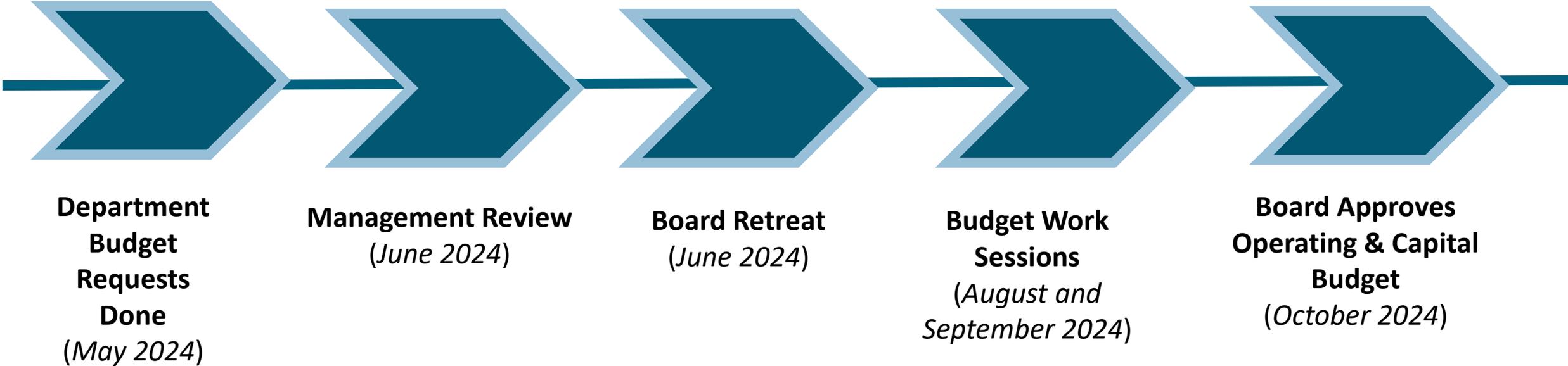


*City of
Smithville*

**FY2025 Proposed Operating Budget
&
Five Year CIP
August 20, 2024**

Budget Development Process



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 & Liability Insurance: **11% Increase**
- Worker's Compensation Rate Changes: **9% Increase**



FY2025 Proposed General Fund Necessary Operating Increases

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

Financial Profile – FY24 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*

Financial Profile – Bond Rating

Rating Based Upon the Following Criteria:

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

Rating of “AA-”

**Assigned by
S&P Global in
February 2019**

FY2025 Funded Highlights

General Fund

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

FY2025 Funded Highlights General Fund (cont.)

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

FY2025 Compensation Scenarios

Department	Base	6% All	8% Directors / 6% Frontline	8% All	10% Directors / 8% Frontline	8% Directors / 10% Frontline	10% All
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
General Fund	4,551,934	4,715,451	4,736,326	4,766,638	4,786,685	4,801,822	4,815,388
\$ Difference Over Base		163,517	184,392	214,704	234,751	249,888	263,454

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

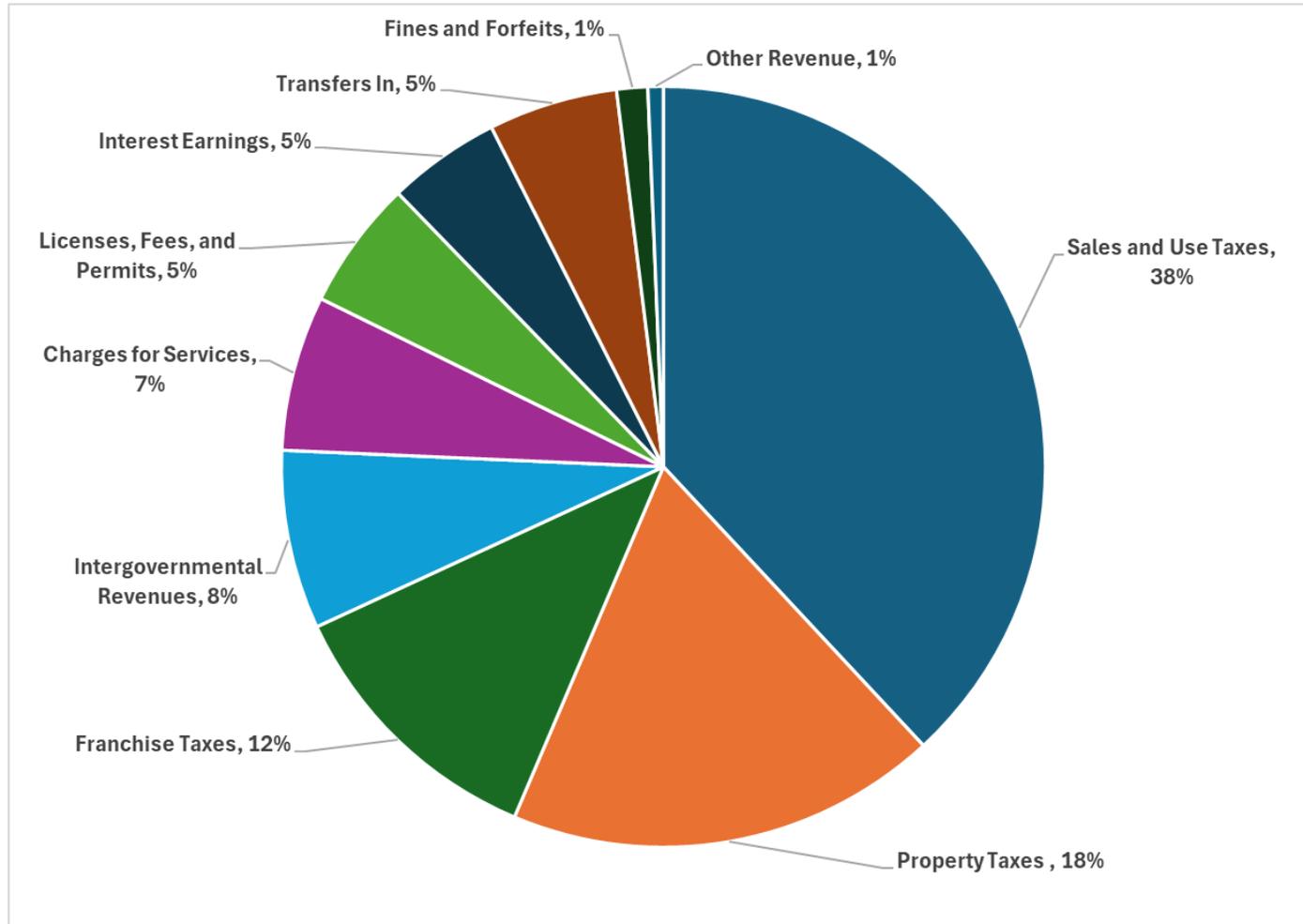
* Police include contract salaries of police officers per agreement. Agreement with sergeant unit is still being negotiated, totals do not reflect any adjustment.

