

SMITHVILLE BOARD OF ALDERMAN

WORK SESSION

August 17, 2021, 5:30 p.m.
City Hall Council Chambers

Due to the COVID-19 pandemic this meeting was held via teleconference.

The meeting was streamed live on the city's FaceBook page.

1. Call to Order

Mayor Boley, present at City Hall via Zoom, called the meeting to order at 5:30 p.m. A quorum of the Board was present via Zoom meeting: Steve Sarver, Marv Atkins, Kelly Kobylski, Dan Ulledahl, John Chevalier and Dan Hartman.

Staff present via Zoom: Cynthia Wagner, Anna Mitchell, Chuck Soules, Chief Lockridge, Matt Denton, Stephen Larson, Jack Hendrix, Linda Drummond.

2. Discussion of FY21 9-Month Budget Update

Stephen Larson, Finance Director, presented the FY21 9-month budget update.

- *FY21 projections are updated for Q3.*
- *FY21 budget figures include budget amendments approved by the Board:*
 - *Budget Amendment #1*
 - *Budget Amendment #2*
 - *Budget Amendment #3*
 - *Budget Amendment #4*
 - *Budget Amendment #5*
 - *Budget Amendment #6*
 - *Budget Amendment #7*
- *Expenditures include 19 of the 26 fiscal year payrolls. 73% of wage related expenses have been paid through 19 payrolls.*

General Fund

General Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Revenues	\$4,634,040	\$5,182,612	\$4,142,658	89.40%

- *Higher FY21 projection primarily driven by use tax collections, building permit revenue, and CARES Transfer In of remaining funds (\$239,288)*

General Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Expended
Expenditures	\$5,965,540	\$5,727,496	\$3,846,235	64.47%

One Time Capital Improvement and Professional Services Expenses

- *City Hall Renovation (\$315,000) – Project Complete With 1 Pay App Remaining*
- *Downtown Streetscape East (\$105,000) – In Progress*
- *Transportation Master Plan (\$99,000) – In Progress*
- *Streets & Parks Facility Design/Engineering (\$250,000) - To Begin Shortly*

Property Tax Revenue

General Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Property Tax Revenues	\$886,950	\$925,841	\$924,903	104.28%

TIF property tax (PILOTS) owed for jurisdictions for the Marketplace has been paid to taxing entities. TIF property tax that is owed to the TIF from these jurisdictions has been transferred into the Special Allocation Fund.

Property Tax Revenue

3 Year Trend History of Quarter 3



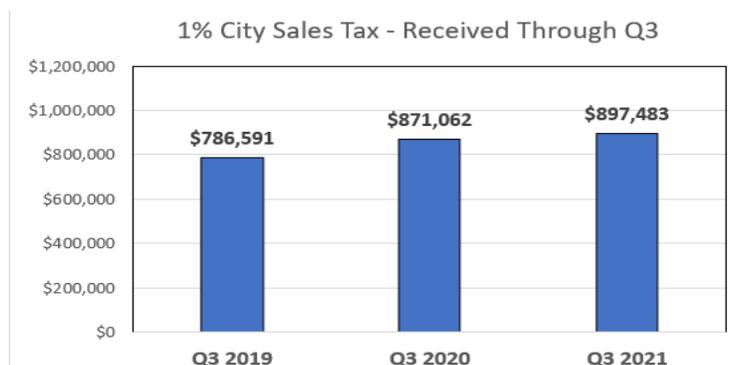
Sales Tax Revenue

General Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Sales Tax Revenues	\$1,205,020	\$1,209,198	\$897,483	74.48%

- *The City, on average in the past 3 years, receives 71% of sales tax annual revenue by the 3rd quarter of the fiscal year.*

Sales Tax Revenue

3 Year Trend History of Quarter 3

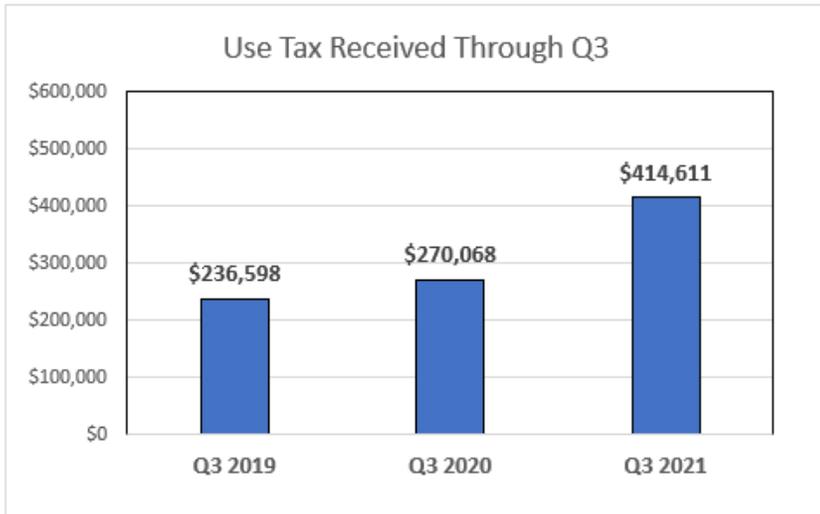


Use Tax Revenue

General Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Use Tax Revenues	\$414,260	\$550,250	\$414,611	100.08%

- *The City, on average in the past 3 years, receives 69.5% of use tax annual revenue by the 3rd quarter of the fiscal year.*

Use Tax Revenue
3 Year Trend History of Quarter 3



Capital Projects Fund

Capital Projects Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Revenues	\$273,000	\$547,250	\$214,478	78.56%

- *Received portion of DNR Grant for Main Street Trail - \$208,000. \$291,000 is expected and staff is working on reimbursement process.*
- *Payments in Lieu of Dedication -> \$7,000*

Capital Projects Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Expended
Expenditures	\$1,737,440	\$1,737,440	\$1,257,909	72.40%

- *Main Street Trail – Project Completed and Final Pay App Processed*
- *Downtown Streetscape East: \$523,440 Budgeted in Fund*

Capital Improvement Sales Tax Fund

Capital Improvement Sales Tax	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Revenues	\$530,750	\$615,250	\$469,398	88.44%

- The City, in the past year, received **69%** of capital improvement sales tax annual revenue by the 3rd quarter of the fiscal year.
- Capital Improvement Sales Tax **is not subject** to TIF EATS collections.

