

Resolution 2019 - 14

**A RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 (FY19)
BUDGET – AMENDMENT # 3 AND APPROPRIATING SAID AMOUNTS**

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of University City, Missouri, that the Annual Budget for the fiscal year beginning July 1, 2018, was approved by the City Council and circumstances now warrant amendment to that original budget.

BE IT FURTHER RESOLVED, that in accordance with the City Charter, the several amounts stated in the budget amendment as presented, are herewith appropriated to the several objects and purposes named.

Adopted this 9th day of September, 2019



Mayor

Attest:

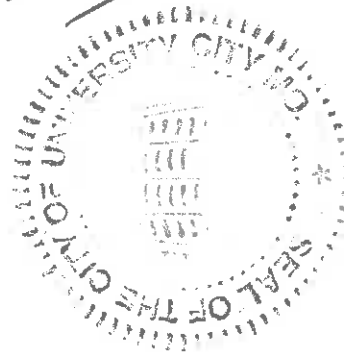


City Clerk

Certified to be Correct as to Form:



City Attorney





Council Agenda Item Cover

MEETING DATE: September 9, 2019

AGENDA ITEM TITLE: Resolution for Fiscal Year 2018-2019 Budget Amendment # 3

AGENDA SECTION: New Business

CAN THIS ITEM BE RESCHEDULED? : No

BACKGROUND REVIEW: Attached is the second budget amendment of fiscal year 2019 for all Funds. This amendment includes the increases and decreases of revenues and expenditures.

The General Fund Year to Date approximate actuals as of June 30, 2019 are as follows:

Revenues Actual	\$23,570,195
Expenses Actual	<u>\$23,237,700</u>
Over/ (Under)	\$ 332,495 – approximate YTD surplus

General Fund

Revenues:

- 1) Increase of Local Use Tax of \$130,000 due to growth in the use or consumption of tangible personal property.
- 2) Decrease of County-Wide Sales Tax of \$360,000 due to over budgeting with the anticipation of receiving the amount that was budgeted for the fiscal year. The County-Wide Sales Tax actual amount of \$5,034,500 has been fairly consistent with the past five years.
- 3) Increase of Miscellaneous Operating Revenue of \$42,000 due to receiving funds from the State of Missouri for Unclaimed Property.
- 4) Increase of Natural Gas of \$150,000 due to receiving more funds in the months of March and April. The revenue fluctuates year to year based on weather, usage and rates.
- 5) Increase of Water of \$80,000 due to under budgeting. The revenue fluctuates year to year based on weather, usage and rates.
- 6) Decrease of Telephone of \$400,000 due to not collecting what the City had anticipated. There has been a steady decline in revenue over the past five years as landline services have decreased.

7) Increase of **Right of Way Use** of \$630,000 due to a settlement agreement between the City and Level 3 Communications LLC.

8) Increase of **Parking Fines** of \$110,000 due to not anticipating collecting this amount over the budgeted amount.

9) Increase of **Interfund Loan – Interest** of \$95,000 due to Public Safety Sales Tax, Parking Garage, Park and Stormwater Sales Tax, and Golf Course Funds borrowing from the General Fund.

Expenditures:

1) City Manager's Office

a. A transfer of \$26,000 from Public Relations and Program and \$30,000 from Technology Services to cover \$56,000 for Director of Communications position.

b. A transfer of \$150,000 from Salaries-Full Time, \$32,000 from Salaries-Part-Time & Temp, and \$15,000 from Social Security Contributions to cover \$47,000 of Professional Services and \$150,000 of Legal Services.

2) Police

a. A transfer of \$150,000 from Finance Salaries – Full Time, \$1,000 from Information Technology Office Supplies, and \$10,000 from Information Technology Office Furniture & Equipment to help offset \$24,000 of Insurance-Property & Auto, \$24,000 of Electricity, and \$210,000 of Property Rental. The remaining amount of \$97,000 will need to be transferred from the General Fund Reserve.

b. A transfer of \$70,000 from Salaries-Full Time to cover \$70,000 of Overtime.

3) Fire

a. Due to the reinstatement of the Emergency Medical Services (EMS) by the City Manager and City Council, the department hired new employees to staff the service. A transfer of \$25,000 from Salaries-Part-Time & Temp to help offset \$220,000 of Salaries-Full-Time, \$40,000 of Overtime, \$20,000 of Workers Compensation, and \$30,000 of Medical Insurance. The remaining amount of \$285,000 will need to be transferred from the General Fund Reserve.

b. The department incurred approximately \$15,000 in software systems purchases that was not in the budget. This amount will also need to be transferred from the General Fund Reserve.

In March 2019, the Fire Department was awarded a Safer Grant over a three year period. The Safer Grant will help offset the costs of the EMS operations. First revenue payment was received in August 2019 (FY2020) in the amount of \$231,254.

4) Public Works – Admin & Engineering

a. Due to additional staff salaries, a transfer of \$50,000 from Community Development Salaries-Full-Time to cover \$50,000 of Public Works – Admin & Engineering.