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
Total Revenues	\$ 6,569,620	\$ 6,266,986	\$ 6,674,967	\$ 6,591,827

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

Proposed FY2025 General Fund Revenues by Category



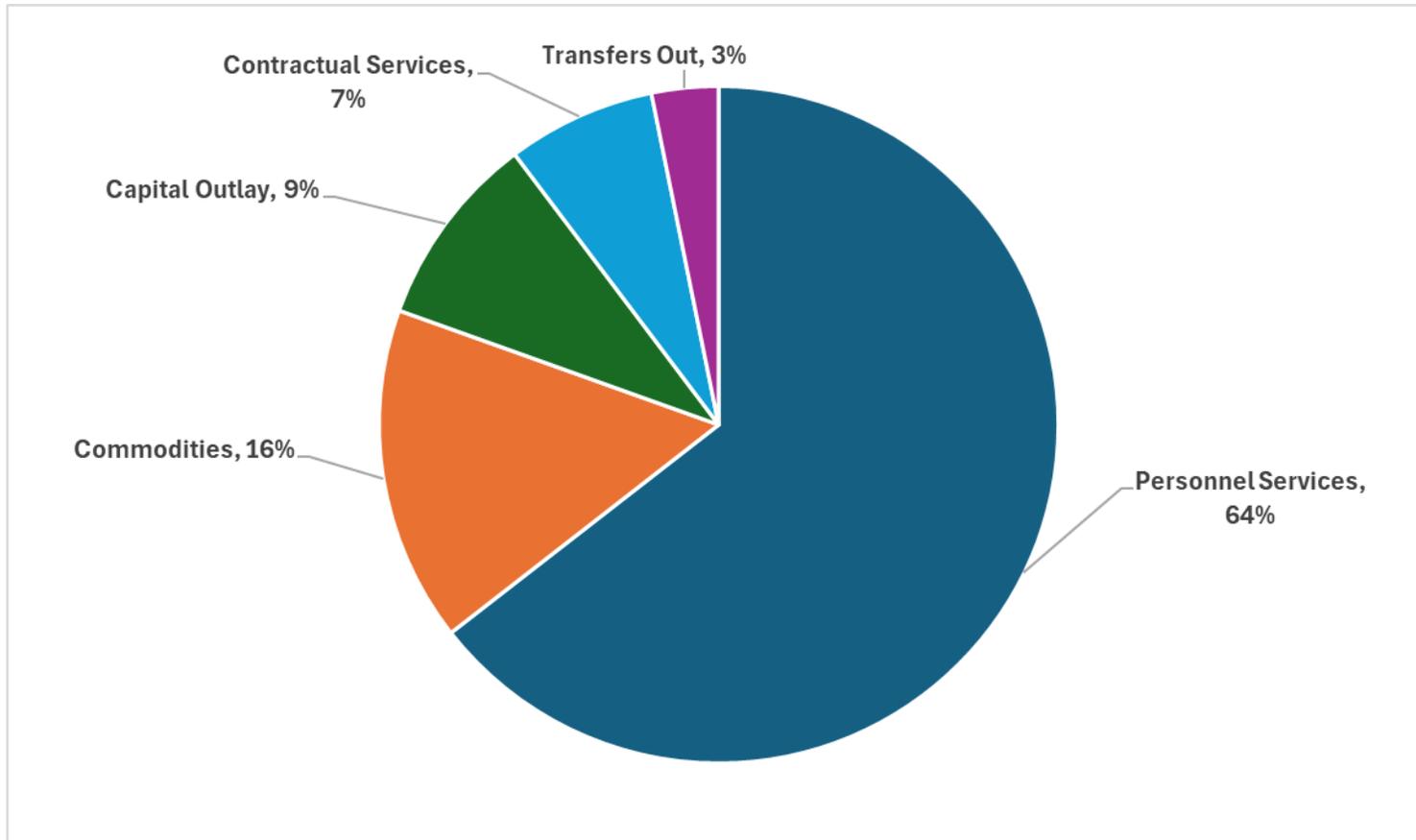
- Approximately **56%** of the general fund revenue budget is comprised of:
 - Sales Tax
 - Use Tax
 - Property Tax

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
Total Expenditures	\$ 6,043,547	\$ 7,100,790	\$ 7,406,812	\$ 7,440,277

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

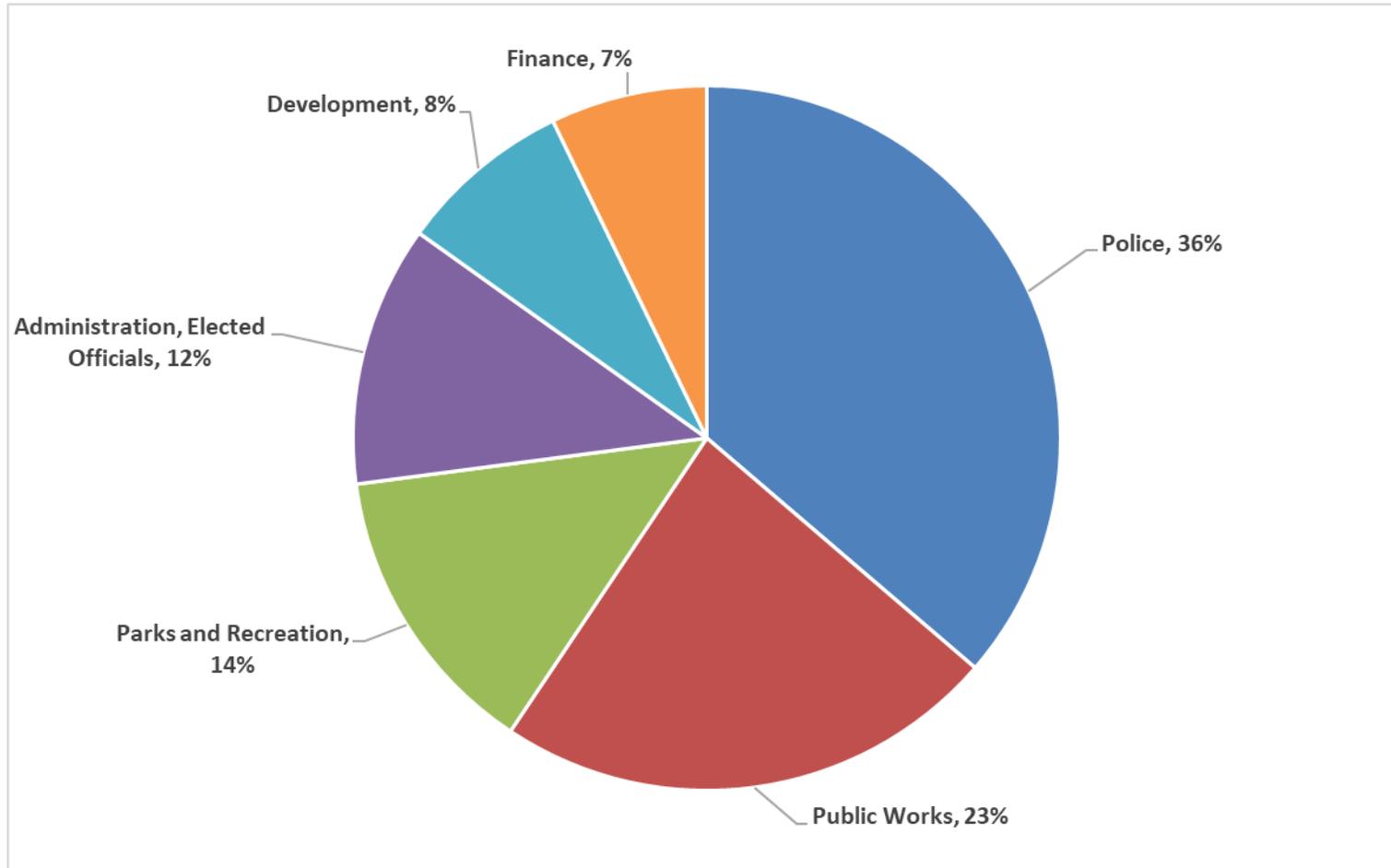
FY2025 Proposed General Fund Expenditures by Category