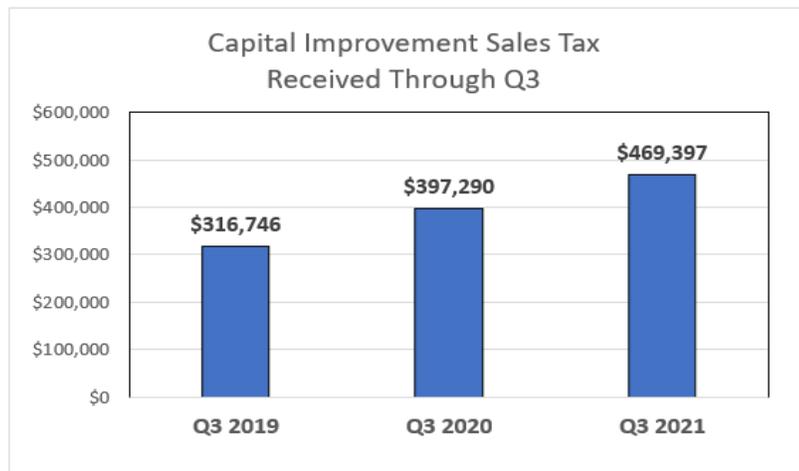
Capital Improvement Sales Tax	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Expended
Expenditures	\$952,250	\$952,250	\$542,373	56.96%

Budget and projections figure include Budget Amendment #8 Transfer In

- Downtown Streetscape East: **\$410,000** Budgeted in Fund
- Transfer to Debt Service Fund for Payments: **\$342,190**
- Budget Amendment #8: Transfer **\$200,000** to assist with Capital Projects Fund

Capital Improvement Sales Tax Revenue

3 Three Trend History of Quarter 3



Debt Service Fund

Debt Service	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Revenues	\$342,190	\$342,190	\$342,190	100.00%

- Transfer in of **\$342,190** from the Capital Improvement Sales Tax Fund to support Debt Service payments.

Debt Service	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Expended
Expenditures	\$329,860	\$329,860	\$231,263	70.11%

- *GO Debt Payments (for Series 2018 and Series 2019) were made on March 1, 2021, and are scheduled for payment on September 1, 2021*

Transportation Sales Tax Fund

Transportation Sales Tax	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Revenues	\$530,750	\$558,000	\$418,689	78.89%

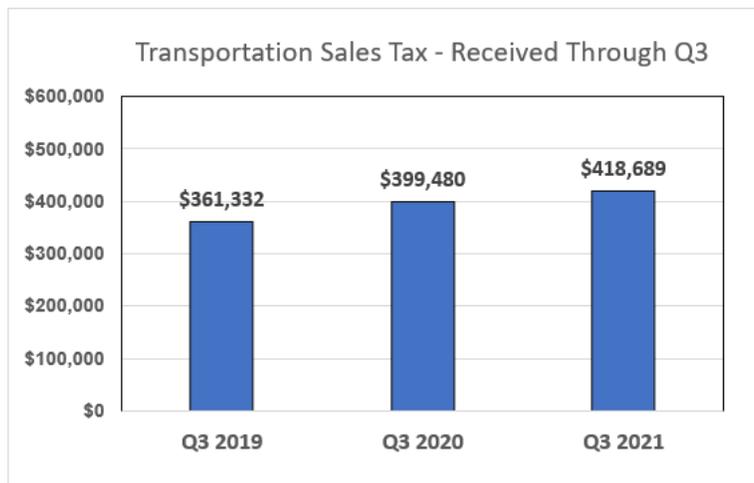
- *The City, on average in the past 3 years, receives 70.3% of transportation sales tax annual revenue by the 3rd quarter of the fiscal year.*
- *Transportation Sales Tax is subject to TIF EATS collections.*

Transportation Sales Tax	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Expended
Expenditures	\$1,105,820	\$1,092,041	\$215,964	19.53%

Budget and projections figure include Budget Amendment #8 Transfer In

- *Bridgeport Roundabout Design (\$99,000) – In Progress*
- *2021 Street Maintenance Program (Rock Creek) (\$605,000) – In Progress*
- *Downtown Streetscape East (\$169,000) – In Progress*

Transportation Sales Tax Revenue
3 Year Trend History of Quarter 3



Special Allocation Fund (TIF/CID)

Special Allocation Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Revenues	\$520,000	\$529,045	\$358,316	68.91%

- *TIF EATs (Economic Activity Taxes), PILOTs, and CID (Community Improvement District) Sales Tax (1%) have all been collected and deposited into the fund*

Special Allocation Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Expended
Expenditures	\$520,000	\$520,000	\$0	0.00%

- *Economic development legal counsel has not received updated certified costs from Developer yet (therefore, no disbursement of funds).*

Combined Water and Wastewater System Fund

CWWS Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Received
Revenues	\$4,808,890	\$4,919,703	\$3,581,274	74.47%

- *Water and Wastewater Sales: 87% of Revenue Budget*
- *Penalties and Disconnects: 1% of Revenue Budget*
- *Water and Sewer Impact Fees: 8% of Revenue Budget*
- *Connection, Stormwater, and Interest: 4% of Revenue Budget*

CWWS Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% of Budget Expended
Expenditures	\$7,525,260	\$5,925,614	\$2,514,879	33.42%

- *One Time Capital Improvement and Professional Services Expenses*
 - *Wastewater Master Plan - Completed*
 - *Main Street Waterline – Completed*
 - *Raw Water Pump Station, Valve Box, Zebra Mussel – To Begin Shortly*
 - *Slipline Sewer Program – Completed*

Water and Wastewater Sales Revenue

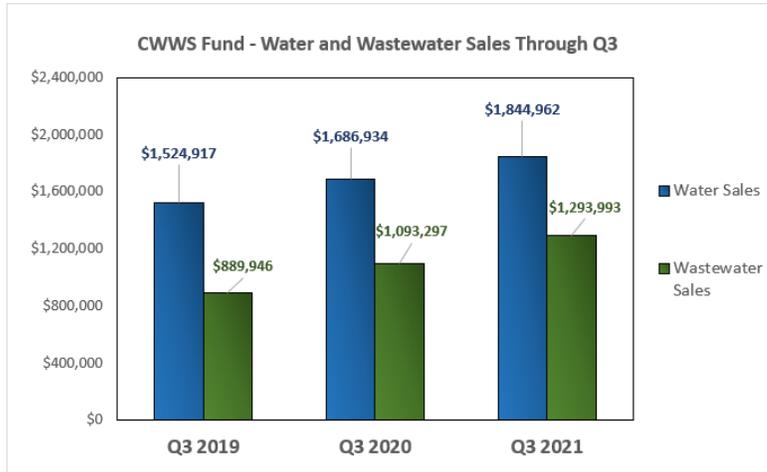
CWWS Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% Received of Budget
Water Sales	\$2,493,650	\$2,586,756	\$1,844,962	73.99%

- *The City, on average in the past 3 years, receives 69.3% of water sales annual revenue by the 3rd quarter of the fiscal year.*

CWWS Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% Received of Budget
Wastewater Sales	\$1,689,910	\$1,705,397	\$1,293,993	76.57%

- *The City, on average in the past 3 years, receives 72.6% of wastewater sales annual revenue by 3rd quarter of the fiscal year.*

Water and Wastewater Sales Revenue 3 Year Trend History of Quarter 3



Sanitation Fund

Sanitation Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% Received of Budget
Revenues	\$890,550	\$867,351	\$652,137	73.23%

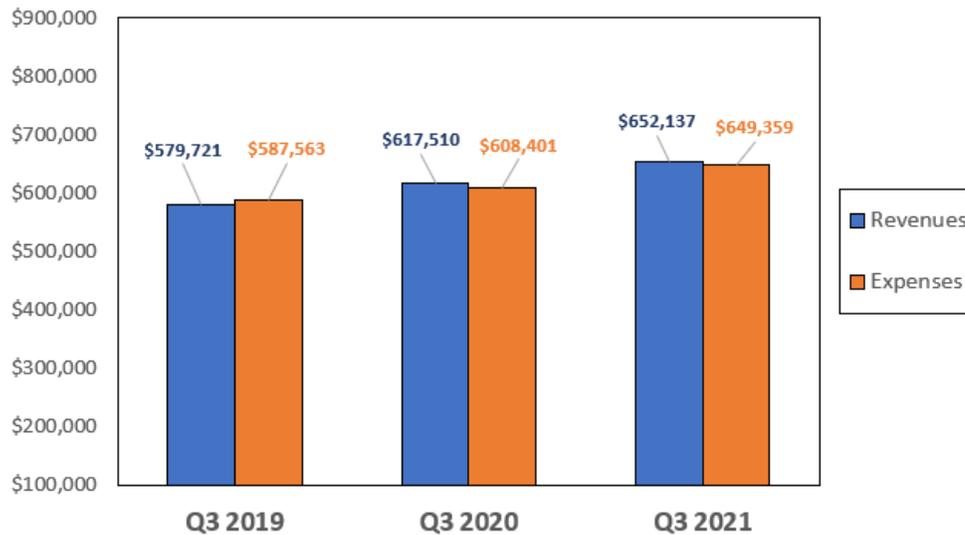
- *The City, on average in the past 3 years, receives 74.5% of solid waste annual revenue by the 3rd quarter of the fiscal year.*

Sanitation Fund	FY21 Budgeted	FY21 Projections	FY21 YTD	% Expended of Budget
Expenditures	\$885,710	\$864,412	\$649,359	73.32%

- *The City pays GFL (Green For Life) on a monthly basis for waste collection services.*
- *The City also pays to participate in the Household Hazardous Waste collection program administered by MARC which is funded by the Sanitation Fund.*

Sanitation Fund – 3 Year Trend History of Quarter 3

Sanitation Fund - Revenues and Expenses Through Q3



Park and Stormwater Sales Tax Fund

Park & Stormwater Sales Tax	FY21 Budgeted	FY21 Projections	FY21 YTD	% Received of Budget
Revenues	\$442,290	\$565,960	\$424,470	95.97%

- Initial collections of Park & Stormwater Sales Tax occurred **November 2020**.
- Park & Stormwater Sales Tax **is not subject** to TIF EATS collections.

Park & Stormwater Sales Tax	FY21 Budgeted	FY21 Projections	FY21 YTD	% Expended of Budget
Expenditures	\$225,000	\$225,000	\$46,953	20.87%

- Park Improvements (near Splash Pad) (\$25,000)
- P&R Master Plan and Trails & Connectivity Plan (\$100,000)
- Stormwater Project(s) (\$100,000)

VERF (Vehicle and Equipment Replacement Fund)

VERF	FY21 Budgeted	FY21 Projections	FY21 YTD	% Received of Budget
Revenues	\$165,000	\$91,971	\$91,971	55.74%

- *\$40,000 in seed funds transferred from the General Fund to the VERF.*
- *Additional \$125,000 budgeted for sale of turn-in vehicles.*
- *11 turn-in vehicles have sold through July 2021*

VERF	FY21 Budgeted	FY21 Projections	FY21 YTD	% Expended of Budget
Expenditures	\$125,000	\$65,838	\$42,092	33.67%

- *Enterprise leasing expenses were first incurred in February 2021.*

The Board did not have any questions on the FY21 9-month budget update.

3. Discussion of FY22 Proposed Operating Budget

Stephen presented the proposed operating budget. He began by thanking the Department Directors for working with him on his first budget and helping him to understand the City and how all the expenses work. He also thanked Cynthia and appreciated getting to work with her in preparing this budget. Stephen told the Board that he was really looking forward to getting their input and feedback on the CIP projects and department budgets.

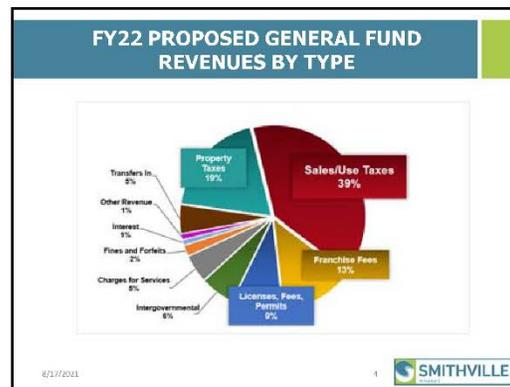
General Fund

FY22 PROPOSED GENERAL FUND REVENUE SUMMARY				
General Fund Revenues	Actual FY20	FY21 Budget	Projected FY21	FY22 Proposed Budget
Property Taxes	895,583	896,950	925,841	925,099
Sales and Use Taxes	1,772,287	1,696,150	1,851,313	1,882,351
Franchise Taxes	710,418	681,430	668,090	648,090
Licenses, Fees, and Permits	390,263	352,940	447,135	447,058
Intergovernmental Revenues	288,712	334,880	325,734	333,892
Charges for Services	214,339	230,560	282,894	236,270
Fines and Forfeits	144,336	168,980	141,385	111,900
Interest	116,770	45,000	45,000	46,800
Other Revenue	46,400	27,960	56,782	29,210
Transfers In	174,520	299,170	448,458	248,340
Total Revenues	4,763,608	4,634,940	5,192,617	4,919,620

