RESOLUTION 2020-35

Agenda Item

TO: Mayor and City Council

FROM: Steve Rasmussen, City Manager
Carmen Weigand, Finance Director

DATE: September 21, 2020

RE: Budget Adjustment #4

Issues:
Throughout the fiscal year, we compare revenues and expenses in order to see where an amendment is necessary to provide a balance of funds. Sometimes expenditures are of an emergency nature and a reserve transfer is necessary within the fund to show the accounting of funds. Additional adjustments may be necessary throughout the year.

Budget Adjustment #4 for FY 2020 will increase expenditures by $617,514 and decrease revenues by $94,918. Detailed explanations of the adjustments for each fund are included. This adjustment highlights multiple projects for the City, which involves multiple funds of the City of Cameron.

General fund adjustments include:
The Orange Street CDBG Grant improvement project is being removed from FY 2020 budget and will be recognized in its entirety in FY 2021. The Orange Street CDBG Grant is a road re-alignment to assist with drainage and storm water issues. Therefore, the expense projection was $380,000.00, and the CDBG Grant revenue of $299,000.00 will reduce the FY 2020 budget. Staff is planning an adjustment for the total cost and grant proceeds of this project in the FY 2021 budget.

Professional services needs for completion of telecommunication litigation and other certified technical services that was required, such as the salary survey.

The cemetery building had their equipment inventory stolen this summer, this equipment was insured, the actual expenditures of equipment purchases have been processed and the insurance proceeds have been received.

The animal control facility is nearing completion. The actual contract with Herner Construction was $611,000, the original estimation of the project when this budget was created was $600,000. This adjustment recognizes the full contractual cost to Herner Construction. The City has been making debt service payments on this project since inception at $6,165 per month. The original estimation of annual debt service was $50,000 in summer 2019.

The Park Board contracted with Midwest Pool Management for the aquatic facility operations for summer 2020. The pool management contract is recognized. The daily admission fees and

concession stand proceeds was processed through a City account this summer so those revenue lines were activated and need adjustment. City general fund contributed to the Pool fund a one-time transfer to assist in the cost of the program operations due to restraints of the limited pool attendance from the COVID-19 admittance policy.

This budget adjustment identifies the Park Board purchase of real estate for Community Park.

The Library Board approved their budget adjustment for summer 2020 and those details are included in this budget adjustment.

Recommendation

These items were discussed at the September 16, 2020 Finance Committee Meeting and were recommended to be brought to Council as a budget adjustment. Staff recommends the Council approve the Resolution 2020-35 to amend the FY 2020 Budget.

Resolution 2020-35

A RESOLUTION FOR THE CITY OF CAMERON, MISSOURI APPROVING BUDGET ADJUSTMENT FOUR (4) FOR THE BUDGET YEAR OF OCTOBER 1, 2019 TO SEPTEMBER 30, 2020

WHEREAS, RSMo 67.030 authorizes the governing body to revise budget limits as the need arises; and

WHEREAS, the intent of the budget adjustment is to maintain sound fiscal control over expenditures and transfers; and

WHEREAS, budget amendments provide greater transparency of fund expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CAMERON, MISSOURI, the Mayor and City Council for the City of Cameron hereby adopt Budget Adjustment Four (4) for the 2019-2020 budget year providing the limits for revenues and expenses of various City funds as per appropriation schedules, which are attached hereto and incorporated herein by this reference.

PASSED AND APPROVED this 21st day of September 2020.

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk