

SMITHVILLE BOARD OF ALDERMAN

WORK SESSION

March 3, 2020 6:30 p.m.
City Hall Council Chambers

1. Call to Order

Mayor Boley called the meeting to order at 6:30 p.m. Board members present: John Chevalier, Marv Atkins, Steve Sarver, Melissa Wilson, Jeff Bloemker and Josh Hurlbert.

Staff present: Cynthia Wagner, Nickie Lee, Chuck Soules, Chief Jason Lockridge, Dan Toleikis and Linda Drummond.

2. Public Comment

Alicia Armstrong, 105 Highland Drive, spoke to the Board concerning her issues with her sewer line. She stated her sewer had backed up close to her back door and was causing an awful stench. She had a plumber come and her line was blocked. The plumber discovered her sewer line had other sewer lines tied into it and were contributing to her problem. She has only lived in the home since June of last year and none of this was disclosed from the previous owner. She asked that the Board consider helping her resolve the issue.

Cynthia explained that staff is looking into this situation. She said that we continue to evaluate the situation, but it is not an inexpensive fix. We understand the impact to the homeowner, but the issue is with the service line and that is the homeowner's responsibility. Cynthia said that staff will continue to look into situation very seriously and hopefully be able to come up with a solution. She also explained that there are multiple service lines connected to the main line so there are multiple services affected and we are not certain the extent of the situation.

3. FY20 3-Month Budget Update

Dan Toleikis, Finance Director, gave a recap of the FY20 first quarter budget.

FY20 Projections are not updated yet

- *projections are updated at 6-month mark*

FY20 Budget Figures include amendments

- *Amendment #1 approved January 7, 2020*

Expenditures include 7 of the 27 fiscal year payrolls

- *this means approximately 26% of wage-related expenses have already been paid*

Dan explained that the January 2020 budget update in the March 3 Regular Meeting packet had a lot more detailed information for the Board to review.

Dan presented the budget update for the City's major funds.

General Fund

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$4,545,530	\$1,658,253.56
	36.48%

FY20 BUDGETED EXPENDITURES	FY20 YTD EXPENDITURES
\$5,424,590	\$1,129,424.09
	20.82%

\$885,030 FOR 1-TIME EXPENSES
 COMPREHENSIVE PLAN UPDATE
 CITY HALL IMPROVEMENTS
 AMORY ROAD REHABILITATION
 PARK IMPROVEMENTS

\$4,539,560 FOR OPERATIONS

ELECTED OFFICIALS, ADMINISTRATION, POLICE,
 DEVELOPMENT, FINANCE, PARKS & RECREATION

Property Tax Revenue

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$867,400	\$811,351.85
	93.53%

	FY19 PROPERTY TAX	FY18 PROPERTY TAX
<i>THROUGH 1/31</i>	\$763,073.23	\$734,485.90
<i>FY TOTAL</i>	\$855,454.56	\$815,998.09
<i>1/31 AS % OF TOTAL</i>	89.20%	90.01%

PROJECTION

\$867,400	\$901,500
	103.93%
	+ \$34,100

IF THE \$811,351.85 COLLECTED THROUGH JANUARY 31ST REPRESENTS 90% OF WHAT WE WILL COLLECT FOR THE YEAR THEN WE CAN PROJECT THAT WE WILL COLLECT ABOUT \$901,500 WHICH IS \$34,100 OVER BUDGET

Sales Tax Revenue

FY20 BUDGETED REVENUE	FY20 SALES TAX DISTRIBUTION	FY19 SALES TAX DISTRIBUTION	FY18 SALES TAX DISTRIBUTION
<i>NOVEMBER</i>	\$64,848.71	\$51,541.67	\$52,599.11
<i>DECEMBER</i>	\$119,262.88	\$110,352.01	\$142,456.94
<i>JANUARY</i>	\$95,742.77	\$87,252.07	\$73,426.27
\$1,083,250	\$279,854.36	\$254,712.96	\$268,482.32
	25.83%		

CURRENT PROJECTIONS INDICATE A FISCAL YEAR COLLECTION OF \$1,133,100
WHICH IS \$49,850 OVER BUDGET

NOTE: THE \$119,262.88 RECEIVED BY US IN DECEMBER 2019
REPRESENTS THE STATE'S NOVEMBER 1ST TAX DISTRIBUTION
WHICH BREAKS DOWN AS:
\$15,891.98 FOR NOVEMBER 2019
\$54,651.11 FOR OCTOBER 2019
\$47,115.28 FOR SEPTEMBER 2019
\$941.64 FOR OCTOBER 2018 THROUGH JULY 2019
\$662.87 FOR PRIOR TO OCTOBER 2018

