

**SMITHVILLE BOARD OF ALDERMEN  
WORK SESSION**

August 20, 2024 5:30 p.m.

City Hall Council Chambers and Via Videoconference

**1. Call to Order**

Mayor Boley, present, called the meeting to order at 5:29p.m. A quorum of the Board was present: Marv Atkins, Melissa Wilson, Kelly Kobylski, Leeah Shipley, Dan Hartman and Ronald Russell.

Staff present: Cynthia Wagner, Gina Pate, Chief Lockridge, Chuck Soules, Rick Welch, Jack Hendrix, Matt Denton and Linda Drummond.

**2. Discussion of the 9-Month FY2024 Budget Update**

Rick Welch, Finance Director, presented the 9-Month FY2024 Budget Update.

FY2024 Budget Amendments Through Quarter Three

FY2024 amendments approved by the Board:

- Budget Amendment #1: On November 20, 2023, \$732,000 of expenditures to the CWWWS Fund. Expenditures are:
  - \$155,000 4<sup>th</sup> Street Terrace stormwater improvements
  - \$305,000 Quincy Boulevard stormwater improvements
  - \$20,000 Raw Water Pump Station construction
  - \$72,000 Playground Resurfacing at Smith's Fork Park and Heritage Park
- Budget Amendment #2: On March 5, 2024, \$30,000 of expenditures to the General Fund and \$200,831.87 of expenditures to the CWWWS Fund. Expenditures are:
  - \$30,000 West Central Missouri Regional Lodge #50 of the Fraternal Order of Police
  - \$166,713.60 First and Bridge Street Waterline Improvement
  - \$28,000 manhole replacement on Maple Street
  - \$29,796.27 final cost of motive pump maintenance
  - \$26,322 waterline under 147<sup>th</sup> Street
- Budget Amendment #3: On May 7, 2024, \$45,375.63 of expenditures to the General Fund \$15,753.93 of expenditures to the CWWWS Fund. Expenditures are:
  - \$36,000.75 LAGERS upgrade to L-12 from L-7 (GF)
  - \$12,078.81 LAGERS upgrade to L-12 from L-7 (CWWWS)
  - \$9,374.88 IT services grade (GF)
  - \$3,675.12 IT services grade (CWWWS)

On May 7, 2024, \$460,000 of additional revenue and expenditures to the Transportation Sales Tax Fund and \$1,000,000 to the Capital Improvement Sales Tax Fund was approved as additional MARC grant funds were secured. Revenue and expenditures are:

- \$460,000 Commercial Sidewalk Project
- \$1,000,000 Streetscape Phase III

- \$4,350,000 COP budget in CWWS fund, plus and additional \$2,344,510 for a total of \$6,694,610. Resolution 1307, Go to Market.

#### General Fund Review

General Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Revenues	\$6,266,986	\$6,674,967	\$5,276,244	84.2%

- The increase over budgeted FY2024 General Fund revenue are the result of better performance of property tax, sales tax, and interest earnings.

General Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Expenditures	\$7,100,790	\$7,406,812	5,555,109	78.2%

- The increase over budgeted FY2024 General Fund expenditures have been recognized with the rising costs of commodities, employee benefits, and repairs and maintenance.

	Phase	Resolution	Contractor / Engineer	Status
4th St & 4th Terr Improvement	Construction	1199	Menke	Completed
Quincy Boulevard Improvements	Construction	1221	Amino Brothers	In Progress *
Annual Wayfinding Signage Installation	Construction	Upcoming	City Staff	Not Started

\*Project is currently in the punch list stage

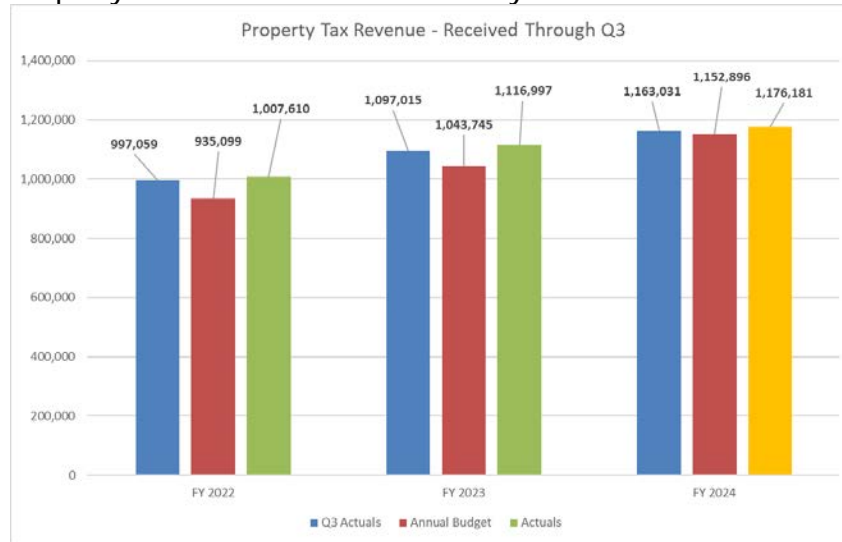
#### Property Tax Revenue

*Property Tax revenue comprises 20% of General Fund revenues and plays a significant role in funding core City services and amenities.*

General Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Property Tax Revenues	\$ 1,152,896	\$ 1,176,181	\$ 1,163,536	100.9%

- The City receives the majority of the property tax disbursement from Clay County in January of each year.
- The City, on average in the past 3 years, receives 99.6% of annual property tax revenue by the 3<sup>rd</sup> quarter of the fiscal year.
- For the last five years, the City has seen an average annual increase in property tax revenues of about 6.3%.

## Property Tax Revenue 3- Year History



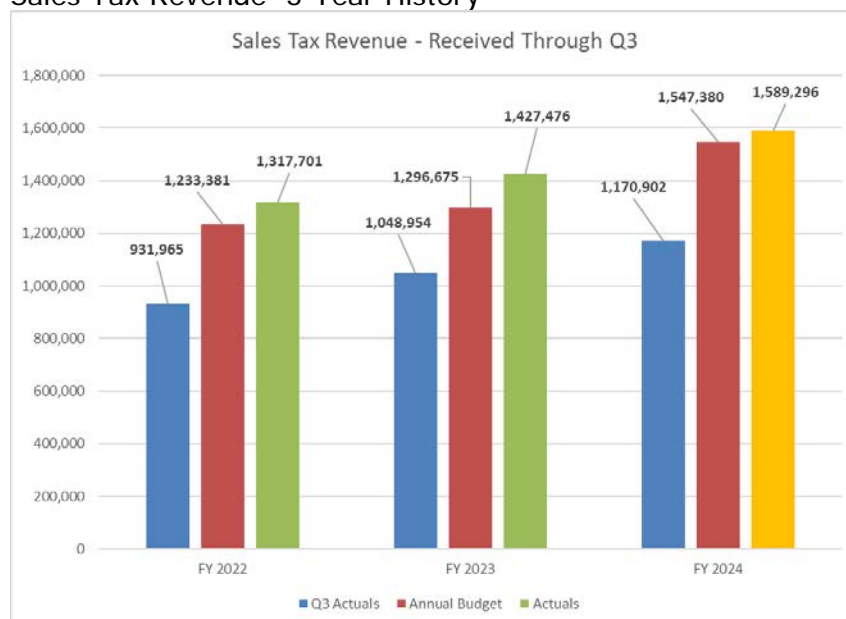
## Sales Tax Revenue

General Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Sales Tax Revenue	\$ 1,547,380	\$ 1,589,296	\$ 1,170,902	75.7%

- The City, on average in the past 3 years, receives 73% of sales tax annual revenue by the 3<sup>rd</sup> quarter of the fiscal year.
- This data reflects the monthly transfer of TIF EATs from the General Fund to the Special Allocation Fund (Marketplace TIF).

Rick noted that this was one fund that staff will be monitoring over the next couple of months. He explained that most cities are seeing a slowdown in sales tax revenue.

## Sales Tax Revenue 3-Year History



## Use Tax Revenue

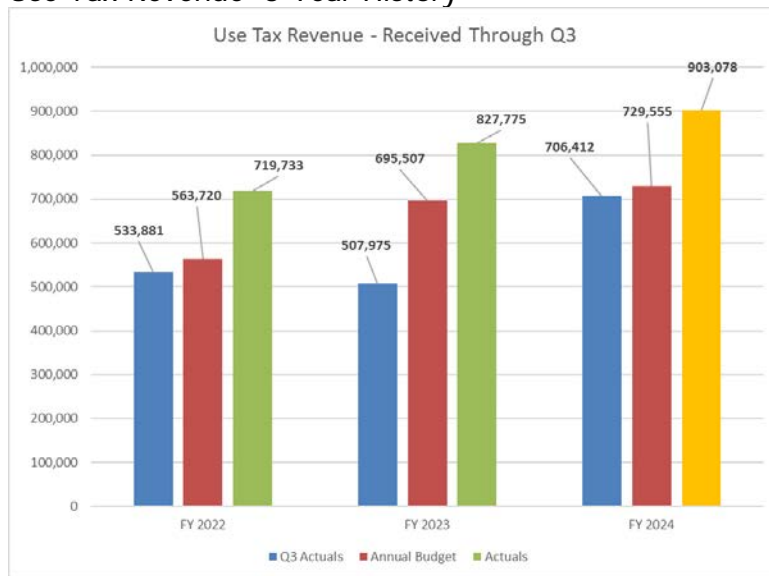
General Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Use Tax Revenue	\$ 729,555	\$ 903,078	\$ 706,412	96.8%

- The City, on average in the past 3 years, receives 75% of use tax annual revenue by the 3<sup>rd</sup> quarter of the fiscal year.

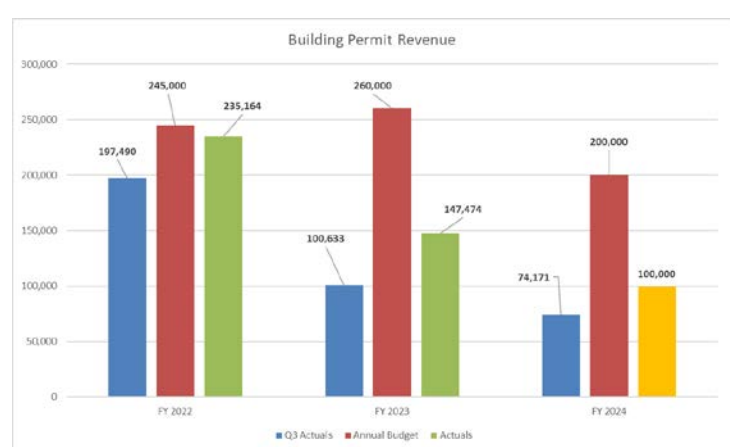
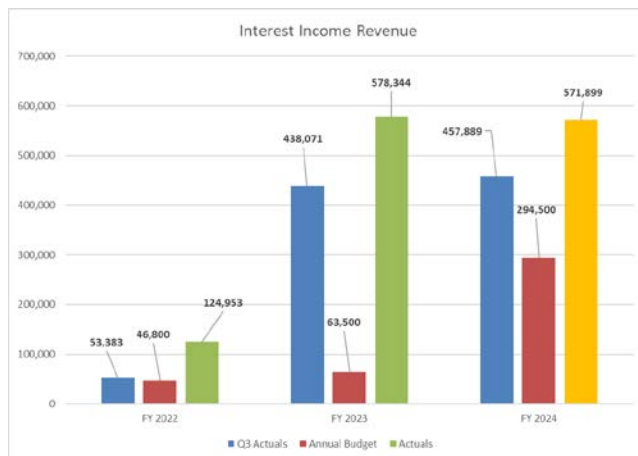
Alderman Atkins asked if the increase in use tax revenue could be where some of the sales tax revenues are going.

