



Board of Aldermen Request for Action

MEETING DATE: 6/6/2023

DEPARTMENT:

Administration/Finance/Public Works

AGENDA ITEM: Approve Bill No. 2995-23, FY2023 Budget Amendment No. 5 - 1st Reading

REQUESTED BOARD ACTION:

A motion to approve Bill No. 2995-23, an Ordinance amending the FY2023 Budget Amendment to add \$1,127,902 to the expenditure budget. 1st reading by title only.

SUMMARY:

This Budget Amendment includes an expenditure authority adjustment to Park and Stormwater Sales Tax Fund, Capital Projects Fund, and Special Allocation Fund.

Staff has gathered pricing information on resurfacing the playgrounds at Heritage and Smith's Fork Parks. The estimate to resurface the Heritage Park playground is \$138,000 and the estimate to resurface the Smith's Fork Park playground is \$36,000, for a grand project total of \$174,000.

Currently, approximately \$84,000 in payment in lieu of dedication funds are in the Capital Project Fund, which houses these payments for the proposed developments. The remaining amount of the resurfacing expense would be covered by the Parks & Stormwater Sales Tax Fund. The fund can adequately handle this cashflow and will be reviewed during the June 20, 2023, Five Year CIP review during the BOA work session.

This budget amendment also addresses findings from the FY2022 audit performed by CliftonLarsonAllen noting that the expenses related to the issuance of tax increment revenue bonds be reflected in the budget. Finance staff has worked with Megan Miller, Gilmore & Bell Attorney, to determine the Special Allocation Fund's projected FY2023 expenses related to this debt service. In December 2022, the first principal payment of \$600,000 and first interest payment of \$175,158.64 was made for these bonds. On June 1, 2023, the second interest payment of \$178,743.75 is due to be made. This debt service expenditure totals \$953,902.

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 Park and Stormwater Sales Tax Fund to pay for the playground resurfacing improvements at Heritage Park and Smith's Fork Park and the payment in lieu of dedication funds are available in the Capital Projects Fund.

ATTACHMENTS:

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

- ☐ Contract
- ☐ Plans
- ☐ Minutes

BILL NO. 2994-23

ORDINANCE NO. XXXX-23

**AN ORDINANCE AMENDING THE FY2023 OPERATING BUDGET TO ADD
\$1,127,902 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

WHEREAS, amendments to the Park and Stormwater Sales Tax Fund and Special Allocation 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:

- \$84,000 to the expenditure budget in the Capital Projects Fund
- \$90,000 to the expenditure budget in the Park & Stormwater Sales Tax Fund
- \$953,902 to the expenditure budget in the Special Allocation Fund

PASSED AND ADOPTED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 20th day of June 2023.

Damien Boley, Mayor

ATTEST:

Linda Drummond, City Clerk

First Reading: 6/6/2023

Second Reading: 6/20/2023