



City of Saginaw

City of Saginaw

Meeting Date: 9/19/2017

Staff Contact: Dolph Johnson
Asst. City Manager

Agenda Item: 11
(CC-0917-20)

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SUBJECT: **Public Hearing** – Presentation of Revised Budget for Fiscal Year 2016-2017

BACKGROUND/DISCUSSION:

This is the public hearing required by law for public input on the proposed revised budget for the fiscal year 2016-2017.

FINANCIAL IMPACT:

N/A

RECOMMENDATION:

N/A

Attachments

Memo with Proposed Revised Budget from Dolph Johnson

MEMORANDUM

DATE: September 14, 2017
TO: Dan O’Leary, Interim City Manager
FROM: Dolph Johnson, Assistant City Manager / Finance Director
RE: 2016-2017 Revenues/Expenditures

We have updated our projections for revenues and expenditures for the fiscal year-end. Attached is a spreadsheet showing the proposed changes to the 2016-2017 budget.

General Fund – We have increased the revenues for Municipal Court fines and fees by \$50,000 dollars due to the traffic unit being re-staffed. Sales tax has been increased by \$300,000 due to the improved economy and construction activity. Several of our larger sales tax payers serve the building industry (metal, lumber, drywall, and construction equipment rental.) Building permit revenues have been increased by \$300,000 due the increase in residential and commercial construction. There are also revenue increases for construction inspection fees, grants received, and interest on investments. Increases in expenditures include the cost of an additional election this year, increased expenditures for building maintenance and repairs related to flooding at Fire Station 1, bed bug treatment at both fire stations, and AC replacements at the senior center, Fire Station 1 and AC repairs at the police department. Overtime costs have been increased for the fire department, police department, parks, and inspection departments due to staff turnover and shortages due to medical leave. We have also increased the Legal and Special Services account for the Interim City Manager services and the City Manager search consultant. Some of these increased expenses are offset by the reduction in expenditures for gasoline by \$100,000 as fuel prices have remained low. Overall we were able to eliminate the need for use of fund balance by \$434,800.

Enterprise Fund – Water and sewer tap fees are up due to new construction. The wastewater surcharge revenues are also up this year with increased activity by our local industries. We have increased the water meters and supplies account, again due to the increase in building permits. We are adjusting the amounts in the enterprise capital accounts for water and sewer line projects to account for construction that overlaps the fiscal year. We will be reducing the use of fund balance by \$281,450.

Capital Projects Fund – Changes were made in this fund to reflect the current construction and design schedule for Bailey Boswell Road.

Crime Control and Prevention District – Adjustments have been made to the sales tax revenues and expenditures for the City’s portion of the police department’s body camera grant.

Donations Fund – Revenues and expenses were updated to show grants received by the library.

General Escrow Fund – Accounts have been adjusted to reflect the insurance claim revenues and expenses

Enterprise Escrow Fund – Revenues have been increased for water and sewer impact fees due to new construction and adjustments have been made for transfers related to water and sewer construction schedules.

I recommend the Council approve the changes shown on the attached spreadsheet.

**YEAR END BUDGET ADJUSTMENTS
FY 2016-2017**

<u>ACCOUNT DESCRIPTION</u>	<u>ACCT NUMBER</u>	<u>REVENUES</u>	<u>EXPENSES</u>	<u>COMMENTS</u>
General Fund				
Municipal Court Fines and Fees	01-3400-00	\$ 50,000.00		Projected year end
Animal License and Fees	01-3516-00	\$ (16,000.00)		"
State Sales Tax	01-3680-00	\$ 300,000.00		"
Franchise Fees Cable TV	01-3683-00	\$ (60,000.00)		"
Building Permits	01-3703-00	\$ 300,000.00		"
Construction Inspection Fees	01-3705-00	\$ 12,800.00		Fuel City and Charter School offsite utilities
Grants	01-3800-00	\$ 21,895.00		TC 911 Radio Grant FD - \$20,215 and Library Grant - \$1,680 for laptops
Interest on Investments	01-3950-00	\$ 40,000.00		Increased interest rates
Election Expenses	01-5000-02		\$ 12,000.00	Additional election
Engineering Fees	01-6200-02		\$ 20,000.00	FS #1 Flooding Study \$15,000, General Services \$5,000
Legal and Special Services	01-6650-02		\$ 81,000.00	Interim City Manager services, City Manager search
Overtime Fire Department	01-4015-04		\$ 43,000.00	Turnover, medical leave for five employees
Capital Outlay Fire Department	01-7000-04		\$ 20,215.00	Tarrant County 911 Radio Equipment Grant
Overtime Police Department	01-4015-05		\$ 25,000.00	Staff shortages, Old Decatur Road traffic control
Bldg. Maint. / Repairs	01-4900-06		\$ 65,000.00	Flooding Fire Station 1, bed bug treatment both fire stations AC replacement for Senior Center and Fire Station 1, AC repairs PD New AED for senior center, 3 AED replacements at rec, library and public works
Capital Outlay Public Services	01-7000-06		\$ 33,000.00	City portion of Basswood/High Country Trail - Basswood Crossing Phase 1 developer agreement
Overtime Parks	01-4015-07		\$ 6,000.00	Special events/weekend callouts
Data Processing - Library	01-4300-09		\$ 1,680.00	Laptop grant
Overtime - Inspections/Code	01-4015-10		\$ 7,000.00	Staff shortages, medical leave
Gasoline	01-4850-12		\$ (100,000.00)	Lower fuel costs
USE OF FUND BALANCE		\$ (434,800.00)		
GENERAL FUND TOTALS		\$ 213,895.00	\$ 213,895.00	

