



City of Bonner Springs
KANSAS

2021 Budget Workshop

General Fund – July 13, 2020

Overview

- City Position
- Revenue Projections
- General Fund Expenditures
- Transfers
- Capital Improvement/Equipment Plans

City Position

- The City continues to hold a strong financial position
 - Bond Rating was increased this year to AA
 - Due to improving economic indicators and the maintenance of very strong reserves.
 - End of 2019, General Fund Unrestricted Balance equaled \$5,606,218

“Downside Scenario” cited in Rating Report

- Could lower the rating if the city's economy weakens and negatively affects per capita incomes and market values.
- We could also lower the rating if the city experiences financial pressures that lead to structural budget imbalance and sustained declines in reserves.

Estimated City Mill Levy Rate

<u>Levy Year</u>	General	Debt Service	Library	Total
2020 for 2021	24.621	9.355	4.494	38.470
2019 for 2020	24.391	9.288	4.723	38.403
Change	.230	.067	(.230)	.067

- Based on estimated valuations from the Counties. Valuations will be certified in October. Tax rates may increase or decrease based on final certified valuations.

Revenue

- Total General Fund Revenue budgeted for 2021 - \$8,288,596

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 Budget</u>	<u>2020 Est</u>	<u>2021 Proposed</u>
\$8,173,484	\$8,944,174	\$9,779,864	\$8,830,954	\$7,992,467	\$8,570,844

- Estimated 10% **Decrease** in 2020 Revenue (affects this years Budget)
 - Estimated loss in revenue is \$823,915
 - Departments have been revising operations budgets as practical
 - Capital Items have been delayed
- Budgeting a 3% **Decrease** 2021 Revenue (affects next years Budget)
 - 2020 Approved Budget vs. 2021 Recommended

Revenue

- The volatility of the present situation could impact several areas (i.e. Sales Tax, Franchise fees, fines, permits, and miscellaneous fees).
 - Generally, revenue streams remain at 2020 levels with exception to those noted below
- Significant Decreases (2020 Approved vs 2021 Budgeted)
 - 42% decrease in Casino Revenue (totals \$285,000)
 - Amusement Tax
 - Liquor Tax
 - Interest Earnings

General Fund

Department Overviews

Major Considerations Impacting General Fund

- No increases to wages
 - Employees eligible for step increase in 2020, have been approved as applicable.
- Health Insurance projected increase at 5%

Finance

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$292,501	\$296,646	\$378,109	\$428,975	\$433,284
Contractual Services	\$52,968	\$56,961	\$79,074	\$90,400	\$100,920
Commodity Items	\$4,768	\$5,148	\$3,956	\$5,000	\$4,500
Capital Items	\$895	\$22,745	\$86,840	\$0	\$0
Total	\$351,132	\$381,500	\$547,979	\$524,375	\$538,704

- Significant Changes

- 2.73% Increase from 2020 Estimate
- Remove Software, add HR assessment/review, reduce training

City Clerk

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$138,042	\$142,093	\$86,119	\$113,474	\$117,346
Contractual Services	\$188,875	\$195,309	\$183,862	\$186,771	\$161,530
Commodity Items	\$11,066	\$5,795	\$5,030	\$10,525	\$5,600
Capital Items	\$250		\$4,768		
Total	\$338,233	\$343,197	\$279,779	\$310,770	\$284,476

- Significant Changes

- **8.46% Decrease** from 2020 Estimate
- 2020 had a one-time cost associated with Codification, with minor expense planned for 2021 - approximately \$13,750 reduction

City Council

<u>Expenditure Summary</u>	2017	2018	2019	2020 Budget	2021 Budget
Personnel Services	\$10,033	\$9,953	\$10,056	\$10,095	\$10,095
Contractual Services	\$6,615	\$7,803	\$5,775	\$8,990	\$8,290
Commodity Items	\$4,490	\$8,522	\$980	\$4,625	\$250
Total	\$21,138	\$26,278	\$16,811	\$23,710	\$18,635

- Significant Changes

- **21.40% Decrease** from 2020 Budget
- Reduce miscellaneous Commodity Items (office supplies, awards, etc.)

