 5% Engineer, 5.5% Captain

The Water Fund includes a proposed base rate increase that will require a separate Council agenda item.

The Wastewater Fund has a proposed debt issuance of \$4 million for the new BUILD building. A separate Council action would be needed to approve any debt issuance during the 2021 budget year.

City Administration and staff have spent considerable time reviewing and projecting the revenues and expenditures anticipated of the 2021 budget year. This proposed budget is a document covering all municipal operations and services. If additional changes to the budget are necessary as a result of this first reading, these can be integrated into the budget prior to the second and final reading.

The budget presented is deemed a balanced budget in that the proposed expenditures do not exceed the estimated revenues plus any unencumbered beginning balance and is in compliance with the governing State Statute. The budget summary is attached. It should be noted that the format of the budget summary includes the estimated beginning and ending fund balances, providing a more comprehensive picture of revenues and expenses for each department.

#### **Recommended Action**

Staff recommends that the City Council approve the City of Republic's FY 2021 Budget as presented.