

**City of Troy, Missouri**  
**Budget Workshop**  
**Monday, June 1, 2020**  
**6:30 P.M.**

Present for the Budget Workshop were Aldermen Detert, Walker, Norman, Anderson, Grimstead and Mayor Sconce. Alderman Curt was not present. Also present were Public Works Superintendent Cunningham, Assistant Public Works Superintendent Burkemper, Building Official Lindsey, Parks Director Howell, Treasurer Flinn and City Clerk Schneider.

Also present were Aldermanic Candidates Harold Horner and Nick Treadway.

Mayor Sconce opened the Budget Workshop and announced a quorum present.

Treasurer Flinn handed out a preliminary FY21 Budget Summary and summarized a detailed hand-out which included FY2021 Budget Assumptions, Reductions to FY2021 Budget Due to Economic Decline, Changes Made to Budget Notes Distributed at May 18, 2020 Board Meeting and a current look at "How We are Doing?" Also attached were FY21 Departmental Budget Requests and Capital Projects and Missouri Revised Statutes 67.010 and 67.030 regarding annual budget preparation.

Mayor Sconce pointed out the healthy reserves and his comfort with the (\$652,520) red number in general fund attributable to the twenty percent projected decrease in revenues. Sconce continued that all capital expenditures were removed.

Mayor Sconce explained that a 3% employee wage increase was included (impacting general revenue fund by \$60,649). He continued that the increase was an effort to keep the City's wage competitive and although all municipal employees were considered essential workers, it was appreciated that all worked through the pandemic.

Mayor Sconce pointed out that Cherry Street Improvement Project is fully funded in this budget year with \$1.6 million dollars from the Street fund and \$1.5 million dollars from Capital Improvements fund. The water line portion of this project will hopefully get started in sixty days.

Monies were transferred to the Sewer fund from Capital Improvements due to the \$2.6 million dollars shortfall on the WWTF & Hwy 47 Lift Station/Interceptor Project.

The property tax rollback was an idea to encourage the passage of a ½ cent capital improvements sales tax ballot issue in 2011 for a City pool and improvements of streets and sewers by reducing property taxes for residents by up to fifteen cents (\$0.15) per one hundred dollars (\$100) of assessed valuation. The property tax rollback has been

implemented every year thereafter since the 2011 passage with no sunset clause on it. Every even-numbered year, the City is eligible to review the rollback to either change the rollback amount or eliminate it altogether. Mayor Sconce will add the property tax rollback to the agenda for Monday, June 15, 2020 to see if any member of the Board would like to sponsor a change to it.

The City has a Use Tax Ballot question for the June 2, 2020 election that if passed will generate additional revenue.

Line 33 is an Enterprise Fund and represents designated monies for the Cherry Street Improvement Project. These monies were generated from a program through NECAC of buying/selling homes and are the proceeds from the sales. \$187,000 STP funds are also available for Cherry Street Improvement Project for a total of \$904,000 against the \$3 million dollars project cost.

The City advertised a Request for Qualifications for an insurance broker which may possibly help to find alternatives to its proposed 30% increase in health insurance costs. Candidate Harold Horner asked how much of this increase does the employee absorb. Mayor Sconce replied the employee's health is paid but the employee pays \$125 monthly for any sort of dependent care and the 30% would be paid for by the City. Alderman Detert asked how many employees the City employed. Treasurer Flinn will confirm the total but believed it to be either 57 or 58 employees.

Mayor Sconce said projects in the budget included Cherry Street, Menne Meyer Road, Villa Drive sidewalk, new Well 15 and a water salesman unit.

Alderman Anderson believed the property tax rollback should be left as-is and the money did not generate substantial revenue for the City but may significantly help reduce citizens' tax burdens.

Aldermen Anderson and Walker voiced that they were glad that raises went back into the FY21 budget and were okay with the 3% increase. Candidate Horner stated that 3% increase was not out of line at all considering the economy the way it is now.

Mayor Sconce would like to institute new quarterly budget updates next year every three months as a workshop prior to Board meetings to keep everyone apprised. Since there were no capital expenditures to debate, the Mayor extended appreciation to all department directors for coming and making the necessary budget adjustments to ease the debate on a wage increase. Mayor Sconce said that starting at Net Zero Change Budget Summary and adding back into the budget appeared to be a better way for budgeting and the need to develop a reserve fund policy in the future.

There were no further questions and no request to hold additional budget workshops. The Board will set a Public Hearing and Special Meeting at the end of June to adopt the proposed budget.

With no further business, the Mayor adjourned the Budget Workshop at 7:00 p.m.

ATTEST:

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City Clerk

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Mayor Ron Sconce