



Board of Aldermen Request for Action

MEETING DATE: 11/1/2022

DEPARTMENT:

Administration/Finance/Public Works

AGENDA ITEM: Approve Bill No. 2965-22, FY2023 Budget Amendment No. 1 - 1st Reading

REQUESTED BOARD ACTION:

A motion to approve Bill No. 2965-22, FY2023 Budget Amendment No. 1. 1st reading by title only.

SUMMARY:

This Budget Amendment includes an amendment to the Combined Water and Wastewater Fund

- As featured in the FY2023 Budget, the City budgeted funds in the amount of \$15,000 to lease a new skid steer. Public Works and Finance staff acquired Sourcewell contract pricing from Heritage Tractor for outright purchase of a new skid steer. Heritage Tractor provided both the outright purchase cost and a lease cost for an overall pricing comparison. The outright purchase cost of the skid steer is \$66,500, while the lease cost was estimated to be about \$12,000 more expensive on a 60-month (5 Year) Term at a rate of 6.95%. Ultimately, because the cashflow can support the purchase for the skid steer, and costs for equipment are growing rapidly, staff authorized the purchase of the skid steer with Heritage Tractor. This FY2023 Budget Amendment #1 increases the budget for lease cost from \$15,000 to \$66,500, an increase of \$51,500 in the budget for the capital outlay equipment line item.

PREVIOUS ACTION: The Board previously approved the FY2023 Budget on October 18, 2022.

POLICY ISSUE: Approving and Amendment to the FY2023 Budget.

FINANCIAL CONSIDERATIONS:

Amend the FY2023 Budget. Resources are available in the Combined Water/Wastewater Fund to support the amendment to purchase the skid steer, rather than leasing the skid steer.

ATTACHMENTS:

- ☒ Ordinance
- ☐ Resolution
- ☐ Staff Report
- ☐ Other:

- ☐ Contract
- ☐ Plans
- ☐ Minutes

BILL NO. 2965-22

ORDINANCE NO. ____-22

**AN ORDINANCE AMENDING THE FY2023 OPERATING BUDGET TO ADD
\$51,500 TO THE EXPENDITURE BUDGET**

WHEREAS, pursuant to Ordinance 3074-20, passed on October 18, 2022, the City approved the fiscal year ending October 31, 2023 Budget; and

WHEREAS, not included in the approved fiscal year 2023 Budget are expenditures related to capital projects and project revenues; and

WHEREAS, amendments to the Combined Water/Wastewater Fund are required at this time.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI AS FOLLOWS:

THAT the fiscal year ending October 31, 2023 Budget is hereby amended to add:

- \$51,500 to the expenditure budget in the Combined Water/Wastewater Fund

PASSED AND ADOPTED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 15th day of November 2022.

Damien Boley, Mayor

ATTEST:

Linda Drummond, City Clerk

First Reading: 11/1/2022

Second Reading: 11/15/2022