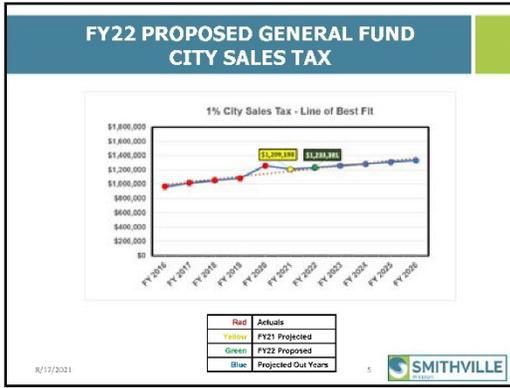
Sales and Use Taxes Category also includes Motor Vehicle Sales Taxes

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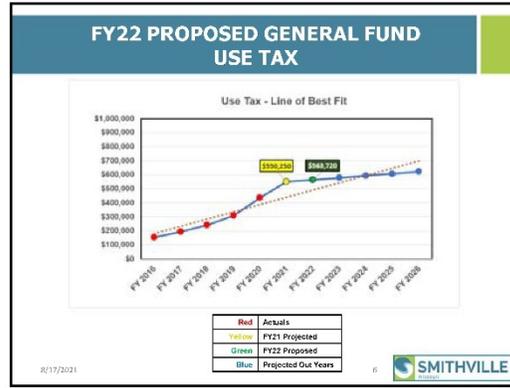
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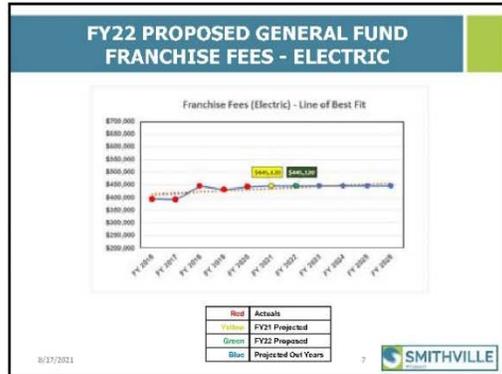
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FY22 PROPOSED GENERAL FUND KEY OPERATING ASSUMPTIONS

Assumption	Operating Expenditure
3% Increase	Average Salary Merit Pool (May 2022)
10% Increase	Healthcare/Insurance Employer Expense
3% Increase	Electric Utility (Energy) Expense
3% Increase	Gas Utility (Spine) Expense
\$2.75 / Gallon	Automotive Fuel Per Gallon (Up from \$2.50 / Gallon)
\$1.59 / Gallon	Propane Costs Per Gallon (Up from \$1.25 / Gallon)
3% Increase	Dispatching Costs

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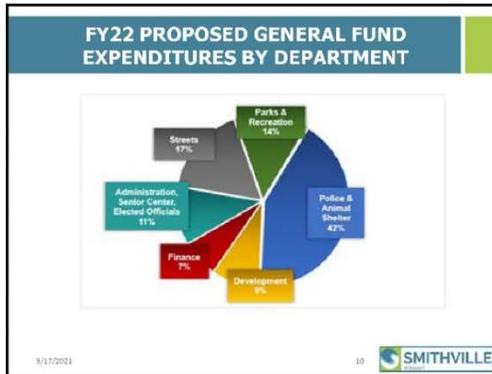
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FY22 PROPOSED GENERAL FUND EXPENDITURE SUMMARY

General Fund Expenditures	Actual FY20	FY21 Budget	Projected FY21	FY22 Proposed Budget
Personnel Services	3,318,297	3,604,200	3,345,448	3,689,430
Contractual Services	388,535	810,530	816,894	736,040
Commodities	678,954	584,258	841,117	520,110
Capital Outlay	548,103	648,500	678,540	184,600
Transfers Out	-	40,000	40,000	20,000
Total Expenditures	4,934,029	5,687,540	5,727,998	5,170,180

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FY22 PROPOSED GENERAL FUND EXPENDITURE HIGHLIGHTS

Amount	Highlighted Expenditure
\$135,000	Replacement of 3 Police Vehicles (One-Time) (Vehicles leased through Enterprise or purchased via cooperative bid)
\$20,000	Annual VERF Support (with \$20,000 coming from the General Fund and \$20,000 from the CWWS Fund, for a total of \$40,000 in support)
\$14,000	DirectionFinder: Citizen Survey (One-Time)
\$10,000	Wide Format Plotter/Printer to print maps/scan large planning documents (\$10,000 budgeted in General Fund and \$10,000 budgeted in CWWS Fund), (One-Time)
\$50,000	GIS/Asset Management (\$100,000 Total: \$50,000 coming from General Fund and \$50,000 from CWWS Fund) (One-Time)

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FY22 PROPOSED GENERAL FUND EXPENDITURE HIGHLIGHTS (Continued)

Amount	Highlighted Expenditure
\$75,000	Campground Electrical Upgrades (Phase II and Phase III) Capital Improvement Project. This is supported through the CAREs Funding Transfer into General Fund (One-Time)
\$20,000	Purchase of 10 Patrol Rifles (One-Time)
\$8,000	Contracted Snow Removal for Servicing an Additional Neighborhood
\$2,000	Additional Newsletter Postings and Improved Formatting
\$3,300	Ongoing/Annual Expense for INCODE Development Module (to bring efficiency in software operations and coordination to department)
\$540	Janitorial Services Renewal with City Wide Maintenance

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FY22 PROPOSED GENERAL FUND UNFUNDED REQUESTS

Unfunded Requests
Implementation of Classification and Compensation Study Recommendations
Neighborhood Grant for Neighborhood Beautification and Improvements
1 Parks Maintenance Worker Position
1 Communications/Marketing/Event Coordinator Position
1 Street Maintenance Worker Position

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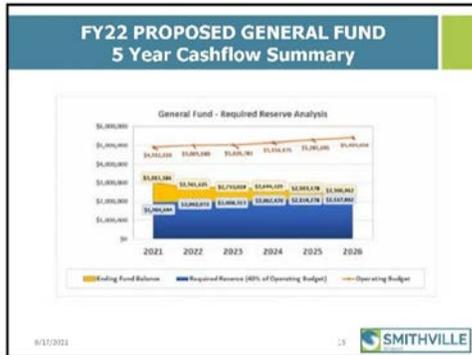
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FY22 PROPOSED GENERAL FUND NET CHANGE IN FUND BALANCE

	Actual FY20	Projected FY21	Proposed FY22
Beginning Fund Balance	\$3,728,491	\$3,558,070	\$3,013,186
Total Proposed Revenues	\$4,763,608	\$5,182,412	\$4,918,620
Total Proposed Expenses	\$4,934,029	\$5,727,496	\$5,170,180
Net Change in Fund Balance	(170,421)	(\$44,884)	(251,560)
Ending Fund Balance	\$3,558,070	\$3,013,186	\$2,761,625

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Alderman Hartman asked Chief Lockridge to expand on the purchase of patrol rifles? He had a resident with questions. Will they go in all the patrol vehicles? Where will they be stored? Are the training and ammunition cost factored in?

