



## **AGENDA ITEM ANALYSIS**

Project/Issue Name: 20-49 An Ordinance of the City Council of the City of Republic, Missouri, Amending the Budget for Fiscal Year 2020.

Submitted By: Debbie Parks

Date: 11/17/2020

### **Issue Statement**

Under Chapter 67 of the Missouri Revised Statutes and by City Charter, the City is required to pass and amend its budget to appropriate additional monies to those Funds that exceed the adopted budget for 2020.

### **Discussion and/or Analysis**

When the annual budget is prepared, monies are appropriated to comprehensively fund all projects and expenditures known at the time of preparation. Since the 2020 budget was adopted, changes have occurred.

Fiscal Year 2020 created a unique budgeting year that had to be navigated with caution. City Council adopted the Financial Sustainability Plan through Resolution in April 2020. Due to the steps implemented in the Financial Sustainability Plan, there will be a surplus of revenues this year over expenses larger than originally budgeted. Most general fund departments came in under budget during the period of March through July, until it was certain that the sales tax revenue was not going to decline to the levels originally projected at the onset of the pandemic. There is not an adjustment of the overall expenditures for the general fund, rather any amounts under budget will be reallocated to the following purposes:

- Transfer of State Motor Fuel Tax Funds to the Street Department - \$396,000
- Tuition Reimbursement Reserve - \$25,000 to fund future years Tuition Reimbursement Benefits
- 6 Month COLA 1.5% Disbursement -\$36,000
- City Hall Roof & Wall Repairs, Painting - \$20,000
- Transfer Match Funds to the CIST to Complete Police Station Security Fence in the 2021 Budget - \$40,000
- Server OS & Upgrades \$35,000
- Server Host Upgrades \$35,000
- Police Salary Adjustment - \$14,622.37



- Fire Salary Adjustment - \$6,170.88
- Replacement of wrecked Police Vehicle - \$37,000 (Insurance reimbursement covering partial cost)

**Parks Fund** – increase in overall expenditures – \$717,731.00

The 2020 Budget showed the debt transfers for the 2017 Special Obligation Bond, but the expense was not picked up in the totals. This has been corrected in this budget amendment.

**Street Fund** – increase in overall expenditures - ~~\$573,836~~ \$598,666.77

There were several developer agreements approved by Council in 2020.

Scoping on MM in the amount of \$24,830.77 has been added since first read.

Revenue increased by \$258,496 in developer reimbursements.

Expenditures increased to cover the work in the Garton Business Park. The expenses lines are outlined in the attached exhibit.

- Transfer to the Debt Fund \$356,336.01 to pay off the Miller and Walmart portions of the 2017 Special Obligation Bond out of the Street Fund. This will free up an additional \$128,000 going forward for street improvements/paving.

**Water Fund** – increase in overall expenditures - \$225,000

Revenue increased by \$308,365 for Developer Agreement Reimbursements

Expenditures increased to cover the work on several projects. These are outlined in the attached exhibit.

**Wastewater Fund** - no increase

There were changes to the line items that are outlined in the budget amendment exhibit.

Overall, the line items were reallocated and there is no increase to the overall fund expenditures.

**CIST Fund** – increase in overall expenditures - \$360,000

- The Animal Control Shelter was completed in 2020 and the total cost was \$320,000 above the amount in the original 2020 budget.
- The City of Republic partnered with MODOT on the HWY174/US 60 Intersection to share the cost of sidewalks in the amount of \$101,500.
- The Police Department went out to bid on new Police Radios to meet the implementation deadline for the new Greene County 911 Radio requirements. The increase to the Equipment line is \$84,000.



**Stormwater Fund** - increase in overall expenditures - ~~\$26,998~~ \$110,537.30

The City of Republic partnered with MODOT on the HWY 174/US 60 Intersection on stormwater improvements in the amount of \$80,000.

**\$83,539.30 for Hartman & Company Stormwater drainage work has been added since the first read.**

The budget lines increased and/or decreased amounts are shown in Exhibit A including budget detail. Changes to the budget pages are in red. The Fund Summary page has updated fund balances in blue to reflect actual December 31, 2019 and is for informational purposes only.

#### **Recommended Action**

Finance Staff recommends City Council approval of this amendment to the budget for 2020, increasing the aggregated budgeted expenditures as outlined in the proposed ordinance.