CITY OF SEDALIA, MISSOURI
PUBLIC HEARING – PROPOSED FY 2017 BUDGET
COUNCIL MEETING – MARCH 7, 2016

Public Hearing – Proposed FY 2017 Budget

Mayor Galliher called the public hearing to order at 7:00 p.m. and stated that the purpose of the public hearing is to allow public comments regarding the Proposed FY 2017 Budget. If there are no objections the Council will proceed with the adoption of the budget at the March 21, 2016 Council Meeting.

Finance Director, Kelvin Shaw, presented a brief overview and the highlights of the Proposed FY 2017 budget.

Mr. Shaw stated that the anticipated revenues for the FY 2017 budget are $30,142,540.00 which is a 2% increase from the FY 2016 budget.

Three Measurements for budget:

- "All Funds" expenditures exceed revenues by $955,195
- General Fund expenditures exceed revenues by $331,588
- General Fund anticipated Fund Balance remains healthy; just at 50% or $7,204,837

Major Revenue Sources:

General Fund	FY 2015 (Actual)	FY 2016 (Projected)	FY 2017 (Budgeted)	Increase (Decrease)
Sales Taxes	$7,539,314	$7,632,730	$7,709,057	1%
Use Taxes	-	$130,215	$433,942	233%
Property Taxes	$1,261,064	$1,299,370	$1,312,060	1%
Franchise Taxes	$2,413,689	$2,267,603	$2,326,372	3%
Other Taxes & Grants	$1,046,040	$1,053,393	$1,095,054	4%
Service Fees	$368,565	$396,049	$407,714	3%
Licenses & Permits	$449,210	$509,535	$466,330	(8%)
Other Revenues/Sources	$486,690	$466,376	$412,618	(12%)
Fund Transfers In (Out)	$250,040	$143,773	$246,534	71%
Total General Fund	$13,814,612	$13,899,044	$14,409,681	4%

Significant Expenditures:

Redesigned Public Safety Pay Plan	Computer Systems Strategic Planning & Security Penetration Testing - $40,000
1% Wage Scale Adjustment	Tree removal & grinding - $47,000
2% Step increase for Employees (receiving a "Pass" on Evaluation)	New Animal Shelter, Adding Part-time position & increased operating costs - $100,000
Health Insurance – Net decrease of 6.5% with United Healthcare + avoids 2% increase with MPR ($127,000 savings)	Community Development Vehicles (replacement/upgrade) - $50,000
HSA – Continue $100/month incentive	Police Patrol Vehicles with conversion (replacement schedule) - $36,000

Police Retirement Funding - $230,000	Replacement of 20 year old hand guns - $13,000
Capital Improvements Fund – Street Overlay & Improvements - $1 million	Body Cameras - $28,000
Hwy 50/Main/Oak Grove Intersection Improvements - $335,000	Street Sign Reflectivity Program - $20,000
Parking lot resurfacing - $74,000	Street Department Dump Truck with Snow Plow & Salt Spreader - $145,000
Chip & Seal Cemetery roads - $15,000	Street Department Skid Steer & Equipment Trailer - $72,000
Storm Water Control Projects (2 projects from master plan) - $142,000	Vehicle Maintenance scan equipment - $12,000
Sidewalk Replacement Program - $100,000	Columbarium (Cemetery; 32 Niches) - $8,000
School Light upgrade project - $8,000	Park & Recreation: UTV ($14,000); Replace Security Vehicle ($27,000); Top Dresser ($15,000); Rec-Pro Online Registration Module ($10,000); Vermont Park Improvements ($525,000); Land Acquisition ($250,000); Community Center Planning Fee ($25,000)
Airport Improvements (Capital Improvements Fund) - $500,000	Water Pollution Control (Sewer Improvements): North Plant Bar Screen ($500,000); GPS Mapping ($60,000); Other Plant & Collection System Replacements/Improvements ($464,000)
Vehicle Maintenance & City Hall Roof Replacements - $138,000	Sanitation Equipment Replacements/Improvements - $71,000
Dangerous Buildings Demolitions - $255,000	Economic Development support – increased from $125,000 to $130,000
Building Inspections - $42,000	Other Agency Funding levels as directed at February 22, 2016 Work Session