City Manager

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$316,409	\$273,152	\$367,357	\$397,628	\$392,312
Contractual Services	\$115,187	\$92,958	\$53,978	\$66,477	\$52,477
Commodity Items	\$6,219	\$1,110	\$2,375	\$21,650	\$6,650
Capital Items	\$0	\$197	\$0	\$0	\$0
Total	\$437,815	\$367,417	\$423,710	\$485,755	\$451,439

- Significant Changes
 - **7.06% decrease** from 2020 Estimate
 - Move ACM to Community Development
 - Add 1 PT Intern

Community Development

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$294,666	\$225,868	\$163,026	\$193,815	\$437,295
Contractual Services	\$87,948	\$126,239	\$100,685	\$94,040	\$65,622
Commodity Items	\$5,045	\$4,546	\$2,124	\$3,650	\$4,850
Capital Items			\$23,461	\$0	\$0
Total	\$387,659	\$356,653	\$289,296	\$291,505	\$507,767

- **Significant Changes**

- **75.19% Increase** from 2020 Estimate
- Move ACM from CM Budget
- Hire 1 Building Official (reduce contractual services, increase to personnel)
- Comp Plan update (planned for 2020, is moved to CIP for 2021)

Custodial (New)

<u>Expenditure Summary</u>	2021 Budget
Personnel Services	\$64,000
Contractual Services	\$36,200
Commodity Items	\$40,000
Capital Items	\$1,600
Total	\$141,800

- **Significant Changes**

- Due to increase costs associated with new buildings, and the desire to have the service “in-house.”
- Part-Time positions, 1 “custodian in charge” and 4 custodians

Fire

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$100,442	\$90,984	\$560,503	\$677,370	\$805,219
Contractual Services	\$83,658	\$92,442	\$188,045	\$210,624	\$187,740
Commodity Items	\$21,802	\$24,326	\$70,004	\$92,975	\$75,700
Capital Items	\$1,200	\$923	\$49,039	\$4,000	\$184,000
Total	\$207,102	\$208,676	\$867,591	\$984,969	\$1,252,659

- Significant Changes
 - 27.18% Increase from 2020 Estimate
 - Increase in Personnel
 - Increase in Capital Items
 - Increase in budget is, in part, a reflection of an increase in Property Tax collections. Public Safety is exempt from Tax Lid - allowing us to “capture” the increase.

Municipal Court

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$103,948	\$101,922	\$116,646	\$135,669	\$140,792
Contractual Services	\$94,652	\$117,400	\$146,405	\$177,184	\$165,684
Commodity Items	\$2	\$438	\$853	\$1,500	\$900
Capital Items	\$317	\$56	\$1,416	\$0	\$500
Total	\$198,919	\$219,816	\$265,320	\$314,353	\$307,876

- Significant Changes

- **2.06% decrease** from 2020 Estimate
- City Prosecutor costs are estimated at \$95,000 (shown in Contractual), down from \$102,000 estimated in for 2020.

Police

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$2,348,420	\$2,177,607	\$2,472,597	\$2,574,252	\$2,646,557
Contractual Services	\$254,753	\$307,020	\$358,087	\$369,511	\$355,999
Commodity Items	\$113,777	\$149,387	\$171,727	\$153,500	\$111,750
Capital Items	\$3,196	\$258,518	\$141,338	\$0	\$0
Total	\$2,720,146	\$2,892,532	\$3,143,749	\$3,097,263	\$3,114,306

- **Significant Changes**

- 3.38 Increase from 2020 Estimate
- Reduction of 1 Officer Position (un-filled)
- Add software related to Axon Cameras - In-Car system, and Interview room recording

Public Works

<u>Expenditure Summary</u>	2017	2018	2019	2020 Estimate	2021 Budget
Personnel Services	\$537,236	\$582,923	\$854,916	\$895,022	\$931,180
Contractual Services	\$115,819	\$334,884	\$351,635	\$446,670	\$353,461
Commodity Items	\$94,204	\$129,776	\$197,217	\$192,500	\$154,000
Capital Items	\$146,129	\$464,965	\$52,853	\$0	\$0
Total	\$893,388	\$1,512,548	\$1,456,621	\$1,534,192	\$1,438,641