Rick said that could absolutely be where the sales tax revenue offset could be.

## Use Tax Revenue 3-Year History



## General Fund Revenues - Areas of Impact



Alderman Hartman reminded everyone watching that the City's year end is October 31.

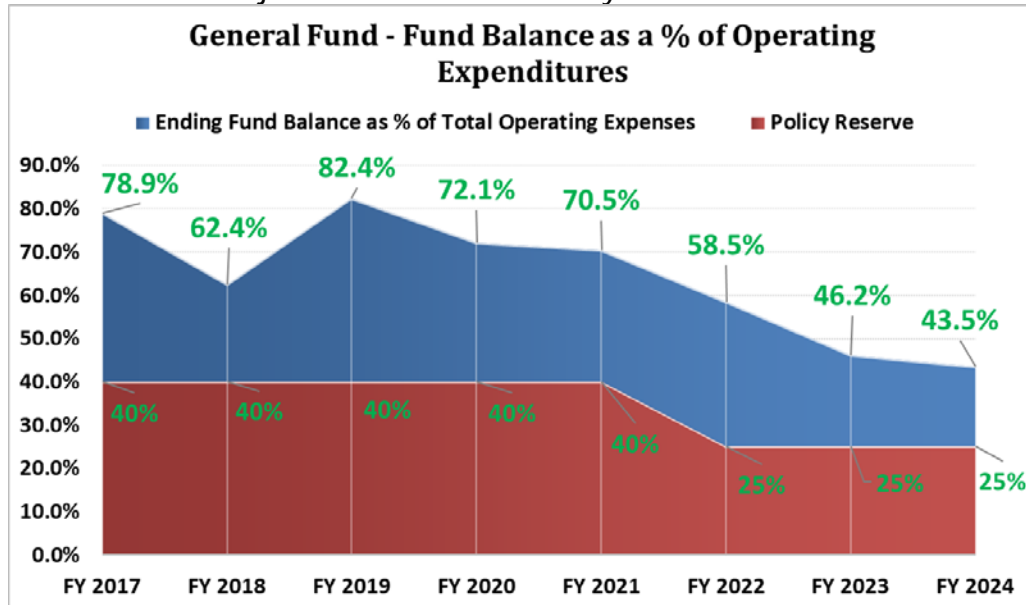
## General Fund - Bottom Line

	Actual FY2023	Budgeted FY2024	Projected FY2024
<b>Beginning Fund Balance</b>	3,425,221	3,951,294	3,951,294
<b>Total Revenues</b>	6,569,620	6,266,986	6,674,967
<b>Total Expenses</b>	6,043,547	7,100,790	7,406,812
<b>Net Change in Fund Balance</b>	526,073	(833,804)	(731,845)
<b>Ending Fund Balance</b>	3,951,294	3,117,490	3,219,449
			<b>101,959</b>

Projected  
fund balance  
over budget.

\*Projected includes budget amendments.

## General Fund – Projected Fund Balance Analysis



## Capital Improvement Sales Tax Fund

Capital Improvement Sales Tax	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Revenue	\$ 2,240,750	\$ 762,742	\$ 576,021	25.7%	75.5%

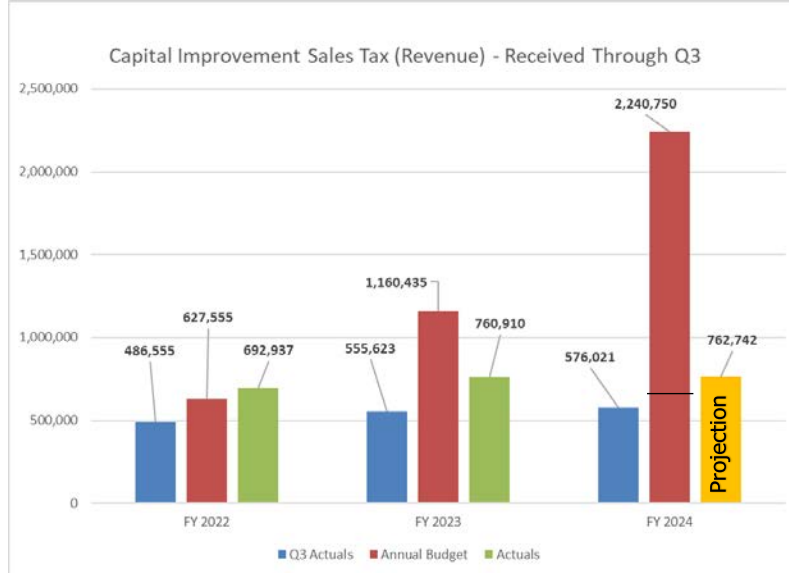
- Projection include CIP that will carry forward to FY25, including a MoDOT reimbursement included in FY24 revenue in the amount of \$1,488,000.

Capital Improvement Sales Tax	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Expenditure	\$ 1,906,340	\$ 418,340	\$ 181,054	9.5%	43.3%

- Projection includes CIP project expenditures that will carry forward to FY25.

CIST Funded Capital Project	Phase	Resolution	Contractor / Engineer	Status
Riverwalk Park & Trail	Engineering	1321	GBA	In Progress
2nd Creek Sidewalks	Engineering	1321	GBA	In Progress
Downtown Streetscape Phase III	Construction	Upcoming	TBD	Bid Awarded
1st Street and Bridge Round-A-Bout	TBD	Upcoming	To Be Decided	Agenda Item

### Capital Improvement Sales Tax Fund 3-Year History



FY24 budget includes a MoDOT reimbursement of \$1,488,000. The line in the budget column represents where budget would be without the \$1,488,000 reimbursement.

FY23 budget included a MoDOT reimbursement of \$488,000.

Both years the project has been rolled into the following year, including the reimbursement.

Alderman Hartman asked if the \$1,488,000 was the MoDOT grant that we received.

Chuck Soules, Public Works Director, said that it was.

### Transportation Sales Tax Fund

Transportation Sales Tax	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Revenue	\$ 1,627,450	\$ 682,217	\$ 529,175	32.5%	77.6%

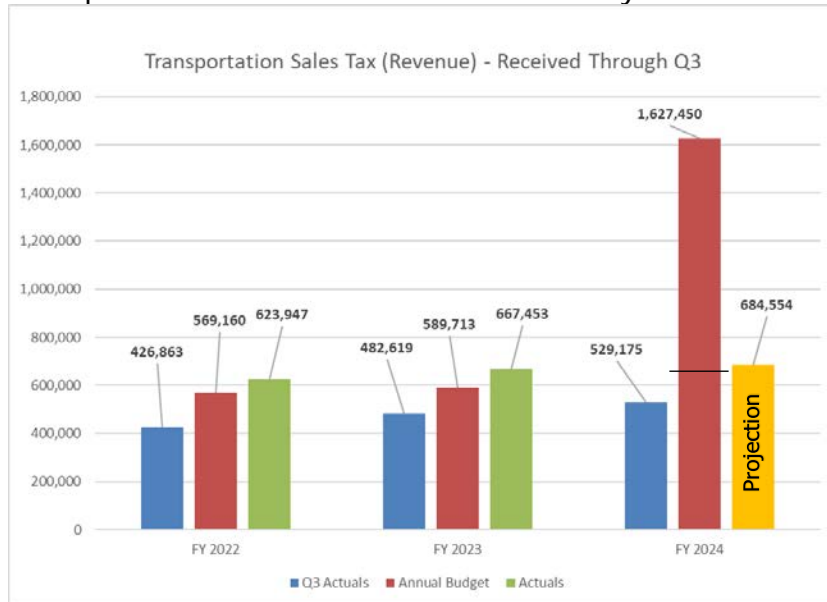
- Projection includes CIP that will carryforward to FY25, including a MARC reimbursement included in FY24 revenue in the amount of \$960,000.

Transportation Sales Tax	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Expenditure	\$ 1,699,140	\$ 739,140	\$ 555,132	32.7%	75.1%

- Projection includes Commercial Street Sidewalk expenditures that will carry forward to FY25.

TST Funded Capital Project	Phase	Resolution	Contractor / Engineer	Status
Annual Asphalt Overlay Program	Construction	1323	Asphaltic Surfaces	Completed
Annual Sidewalk Replacement Program	Construction	Upcoming	KC Concrete	Completed
Commercial Street Sidewalks (grant for \$960,000)	Construction	Upcoming	To Be Decided	Agenda Item

### Transportation Sales Tax Fund 3-Year History



FY24 budget includes a MARC reimbursement of \$960,000. The line in the budget column represents where budget would be without the \$960,000 reimbursement.

The project will carry forward into the following year, including the reimbursement.

### Combined Water and Wastewater Fund

CWWS Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Revenue	\$ 10,683,600	\$ 6,618,941	\$ 4,687,514	43.9%	70.8%

- Projection revenues do not include COP proceeds

CWWS Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Expenditure	\$ 15,704,620	\$ 5,937,039	\$ 3,460,529	22.0%	58.3%

- Projection expenditures do not include the majority of FY24 CIP projects, which will carryforward to FY25.

