

MEMO

To: Mayor Pogue, Board of Aldermen

From: Denise Keller

Date: February 16, 2016

Subject: 2016 Budget Re-appropriation

In recent years the fitness equipment at The Pointe has been replaced every three – four years using financing over a three year term. This has allowed for a smaller expenditure each year during a period when the budget was very tight.

This equipment was budgeted to be replaced in 2016 under the same financing mechanism with just one payment in the current year. Upon further examination of this process, however, Administration would like to recommend that the equipment be purchased outright. The paperwork, staff and attorney's time required to finance \$150,000 of equipment is identical in complexity to the paperwork and time required to finance \$2,000,000. The city can save \$3,116 in interest payments and escrow fees by forgoing financing, and has sufficient cash flow for the purchase. A budget re-appropriation would be required.

In an unrelated situation, two of the one-ton dump trucks in the Public Works fleet were discovered to have rusted and broken cross members under the cabs. An estimate of repair cost from a body shop is \$16,600 for the two trucks combined, with the expectation that the actual cost will be higher as more rusted parts are removed. These vehicles had been rated as being in poor condition on the fleet inventory but were not budgeted for replacement in 2016 due to a more urgent need for replacement of two-ton trucks. They are, however, currently parked and unable to be used as they are considered unsafe to drive in their current condition. Administration does not believe that spending the funds necessary to prolong the lives of these vehicles into the next budget year makes sound financial sense, and recommends replacing both of the trucks in the current year. The cost to replace each truck using the state contract is \$65,000. A budget re-appropriation would be required.



BILL NO. 3916

CITY OF BALLWIN

ORDINANCE NO. 16-

14811 Manchester Road, Ballwin, MO 63011

INTRODUCED BY

ALDERMEN TERBROCK, FINLEY, ROACH, STALLMANN, FLEMING, LEAHY, KERLAGON, BULLINGTON

AN ORDINANCE AMENDING THE 2016 BUDGET OF CASH REVENUE AND CASH DISBURSEMENTS FOR THE OPERATING REVENUE FUNDS OF THE CITY OF BALLWIN, ST. LOUIS COUNTY, MISSOURI, PROVIDING FOR EXPENDITURE REVISIONS IN ACCORDANCE WITH SAID BUDGET AND MAKING RE-APPROPRIATIONS THEREOF.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF BALLWIN, ST. LOUIS COUNTY, MISSOURI, AS FOLLOWS:

Section 1. The budget of anticipated cash revenue and cash disbursements, as submitted by the City Administrator and Finance Officer of the City of Ballwin, for the fiscal year commencing January 1, 2016, and ending December 31, 2016, was approved as the budget of the City of Ballwin for the twelve (12) month period of January 1, 2016 through December 31, 2016 by Ordinance.

Section 2. The expenditures set forth in such budget were authorized for the period January 1, 2016 through December 31, 2016, subject to the certification by the heads of the various departments of the City and the City Administrator, and subject also to the general supervisory control of the Board of Aldermen of the City of Ballwin.

Section 3. During the course of the current fiscal year, adjustments were made within the various departments to address unforeseen situations, fulfill Aldermanic direction and/or to comply with State and Federal mandates.

Section 4. This re-appropriation, as reflected in Exhibit A, attached hereto and made a part hereof, revises operating and capital revenues and expenditures within the total appropriation levels established in the 2016 year budget.

Section 5. All ordinances or parts of ordinances in conflict herewith are to the extent of such conflict repealed.

Section 6. This ordinance shall take effect and be in full force from and after its passage and approval.

PASSED this ___ day of _____, 2016.

TIM POGUE, MAYOR

APPROVED this ___ day of _____, 2016.

TIM POGUE, MAYOR

ATTEST: _____
ERIC HANSON, CITY ADMINISTRATOR

2016 OPERATING BUDGET AMENDMENT (1)

2/22/16

OPERATING EXPENSES - PARKS & RECREATION

<u>Expenses</u>		<u>Current Budget</u>	<u>Amendment</u>	<u>New Budget</u>
	Parks & Rec			
01-04-45-213070	Fitness equipment lease	49,783	98,180	147,963

OPERATING EXPENSES - PUBLIC WORKS

<u>Expenses</u>		<u>Current Budget</u>	<u>Amendment</u>	<u>New Budget</u>
	Public Works			
01-02-28-221502	Trucks	286,800	130,000	416,800

Adopted 2016 Operating Revenue Budget:	\$18,570,131
Amendments:	\$-
Revised (1) 2016 Operating Revenue Budget:	\$18,570,131

Adopted 2016 Operating Expenditure Budget:	\$19,269,221
Amendments:	\$228,180
Revised (1) 2016 Operating Expenditure Budget:	\$19,497,401

Surplus/(Deficit): \$ (927,270)