Personnel Services constitutes **64%** of the general fund expenditures, and includes the following expenses:

- Full and Part Time Salaries
- Health Insurance Premiums
- FICA
- LAGERs Employer Contributions
- Worker's Compensation

FY2025 Proposed General Fund Expenditures by Department



☐ The Police Dept, Parks & Recreation Dept, and Public Works Dept compose **73%** of the General Fund budget, which fund these important municipal services:

- ☐ Public Safety
- ☐ Road Maintenance
- ☐ Recreational Amenities and Parks

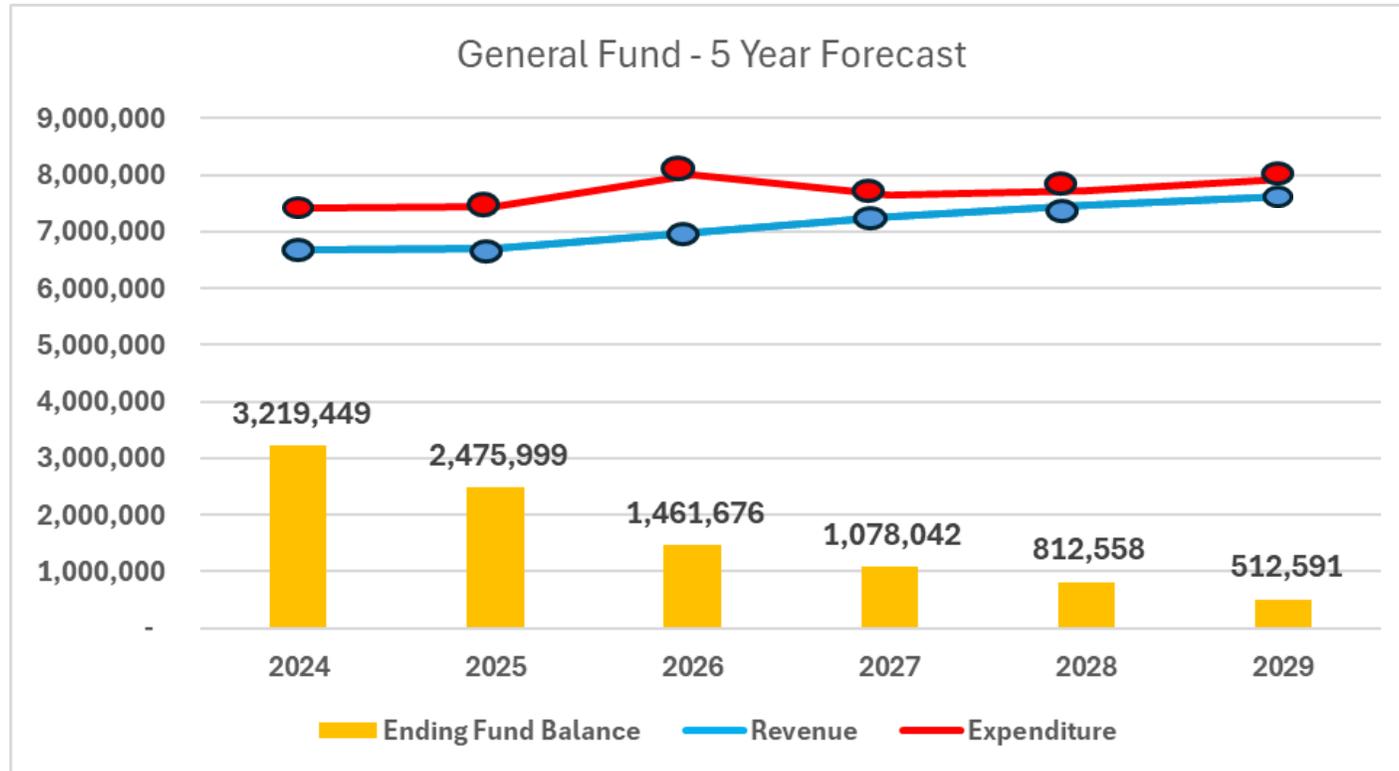
Proposed 5 Year CIP (FY2025 – FY2029) General Fund

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 st & Bridge Street Round-A-Bout (Engineering)	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Annual Asphalt Overlay Program Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Sidewalk Replacement Program Funding	\$ -	\$ -	\$ -	\$ -	\$ -
2 nd Creek Bridge Sidewalks (30% of Construction)	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Riverwalk Park & Trail (10% of Construction)	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Grand Total	\$100,000	\$550,000	\$100,000	\$100,000	\$100,000