Chief Lockridge noted this includes the purchase of the rifles and any peripheral on the rifles which would include lights, slings, optic systems, mounts for the cars and the training to get the officers qualified.

Mayor Boley added that at this time, the officers carry rifles in their patrol cars use their own personal rifles.

Mayor Boley asked if staff had a ballpark figure for the FY22 proposed general fund unfunded requests?

Cynthia noted that for the implementation of Classification and Compensation Study we do not. With regard to the Neighborhood Grant, Anna Mitchell, Assistant City Administrator has been doing some research to see what other communities are doing and it could be anywhere from \$20,000 to \$200,000. The Parks Maintenance Workers and the Communications/Marketing/Event Coordinator were included in the Parks Master Plan. Staff would like to be able to fund all three positions in the near future. She explained that we are waiting to see the results of the Pay and Classification Study so we will have a better idea of the comparability of the salaries

between parks maintenance and street maintenance employees. Staff would like to be able to bring this discussion to the Board once we have a better understanding of the Pay and Classification Study for what the cost might be related to those new positions.

Mayor Boley asked if the position were open would we be able to fill them?

Matt Denton, Parks Director stated that for the last parks maintenance position they had three competitive applicants.

Chuck Soules, Public Works Director stated that they have two utility worker positions open now and have had difficulty with having people show up for the interview. For street maintenance worker they had a position open about a year ago and had a couple of applicants at that time.

Cynthia noted that she did not know if there would be a priority in which position was filled but as a City Administrator, she believes it is more important for the implementation of Classification and Compensation study to ensure that current employees are where they need to be for classifications. So, if there are salary adjustments that need to be made, looking at benefits and making sure that we are taking care of our current employees competitively against the market so that we are not only an employer that people want to stay with but an employer that people would want to work for. Cynthia said she believes that is the first step to recruiting as well.

Mayor Boley said he does not disagree and understands it is the top priority, he just wondered where we sat currently with being able to recruit. He noted that with the new newsletter the marketing/event coordinator position is also important especially with the Senior Center and the Courtyard getting more activity and with the growth of our rec programs. Mayor Boley said that even if the market/event coordinator position was a part-time position we would have plenty of work for them.

Alderman Atkins asked if the Neighborhood Grant would come from the City's budget or are we seeking federal grants?

Alderman Chevalier explained that he saw this in other neighboring communities where they offered a grant to HOA's to partner with the city to help put signage, help with park land structure to help make the city look better.

Mayor Boley noted that there are a few HOA's that would like to make improvements if there were matching funds to help them with the cost.

Cynthia noted that the City would be granting money to those neighborhoods.

Alderman Chevalier asked Cynthia what she would recommend starting a program like this?

Cynthia explained that Liberty's program has been implemented for a while and then she believes they have \$200,000 in their grant program and they give grants of anywhere from \$5,000 to \$25,000. She suggested starting the program with an amount of \$25,000 to \$50,000 and do \$5,000 to \$10,000 match grants could be something the Board could look at. She noted that if this was something the Board would like to look at, staff could put a placeholder number in and obviously bring a program forward for the Board to discuss. She thinks that starting small and seeing what kind of success we would have would certainly be a place to start.

Alderman Chevalier said that he would be in agreement with that recommendation if other members of the Board were.

Cynthia reminded the Board that any funds used from the unfunded requests would continue to reduce the fund balance access that we have.

Mayor Boley suggested leasing the plotter versus buying would save funds. He said something would have to give or the budget would be that much more out of balance.

Alderman Chevalier stated that he is not against reducing the excess reserve cash. He noted that the City has healthy reserves, and he is not a supporter of having taxpayer's money just sitting. He said if there are ways to use those funds to improve the community that would be a better use of the funds.

Mayor Boley said that this could be something that we try and see what kind of a response we get and if we do not get a very good response from the HOA's maybe next year we decrease the funds or if it is popular, we look at increasing the funds.

Alderman Kobylski said she would like to move forward with it.

Mayor Boley asked if the Board all agreed to start off with the amount of \$25,000.

Alderman Atkins said he agreed we should start off with a smaller amount. He noted that we have a lot of things to do for the City first.

Alderman Sarver agreed with the \$25,000.

Alderman Chevalier noted that the distribution of the grant money should be a case-by-case basis. He suggested that if some neighborhoods would supply labor that could possibly go toward their match.

Mayor Boley clarified that Alderman Chevalier wished to include in-kind as part of the match.

Cynthia stated that she had direction from the Board to include \$25,000 in the FY22 budget and staff will begin working on a program to bring forward for

recommendation for Board review and approval so it could be implemented November 1 with the fiscal year.

Stephen continued with the Transportation Sales Tax Fund.

TRANSPORTATION SALES TAX FUND Proposed 5 Year CIP

Capital Improvement Project	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Annual Asphalt Overlay Program		\$300,000	\$300,000	\$300,000	\$300,000
Asphalt Overlay - Turner Road Program (10 to 15 mile stretch)	\$200,000	-	-	-	-
Asphalt Overlay - Inwood Blvd	\$100,000	-	-	-	-
4th Street Turnover Road Repairs (Other 10th Transportation)	\$100,000	-	-	-	-
Commercial Street Sidewalks (Engineering)	-	\$75,000	-	-	-
Commercial Street Sidewalks (S&C - Reimbursement)	-	-	(\$50,000)	-	-
Commercial Street Sidewalks (Construction)	-	-	\$600,000	-	-
Grand Total (Net Cost)	\$400,000	\$375,000	\$450,000	\$300,000	\$300,000

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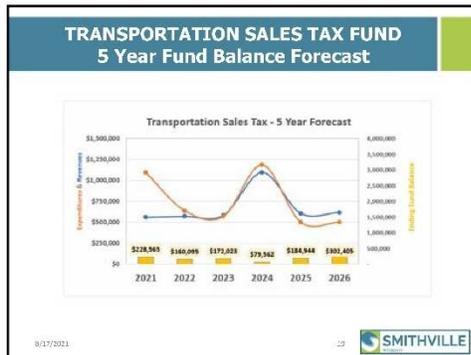
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TRANSPORTATION SALES TAX FUND Pending Projects (Outside 5 Year CIP)