## Combined Water and Wastewater CIP

CWWS Funded Capital Project	Phase	Resolution	Contractor / Engineer	Status
2024 Sewer Rehabilitation Program	Maintenance	1300	SAK	Completed
1st and Bridge Street Watermain Improvements	Construction	Upcoming	Engleman Construction	Completed
Complete Auth 99 - WTP Improvements / Residuals	Engineering	1208	HDR Engineering	Completed
Complete Auth 94 - West Bypass of 144th St Lift Station	Engineering	987	HDR Engineering	In progress
Complete Auth 92 - Smith's Fork Pump Station	Engineering	1197	HDR Engineering	In progress
Complete Auth 97 - River Cross / Maple Ln Waterline	Engineering	1138	HDR Engineering	In progress
Complete Auth 98 - Owens Branch Sanitary Sewer	Engineering	1176	HDR Engineering	In progress
West Bypass of the 144th Street Lift Station	Construction	Upcoming	TBD	In progress
144 <sup>th</sup> Street Lift Station	Construction	Upcoming	TBD	In progress
Est. Remaining Contract - Smith's Fork Force Main	Construction	Upcoming	TBD	In progress
Maple Lane & River Crossing (12" Waterline)	Construction	Upcoming	TBD	In progress
Headworks Bar Screen	Construction	1309	Ross Construction	In progress
Authorization 101 - Stonebridge Lift Station	Engineering	1258	HDR Engineering	In progress
Stonebridge Lift Station (SSD Cost Sharing)	Construction	Upcoming	TBD	In progress
Lagoon Cleaning & Liner Repair	Construction	1299	Richardson Construction Company	Bid Awarded
Water Plant Improvements	Construction	Upcoming	Ross Construction	Bid Awarded

## Water and Wastewater Sales Revenue

CWWS Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Water Sales	\$ 3,245,350	\$ 3,342,711	\$ 2,402,821	74.0%

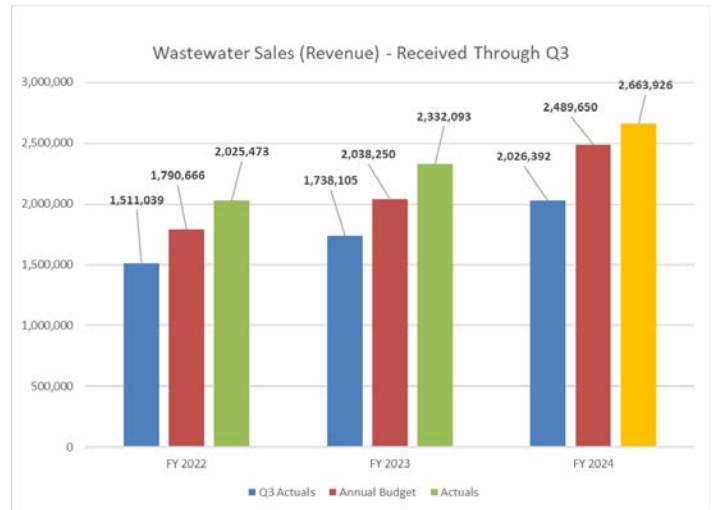
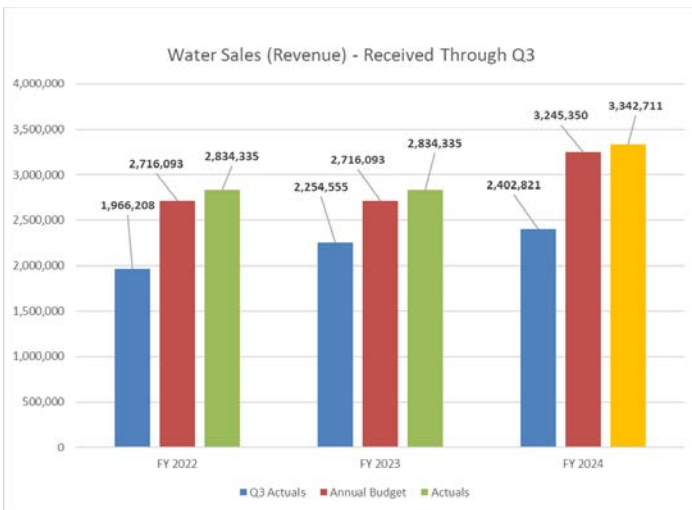
- The City, on average in the past 3 years, receives 71% of water sales annual revenue by the 3<sup>rd</sup> quarter of the fiscal year.

CWWS Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Wastewater Sales	\$ 2,489,650	\$ 2,663,926	\$ 2,026,392	81.4%

- The City, on average in the past 3 years, receives 75% of wastewater sales annual revenue by 3<sup>rd</sup> quarter of the fiscal year.



## Water and Wastewater Sales Revenue 3-Year History



## CWWS Fund Bottom Line

	Actual FY 2023	Budgeted FY 2024	Projected FY 2024
<b>Beginning Fund Balance</b>	7,123,744	6,589,526	6,589,526
<b>Total Revenues</b>	6,104,757	10,683,600	6,618,941
<b>Total Expenses</b>	6,638,976	15,704,620	5,937,039
<b>Net Change in Fund Balance</b>	(534,218)	(5,021,020)	681,902
<b>Ending Fund Balance</b>	6,589,526	1,568,506	7,271,428
			<b>5,702,922</b>

Projected  
fund balance  
over budget.

\*Projected includes budget amendments.

## Sanitation Fund

Sanitation Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
<b>Revenue</b>	\$ 938,757	\$ 920,573	\$ 690,430	73.5%

- The City, on average in the past 3 years, receives 73% of solid waste annual revenue by the 3<sup>rd</sup> quarter of the fiscal year.

Sanitation Fund	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Expenditure	\$ 931,805	\$ 924,397	\$ 693,298	74.4%

- The City also pays to participate in the Household Hazardous Waste collection program (paid for in Q1 every year) administered by MARC which is funded by the Sanitation Fund.

#### Parks and Stormwater Sales Tax Fund

Park & Stormwater Sales Tax	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Revenue	\$ 933,750	\$ 752,156	\$ 574,618	61.5%	76.4%

- Projections adjusted for CIP that will roll into FY25, including grant revenue of OK Railroad Trails.

Park & Stormwater Sales Tax	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received	% of Projected
Expenditure	\$ 1,021,000	\$ 618,577	\$ 461,834	45.2%	74.7%

PST Funded Capital Project	Phase	Resolution	Contractor / Engineer	Status
Stonebridge Stormwater Improvements	Engineering	1304	GBA	Completed
Emerald Ridge Neighborhood Park & Signage	Construction	Upcoming	To Be Decided	In Progress
Stonebridge Stormwater Improvements	Construction	Upcoming	Tunks	In Progress
The "OK Railroad" Trail (grant for \$184,600)	Engineering	Upcoming	In house	Not Started

#### Vehicle and Equipment Replacement Fund (VERF)

VERF	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Revenue	\$ 374,398	\$ 373,851	\$ 373,851	99.9%

- The VERF received \$249,000 transfer into the fund for annual operational support in FY24.
- The VERF realized revenue from vehicle sales of \$124,851.

VERF	FY2024 Budgeted	FY2024 Projections	FY2024 YTD	% of Budget Received
Expenditure	\$ 423,547	\$ 465,487	\$ 360,487	85.1%

- Through July 31, 2024, the City is leasing **38 vehicles** with Enterprise Fleet Management. This represents all the vehicles that will be placed with Enterprise, other than future organic growth.

## 9-Month Budget Review Concluding Remarks

### Revenues

- General Fund revenues continue to forecast above budget, especially with sales tax, use tax, and interest earnings.
- Water and wastewater revenue in the CWWS Fund is slightly above budget.

### Expenditures

- Inflation remains a significant factor impacting department operational budgets, particularly in areas such as commodities, employee benefits, and repairs and maintenance.

### Budget Carryforward to FY2025

- Funds for CIP projects planned for FY2024 will carry forward to FY2025. This has no negative effect on fund balance as the planned expenditures move to the following year.

Alderman Hartman asked if the interest income of \$157,000 for third quarter was correct.

Rick said that we are roughly at \$50,000 for third quarter. Rick explained that the way our computation is we are capped at 5% on our CDs at Central Bank.

Alderman Russell noted he like the line added to the graphs showing what it would be without the grant money.

### 3. Discussion of the FY2025 Operating Budget

Rick presented the first discussion of the proposed FY2025 Operating Budget and the Five-Year CIP. Rick noted that the last two or three years have had better than expected financial results. He explained that as we look forward, we will begin to see a decline in interest rates as the economy in general is somewhat lacking a little bit of confidence. In the FY2025 budget there is not really anything new. We are not adding employees, we are not adding projects or big expenditures. The proposed FY2025 budget does address inflation to commodities and CIP projects that have been pushed forward, that now need to be completed.

Cynthia thanked Rick and staff for preparing the FY2025 budget. She noted that the information provided incorporates work that has been done in work sessions and the retreat. The FY2025 proposed budget reflects a maintenance budget. We are not adding new programs, or staff, we are working to ensure that we continue to provide the level of services and focus on employee recruitment and retention. Cynthia noted that inflation has an effect on our expenditure level that then effects how we are able to fund projects. She explained that Rick has done a great job in coming on board, understanding our budget, and doing it while we have been transitioning to a new software.

### Budget Development Process

- Department Budget Requests Done – May 2024
- Management Review – June 2024
- Board Retreat – June 2024
- Budget Work Session – August and September 2024
- Board Approves Operating Budget and Capital Improvement Budget – October 2024

Rick noted that at the September meeting he expects to come back with better revenue projections as well as be able to look at month to date September expenditures. Rick explained that he has taken a very conservative approach this budget.

#### FY2025 Proposed General Fund Key Operating Budget Assumptions

- Health Insurance Premiums: 15% Increase
- Fuel Assumption: \$3.55 / Gallon
- Propane Assumption: \$2.00 / Gallon
- City Facility Electricity: 5% Increase
- Confinement Fees – 100% increase based on current hybrid model
- ERP Pro 10 Tyler Technologies User Fee: 31% Increase
- Property and Liability Insurance: 11% Increase
- Worker's Compensation Rate Changes: 9% Increase

#### FY2025 Proposed General Fund Necessary Operating Increases

- Annual VEF (Vehicle and Equipment Replacement Fund) Financial Support (\$390,000)
- IT Services increase with new contract (\$39,150)
- Smith's Fork Park Lease Payment to Corp of Engineers: Annual Cost Increase from \$53,335 to \$56,002
- Police Overtime: \$44,379 Increase from FY2024 Adopted Budget to FY2025 Proposed Budget

Rick noted that with the new IT services, we have been able to not renew our Microsoft 365 licensing that was \$14,000 a year because it is provided with the new service. We will also save \$5,000 next year on our cybersecurity training with KnowBe4 since it is also provided with our new service.

Alderman Wilson asked if the \$39,150 IT Services increase had those two totals taken out of it.

Rick said that it did not.

Alderman Russell asked when the Smith's Fork lease payment goes up again.

Mayor Boley explained that it goes up every year.

Cynthia noted that the increase really escalates in the next several years. She explained that staff had a conversation with the City Attorney, John Reddoch today and have reached out to the Corps of Engineers several times to see if we could discuss changing that due to the significant impact on our budget. Cynthia explained that this payment schedule is from a court ordered settlement agreement from the late 1970's.

Rick noted some of the [Smith's Fork Lease payment schedule](#).

Alderman Russell asked how the Sergeant's overtime was figured.

Rick explained that it is an everchanging number that was figured based on history and projections.

Financial Profile – FY2024 Outstanding Debt  
Outstanding General Obligation Debt of \$5,075,000  
Funds Delivered – August 2018  
Final Payment – March 2038

Outstanding COP Debt of \$7,195,000  
Funds Delivered – August 2018  
Final Payment – September 2038

Cynthia noted that the GO Bonds or General Obligation Bonds debt financing is supported by the rates for the utilities. She explained that GO Bonds require voter approval and COP Bonds do not.