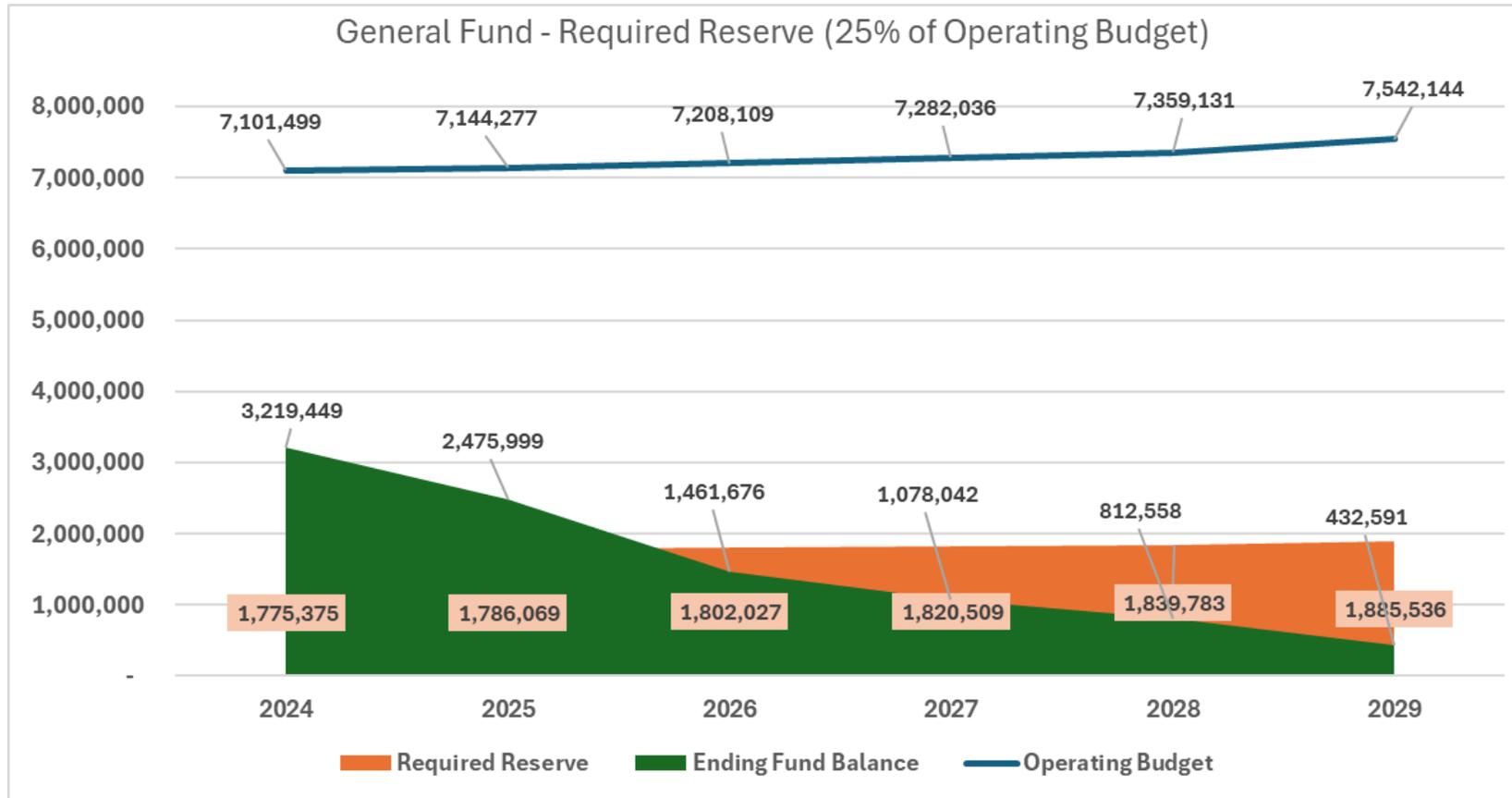
FY2025 Proposed General Fund Net Change in Fund Balance

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

FY2025 Proposed General Fund 5 Year Projected Cashflow Summary



FY2025 Proposed General Fund Cashflow vs Reserve Policy





Combined Water and Wastewater Fund

Proposed Water & Wastewater Rate Increases

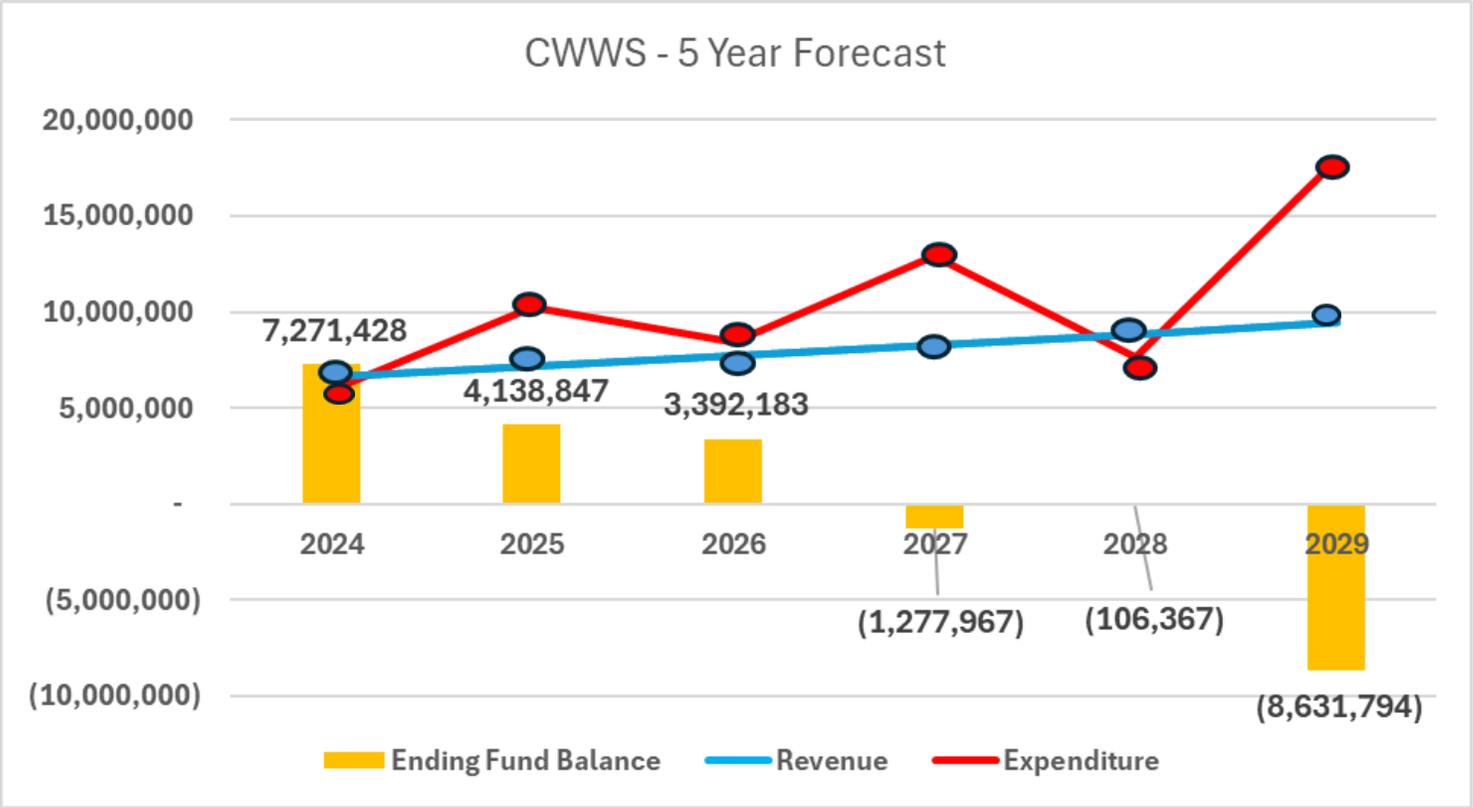
Water Rates	FY2025 (Proposed)
Monthly Water Base Charge & Volume Charge (3/4" and 1" Residential Meter)	15% Increase
Monthly Wastewater Base Charge & Volume Charge (3/4" and 1" Residential Meter)	15% Increase