Updated Expenditure Trends FY 2016 (Projected) vs. FY 2017 (Proposed):

	FY 2016 Projected	FY 2017 Proposed	Increase (Decrease)	% Increase (Decrease)
General Government Admin & Support	$ 3,149,153	$ 3,161,778	$ 12,625	0.4%
Public Safety (Police & Fire Protection)	$ 6,845,498	$ 6,999,392	$153,894	2.2%
Transportation	$ 2,763,877	$ 2,762,350	$ (1,527)	(0.1%)
Library	$ 681,215	$ 698,275	$ 17,060	2.5%
Parks & Recreation	$ 2,667,455	$ 2,742,991	$ 75,536	2.8%
Projects & Capital Improvements	$ 5,159,452	$ 5,332,550	$173,098	3.4%
Totals	$21,266,650	$21,697,336	$430,686	2.0%

Signs of Strength:

- Pettis County unemployment rate 4%; down from 5.1% last year
- Labor market increased number of employed by 878 – 4.4% increase
- Current FY sales tax performance shows 5.1% year over year growth rate
- Kiplinger predicting national retail sales growth at 4% for 2016
- City projecting 1% sales tax growth rate
- Use Tax approved by voters; became effective in October
- City able to commit funding to infrastructure updates through spending down available reserves
- Continuing healthy fund balances

Updated Summary of FY 2017 Budget:

Fund	Beginning Fund Balance 4/1/15	Projected Fund Balance 3/31/16	Anticipated Revenues/ Sources	Anticipated Expenditures	Anticipated Change	Anticipated Fund Balance 3/31/17
General Fund	$ 7,963,759	$ 7,536,425	$14,409,681	$ 14,741,269	$ (331,588)	$ 7,204,837
Capital Improvements 2	$ 2,664,535	$ 2,004,259	$ 3,073,960	$ 3,073,477	$ 483	$ 2,004,742
Library	$ 829,782	$ 473,731	$ 698,275	$ 698,275	-	$ 473,731
Park	$ 1,938,490	$ 2,080,182	$ 2,700,288	$ 2,700,288	-	$ 2,080,182
Central Business & Cultural	$ 57,159	$ 67,324	$ 42,958	$ 51,403	$ (8,445)	$ 58,879
Fire Academy	-	$ 4,272	$ 28,840	$ 29,362	$ (522)	$ 3,750
Capital Improvements	$ (32,431)	-	$ 500,000	$ 500,000	-	-
Midtown Special Allocation	$ 298,563	$ 54,795	$ 1,418,543	$ 1,353,645	$ 64,898	$ 119,693
Water Pollution Control	$29,315,731	$29,559,262	$ 4,652,859	$ 5,150,783	$ (497,924)	$29,061,338
Sanitation	$ 459,035	$ 434,682	$ 1,278,753	$ 1,461,133	$ (182,380)	$ 252,302
Fire Pension	$ 5,652,821	$ 4,917,217	$ 728,383	$ 728,100	$ 283	$ 4,917,500
Police Pension	$ 2,987,827	$ 2,799,113	$ 610,000	$ 610,000	-	$ 2,799,113
Total All Funds:	$52,135,271	$49,931,262	$30,142,540	$ 31,097,735	$(955,195)	$48,976,067

- General Fund – Fund Balance Policy: Min. 25% - $3,602,420; Max. 50% - $7,204,841.
- WPC – Capital Expenditures – Projected fund balance: $20,622,780; Anticipated Expenditures: $1,024,000.
- Sanitation – Capital Expenditures – Projected fund balance: $168,502; Anticipated Expenditures: $71,000.

Mayor Galliher asked for public comments in favor or opposed to the proposed FY 2017 budget.

Dan Welch, 1500 S. Barrett, commended the Fire and Police Departments for their handling of the recent fire at 4th and Osage and added that the City should be very proud of them.

With no further comments, the public hearing closed at 7:32 p.m.

Council Meeting

The Council of the City of Sedalia, Missouri duly met on Monday, March 7, 2016, at 7:32 p.m. at the Municipal Building with Mayor Stephen J. Galliher presiding. Mayor Galliher called the meeting to order and asked for a moment of silent prayer followed by the Pledge of Allegiance led by Councilman Meier.

ROLL CALL:

James Cunningham	Present	Donald Meier	Present
Jo Lynn Turley	Present	Bob Cross	Present
Russell Driskell	Present	Tolbert Rowe	Present
Bonita Nash	Present	Vicky Collins	Present

MINUTES:

The following minutes were approved on motion by Meier, seconded by Driskell. All in favor.

- Pre-Council Meeting February 16, 2016

- Public Hearing and Regular Council Meeting February 16, 2016
- Council Work Session February 22, 2016

REPORTS OF SPECIAL BOARDS, COMMISSIONS & COMMITTEES: None.

ROLL CALL OF STANDING COMMITTEES:

PUBLIC SAFETY – RUSSELL DRISKELL, CHAIRMAN
Approved application for 2017 Hazardous Moving Grant through the Missouri Highway Safety Program between the Sedalia Police Department and the Missouri Department of Transportation, Traffic and Highway Safety Division (Requested Grant Amount $9,629.00) on motion by Cross, seconded by Meier. All in favor.

Approved application for 2017 DWI Enforcement Grant through the Missouri Highway Safety Program between the Sedalia Police Department and the Missouri Department of Transportation, Traffic and Highway Safety Division (Requested Grant Amount $5,796.00) on motion by Cross, seconded by Nash. All in favor.

PUBLIC WORKS – TOLBERT ROWE, CHAIRMAN
Approved Change Order #7 from Spray Com Utilities, Inc. for a deduction of $81,203.80 for the Collection System Rehabilitation Phase 1A Project – Base Bid, Bid Package No. 2 on motion by Turley, seconded by Nash. All in favor.

Approved Change Order #1 from Poort Excavating for a deduction of $8,597.28 for the Storm Drainage Improvements Project Areas 3, 9 & 26 on motion by Driskell, seconded by Meier. All in favor.

FINANCE & ADMINISTRATION – JAMES CUNNINGHAM, CHAIRMAN
Awarded bid for Health Insurance to United Healthcare, Broker Insurance & Benefits Group with added subsidy to offset increase to employees with family coverage on motion by Nash, seconded by Meier. All in favor.

NEW BUSINESS:
BILL NO. 2016 – 11, ORDINANCE NO. 10419 – AN ORDINANCE APPROVING AND ACCEPTING A STATE BLOCK GRANT AGREEMENT BY AND BETWEEN THE CITY OF SEDALIA, MISSOURI AND THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION FOR THE RE-BUILDING OF TAXILANE AND PARKING RAMP AT THE SEDALIA REGIONAL AIRPORT was read once by title.
2nd Reading – Motion by Turley, 2nd by Cunningham. All in favor.
Final Passage – Motion by Turley, 2nd by Nash. All in favor.
Roll Call Vote: Voting "Yes" were Cunningham, Turley, Driskell, Nash, Meier, Cross, Rowe and Collins. No one voted "No".

BILL NO. 2016 – 12, ORDINANCE NO. 10420 – AN ORDINANCE APPROVING AND ACCEPTING A CONTRACT AMENDMENT TO THE SUPERVISED WORK RELEASE PROGRAM AGREEMENT BY AND BETWEEN THE CITY OF SEDALIA, MISSOURI AND MISSOURI DEPARTMENT OF CORRECTIONS, DIVISION OF ADULT INSTITUTIONS, TIPTON CORRECTIONAL CENTER was read once by title.
2nd Reading – Motion by Cross, 2nd by Nash. All in favor.
Final Passage – Motion by Cross, 2nd by Driskell. All in favor.

Roll Call Vote: Voting "Yes" were Cunningham, Turley, Driskell, Nash, Meier, Cross, Rowe and Collins. No one voted "No".