- Significant Changes
 - **6.23% Decrease** from 2020 Estimate

Transfers - Operating

<u>Description</u>	2017	2018	2019	2020	2021
<u>TO SPECIAL REVENUE FUNDS</u>				Estimate	Budget
EMS	\$514,094	\$438,782	-	-	-
Cemetery	-	\$56,309	\$68,614	\$89,160	\$78,860
Senior Center	\$51,283	\$48,292	\$48,636	\$46,923	\$38,063
Swimming Pool	\$15,348	\$13,445	\$57,005	\$33,068	\$95,739
Tiblow Transit	\$13,105	-	-	\$16,567	\$11,799
BS Center City Contribution	\$48,221	\$44,890	\$63,173	\$65,000	\$70,000
Street Projects	\$270,000	\$42,210	-	-	-
<u>TO ENTERPRISE FUNDS</u>					
Wastewater	\$6,000	\$2,250	-	\$5,000	\$4,000
<u>PAYMENTS</u>					
Ampitheater Renovations	\$5,788	-	\$9,028	-	-
Miscellaneous	-	\$8,158	-	-	-
Total	\$923,839	\$654,336	\$246,526	\$255,718	\$298,461

Transfers - Capital Improvement & Equip Reserve

<u>Description</u>	2017	2018	2019	2020	2021
<u>TO SPECIAL REVENUE FUNDS</u>				Estimate	Budget
Equipment Reserve Fund	-	-	\$330,000	\$660,000	-
Capital Improvement Reserve Fund	-	-	\$1,4930,000	\$1,170,000	-
Total	\$0	\$0	\$1,823,000	\$1,830,000	\$0

Big Picture

EXPENDITURES	2018	2019	2020 Bud	2020 Est	2021 Proposed
Budget & Finance	\$381,500	\$547,979	\$532,928	\$524,375	\$538,704
City Clerk	\$343,197	\$279,779	\$315,250	\$310,770	\$284,476
Mayor/City Council	\$26,278	\$16,811	\$23,710	\$23,710	\$18,635
City Manager	\$367,417	\$423,710	\$575,530	\$485,755	\$451,439
Community Development	\$356,653	\$289,296	\$474,424	\$291,505	\$507,767
Custodial	-	-	-	-	\$141,800
Fire	\$208,675	\$867,591	\$1,193,746	\$984,969	\$1,252,659
Municipal Court	\$219,816	\$265,320	\$320,089	\$314,353	\$307,876
Recreation	\$885,225	\$455,816	\$497,159	\$485,919	\$417,485
Police	\$2,892,532	\$3,143,749	\$3,183,914	\$3,097,263	\$3,114,306
Public Works	\$1,512,548	\$1,456,621	\$1,481,784	\$1,534,192	\$1,438,641
Miscellaneous	\$8,158	\$9,028	\$890,000	\$263,277	-
Transfers to Cap & Equip Reserve	-	\$1,823,000	\$1,830,000	-	-
Transfers/expenditures other funds	\$646,178	\$237,498	\$316,529	\$255,718	\$298,461
TOTAL ALL EXPENDITURES	\$7,848,177	\$9,816,198	\$11,635,063	\$8,571,806	\$8,772,249

Considerations

- Revenue is estimated at \$8,570,844
- Expenses total \$8,772,249
- Balancing the Budget will require \$201,405 of reserves being spent in FY2021
- Reserves (Fund Balance) are estimated to drop to \$2.995 M

Wrap-Up

- Next Workshop - Monday, July 20
 - Review Library, Special Revenue, and Enterprise
 - Capital Improvement/Equipment Plans
- Council Meeting:
 - Approve Budget Hearing Notice - Sets Maximum Budget for 2021 Expenditures
 - Schedule Budget Hearing for August 10th