Proposed FY2025 CWWS Fund

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

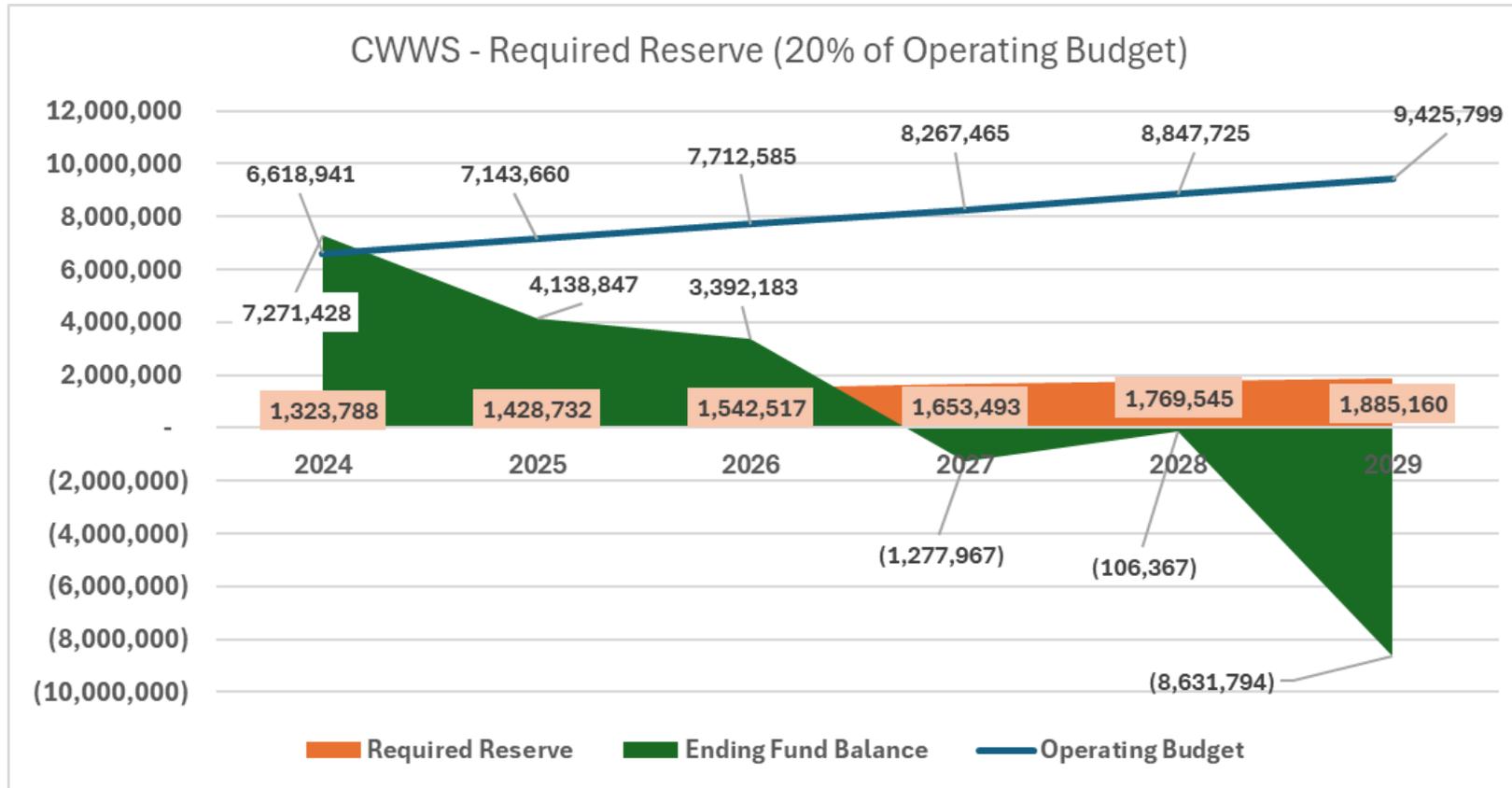
* Reserve requirement is 20% of revenue. For FY2025, the reserve requirement would be \$1,428,732.

FY2025 Proposed CWWS Fund 5 Year Projected Cashflow Summary



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

FY2025 Proposed CWWS Cashflow vs Reserve Policy



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

Proposed Five Year CIP (FY2025 - 2029) CWWS 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 th Street Lift Station (Construction)	\$100,000	-	-	-	-
144 th 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	-	-	-	-
Grand Total (Net Cost)	\$5,130,000	\$0	\$0	\$0	\$0

Proposed Five Year CIP (FY2025 - 2029) CWWS Fund (cont.)

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY2028	FY2029
Interconnect Mains at 144 th /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	-	-	-
Grand Total (Net Cost)	\$5,130,000	\$3,325,000	\$0	\$0	\$0

Proposed Five Year CIP (FY2025 - 2029) CWWS Fund (cont.)