Financial Profile – Bond Rating  
Rating of "AA-" Assigned by S&P Global in February 2019

Rating Based Upon the Following Criteria:

- City Economy
- Debt Structure
- Financial Condition
- Demographic Factors
- Management Practices of Governing Body & Administration

Cynthia noted that we are only rated when we go out to issue debt and the last time was in 2019 for COPs. This is a bond rating that is a rating of our capacity to repay that debt

#### FY2025 Funded Highlights – General Fund

Operational Budget Item	Estimated Cost	Considerations
Chamber Contract	<b>\$10,000</b>	Second year of four year contract.
Additional City-Wide Department Training	<b>\$5,000</b> (Average Annual Addition)	Additional funding has been budgeted for department training resulting from Employee Development Program discussions.
Employee Wellness Program	<b>\$3,500</b> (Annually)	Identified funding for employee health & wellness initiatives
Police Ballistic Vests Replacement (4)	<b>\$6,000</b> (Annual Replacement Program)	Replacement of 4 ballistic vests
Replacement of Four Mobile Data Terminals	<b>\$13,000</b> (Replacement Program)	Second round of replacing in-car Police MDTs (computers)
City/County Shared Road	<b>\$100,000</b> (One-Time)	Shared road improvements on 176th
ID Badge Machine	<b>\$2,500</b> (One-Time)	Use for employees, peddlers license, etc.
9' Boss Plow Attachments (Streets)	<b>\$15,000</b> (One-Time)	Plow will replace 2011 8' 6" and a 2007 (2 total)
Glock Handgun Replacement	<b>\$18,000</b> (One-Time)	Replacement of handguns, sights and holsters. Upgrades to red dot sights.
Holding Cell Benches	<b>\$3,500</b> (One-Time)	Benches for City holding cells.

Cont.

Operational Request	Estimated Cost	Considerations
Analytic Data Software	<b>\$7,000</b>	The budget currently includes \$5,000 to continue with Replica agreement. Staff is recommending an upgrade, which could require additional funding.
Marketing	<b>\$3,000</b>	Funding to address marketing opportunities that come up throughout the year.
2024 Direction Finder Survey	<b>\$15,000</b>	Staff requests Board direction. Last survey was conducted in FY2022.
Campground Road Repair	<b>\$150,000 (One-Time)</b>	Thickened road overlay. Option would be patch repairs at \$25,000.
Campground Sewer Video	<b>\$10,000 (One-Time)</b>	Assess damage to sewer system

Mayor Boley asked if the campground road repair included paving some of the site for ADA.

Matt Denton, Parks Director said that it did not.

Mayor Boley asked that it be added as an alternative when it is put out for bid.

Rick explained that he had removed the addition of a Parks and Recreation position in the FY2025 budget. Rick noted that yesterday we received word concerning the Clay County Senior Services grant. We requested \$103,000 to help fund expanded services at the Senior Center and the Senior Services Coordinator position. At this time, we have been told we will receive \$60,000. That does give us some additional monies to expand some programming. Rick noted that he and Matt will be discussing this over the next week to figure out how best to utilize the additional funds.

Cynthia explained that staff submitted the grant application in mid-July. The \$103,000 would have provided for Amy to go full-time, looking at a five-day lunch service and expanded hours. She noted that the increase is not enough for the full-time position, but we can expand some of the programming. This will be plugged into the budget on the revenue and expenditures side.

Rick noted that two other items that are not included in this budget, the \$50,000 for the Strategic Planning program and the \$2,500 for the Northland Career Development Center.

Alderman Hartman said that he thought it is important that the Board consider the \$2,500 to the Northland Career Development Center be put in the budget. He noted that we are talking a conservative budget and not adding a lot of things but feels it would put us in a good position and we would be able to take advantage of the facility when it is built.

Alderman Kobylski agreed and believes it is a good investment for our students.

Rick noted that with all of the Board in agreement the \$2,500 for the Northland Career Development Center would be added back into the FY2025 budget.

## FY2025 Compensation Scenarios

Department	Base	8% Directors /		8% All	10% Directors /		10% All
		6% All	6% Frontline		8% Frontline	8% Directors / 10% Frontline	
Administration	470,761	509,253	511,455	511,455	513,658	511,455	513,658
Public Works	797,761	838,187	839,625	851,663	853,100	863,700	865,138
Police	1,900,238	1,913,425	1,923,521	1,925,130	1,934,398	1,931,611	1,934,398
Development	456,439	480,602	483,003	488,657	491,057	494,311	496,711
Finance	369,950	389,007	391,442	395,359	397,794	399,276	401,711
Parks & Rec	540,448	568,640	570,943	578,037	580,340	585,131	587,434
Elected Officials	16,337	16,337	16,337	16,337	16,337	16,337	16,337
<b>General Fund</b>	<b>4,551,934</b>	<b>4,715,451</b>	<b>4,736,326</b>	<b>4,766,638</b>	<b>4,786,685</b>	<b>4,801,822</b>	<b>4,815,388</b>
<b>\$ Difference Over Base</b>		<b>163,517</b>	<b>184,392</b>	<b>214,704</b>	<b>234,751</b>	<b>249,888</b>	<b>263,454</b>

Current FY25 projections are based off the 10% Directors / 8% Frontline Scenario as directed by Board of Alderman on July 16, 2024.

\* Police include contract salaries of police officers per agreement. Agreement with sergeant unit is still being negotiated, totals do not reflect any adjustment.

Alderman Wilson suggested that since staff is still in negotiation with the union for the Sergeants, to think about taking that back to the eight percent for all or the eight percent for directors and the six percent for the frontline.

Alderman Kobylski asked if she thought the eight percent /six percent or the eight percent overall.

Rick noted that this was part of staff's discussion and omitting the Parks and Recreation position because we wanted to focus on our current employees and especially recruitment. He said that he would bring multiple scenarios for the September work session budget discussion.

Alderman Wilson noted that she understands the importance of employee retention but said that we have to look at the overall budget. She added that she is going to be very conservative when she is looking at the budget.

Alderman Hartman concurred with Alderman Wilson that we should leave the multiple scenarios, potentially the eight percent for all or maybe leave the ten percent for directors and eight percent for frontline.

Rick noted that going with the eight percent all would be a savings of \$20,000 and when you think about compensation it is a compounding number.

Alderman Russell asked if another city had recently done a compensation comparison.

Cynthia explained that after we did our compensation and classification study in 2021 a number of other cities have since done the same, which caused an escalation of salaries for employees. Cynthia noted that Gina Pate, Assistant City Administrator, did an in-house reboot of that compensation study by reaching out to other cities for the compensation rates to help update our information. This information was presented at the retreat.

Alderman Hartman asked if these amounts were the total employee costs.

Rick said yes that it included salaries plus benefits.

Mayor Boley noted that they needed to recognize that we have some tenure in our director positions and catching up on their compensation is important.

Alderman Wilson said that she did not want to see us get into the same situation as Independence when their tax increase did not pass, and they were looking at having to cut employees instead. She noted that she was concerned that could happen to us.

Alderman Russell suggested not making an adjustment to LAGERS and keeping the pay higher.

Cynthia explained that in the FY2024 budget we did a three percent across the board pay increase and LAGERS for a mid-year adjustment. That adjustment went into effect July 1. These numbers include the LAGERS adjusted amount. She noted that adjustment was based on conversations with employees last year wanting to look at increasing retirement benefits. Cynthia noted that in FY2024 our police frontline employees voted to be represented and their new contract went into effect with the first pay adjustments this year and the average increase was between seven and eight percent overall. They then have a step-increase January 1, and that step is reflected in these numbers. This spring, our sergeants voted to be recognized and we are currently in negotiations. These numbers reflect current sergeant's salaries.

Alderman Russell asked if these numbers show any projected increases for the sergeants.

Cynthia said that it does not because we do not know what the increase will be.

Alderman Hartman asked with the sergeants becoming unionized that would only leave three positions in the department that would not be part of a union.

Rick said yes it is the Chief, Captain and Police Clerk.

Alderman Hartman noted that the increase not included would only be for the four sergeant positions.

Cynthia explained that we are in negotiations with the sergeants at this time and cannot discuss numbers or timeline.

Rick asked which scenarios the Board would want for the September work session.

The Board requested the eight percent/six percent, eight percent and the ten percent/eight percent scenarios.



## Proposed FY2025 General Fund Revenue Summary

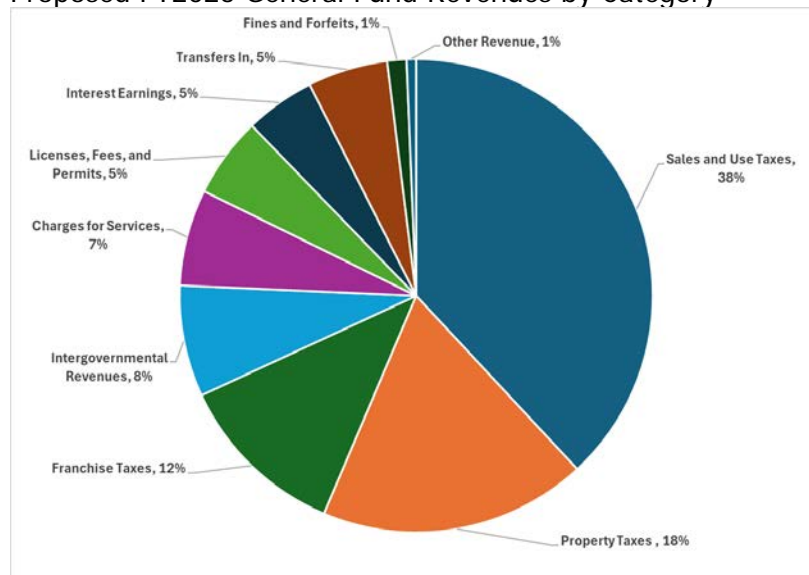
General Fund Revenues	Actual FY2023	FY2024 Budget	Projected FY2024	FY2025 Proposed Budget
Property Taxes	1,116,997	1,152,896	1,176,181	1,205,585
Sales and Use Taxes	2,362,749	2,360,105	2,575,544	2,510,781
Franchise Taxes	810,659	759,740	768,246	772,352
Licenses, Fees, and Permits	329,842	351,900	234,455	361,846
Intergovernmental Revenues	494,990	481,675	488,236	501,119
Charges for Services	446,065	411,180	420,689	434,820
Fines and Forfeits	113,519	113,120	82,441	86,652
Interest Earnings	578,344	294,500	571,899	315,258
Other Revenue	68,803	51,820	67,226	42,937
Transfers In	247,651	290,050	290,050	360,477
<b>Total Revenues</b>	<b>\$ 6,569,620</b>	<b>\$ 6,266,986</b>	<b>\$ 6,674,967</b>	<b>\$ 6,591,827</b>

1.25% decrease in total revenues from Projected FY2024 to Proposed FY2025.

Rick noted that we do not have the final post Board of Equalization assessed valuation numbers for property taxes from Clay County yet, so this number is conservative. Rick also noted that Clay County has adopted the seniors 65 and older property tax rollback program which will affect the 2026 revenues.