Economic Development Retail Sales Tax Fund

5) The actual sales tax for Economic Development Retail during the FY2019 was approximately \$25,000 lower than the original budget of \$702 thousand. Professional Services were under budget by \$25,000. Decrease expenditure to offset the decrease in revenue.

This amendment will have no impact on the fund reserve of the Economic Development Retail Sales Tax Fund.

Capital Improvement Sales Tax Fund

6) The actual sales tax for Capital Improvement during the FY2019 was approximately \$139,000 lower than the original budget of \$2.4 million. Building Improvements were under budget by \$139,000. Decrease expenditure to offset the decrease in revenue.

This amendment will have no impact on the fund reserve of the Capital Improvement Sales Tax Fund.

The resolution for approval of the amendment is attached.

RECOMMENDATION:

The City Manager recommends the City Council approve the Resolution for Fiscal Year 2018-2019 Budget Amendment # 3.

**FY 19 Budget Amendment #3
To Be Approved by City Council
September 9, 2019**

General Fund:

<u>Account</u>	<u>Revenue Increase</u>	<u>Revenue Decrease</u>	<u>Description</u>
1) 4101 Local Use Tax	130,000		Increase to get closer to actual
2) 4105 County-Wide Sales Tax		(360,000)	Decrease in pool sales tax appropriation
3) 4804 Misc. Operating Revenue	42,000		Increase due to receiving funds from State of Missouri for Unclaimed Property
4) 4405 Natural Gas	150,000		Increase due to receiving more revenue in the months of March and April
5) 4410 Water	80,000		Increase to get closer to actual
6) 4415 Telephone		(400,000)	Decrease to get closer to actual
7) 4430 Right of Way Use	630,000		New source of revenue
8) 4703 Parking Fines	110,000		Increase to get closer to actual
9) 4859 Interfund Loan - Interest	95,000		Increase to get closer to actual

<u>Account</u>	<u>Expenditure Increase</u>	<u>Expenditure Decrease</u>	<u>Description</u>
Asst. to CM - Communications			
1) Personnel Services	56,000		Added Communications Director Position - Position filled late in FY
City Manager's Office			
2) 5001 Salaries-Full Time		(150,000)	Transfer expenditures to cover cost of professional services and legal services
5340 Salaries-Part-time & Temp		(32,000)	
5660 Social Security Contributions		(15,000)	
6010 Professional Services	47,000		Transfer expenditures to cover cost of adding Communications Director position
6020 Legal Services	150,000		
6135 Public Relations and Programs		(26,000)	
6560 Technology Services		(30,000)	
Finance			
3) 5001 Salaries-Full Time		(150,000)	Transfer funds between Finance to Police to offset expenditures
Information Technology			
4) 7001 Office Supplies		(1,000)	Transfer funds between IT to Police to offset expenditures
8180 Office Furniture & Equip		(10,000)	

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Police			
5)	5001 Salaries-Full Time	(70,000)	Transfer to overtime; employees worked longer hours
	5380 Overtime	70,000	
	6160 Insurance-Property & Auto	24,000	
	6260 Electricity	24,000	
	6545 Property Rental	210,000	Actual higher than budgeted
Fire			
6)	5001 Salaries-Full Time	220,000	Increase due to hiring EMS employees
	5340 Salaries-Part-time & Temp	(25,000)	No actual YTD expenditures
	5380 Overtime	40,000	
	5420 Workers Compensation	20,000	
	5460 Medical Insurance	30,000	
	8140 Software Systems	15,000	No expenditure was budgeted
Public Works - Admin & Engineering			
7)	5001 Salaries-Full Time	50,000	Two additional staff salaries in FY19
Community Development			
8)	5001 Salaries-Full Time	(50,000)	Transfer funds between Public Works and Community Development

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Economic Development Retail Sales Tax Fund:

<u>Account</u>	<u>Revenue Increase</u>	<u>Revenue Decrease</u>	<u>Description</u>
1) 4145 Economic Dev Sales Tax		(25,000)	Decrease Sales Tax revenue to get closer to actual
<u>Account</u>	<u>Expenditure Increase</u>	<u>Expenditure Decrease</u>	<u>Description</u>
2) 6010 Professional Services		(25,000)	Decrease expenditure to offset decrease in revenue
Total Economic Development Sales Tax Fund Reduction in Fund Balance			

Capital Improvement Sales Tax Fund

<u>Account</u>	<u>Revenue Increase</u>	<u>Revenue Decrease</u>	<u>Description</u>
3) 4110 Capital Improvement		(139,000)	Decrease Sales Tax revenue to get closer to actual
<u>Account</u>	<u>Expenditure Increase</u>	<u>Expenditure Decrease</u>	<u>Description</u>
4) 8001 Building Improvements		(139,000)	Decrease expenditure to offset decrease in revenue
Total Capital Improvement Sales Tax Fund Reduction in Fund Balance			