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
Grand Total (Net Cost)	\$5,130,000	\$3,325,000	\$7,650,000	\$2,000,000	\$12,500,000

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

*Projects with a **RED** background expenditures past the 5 Year CIP.*

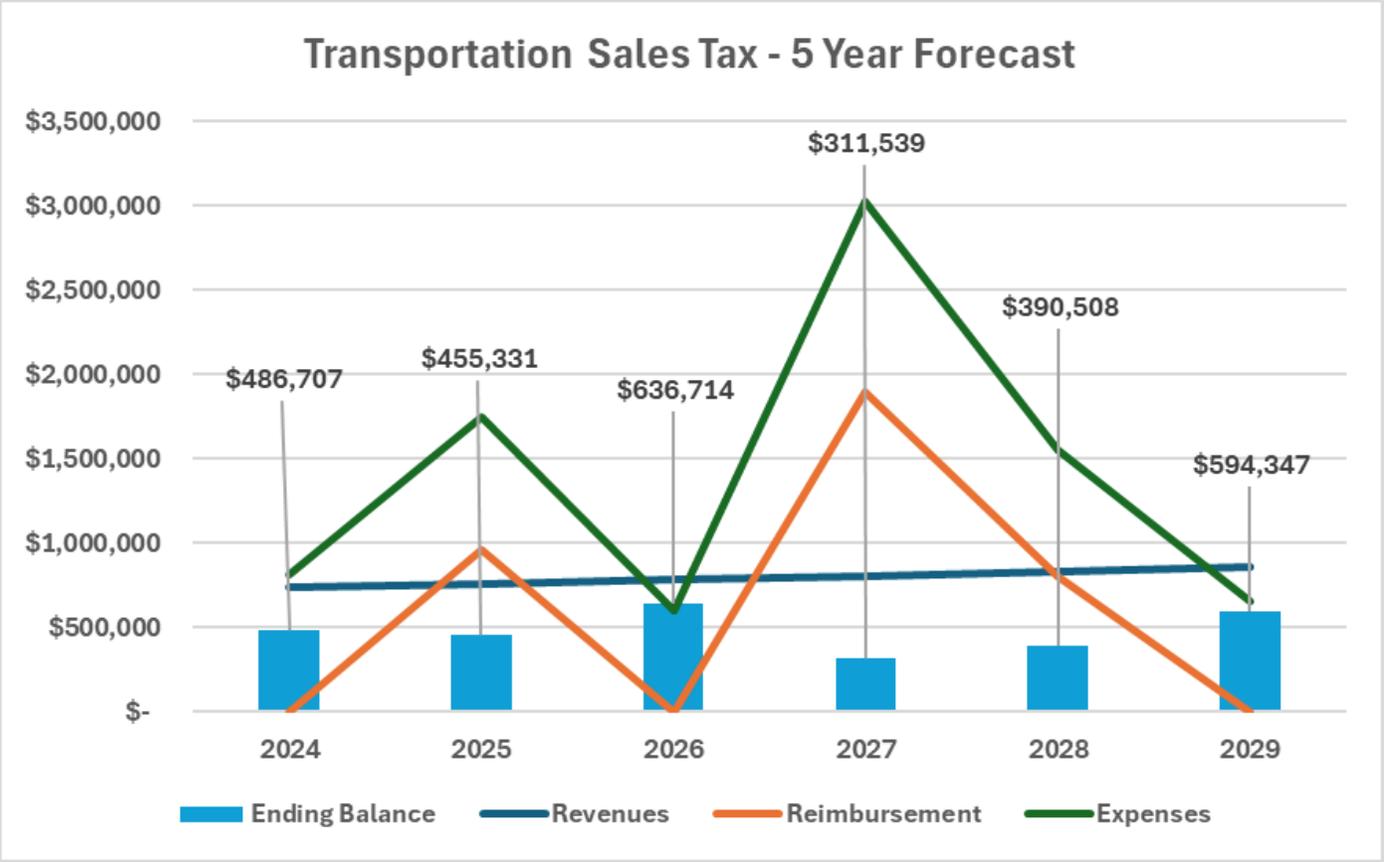
Proposed Five Year CIP (FY2025 - 2029) CWWS Fund (Water Impact Projects)

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	-	-	-	-
Grand Total	\$700,000	-	-	-	-

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 st & Bridge St Round-A-Bout Construction (80% of Project Expense)	-	-	\$2,380,000	-	-
1 st & 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
Grand Total (Net Cost)	\$790,000	\$600,000	\$1,130,000	\$750,000	\$650,000

Proposed FY2025 - Transportation Sales Tax Fund 5 Year Projected Cashflow



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

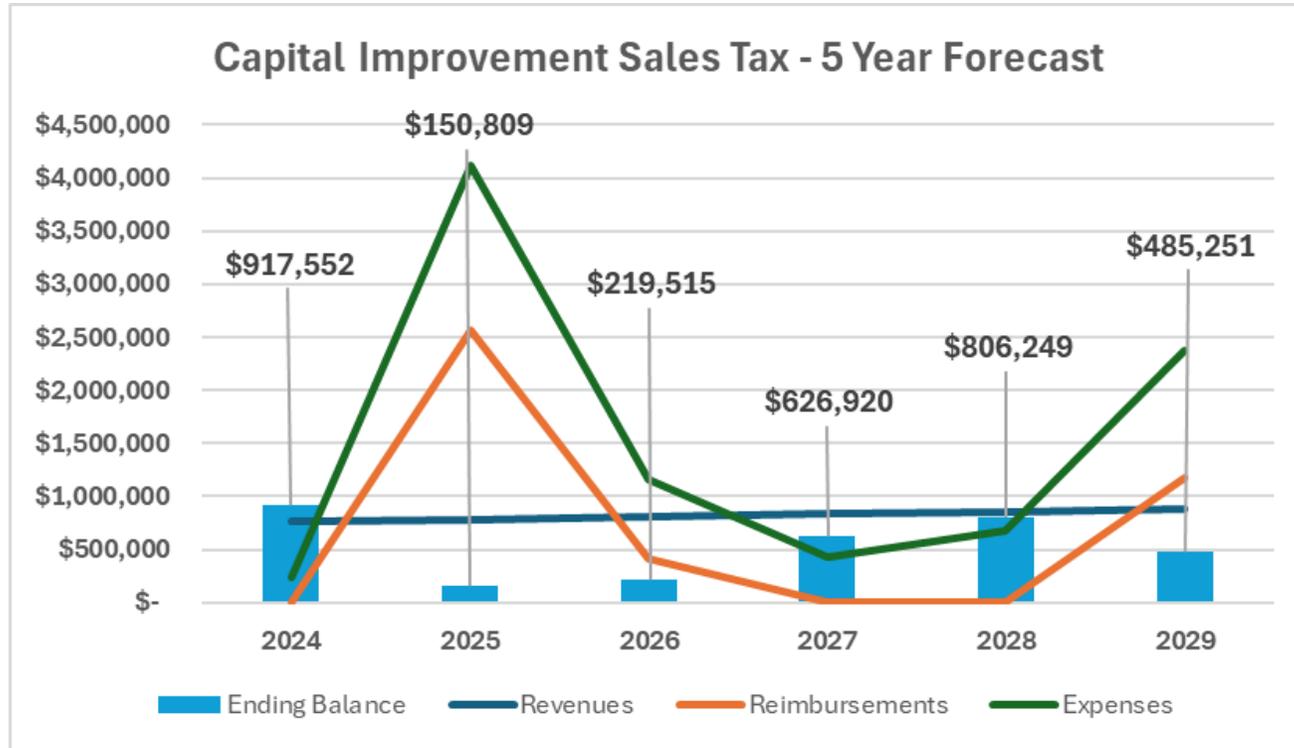
Proposed Five Year CIP (FY2025 - 2029) Capital Improvement Sales Tax Fund

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 nd 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 nd Creek Sidewalks (70% of Construction)	\$695,000	-	-	-	-
2 nd 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 st & Bridge Street - Round-A-Bout (20% of Construction)	-	\$120,000	-	-	-
Grand Total (Net Cost)	\$1,549,875	\$737,920	\$373,420	\$376,420	\$382,420

Proposed Five Year CIP (FY2025 - FY2029) Capital Improvement Sales Tax Fund (cont.)