Cynthia noted that once we receive the assessed valuation from Clay County we will have to set the tax rate. That has to be done by October 1. She explained that we have to take the valuation and plug it in to a state calculation to evaluate our mill levy. We also have to post the notice of a public hearing. Staff has been in communication with the Clay County Assessor's Office to establish an ETA to receive the information and be able to schedule setting the tax rate. Cynthia explained that the tax rate is set by Ordinance with two readings, and we typically have to do that by emergency Ordinance.

### Proposed FY2025 General Fund Revenues by Category



Approximately 56% of the general fund revenue budget is comprised of:

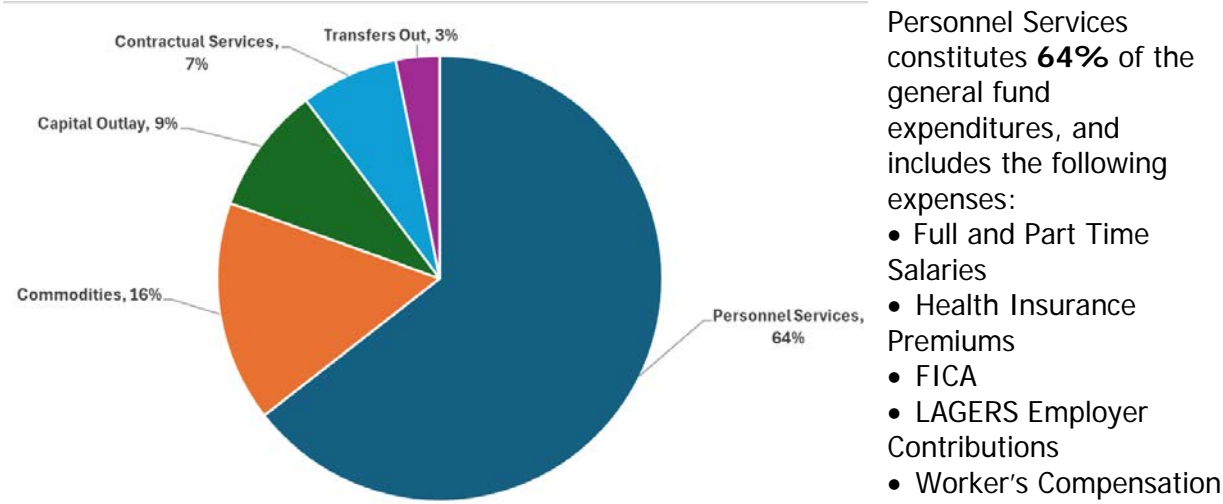
- Sales Tax
- Use Tax
- Property Tax

Proposed FY2025 General  
Fund Expenditure Summary

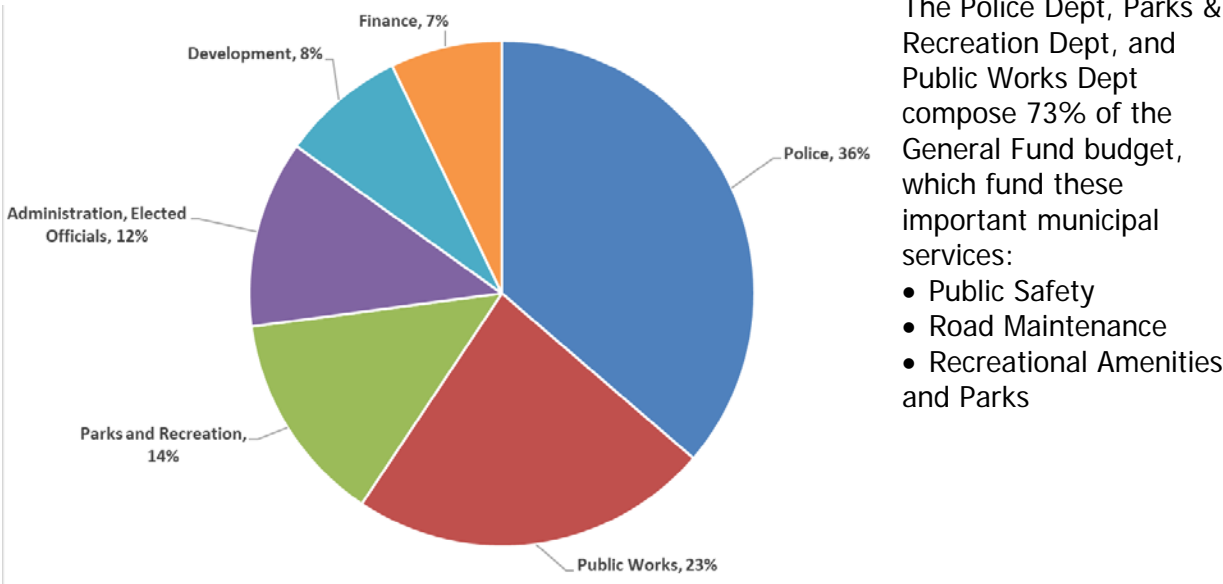
General Fund Expenditures	Actual FY2023	FY2024 Budget	Projected FY2024	FY2025 Proposed Budget
Personnel Services	4,242,935	4,564,970	4,661,649	5,147,499
Commodities	1,057,603	1,091,460	1,161,730	1,259,561
Capital Outlay	255,609	725,850	897,359	201,000
Contractual Services	452,401	521,510	489,074	574,217
Transfers Out	35,000	197,000	197,000	258,000
<b>Total Expenditures</b>	<b>\$ 6,043,547</b>	<b>\$ 7,100,790</b>	<b>\$ 7,406,812</b>	<b>\$ 7,440,277</b>

4.78% increase in total expenditures from Budgeted FY2024 to Proposed FY2025.

FY2025 Proposed General Fund Expenditures by Category



FY2025 Proposed General Fund Expenditures by Department



## Proposed 5 Year CIP (FY2025 – FY 2029) General Fund

Capital Improvement Projects	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Annual Wayfinding Signage Installation	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
1 <sup>st</sup> & Bridge Street Round-A-Bout (Engineering)	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Annual Asphalt Overlay Program Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Sidewalk Replacement Program Funding	\$ -	\$ -	\$ -	\$ -	\$ -
2 <sup>nd</sup> Creek Bridge Sidewalks (30% of Construction)	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Riverwalk Park & Trail (10% of Construction)	\$ -	\$ 200,000	\$ -	\$ -	\$ -
<b>Grand Total</b>	<b>\$100,000</b>	<b>\$550,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>

Rick noted that the Wayfinding Signage is on hold until we receive more guidance on the project.

Cynthia noted that the Second Creek Bridge Sidewalk Project and the Riverwalk Park and Trail Project are construction costs for FY2026. The engineering and design are included in this coming year and funded through other funds. Most of the construction costs of those projects is funded through other funds. Cynthia noted that in order to complete those projects we are spreading out the cost over several funds.

Alderman Hartman asked if some of the funds are from grants that we will receive at completion or during the construction.

Cynthia said that both of the projects are grant funded and the funding would be received during construction.

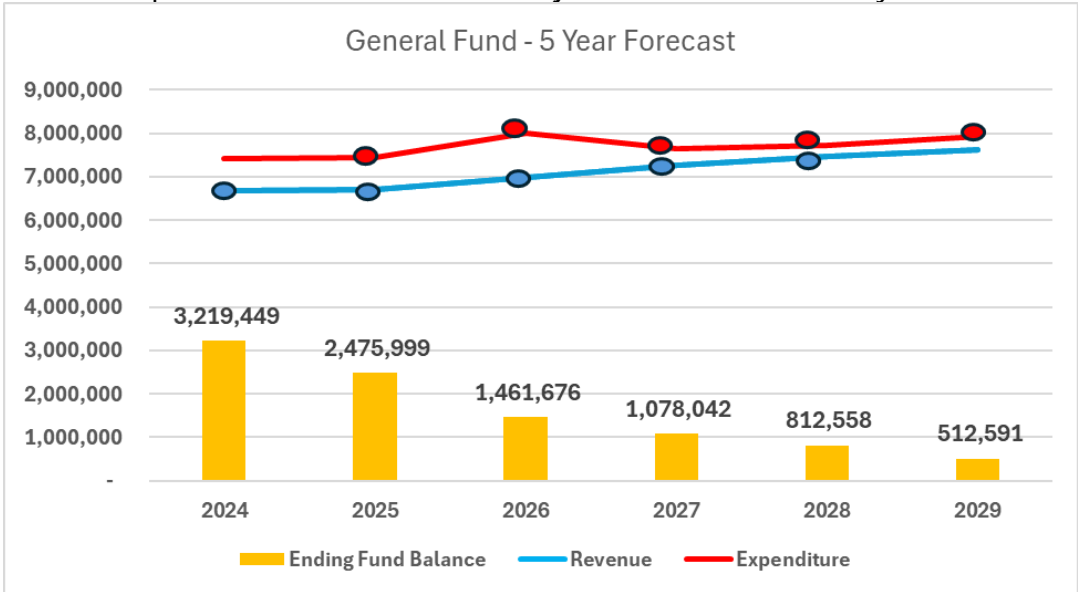
## FY2025 Proposed General Fund Net Change in Fund Balance

	Actual FY2023	Projected FY2024	Proposed FY2025
<b>Beginning Fund Balance</b>	<b>3,425,221</b>	<b>3,951,294</b>	<b>3,219,449</b>
<b>Total Revenues</b>	<b>6,569,620</b>	<b>6,674,967</b>	<b>6,696,827</b>
<b>Total Expenses</b>	<b>6,043,547</b>	<b>7,406,812</b>	<b>7,440,277</b>
<b>Net Change in Fund Balance</b>	<b>526,073</b>	<b>(731,845)</b>	<b>(743,450)</b>
<b>Ending Fund Balance</b>	<b>3,951,294</b>	<b>3,219,449</b>	<b>2,475,999</b>

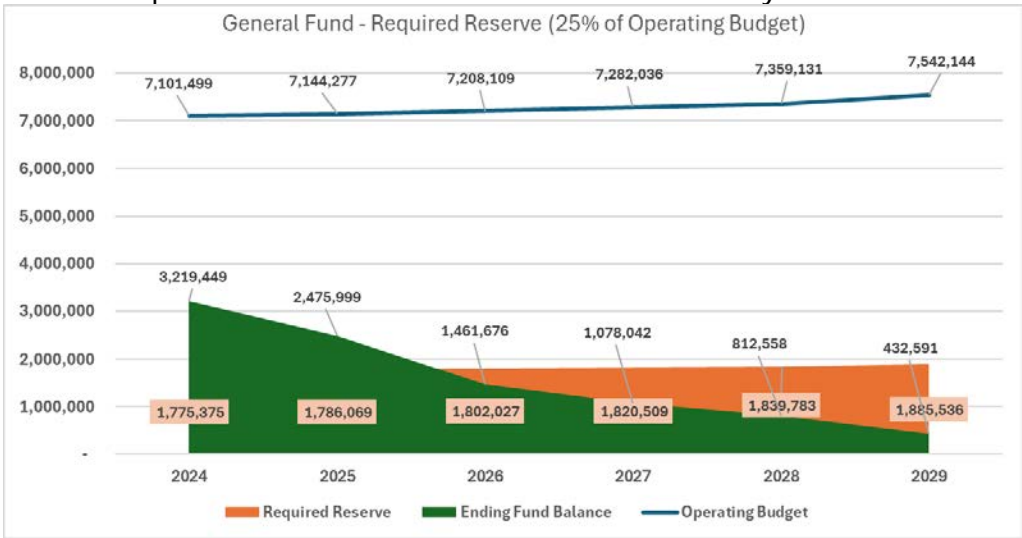
Alderman Wilson noted that the total revenue numbers in an earlier slide was \$6,591,827 and that would make net change in the fund balance.

