

Legislation Text

File #: BILL NO. 18-26, **Version:** 1

AN ORDINANCE APPROVING AMENDMENT NO. 10 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2018, AS ADOPTED BY ORDINANCE NO. 8162, BY REVISING THE AUTHORIZED EXPENDITURES FOR THE CITY OF LEE'S SUMMIT. (F&BC 2-5-18).

Issue/Request:

AN ORDINANCE APPROVING AMENDMENT NO. 10 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2018, AS ADOPTED BY ORDINANCE NO. 8162, BY REVISING THE AUTHORIZED EXPENDITURES FOR THE CITY OF LEE'S SUMMIT.

Key Issues:

Before the start of a new fiscal year, City departments will project the final anticipated revenues and expenditures, in the current fiscal year, for their prospective fund or department. The year-end projections are developed to help identify a more accurate financial condition. In some instances, budget amounts are calculated 6 to 12 months before the start of the fiscal year. The process of calculating year-end projections helps refine anticipated revenue and expenditures, and cost savings.

Since the adoption of the original budget on June 1, 2017, and subsequent budget amendments, the following departments have projected incurring additional costs that would exceed budgeted amounts:

1. Finance (\$921,117): As a result of the policy to recover 50% of EMS related expenses, the fees charged for EMS service has increased since FY16. As a result, the insurance adjustment cost has increased commensurate with the increase in fees. The reimbursements from Medicare and Medicaid are only a fraction of what is necessary to cover EMS-related costs as outlined in the cost recovery policy.
2. Fire (\$253,098): This budget amendment is for increased overtime to maintain minimum staffing levels.
3. Parks & Recreation Fund (\$510,000): The Park Board approved the transfer to Park Construction Fund for the Amphitheater project.
4. Road & Bridge Fund (\$3,367,000): The \$3,367,000 is two separate transfers to F321 Airport Construction to fund the local match portion of federal grants.
5. F410 Park COP Debt (\$4,025,000): This consists of two transfers: One transfer in the amount of \$2,100,000 to Parks Construction Fund for construction projects. This was approved by the Park Board for FY17, but was not processed by Finance. The second transfer is in the amount of \$1,925,000 to Parks Construction Fund for construction projects. This was approved for FY18 on May 24, 2017, which was too late to be apart of the original adopted budget by City Council.

Additionally, ITS and Administration have reallocated expenditures and has identified funding for additional FTEs without exceeding the authorized level of expenditure. ITS has outlined a plan to change a part-time Help Desk person to full-time to compensate for a recent vacancy. Administration has identified funding in the current fiscal year for the Compensation and Benefit Specialist in Human Resources, a position approved by City Council with the passage of Ordinance No. 8286.

Proposed Council Motion:

FIRST MOTION: I move for second reading of AN ORDINANCE APPROVING AMENDMENT NO. 10 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2018, AS ADOPTED BY ORDINANCE NO. 8162, BY REVISING THE AUTHORIZED EXPENDITURES FOR THE CITY OF LEE'S SUMMIT.

SECOND MOTION: I move for adoption of AN ORDINANCE APPROVING AMENDMENT NO. 10 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2018, AS ADOPTED BY ORDINANCE NO. 8162, BY REVISING THE AUTHORIZED EXPENDITURES FOR THE CITY OF LEE'S SUMMIT.

Presenter: Jack Feldman, Management Analyst

Recommendation: Staff recommends approval of AN ORDINANCE APPROVING AMENDMENT NO. 10 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2018, AS ADOPTED BY ORDINANCE NO. 8162, BY REVISING THE AUTHORIZED EXPENDITURES FOR THE CITY OF LEE'S SUMMIT

Committee Recommendation: ACTION: A motion was made by Councilmember Faith, seconded by Vice Chair Edson, that this Ordinance be recommended for approval to the City Council - Regular Session, due back on 2/15/2018. The vote was unanimous.