Enterprise Fund

Water Tap Fees	05-3646-00	\$	50,000.00		Projected Year End
Wastewater Tap Fees	05-3648-00	\$	5,000.00		"
Wastewater Surcharge	05-3650-00	\$	200,000.00		"
Interest Income	05-3950-00	\$	20,000.00		Increased interest rates
Transfer from W/WW Escrow Fund	05-9125-00	\$	(38,500.00)		Projected Year End
Water Meters and Supplies	05-4975-50		\$	40,000.00	New construction
Engineering Fees	05-6200-50		\$	17,000.00	Park Center Elevated tank inspection/evaluation
S. Hampshire 16" Water Line	05-7003-55		\$	(22,000.00)	Projected year end
Jarvis Road Sewer upgrade	05-7015-55		\$	6,050.00	"
Sag. Blvd. 12" Water Line	05-7018-55		\$	(8,000.00)	Projected year end
Watson/Lawson 8" Water Line	05-7014-55		\$	108,000.00	"
FM 156 12" Water Line	05-7016-55		\$	10,000.00	"
Blue Ridge Trail 8" Sewer Line	05-7019-55		\$	(196,000.00)	Construction delayed until 2017-2018
USE OF FUND BALANCE		\$	(281,450.00)		
ENTERPRISE FUND TOTALS		\$	(44,950.00)	\$	(44,950.00)

Capital Projects Fund

BB Road Phase 2	06-4048-17		\$	(448,645.00)	Next fiscal year budget
BB Road Phase 3	06-4049-17		\$	(448,645.00)	Next fiscal year budget
Bond Sale Expenses	06-5115-17		\$	38,555.00	Final Cost
USE OF EXISTING FUNDS		\$	(858,735.00)		
CAPITAL PROJECTS FUND TOTALS		\$	(858,735.00)	\$	(858,735.00)

Crime Control and Prevention Fund

Sales Tax	11-3680-00	\$	6,000.00		Projected year end
Capital Outlay	11-7000-00		\$	6,000.00	City portion of body camera grant
USE OF EXISTING FUNDS		\$	-		
CCPD FUND TOTALS		\$	6,000.00	\$	6,000.00

Donations Fund

Donations Revenue	20-3940-00	\$	3,130.00		Library Boosters (\$3,030) and Elkins (\$100) donations	
Supplies - Parks	20-4750-61			\$	350.00	Projected year end
Supplies - Library	20-4750-62			\$	100.00	Elkins donation
Contract Services - Library	20-5245-62			\$	3,030.00	Library Boosters donation
Supplies - Senior Center	20-4750-64			\$	1,600.00	Projected year end
USE OF FUND BALANCE		\$	1,950.00			
DONATIONS FUND TOTAL		\$	5,080.00	\$	5,080.00	

General Escrow Fund

Gas Production Proceeds	21-3688-38	\$	200.00		Projected year end	
Land - Gas Proceeds	21-7001-38			\$	470.00	437 N. Knowles taxes (1 acre north of playground)
Insurance Claims	21-3904-43	\$	7,500.00		Projected year end	
Insurance Escrow Maint/Repairs	21-4900-43			\$	20,000.00	"
USE OF EXISTING FUNDS		\$	12,770.00			
GENERAL ESCROW FUND TOTALS		\$	20,470.00	\$	20,470.00	

Enterprise Escrow Fund

Water Impact Fees	25-3652-51	\$	100,000.00		Projected year end	
Sewer Impact Fees	25-3653-52	\$	5,000.00		"	
Transfer to EF Water Impact Fees	25-9205-51			\$	(30,000.00)	"
Transfer to EF Sewer Impact Fees	25-9205-52			\$	(106,000.00)	"
Transfer to EF Water Capital	25-9205-54			\$	97,500.00	"
USE OF EXISTING FUNDS		\$	(143,500.00)			
ENTERPRISE ESCROW FUND TOTALS		\$	(38,500.00)	\$	(38,500.00)	