Rick thanked her for pointing that out and would check which of the numbers were correct and have it for the September work session.

FY2025 Proposed General Fund 5 Year Projected Cashflow Summary



FY2025 Proposed General Fund Cashflow vs. Reserve Policy



Alderman Russell asked what happens when we start to hit the required reserve and what actions the Board would take.

Cynthia explained that we would be looking at ways to cut costs whether it be delaying projects cutting salaries. Cynthia noted that is why we review the budget on a quarterly basis and always know where we are and can make the necessary adjustments. She explained that 25% is a policy and not something that is state law. There are no consequences or penalties if we dip below 25%. The reserve of 25% is to ensure that we have adequate funds available when needed. Cynthia noted that three years ago it was a 40% policy and was changed to 25% and since we have never dipped below 40%. There have been discussions that we were going to spend down below that in order to continue to fund projects and services.

Alderman Wilson said that when she was previously on the Board she was told that if they dip below the reserve policy percentage they had three years to build it back up. She asked if this was something the Board had to have discussion on.

Cynthia noted that they would need to have a discussion because one thing that dipping below 25% would have an effect on would be if we were looking to debt finance projects in the future. One thing that is looked at in a bond rating is stability and that would have an impact on our ability to debt finance.

Mayor Boley noted that the three years to build it back up was probably Board policy. He said that a number of Boards are moving more towards number of operating months and not percentages. Mayor Boley explained that the City of Riverside has a 100% reserve policy because if the casino goes out of business they want to make sure they can still operate.

Alderman Hartman said that he did not feel the 40% reserve policy was being good stewards. It is the Board responsibility to be fiscally responsible with the tax dollars.

Cynthia clarified with the Board as staff prepares to bring the information forward to the Board of the September work session, Rick will revise revenues based on current information, we will have more sales tax information, incorporate Northland Career Development Center \$2,500 funds and develop multiple scenarios for employee compensation for review.

#### Combined Water and Wastewater Rate Increases

##### Proposed Water and Wastewater Rate Increases

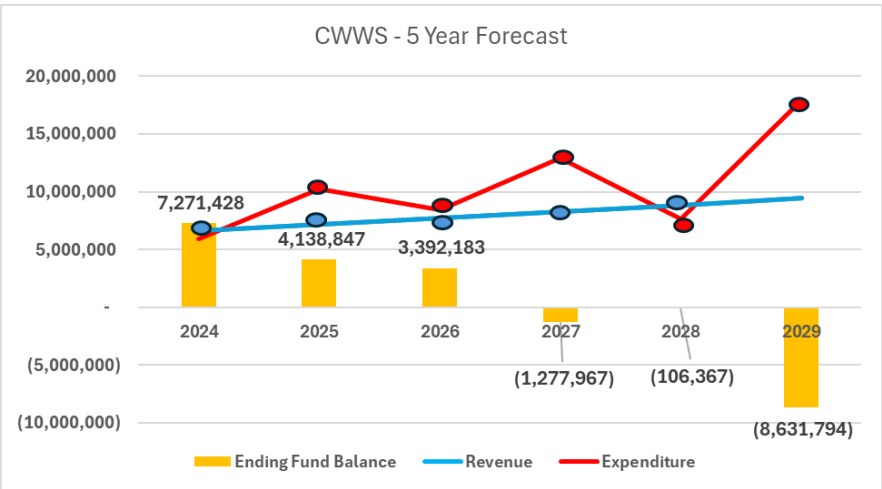
Water Rates	FY2025 (Proposed)
Monthly Water Base Charge & Volume Charge (3/4" and 1" Residential Meter)	15% Increase
Monthly Wastewater Base Charge & Volume Charge (3/4" and 1" Residential Meter)	15% Increase

##### Proposed FY2025 CWWS Fund

	Actual FY 2023	Projected FY 2024	Proposed FY2025
<b>Beginning Fund Balance</b>	7,123,744	6,589,526	7,271,428
<b>Total Revenues</b>	6,104,757	6,618,941	7,143,660
<b>Total Expenses</b>	6,638,976	5,937,039	10,276,241
<b>Net Change in Fund Balance</b>	(534,218)	681,902	(3,132,581)
<b>Ending Fund Balance</b>	6,589,526	7,271,428	4,138,847

\* Reserve requirement is 20% of revenue. For FY2025, the reserve requirement would be \$1,428,732.

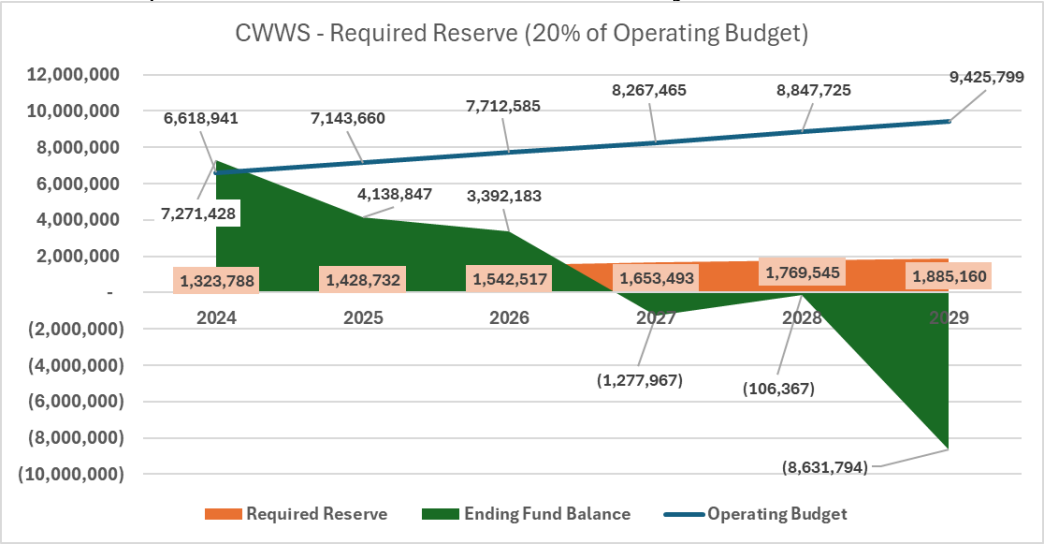
FY2025 Proposed CWWS Fund 5 Year Projected Cashflow Summary



CWWS Fund 5 Year projected cashflow summary does not include COP issuance.

Rick explained that we hope to push off the COP issuance for as long as possible. Doing that saves the taxpayers money due to issuance costs and interest and gives us more time as directed by the Board to look at privatization.

FY2025 Proposed CWWS Cashflow vs. Reserve Policy



CWWS Fund 5 Year projected cashflow summary does not include COP issuance.

Cynthia noted that we have always anticipated using COPs to provide cash flow for the larger projects. With the infusion of earmark funding that we will be receiving it will help us continue to delay having to do COP issuance.

Alderman Russell asked if this included a 15% increase every year or just next year.

Rick explained that it includes 15% for the next three years.

Cynthia noted that those projections are based on the rate model that we use from Raftelis.

#### Proposed Five Year CIP (FY2025 – FY2029) CWWWS Fund

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY2028	FY2029
West Bypass of the 144th Street Lift Station (Construction)	\$2,200,000	-	-	-	-
144 <sup>th</sup> Street Lift Station (Construction)	\$100,000	-	-	-	-
144 <sup>th</sup> Street Lift Station Federal Earmark	-\$1,500,000				
Smith's Fork Force Main (Construction)	\$600,000	-	-	-	-
Owens Branch Gravity Line Phase #1, Line #1 (Engineering)	\$200,000	-	-	-	-
Maple Ave & River Crossing (12" Waterline) (50% of Construction)	\$700,000	-	-	-	-
Stonebridge Lift Station (Engineering)	\$30,000	-	-	-	-
Stonebridge Lift Station (Construction With SSD Cost Sharing)	\$1,300,000	-	-	-	-
Water Plant Improvements (Construction)	\$1,400,000	-	-	-	-
McDonalds/Central Bank Lift Station (Engineering)	\$100,000	-	-	-	-
<b>Grand Total (Net Cost)</b>	<b>\$5,130,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Alderman Wilson asked why we were not looking at a gravity flow for the Smtih's Fork Force Main.

Mayor Boley noted that main is a lateral to the existing one because the existing does not have enough outflow.

Chuck Soules, Public Works Director, explained that we would if we could, but it is not feasible. It would be extremely expensive because it would have to go all the way to the plant. He said that there is now only a four-inch force main, and we are going to put in a six-inch force main.

#### Proposed Five Year CIP (FY2025 – FY2029) CWWWS Fund Continued

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY2028	FY2029
Interconnect Mains at 144 <sup>th</sup> /169 Highway/Major Mall (S2, Construction)	-	\$55,000	-	-	-
Highway 92 & Commercial Waterline (Engineering)	-	\$150,000	-	-	-
Smith's Fork Park Waterline (Construction)	-	\$170,000	-	-	-
Owens Branch Gravity Line Phase #1, Line #1 (Construction)	-	\$1,150,000	-	-	-
Highway 92 & Commercial Waterline (Construction)	-	\$300,000	-	-	-
Owens Branch Gravity Line Phase #1 and #3, Line #2 (Engineering)	-	\$1,000,000	-	-	-
McDonalds/Central Bank Lift Station (Construction)	-	\$500,000	-	-	-
<b>Grand Total (Net Cost)</b>	<b>\$5,130,000</b>	<b>\$3,325,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY2028	FY2029
Owens Branch Gravity Line Phase #1, Line #3 (Construction)	-	-	\$2,000,000	-	-
Wastewater Treatment Plant Expansion (Engineering)	-	-	\$1,050,000	-	-
Owens Branch Gravity Line Phase #1, Line #2 (Construction)	-	-	\$2,500,000	-	-
Water Plant Expansion (Engineering)	-	-	\$2,100,000	-	-
Additional Water and Wastewater Project Funding	-	-	-	\$2,000,000	-
Wastewater Treatment Plant Expansion (Construction)	-	-	-	-	\$3,000,000
Water Plant Expansion, Phase I (Construction)	-	-	-	-	\$7,500,000
Additional Water and Wastewater Project Funding	-	-	-	-	\$2,000,000
<b>Grand Total (Net Cost)</b>	<b>\$5,130,000</b>	<b>\$3,325,000</b>	<b>\$7,650,000</b>	<b>\$2,000,000</b>	<b>\$12,500,000</b>

\*Projects with a GREEN background are new to the 5-Year CIP

\*Projects with a RED background are expenditures past the 5-Year CIP

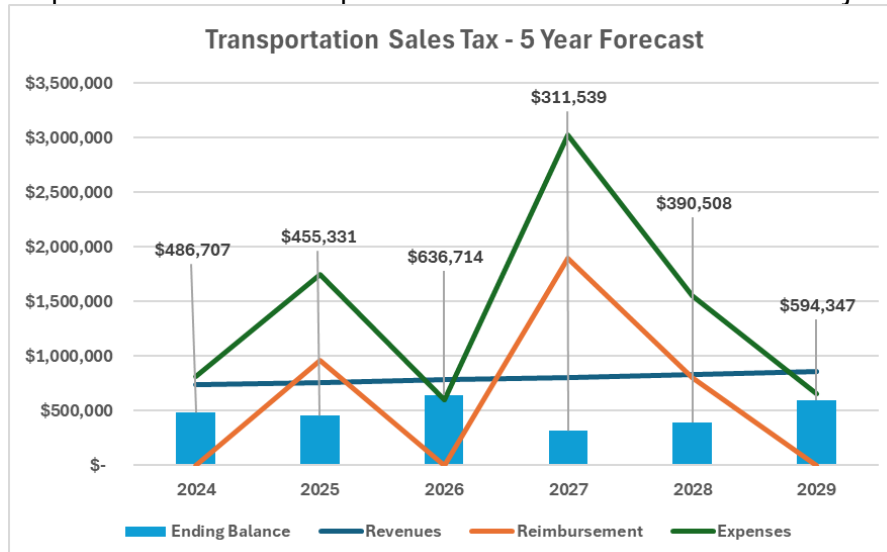
#### Proposed Five Year CIP (FY2025 – FY2029) CWWWS Fund (Water Impact Projects)

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Maple Ave & River Crossing (12" Waterline) (50% of Construction)	\$700,000	-	-	-	-
<b>Grand Total</b>	<b>\$700,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Proposed Five Year CIP (FY2025 – FY2029) Transportation Sales Tax Fund

Transportation Sales Tax Fund	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Annual Asphalt Overlay Program (Projects TBD)	\$300,000	\$500,000	\$300,000	\$300,000	\$300,000
Annual Sidewalk Replacement Program	\$50,000	\$100,000	\$50,000	\$50,000	\$50,000
Commercial Street Sidewalks (Construction)	\$1,400,000	-	-	-	-
Commercial Street Sidewalks (MARC Reimbursement)	-\$960,000	-	-	-	-
1 <sup>st</sup> & Bridge St Round-A-Bout Construction (80% of Project Expense)	-	-	\$2,380,000	-	-
1 <sup>st</sup> & Bridge Street Round-A-Bout (MARC Reimbursement)	-	-	-\$1,900,000	-	-
Richardson St / 169 Signal (Engineering)	-	-	\$300,000	-	-
Richardson St / 169 Signal (Construction)	-	-	-	\$1,200,000	-
Richardson St / 169 Signal (Construction) MODOT 50% Cost Share	-	-	-	-\$600,000	-
Richardson St / 169 Signal (Construction) Developments Share	-	-	-	-\$200,000	-
180th & Eagle Round-A-Bout Construction (25% of Project Expense)	-	-	-	-	\$300,000
<b>Grand Total (Net Cost)</b>	<b>\$790,000</b>	<b>\$600,000</b>	<b>\$1,130,000</b>	<b>\$750,000</b>	<b>\$650,000</b>

#### Proposed FY2025 – Transportation Sales Tax Fund Five Year Projected Cashflow



Reimbursement line may include grants, Federal earmarks, and/or state reimbursements.



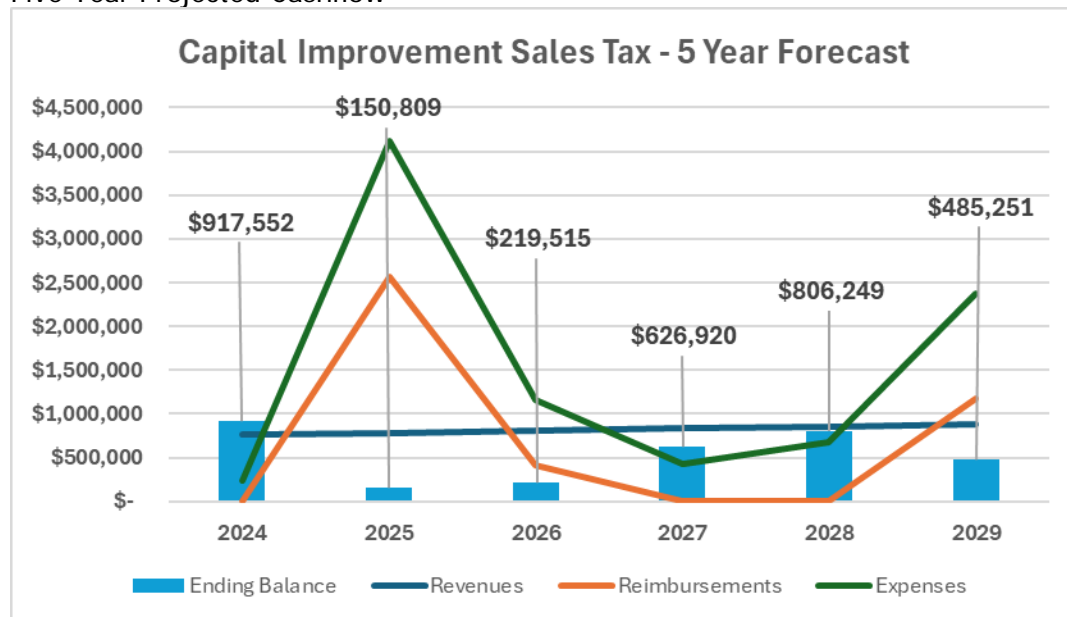
### Proposed Five Year CIP (FY2025 – FY2029) Capital Improvement Sales Tax Fund

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Annual Transfer to Debt Service	\$364,875	\$367,920	\$373,420	\$376,420	\$382,420
Riverwalk & Trail (Engineering)	\$150,000	-	-	-	-
2 <sup>nd</sup> Creek Sidewalks (Engineering)	\$100,000	-	-	-	-
Downtown Streetscape Phase III	\$1,828,000	-	-	-	-
Downtown Streetscape Phase III (MARC)	-\$1,488,000	-	-	-	-
1st & Bridge Street Round-A-Bout (80% of Engineering)	\$500,000	-	-	-	-
2 <sup>nd</sup> Creek Sidewalks (70% of Construction)	\$695,000	-	-	-	-
2 <sup>nd</sup> Creek Sidewalks (MARC Reimbursement)	-\$600,000	-	-	-	-
Riverwalk & Trail Construction (60% of Construction)	\$480,000	\$670,000	-	-	-
Riverwalk & Trail (MARC Reimbursement)	-\$480,000	-\$420,000	-	-	-
1 <sup>st</sup> & Bridge Street - Round-A-Bout (20% of Construction)	-	\$120,000	-	-	-
<b>Grand Total (Net Cost)</b>	<b>\$1,549,875</b>	<b>\$737,920</b>	<b>\$373,420</b>	<b>\$376,420</b>	<b>\$382,420</b>

### Continued

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Maple Lane Sidewalks (Engineering)	-	-	\$50,000	\$50,000	-
180 <sup>th</sup> & Eagle Parkway Round-A-Bout (Engineering)	-	-	-	\$250,000	-
Maple Lane Sidewalks (Construction)	-	-	-	-	\$600,000
Maple Lane Sidewalks (MARC Reimbursement)	-	-	-	-	-\$480,000
Pope Lane Round-a-Bout/Connection (80% of Engineering)	-	-	-	-	\$400,000
180 <sup>th</sup> & Eagle Parkway Round-A-Bout (75% of Construction)	-	-	-	-	\$1,000,000
180 <sup>th</sup> & Eagle Parkway Round-A-Bout (MARC Reimburse)	-	-	-	-	-\$700,000
<b>Grand Total (Net Cost)</b>	<b>\$1,549,875</b>	<b>\$737,920</b>	<b>\$423,420</b>	<b>\$676,420</b>	<b>\$1,202,420</b>

### Proposed FY2025 – Capital Improvement Sales Tax Fund Five Year Projected Cashflow



Reimbursement line may include grants, Federal earmarks, and/or state reimbursements.

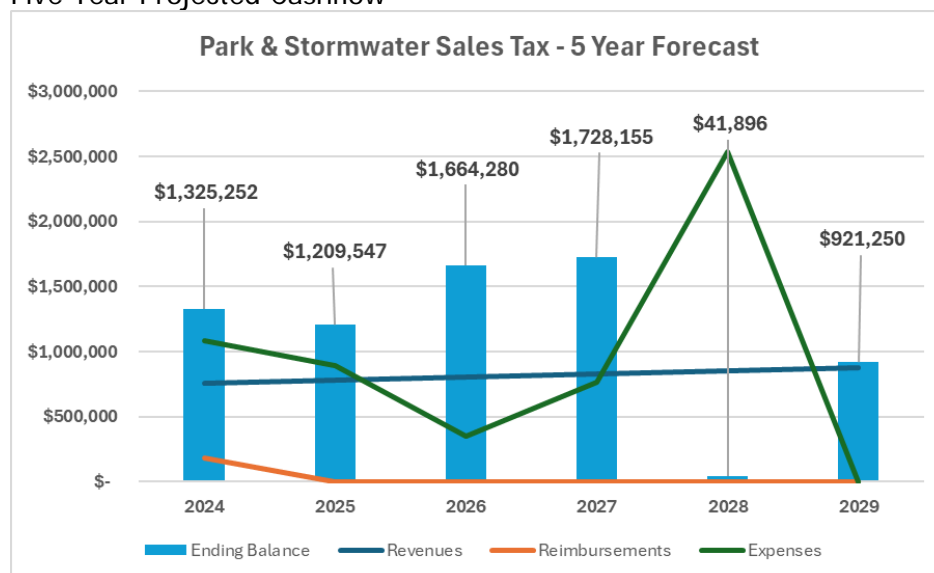
#### Proposed Five Year CIP (FY2025 – FY2029) Parks and Stormwater Sales Tax Fund

Park and Stormwater Sales Tax Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OK Railroad Trail - Phase I (Construction)	\$281,000	-	-	-	-
OK Railroad Trail - Phase I (Grant)	-\$184,000	-	-	-	-
Dundee Road Stormwater Improvements (Engineering)	\$50,000	-	-	-	-
Dundee Road Stormwater Improvements (Construction)	\$150,000	-	-	-	-
Riverwalk & Trail Construction (30% of Construction)	\$600,000	-	-	-	-
<b>Grand Total (Net Cost)</b>	<b>\$897,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

#### Continued

Park and Stormwater Sales Tax Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Forest Oaks Stormwater Improvements (Engineering)	-	\$50,000	-	-	-
Forest Oaks Stormwater Improvements (Construction)	-	\$300,000	-	-	-
Cedar Lakes Stormwater Improvements (Engineering)	-	-	\$25,000	-	-
Cedar Lakes Stormwater Improvements (Construction)	-	-	\$100,000	-	-
Smith's Fork Park Complex (Engineering & Design)	-	-	\$640,000	-	-
Maple Lane Stormwater Improvements (Engineering)	-	-	-	\$50,000	-
Maple Lane Stormwater Improvements (Construction)	-	-	-	\$250,000	-
Smith's Fork Park Complex (Construction, Phase I)	-	-	-	\$2,240,000	-
<b>Grand Total (Net Cost)</b>	<b>\$897,000</b>	<b>\$350,000</b>	<b>\$765,000</b>	<b>\$2,540,000</b>	<b>\$0</b>

#### Proposed FY2025 – Parks and Stormwater Sales Tax Fund Five Year Projected Cashflow



Reimbursement line may include grants, Federal earmarks, and / or state reimbursements.