Capital Improvement Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Maple Lane Sidewalks (Engineering)	-	-	\$50,000	\$50,000	-
180 th & 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 th & Eagle Parkway Round-A-Bout (75% of Construction)	-	-	-	-	\$1,000,000
180 th & Eagle Parkway Round-A-Bout (MARC Reimburse)	-	-	-	-	-\$700,000
Grand Total (Net Cost)	\$1,549,875	\$737,920	\$423,420	\$676,420	\$1,202,420

Proposed FY2025 – Capital Improvement Sales Tax Fund 5 Year Projected Cashflow



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

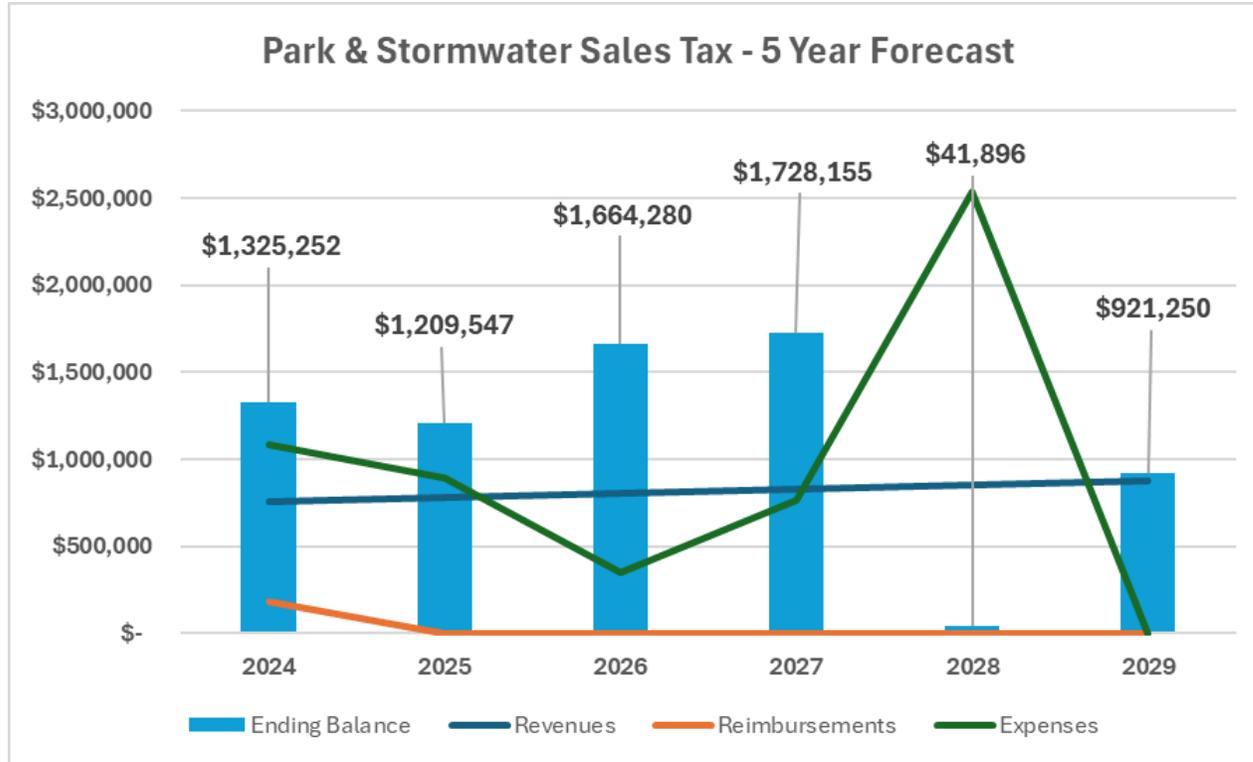
Proposed Five Year CIP (FY2025 - FY2029) Park & Stormwater Sales Tax Fund

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	-	-	-	-
Grand Total (Net Cost)	\$897,000	\$0	\$0	\$0	\$0

Proposed Five Year CIP (FY2025 - FY2029) Park & Stormwater Sales Tax Fund (cont.)

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	-
Grand Total (Net Cost)	\$897,000	\$350,000	\$765,000	\$2,540,000	\$0

