

2020 SPENDING PLAN

Draft Spending Plan for Council discussion on July 23, 2020

OVERVIEW OF SPENDING PLAN

- ✓ Purpose is to identify areas of concern where revenue shortages in major funds may impact city services or budgeted expenditures
- ✓ Focus is to address funds most directly impacted by sales tax:
General Fund and Equipment Fund
- ✓ Includes adjustments made in early 2020 to immediately offset expected shortfalls
- ✓ Identifies additional areas where adjustments may occur if needed

PROJECTED SHORTFALL

- ✓ Combined impact of \$ 413,225
- ✓ Includes 25% shortfall in Sales Tax overall
- ✓ Varying degree of impact from delayed Municipal Court revenue, reduced or delayed Property tax and Motor Vehicle collections, and loss of Facility Rental revenue

IMMEDIATE STEPS IDENTIFIED OR ENACTED TO OFFSET IMPACT

Adjustments currently impacting outcome:	\$425,564
Beginning of Year Unbudgeted Fund Balance Rollover - General Fund	(\$175,000)
Position vacancy frozen - Public Works Director (7 months, June thru December) <i>50% Salary + Payroll Taxes + KPERS + Health Ins. = \$5,560/month</i>	(\$38,920)
Position vacancy frozen - Accounting Supervisor position (12 months thru December) <i>100% Salary + Payroll Taxes + KPERS + Health Ins. = \$8,215/month</i>	(\$98,580)
Position vacancy frozen - Street Maintenance Worker position (12 months thru December) <i>100% Salary + Payroll Taxes + KPERS + Health Ins. = \$5,310/month</i>	(\$63,720)
Vacant Police Officer I position (7 months, January thru July) <i>100% Salary + Payroll Taxes + KPF + Health Ins. = \$6,510/month</i>	(\$45,570)
Vacant Police Officer II position (10 months, January thru October) <i>100% Salary + Payroll Taxes + KPF + Health Ins. = \$7,510/month</i>	(\$75,100)
Vacant Street Superintendent position filled in April 2020 <i>100% Salary + Payroll Taxes + KPERS + Health Ins. = \$8,195/month</i>	(\$24,585)
Aquatic Closure for 2020 season	(\$116,739)
Adjust budget for Fuel - Fuel prices lower in 2020 than anticipated	(\$6,000)
Adjust budget for Crossing Guard services - Due to school closure in April & May 2020	(\$4,800)
Adjust budget for Kennel charges for Animal Control - use of only 1% thru June 2020	(\$3,000)
Increase budget for Police Department overtime <i>(\$39,000 OT spent thru June)</i>	\$26,450
Increase budget for general fund Legal Services <i>(Budget \$50,000, Spent thru June \$149,000, Cost thru December estimated at \$250,000)</i>	\$200,000
Delay Comprehensive Plan <i>(50% of total cost budgeted from Special County Sales Tax)</i>	(\$80,000)

ADDITIONAL MEASURES IDENTIFIED (IF NEEDED)

Adjustments Available (If Needed):	\$238,500
Move 2019 YE Transfer from Equipment Fund back to General Fund	\$150,000
Suspend employee education reimbursement program	\$5,000
Temporarily suspend cost sharing of salt expenditure with Special Highway Fund	\$15,000
Defer 2020 equipment purchase - Steel salt spreader <i>Redirect funds to General Fund</i>	\$18,500
Budget cuts of overall budget of 5% or 10%	undecided
Voluntary furlough of staff	undecided
Redirect Special County Sales Tax from Equipment Reserve fund to General Fund	\$50,000

DISCUSSION