Pending Capital Improvement Projects	Cost Estimate
2nd Street Asphalt Overlay (10th to Bridge)	\$75,000
Diamond Crest Asphalt Overlay	\$175,000
Marlton Ave Asphalt Overlay (North of Harrison & South of 10th)	\$222,000
10th Street Asphalt Overlay (10th Street to 10th Jefferson)	\$132,000
Highlander Asphalt Overlay (Remaining Roads)	\$70,000
Highland Avenue Asphalt Overlay (Huffman to 14th)	\$50,000
South Main Street Asphalt Overlay	\$200,000
13th Street Asphalt Overlay (Road Agreement with County)	\$100,000
170th Street Asphalt Overlay (Road Agreement with County)	\$60,000
South Bridge Street - Asphalt Curb, Stormwater	\$144,000
South Hill Street Curb & Stormwater	\$30,000
Steel Creek/Blue Outflying Convention City Parking Lot	700
Pipe Lane Connection	1000
Grand Total (Net Cost)	\$2,118,000

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CAPITAL IMPROVEMENT SALES TAX FUND Proposed 5 Year CIP

Capital Improvement Project & Debt Service	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Annual Transfer to Debt Service	\$361,560	\$364,845	\$367,830	\$364,875	\$371,930
Downtown Streetscape 10th (Bridge Street Engineering)	\$97,000	-	-	-	-
Downtown Streetscape 14th (Bridge Street Construction)	-	\$610,000	-	-	-
S&C Reimbursement (Downtown Streetscape)	-	(\$400,000)	-	-	-
Downtown Gateway Sign (Engineering)	-	\$75,000	-	-	-
Downtown Gateway Sign (Construction)	-	-	\$200,000	-	-
Grand Total (Net Cost)	\$448,560	\$746,845	\$357,830	\$364,875	\$371,930

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PARK & STORMWATER SALES TAX FUND Proposed 5 Year CIP

Capital Improvement Project	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Diamond Creek Neighborhood Plan	\$275,000	-	-	-	-
Stormwater Master Plan	\$158,000	-	-	-	-
Quincy/Owens Park and Stormwater Engineering	\$60,000	-	-	-	-
Emerald Ridge Neighborhood Park & Signage	-	\$100,000	-	-	-
Quincy/Owens Park and Stormwater Construction	-	\$100,000	-	-	-
Heritage Park - 2 Shuttle Routes & Signage	-	-	\$150,000	-	-
Annual Stormwater Program (Projects, T&E)	-	-	\$100,000	\$100,000	\$100,000
Smiths Fork Park - Sign Costs	-	-	-	\$300,000	\$300,000
Grand Total (Net Cost)	\$493,000	\$258,000	\$350,000	\$400,000	\$400,000

Board of Aldermen, Council approved the "Park and Stormwater Sales Plan" on July 16, 2021 (Resolution 020). Staff have prepared the attached presentation to facilitate the 5 Year CIP.

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Mayor Boley asked if we should be doing the Quincy/Owens stormwater before we have Stormwater Master Plan?

Chuck explained that the Quincy/Owens stormwater issue has been a problem area since before he came to work for the City. He said that it could be put off until we have the Stormwater Master Plan. He noted that we could still use the \$60,000 for the engineering for whatever the first priority is.

Mayor Boley asked if the City was doing work over around the Quincy/Owens area around Fourth Terrace and would we be adding multiple detours if we were working on both areas?

Chuck said that we are doing waterline work and curbs over around Fourth Terrace so we would have to coordinate it.

Mayor Boley noted that we were also doing sewer work over on Highland and Quincy.



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**COMBINED WATER & WASTEWATER SYSTEM FUND
Proposed 5 Year CIP**

Capital Improvement Project	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Vehicle & Equipment Replacement Fund Transfer	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Finish Raw Water Pump & Conveyance Station (Engineering)	\$100,000	-	-	-	-
4th Street and 4th Terrace (Engineering)	\$60,000	-	-	-	-
4th Street and 4th Terrace (Construction)	\$300,000	-	-	-	-
Flushing Aerator	\$200,000	-	-	-	-
Water Plant Lagoon Cleaning	\$150,000	-	-	-	-
MSAC System (Construction)	\$20,000	-	-	-	-
GIS Asset Management (Civil Staff Salary with credits)	\$10,000	-	-	-	-
UV Light (Construction)	\$40,000	-	-	-	-
Utility Rate Study (Study)	\$25,000	-	-	-	-
Wastewater Treatment Plant Expansion (Engineering & Right of Way)	\$200,000	-	-	-	-

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**COMBINED WATER & WASTEWATER SYSTEM FUND
Proposed 5 Year CIP (Continued)**

Capital Improvement Project	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
14th Street Lift Station (Construction)	\$1,500,000	-	-	-	-
West Square 14th Street Lift Station (Construction)	\$2,500,000	-	-	-	-
Road Closing 11 th Station (Engineering)	\$700,000	-	-	-	-
Road Reconstruction at 11 th Station	\$200,000	-	-	-	-
Water Plant Expansion (Engineering)	\$1,000,000	\$1,000,000	-	-	-
Road Closing 11 th Station (Construction)	\$100,000	-	-	-	-
Construction Work at 14th St. Right of Way	-	-	\$50,000	-	-
Highway 82 & Commercial Station (Engineering)	-	-	\$50,000	-	-
Highway 82 & Commercial Station (Construction)	-	-	\$700,000	-	-
Highway 82 & Commercial Station (Construction)	-	-	\$200,000	-	-
14th Street to 14th Street Gravel Line (Construction)	-	-	\$3,000,000	-	-
Water Plant Expansion (Construction)	-	-	\$3,000,000	\$2,000,000	-
Wastewater Treatment Plant Expansion (Phase I & Engineering)	-	-	-	-	\$600,000
Grand Total (Net Cost)	\$1,900,000	\$4,440,000	\$1,640,000	\$8,470,000	\$1,600,000

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**COMBINED WATER & WASTEWATER SYSTEM FUND
Pending 5 Year CIP**

Capital Improvement Project	Cost Estimate
F Highway Water Line Replacement	\$300,000
Quincy Waterline Replacement (Engineering & Construction)	\$600,000
Main Street Waterline (Water Crossing to Liberty) (Engineering & Construction)	\$250,000
Water Plant 12 th Station (Engineering & Construction)	\$700,000
14th Street Waterline (Construction to 14th Street) (Engineering & Construction)	\$700,000
Chemical Branch Gravelly Line #1*	\$2,000,000
Chemical Branch Gravelly Line #2*	\$2,000,000
Chemical Branch Gravelly Line #3*	\$2,500,000
Wastewater Treatment Plant Expansion (Construction)	\$4,000,000
Grand Total (Net Cost)	\$13,650,000

*CIP need is necessitated by population growth/expansion

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Mayor Boley asked why Forest Oaks was still on the list?