BILL NO. 2016 – 13, ORDINANCE NO. 10421 – AN ORDINANCE APPROVING AND ACCEPTING A MASTER AGREEMENT AND ASSOCIATED PRICING SCHEDULES FOR SWITCHED ETHERNET SERVICE (WITH NETWORK ON DEMAND), IP FLEXIBLE REACH AND MANAGED INTERNET SERVICE BY AND BETWEEN THE CITY OF SEDALIA, MISSOURI AND AT&T RELATING TO THE PURCHASE OF TELEPHONE SERVICE FOR THE CITY'S TELEPHONE SYSTEM was read once by title.
2nd Reading – Motion by Meier, 2nd by Nash. All in favor.
Final Passage – Motion by Turley, 2nd by Nash. All in favor.
Roll Call Vote: Voting "Yes" were Cunningham, Turley, Driskell, Nash, Meier, Cross, Rowe and Collins. No one voted "No".

BILL NO. 2016 – 14, ORDINANCE NO. 10422 – AN ORDINANCE AMENDING ORDINANCE NO. 9940 RELATING TO DELETING AN EXISTING CLASSIFICATION AND JOB DESCRIPTION FOR COLLECTOR/ASSISTANT TO THE FINANCE DIRECTOR FOR THE FINANCE DEPARTMENT AND ADDING A CLASSIFICATION AND JOB DESCRIPTION FOR ACCOUNTING TECHNICIAN – A/R FOR THE FINANCE DEPARTMENT was read once by title.
2nd Reading – Motion by Driskell, 2nd by Cunningham. All in favor.
Final Passage – Motion by Rowe, 2nd by Meier. All in favor.
Roll Call Vote: Voting "Yes" were Cunningham, Turley, Driskell, Nash, Meier, Cross, Rowe and Collins. No one voted "No".

RESOLUTION NO. 1859 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEDALIA, MISSOURI PERSONALLY THANKING AND COMMENDING ELLEN CROSS FOR HER TIME SERVING AS INTERIM PUBLIC WORKS DIRECTOR FOR THE CITY OF SEDALIA, MISSOURI was read once by title and approved on motion by Cross, seconded by Cunningham. All in favor.

Mayor Galliher and City Administrator, Gary Edwards, thanked Ellen Cross for her work as the Interim Public Works Director. Mrs. Cross thanked everyone and stated that the citizens should be thankful for the Council and everyone at the City for their work.

APPOINTMENTS: None.

BIDS:

- Health Insurance – February 12, 2016

LIQUOR LICENSES:
The following New Liquor License was read and approved on motion by Meier, seconded by Turley. All in favor.

- Jalal Nabiyen dba Broadway Liquor & Smokes, 2610 W Broadway – Packaged Liquor with Sunday Sales

DEPARTMENT BILLS thru March 7, 2016 totaling $644,309.18 were approved for payment on motion by Driskell, seconded by Meier. All in favor.

MISCELLANEOUS ITEMS FROM MAYOR/COUNCIL/ADMINISTRATOR:
Mayor Galliher welcomed new Public Works Director, Brenda Ardrey.

Mayor Galliher commented on the tragic fire on March 2, 2016 at the Methodist Church located at 4th and Osage and thanked the church members and the Street Department for the quick cleanup of the site and streets as well as the police officer who spotted the fire and the Sedalia Fire and Pettis County Fire Departments for their work.

Councilman Cross thanked the citizens for their patience with the City's sewer project.

GOOD & WELFARE:
Bob Wright, 2300 W Country Club Dr., commented that he would like to purchase a lot between the properties located at 103 E. 28th and 201 E. 28th to build a house however, the sewer that he would need to hook up to is located on Ohio and on Massachusetts, which are both cost prohibitive. Mr. Wight is requesting a permanent variance to put in a septic tank at the property. City Administrator Edwards stated that Devin Lake, Project Manager, has begun work on this issue and will keep in touch with Mr. Wright.

The meeting adjourned at 7:50 p.m. on motion by Turley, seconded by Meier. All in favor.

THE CITY OF SEDALIA, MISSOURI

Stephen J. Galliher, Mayor

Arlene Silvey MPCC

Arlene Silvey, MPCC City Clerk