\* Increases in fund balance is for Smith's Fork Park Complex, currently project in FY2028.

Proposed FY2025 Budget Vehicle and Equipment Replacement Fund (VERF)

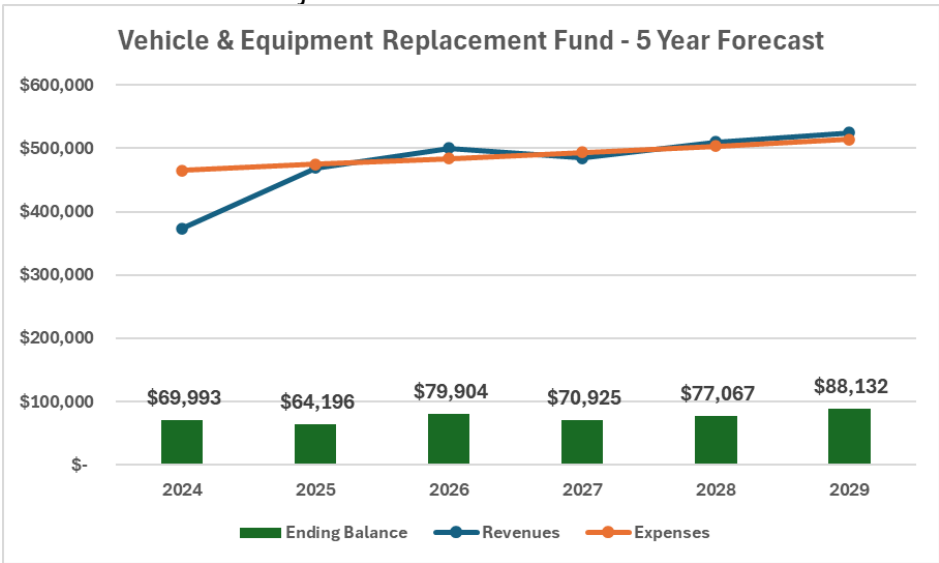
- The City of Smithville is currently leasing 38 vehicles from Enterprise.
- Staff has begun monitoring the reduction in maintenance costs associated with patrol vehicle repair, as well as the overall impact pre and post Enterprise.
- The general fund and utilities fund will be transferring more financial resources into the VERF in the next five years to offset costs associated with rising vehicle lease expenses.

Alderman Russell asked if we have received all of the vehicles we had been waiting for.

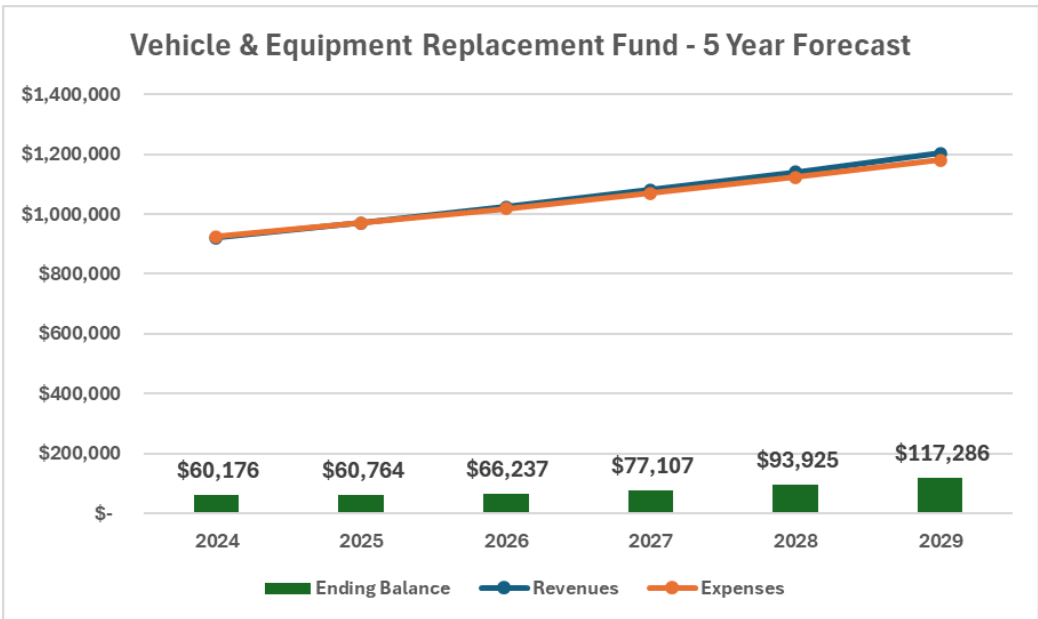
Cynthia explained that all of the fleets we ordered had been delivered.

Vehicle and Equipment Replacement Fund (VERF)

Five Year Cashflow Projection



Proposed FY2025 Budget Sanitation Fund



### Summary of the Sanitation Fund

- As of July 2024, the City of Smithville contracts with GFL to service just over 3,152 regular trash accounts and service just over 552 senior rate trash accounts (available for account holders ages 65 and older). Senior rate trash accounts make up nearly 15% of total accounts.
- GFL will increase the regular (non-senior) City contracted trash rates by 3.66%.
- Monthly trash rate to increase by 4.5% from \$20.16 per month to \$21.07 per month.
- The senior trash rate will have a discount of 15% of regular monthly trash rate (\$17.91).

### Proposed FY2025 – FY2029 Five Year CIP All Funds Total

Capital Improvement Projects - All Funds	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
General Fund	\$100,000	\$550,000	\$100,000	\$100,000	\$100,000
Combined Water & Wastewater Fund - Non Impact Projects	\$5,130,000	\$3,325,000	\$7,650,000	\$2,000,000	\$12,500,000
Combined Water & Wastewater Fund - Water Impact Projects	\$700,000	\$0	\$0	\$0	\$0
Combined Water & Wastewater Fund - Wastewater Impact Projects	\$0	\$0	\$1,150,000	\$0	\$0
Transportation Sales Tax Fund	\$790,000	\$600,000	\$1,130,000	\$750,000	\$650,000
Capital Improvement Sales Tax Fund	\$1,549,875	\$737,920	\$423,420	\$676,420	\$1,202,420
Parks & Stormwater Sales Tax Fund	\$897,000	\$350,000	\$765,000	\$2,540,000	\$0
<b>Grand Total</b>	<b>\$9,166,875</b>	<b>\$5,562,920</b>	<b>\$11,218,420</b>	<b>\$6,066,420</b>	<b>\$14,452,420</b>

**5 Year Grand Total for All Funds: \$46,467,055**

### Proposed FY2025 – All Funds Summary

	2025 Projected Beginning Balance	2025 Proposed Revenues	2025 Proposed Expenditures	2025 Projected Ending Balance
General Fund	3,219,449	6,696,827	7,520,757	2,395,519
Capital Improvement Sales Tax Fund	917,552	3,351,132	4,117,875	150,809
Capital Projects Fund	110,625	12,100	-	122,725
Combined Water/Wastewater Fund	7,271,428	7,143,660	10,276,241	4,138,847
Debt Service Fund	267,740	354,000	354,000	267,740
Park and Stormwater Sales Tax Fund	1,325,252	781,294	897,000	1,209,546
Sanitation Fund	60,176	971,205	970,617	60,764
Special Allocation Fund	2,556,132	856,224	1,136,542	2,275,814
Commons CID Fund	242,632	324,559	362,752	204,439
Transportation Sales Tax Fund	486,707	1,718,624	1,750,000	455,331
Vehicle and Equipment Replacement Fund	69,993	469,000	474,794	64,199
Donation Fund	23,550	14,950	-	38,500
Judicial Education Fund	2,645	-	975	1,670
Technology Upgrade Fund	-	-	-	-
DWI Recovery Fund	13,699	3,650	800	16,549
Police Training Fund	12,333	1,300	3,450	10,183
<b>Grand Total</b>	<b>\$ 16,579,914</b>	<b>\$ 22,698,525</b>	<b>\$ 27,865,803</b>	<b>\$ 11,412,636</b>

The FY2025 Proposed Budget features 16 Budgeted Funds totaling \$22.7 million in revenues and just over \$27.9 million in expenditures.

#### FY2025 Budget Process Schedule

- FY2025 Operating Budget and 5 Year CIP Review: 2<sup>nd</sup> Discussion (TBD)
- Public Hearing for Sewer Rates as Required by Missouri State Statute (October 1)
- FY2025 Operating Budget on 1<sup>st</sup> Reading (October 1)
- Adopt Water & Wastewater Utility Rates by Board Resolution (October 15)
- Adopt the FY2025 Operating and Capital Budget on 2<sup>nd</sup> Reading (October 15)

Alderman Russell asked if the 15% increase for utilities was projected out to 2029.

Rick said that he had not but could in theory, but it is difficult to project. He noted that staff will be analyzing that going forward and looking at rate increases.

Alderman Russell asked if he was correct that we are in year three of the Raftelis Rate Study.

Cynthia explained that we did the Raftelis Rate Study in 2018 and implemented the first increases in 2019. Then in 2021 we had Raftelis come back, they revised the information, and we are in the third year of the revised information. She noted that we have done annual increases since 2019 but prior to that there had not been any increases.

Alderman Russell said that he was elected in 2022 and at that time and the rate study showed a five-year projection with 15% increases until the last year and he believed it was 19%. He said the with the remaining increases 15%, 15% and 19% for a total of 49%, he asked if it would behoove us to entertain a 50% increase and tell the residents they would not have another increase for three years. Alderman Russell said it would save the residents money in the long run because it would not be compounded.

Cynthia explained that the rate study changes every year as we have increased costs, and we change projects, we use the Raftelis study and plug in our scenarios and look at the increases and try to revenues to what we need for expenditures.

Alderman Russell suggested doing the 50% increase and getting some projects done and then not having an increase for the next at least three years.

Alderman Wilson said that you can absorb a small increase each year but not a 50% increase in one year.

#### **4. Adjourn**

Alderman Hartman moved to adjourn. Alderman Kobylski seconded the motion.

Ayes – 6, Noes – 0, motion carries. Mayor Boley declared the Work Session adjourned at 7:11 p.m.

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Linda Drummond, City Clerk

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Damien Boley, Mayor