Stephen said that it is still on there to see if it were something the Board still would like to do. He noted that in the Work Session we talked about how the cost benefit analysis is not there, but we can certainly take it off the CIP.

Chuck noted that if a development comes in, we would hope that the development would help pay for it or at least participate at some level as we work our way south.

Mayor Boley noted that it is slated for 2025 for construction but we do not have the engineering figured for it. He also stated that the right of way acquisition for it was going to be difficult. Mayor Boley said with all the difficulties and the \$3,000,000 cost it is not a priority, especially not in the next five years.

Alderman Hartman agreed with the Mayor that Forest Oaks sewers should be moved off the list and reallocate those funds elsewhere.

Mayor Boley asked Alderman Hartman if he knew of anyone interested in selling any commercial property in the area south of 144th Street?

Alderman Hartman stated that he has not seen any at this point. He also noted that it does not mean that something would not come up.

Alderman Atkins said to take it off the five-year plan but do not take it off the radar.

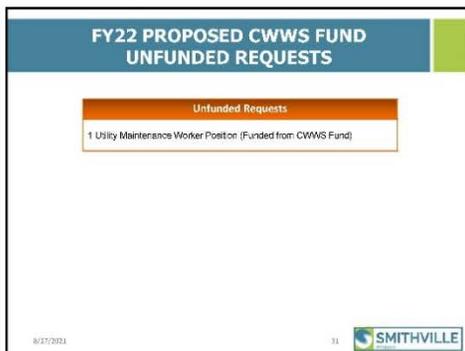
Alderman Kobylski agreed.

Stephen noted that he would move the Forest Oaks sewer project to the pending list.

Mayor Boley asked that staff move a different project up on the list such as the Owens Branch Gravity project or something north where there is a bigger need.

Cynthia noted that staff would take a look at the Master Plan and plug something of higher importance in. Staff will also look at capacity and growth on the north end.

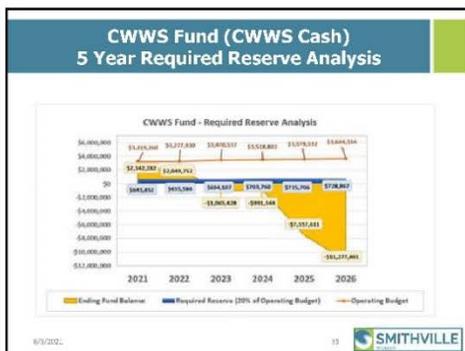
Mayor Boley noted that once we receive the Transportation Master Plan, he would like these projects to overlay with it and not put in new waterlines where we just put in new streets.



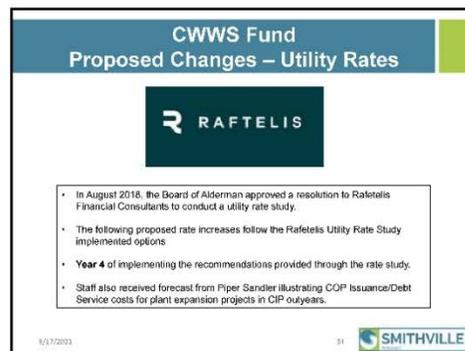
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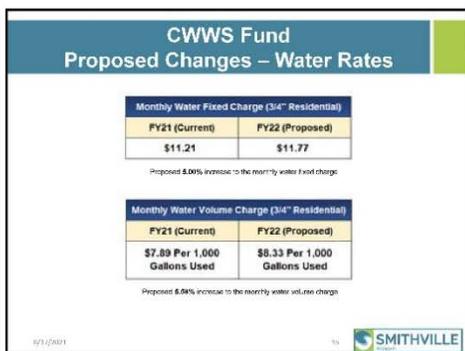
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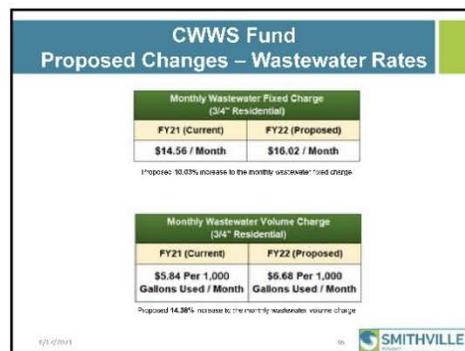
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Mayor Boley asked if there is an option to look at the COP done a couple of years ago to refinance it and roll this all in to one?

Cynthia noted that would be one of the things that staff would review. She said that she and Stephen would be in contact with Piper Sandler tomorrow to start setting up the process and timeline for the issuance of COP. She explained that there would be a number of Ordinances and processes that we will need to go through. We will also need to work with Piper Sandler to go through the process of bond rating, and we will want to work through that this fall. One of the things staff will work through with Piper Sandler is how we reduce the interest rate on the existing debt.

CWWS Fund
Average Utility Bill Impact - Water

Monthly Water Bill for 5,000 Gallon User	
FY21 (Current)	FY22 (Proposed)
Fixed Charge: \$11.21	Fixed Charge: \$11.77
Volume Charge: \$39.45	Volume Charge: \$41.65
Total Charge: \$50.66	Total Charge: \$53.42

Proposed increase of \$2.76 to monthly water portion of bill

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CWWS Fund
Average Utility Bill Impact - Sewer

Monthly Wastewater Bill for 5,000 Gallon User	
FY21 (Current)	FY22 (Proposed)
Fixed Charge: \$14.56	Fixed Charge: \$16.02
Volume Charge: \$29.20	Volume Charge: \$33.40
Total Charge: \$43.76	Total Charge: \$49.42

Proposed increase of \$5.66 to monthly wastewater portion of bill

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CWWS Fund
Average Utility Bill Impact - Combined With Trash

Total Monthly Utilities Bill for 5,000 Gallon User With Monthly Trash Service	
FY21 (Current)	FY22 (Proposed)
Total Water: \$50.66	Total Charge: \$53.42
Total Sewer: \$43.76	Total Sewer: \$49.42
Total Trash: \$18.90	Total Trash: \$18.37
Grand Total: \$114.32	Grand Total: \$121.21

Proposed increase of \$6.89 to monthly utility bill

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AMERICAN RECOVERY PLAN ACT
5 Year CIP

JRPA Benefits	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Water Main	\$2,118,000				
Grand Total	\$2,118,000				

Capital Improvement Project	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
New Water Pump Station, Line, and Distribution System	\$3,984,545				
Grand Total	\$3,984,545				

The agreement to address the American Recovery Plan Act of 2021 is the plan for utility water repair plans in FY21, which was budgeted for \$1,000,000. There is a planning to address American Recovery Plan Act of 2021, which was budgeted for \$1,000,000. This is the plan for utility water repair plans in FY21.

