

City of Troy, Missouri
Budget Workshop
Tuesday, May 14, 2019
6:30 P.M.

Present for the meeting were Aldermen Walker, Detert, Norman, Sconce, Anderson and Mayor Cross. Alderman Curt was not present. Also present were Public Works Superintendent Cunningham, Building Official Lindsey, Police Chief Taylor, Parks Director Howell, Water Superintendent Lourance, Municipal Court Judge Grunick, Treasurer Flinn, and City Clerk Schneider.

Mayor Cross called the Budget Workshop to order and announced a quorum present.

Treasurer Flinn handed out a preliminary Budget Summary for Fiscal Year 2019-2020, Departmental Budget Requests and Capital Project worksheets (attached) and advised the Board on City's current fiscal situation summarized as follows:

- All budget requests on the list provided are reflected in the summary
- Sales taxes were budgeted essentially flat
- Building permits budgeted conservatively. Sewer hook-ons budgeted at fifty connections
- Water and Sewer revenues were budgeted with approved increase beginning in November
- Street fund projects will need to be prioritized to establish positive fund balance
- Discuss capital improvements fund use
- Health insurance was budgeted with a 20% increase (increase in 2019 was approximately 17%)
- FY2020 LAGERS Rate: 10% for general employees, 9.6% for police. The current rate is 10.2% for general employees and 9.6% for police
- A one-step pay increase of 3% was entered for all full-time employees. There were no pay increases in FY2019
- Dispatching fees were entered per our current contract that expires December 31, 2019
- The final payment on the Series 2004 Water Well Project Certificates of Participation will be made this month
- The budget for fines and court costs were decreased due to new Missouri Supreme Court rulings that may affect what the City can charge for fines

Treasurer Flinn further noted that the City's sales tax revenues are 4.53% over the prior fiscal year. Interest earned is projected to be four times the budgeted amount. The franchise tax is ahead of budget. Building permit fees are currently at 86% with six

weeks remaining in this fiscal year. Fines are currently at budget with one month remaining of the fiscal year. Cemetery sales revenue is only at 40% of the budget. CART Fund (gas tax, vehicle tax, vehicle fees) are slightly less than budget. Water and Sewer revenues are on target. Water Hook-on Fees are slightly over budget with six weeks remaining of the fiscal year and Sewer Hook-on Fees were budgeted at 60 hook-ons and currently at 55.

Treasurer Flinn pointed out that Fund 31 Capital Improvements projected end balance does not reflect sewer plant project payments estimated at \$600,000.00 per year as the start date for the project was unknown.

Treasurer Flinn recommended a transfer from Sewer to Capital Improvement for the \$300,000.00 budget requests for cleaning sanitary sewer line and lining to prevent a low ending balance in the Sewer fund.

Discussion ensued on projects that may be transferred to capital improvements fund as opposed to general fund such as one-time capital improvement projects, aquatic center maintenance or debt service for capital improvement bonds.

Discussion continued on personnel requests to accommodate the growing police calls for service and additional programs required by stormwater regulation. Parks Director Howell agreed to cut his request for another seasonal employee until the first half of next year (2020).

Discussion ensued on the need for economic development which had been removed from last year's fiscal budget. Mayor Cross explained the key role that Troy Chamber of Commerce played in keeping Shoe Sensation from leaving the City this past year and explained the work was being done without remuneration. Alderman Anderson would like to hear more success stories prior to approving funds. Mayor Cross agreed to cut \$15,000.00 requested for economic development and will encourage Troy Chamber's Board to approach the City on a separate occasion.

Alderman Anderson requested City Clerk and Police Chief to work on budget numbers to improve safety adding a reinforced wall in lobby areas and dais for the next budget workshop.

Alderman Sconce was okay with moving \$322,693.00 from Sewer to Capital Improvement Projects; or, do it by budget amendment for these projects.

Treasurer Flinn alerted the Board that Woodard & Curran Operations Budget FY2020 would be presented to the Board for approval on Monday, May 20th and was estimated at \$700 to \$800 less per month than current.

Public Works Superintendent Cunningham described the use of lining in connection with clay tile pipes laying throughout the older section of Troy.

Discussion ensued regarding the vehicles requested and it was determined the current age these vehicles would replace was between 17-22 years and costing the City high dollars in repairs.

Discussion continued regarding the need for audio-visual equipment in the Board Room, tablets for Aldermen and video conferencing. City Clerk Schneider described the need for presentation, transparency by projecting agenda/documents on screen for citizen view and return on investment after 1-1/2 years from paper board packets. The municipal court would utilize the equipment twice a month as it was required to post information for court participants to view during court.

Parks Director Howell agreed to reduce several line items in the Parks Budget. Specifically, \$5,000.00 in Repair and Maintenance, \$2,000.00 in General Supplies and \$2,000.00 in Improvements totaling \$9,000.00.

Chief Taylor agreed to remove the request for two (2) Police Officers.

Public Works Superintendent Cunningham agreed to remove #7 Three-Sided Storage Building \$45,000.00.

Alderman Anderson queried whether the City Administrator and related expenses could be kicked down the road one more fiscal year. Treasurer Flinn pointed out that the City Administrator salary was budgeted 40% in general fund with the rest of salary allocated in Streets, Water and Sewer. The vehicle #12 of \$30,000.00 and \$5,000.00 for recruitment could be removed but Mayor Cross cautioned that it would be appropriate to bring someone up to speed prior to the end of his term.

Further discussion on moving budget requests to the capital improvement fund whether the items were within the scope of the fund.

Mayor Cross agreed to remove the request for City Administrator and revisit it again next year.

Parks Director Howell agreed to remove #29 Kubota Mower for the Parks.

Alderman Anderson recommended leaving in the police officers and MS4 personnel requests.

Treasurer Flinn requested clarification. It was agreed by number as follows:

#2 – Leave-in City Administrator;

#4 -- Reduce to one-half year Additional Parks Seasonal Employee;

#5 – Remove Economic Development

#6 – Remove Hiring Assistance/City Administrator

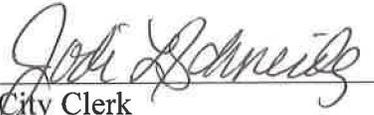
#7 – Remove Three-Sided Storage Building for Public Works

#12 – Leave-in City Administrator Vehicle

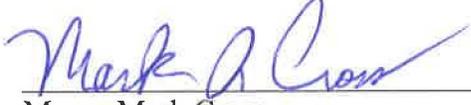
#29 – Remove Kubota 60” ZT Mower

Treasurer Flinn requested all Department Directors review departmental budgets line-by-line to identify additional cuts. The next Budget Workshop was set for Tuesday, May 28, 2019 at 6:30 p.m. The meeting adjourned at 8:07 p.m.

ATTEST:



City Clerk



Mayor Mark Cross