Proposed FY2025 – Park & Stormwater Sales Tax Fund 5 Year Projected Cashflow



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

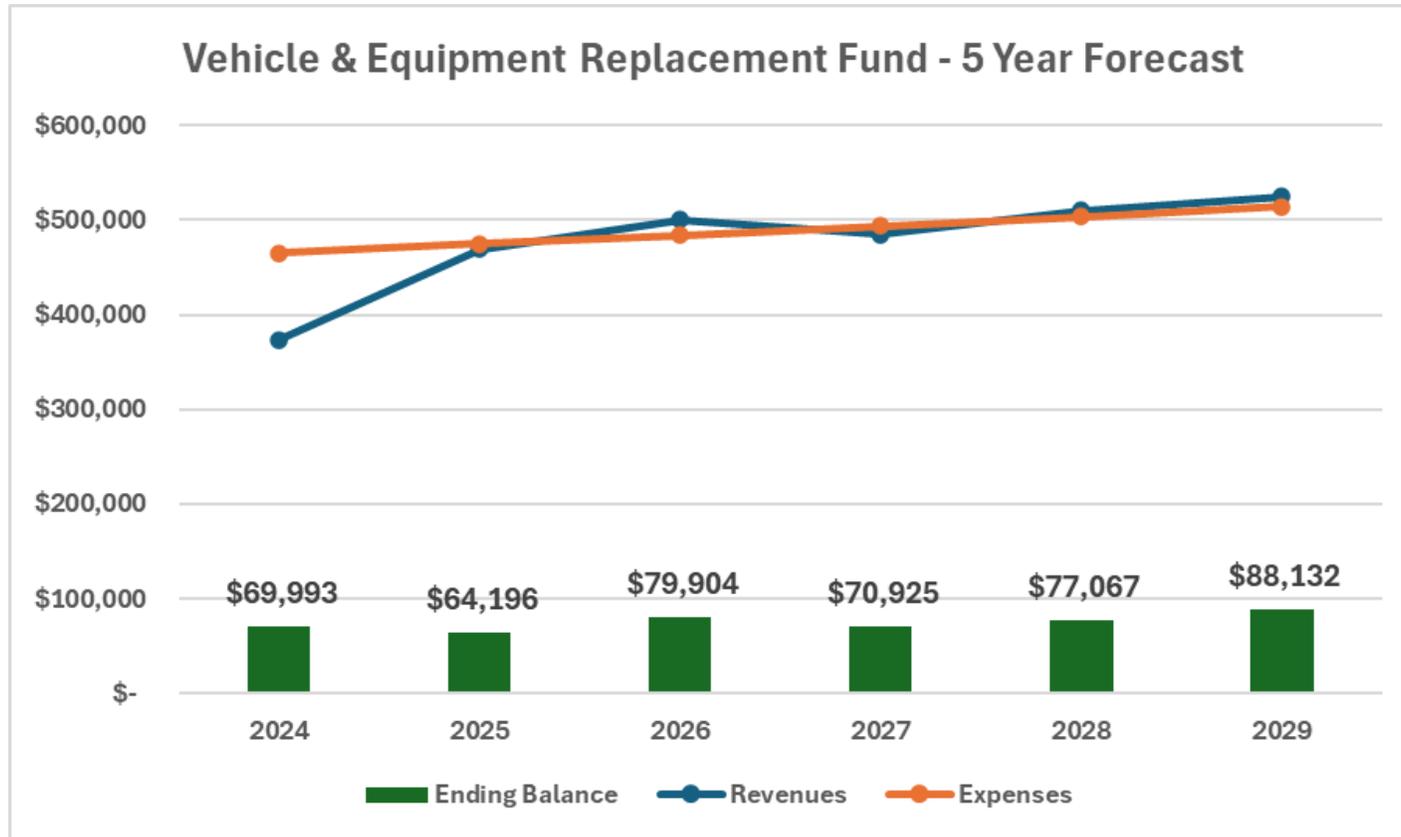
* Increases in fund balance is for Smith’s Fork Park Complex, currently project in FY2028.

Proposed FY2025 Budget Vehicle & Equipment Replacement Fund

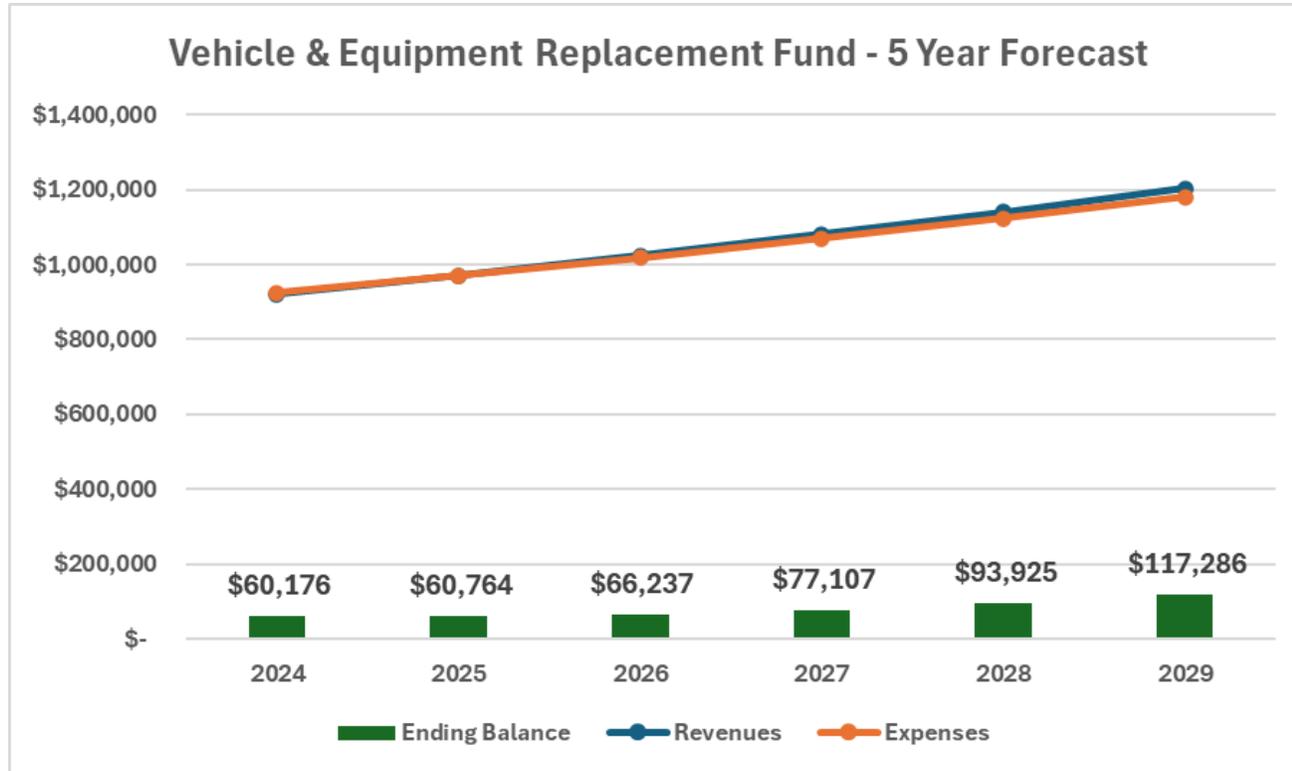
- The City of Smithville is currently leasing **38 vehicles** from Enterprise.
- Staff has begun monitoring the reduction in maintenance costs associated with patrol vehicle repair, as well as the overall impact pre and post Enterprise.
- The general fund and utilities fund will be transferring more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



Vehicle & Equipment Replacement Fund 5 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 be increasing 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
Grand Total	\$9,166,875	\$5,562,920	\$11,218,420	\$6,066,420	\$14,452,420

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
Grand Total	\$ 16,579,914	\$ 22,698,525	\$ 27,865,803	\$ 11,412,636

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

- FY2024 Operating Budget and 5 Year CIP Review:
2nd Discussion (**TBD**)
- Public Hearing for Sewer Rates as Required by
Missouri State Statute (**October 1**)
- FY2025 Operating Budget on 1st Reading (**October 1**)
- Adopt Water & Wastewater Utility Rates by Board
Resolution (**October 15**)
- Adopt the FY2024 Operating and Capital Budget on
2nd Reading (**October 15**)