Use Tax Revenue

FY20 BUDGETED REVENUE	FY20 USE TAX DISTRIBUTION	FY19 USE TAX DISTRIBUTION	FY18 USE TAX DISTRIBUTION
<i>NOVEMBER</i>	\$18,676.37	\$18,050.45	\$13,681.87
<i>DECEMBER</i>	\$27,355.84	\$20,740.47	\$20,455.87
<i>JANUARY</i>	\$24,370.10	\$26,215.85	\$17,900.37
\$343,280	\$70,402.31	\$65,006.77	\$52,038.11
	20.51%		

CURRENT PROJECTIONS INDICATE A FISCAL YEAR COLLECTION OF \$323,000
WHICH IS \$20,280 UNDER BUDGET

Capital Projects Fund

FY20 BUDGETED EXPENDITURES	FY20 YTD EXPENDITURES
\$1,882,370	\$374,781.37
RTP GRANT REIMBURSEMENT	19.91%

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$238,120	\$0.00
SOUTH COMMERCIAL SIDEWALKS MAIN STREET TRAIL DOWNTOWN STREETScape EAST PHASE	0.00%

Capital Improvement Sales Tax Fund

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$475,080	\$126,476.53
	26.62%

FY20 BUDGETED EXPENDITURES	FY20 YTD EXPENDITURES
\$798,910	\$0.00
	0.00%

\$242,630 FOR DOWNTOWN STREETScape EAST PHASE

\$556,280 TRANSFER TO DEBT SERVICE FUND

Debt Service Fund

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$556,280	\$0.00
	0.00%
FY20 BUDGETED EXPENDITURES	FY20 YTD EXPENDITURES
\$325,020	\$0.00
	0.00%

DEBT SERVICE PAYMENTS ARE DUE 3/1 AND 9/1

Transportation Sales Tax Fund

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$475,080	\$127,731.67
	26.89%
FY20 BUDGETED EXPENDITURES	FY20 YTD EXPENDITURES
\$380,000	\$22,845.42
	6.01%

\$200,000 FOR DOWNTOWN
STREETSCAPE EAST PHASE

\$60,000 FOR ENGINEERING FEES (ROUNDBOUT)
\$120,000 FOR PUBLIC WORKS OPERATIONS (STREETS)

Combined Water and Wastewater System Fund

	FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$3,535,250 SALES & PENALTIES \$631,710 IMPACT FEES \$214,440 CONNECTION, STORMWATER, AND LEASE REVENUE	\$4,381,400	\$1,032,185.30
		23.56%

	FY20 BUDGETED EXPENDITURES	FY20 YTD EXPENDITURES
<u>\$3,181,030 FOR 1-TIME EXPENSES</u> WASTEWATER MASTER PLAN SEWER SLIPLINE PROGRAM RAW WATER PUMP STATION MAIN STREET WATERLINE 144 TH STREET PUMP STATION HAWTHORNE SEWER PROJECT	\$6,690,170	\$822,744.97
		12.30%

\$3,509,140 FOR PUBLIC WORKS OPERATIONS (UTILITIES)

Water and Wastewater Sales Revenue

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$3,490,250	\$871,167.49
	24.96%

THROUGH 1/31
FY TOTAL
1/31 AS % OF TOTAL

FY19 WATER SALES	FY18 WATER SALES
\$799,542.12	\$770,671.07
\$3,435,824.75	\$3,431,336.31
23.27%	22.46%

PROJECTION

\$3,490,250	\$3,787,680
	108.52%
	+ \$294,430

IF THE \$871,167.49 COLLECTED THROUGH JANUARY 31ST REPRESENTS 23% OF WHAT WE WILL COLLECT FOR THE YEAR THEN WE CAN PROJECT THAT WE WILL COLLECT ABOUT \$3,787,680 WHICH IS \$294,430 OVER BUDGET

Sanitation Fund

FY20 BUDGETED REVENUE	FY20 YTD REVENUE
\$840,360	\$202,934.85
	24.15%
FY20 BUDGETED EXPENDITURES	FY20 YTD EXPENDITURES
\$835,290	\$276,048.75
	33.05%

Dan explained that the 33.05% for the expenditures of the Sanitation Fund was due to already paying \$10,000 to MARC for the Household Hazardous Waste contract. It also included a double payment to WCA, so it reflects payment of four months instead of three.

Alderman Chevalier asked how that happened?

Dan explained that we receive the invoice from WCA on the 25th of the month for the next month's service. We pay WCA and then City sends out the utility bills on the 3rd of the month to collect the revenue to re-coop the expense. While he was out of the office there was an oversight and the bill was paid twice. He explained that when paying the bills, you have to pull the vendors up to see if they have been paid and the person covering for him did not do the due diligence and check the vendor history before paying the bill. He explained that we just didn't cut a check for the February bill.

4. Adjourn

Alderman Hurlbert moved to adjourn the Work Session. Alderwoman Wilson seconded the motion.

Ayes – 6, Noes – 0, motion carries. Mayor Boley declared the Work Session adjourned at 6:57 p.m.


Linda Drummond, City Clerk


Damien Boley, Mayor