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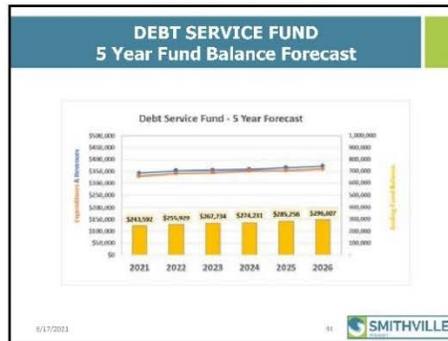
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Alderman Atkins noted that with the total monthly utility bill with trash service the increase does not seem that much and does not think it will make a big impact to anyone.

Mayor Boley said that with people's salaries going up with the increase of minimum wage the increase is not that significant. He noted that seniors should not notice the increase with the discount of their trash service. The increase would impact the high-volume users more so than the lower volume users.



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FY22 PROPOSED VEHICLE & EQUIPMENT REPLACEMENT FUND

Revenue		Revenue Detail	
\$110,000		Sale of City Owned Fleet	
\$12,000		Equity in 4 Enterprise Vehicles (Trace Back to Enterprise)	
\$40,000		Transfer in From General Fund/CWWS	
\$162,000		Grand Total Revenues	

\$40,000 transfer in from general fund/cwws for purchase of vehicles in service for 100 hours. 20% of leased vehicles for maintenance are 20% of leased vehicles for General Fund equipment.

Expenditures		Expenditure Detail	
\$125,075		Vehicle Lease Expense	
\$125,075		Grand Total Expenditures	

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FY22 PROPOSED SANITATION FUND CHARGES

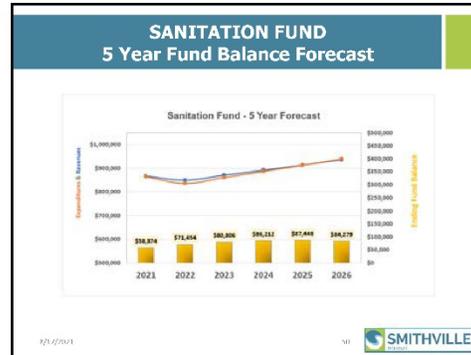
Customer Charge	Monthly Charge Timeline
\$19.90 / Month	Customer charge from January 1, 2021 – October 31, 2021 billing cycles
\$18.37 / Month	Proposed customer charge applicable for November 1, 2021 billing cycle
Senior Discount (15% Off)	Proposed discount available starting November 1, 2021 billing cycle

Monthly City Expense (GFL)	Monthly Expense Timeline
\$19.51 / Month	City expense, per customer account, paid to GFL
\$17.98 / Month	City expense, per customer account, paid to GFL

Difference between customer charge and expense pays for Household Hazardous Waste Fees

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FY22 PROPOSED BUDGET SUMMARY

	2022 Beginning Balance	2022 Adopted Revenues	2022 Adopted Expenditures	2022 Ending Balance
General Fund	3,013,186	4,918,620	5,170,180	2,761,626
Capital Improvement Sales Tax Fund	10,270	627,555	448,550	189,275
Capital Projects Fund	6,250	10,000	-	16,250
Combined Water/Wastewater Fund	3,522,236	5,119,400	5,186,930	3,454,706
Debt Service Fund	243,592	351,550	339,213	255,929
Park and Stormwater Sales Tax Fund	340,960	627,555	485,000	483,515
Sanitation Fund	58,374	849,530	836,450	71,454
Special Allocation Fund	20,305	520,000	517,000	23,305
Transportation Sales Tax Fund	228,566	569,160	637,630	160,097
Vehicle And Equipment Replacement Fund	26,133	162,000	125,075	63,058
American Rescue Plan Act Fund	-	2,178,000	2,178,000	-
Police Training Fund	12,229	2,000	5,000	9,229
DWI Recovery Fund	11,056	5,000	5,000	11,056
Technology Upgrade Fund	2,707	-	-	2,707
Judicial Education Fund	3,446	-	-	3,446
Appointed Council Fund	2,795	-	-	2,795
Grand Total	7,592,104	15,940,369	15,934,028	7,508,447

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Stephen ended the presentation and asked for questions from the Board.

Alderman Hartman asked how much more work would go into the FY22 budget to tighten it up before it is ready for approval in October?

Stephen said that the next piece of the FY22 budget will be inputting the Board's recommendations from tonight, for example the neighborhood beautification grant, getting some arrangements done to the water and sewer CIP. He also noted that there is another date slated for FY22 budget discussion if needed.

Cynthia said that would be a question for the Board if they felt additional discussion is needed. She said that the feedback received this evening with the \$25,000 for neighborhood grants and pushing the Forest Oaks sewer project out of the current CIP and providing another project. She asked if the Board would like to have another discussion on the FY22 budget to review, or staff bring the FY22 budget for Board approval in October reflecting this information? Cynthia noted that as we move through FY21 staff will be updating the fund balance information to be able to move forward. She explained that there were two ways of moving forward, one we could bring the FY22 forward for another discussion with the changes requested by the Board or staff could bring the budget forward for adoption in October?

Alderman Atkins liked what was presented tonight and said that the changes made were very minimal. He said that if the final FY22 budget is sent to the Board for review he did not see the need for another meeting for discussion.

The Mayor, Alderman Hartman, Alderman Sarver, Alderman Kobylski, Alderman Ulledahl and Alderman Chevalier agreed as well.

Cynthia thanked the Board and thanked Stephen for his hard work in putting this information together and the Department Directors for the work in the process of putting the FY22 budget together.

Alderman Atkins thanked Stephen for a great job.

4. Adjourn

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

Ayes – 6, Noes – 0, motion carries. Mayor Boley declared the Work Session adjourned at 7:01 p.m.

Linda Drummond, City Clerk

Damien Boley, Mayor