



City of Pleasant Hill, Missouri

FY 2018 BUDGET

Annual Budget
April 1 - March 31



CITY OF PLEASANT HILL

FY 2018 BUDGET

*Annual Budget
April 1 - March 31*

TABLE OF CONTENTS

Table of Contents

City Profile

City Officials	5
Organizational Chart.....	6
Community Profile.....	7
Economic Outlook and Employment	9
Distinguished Budget Presentation Award.....	10

Budget Overview

Budget Transmittal Letter.....	12
Council Budget Priorities	16
Expenditure Summary	17
Revenue Summary	18
Budget Process	19
Budget and Financial Policies.....	20
Fund Balance	23
Budget Summary	25
Combined Summary.....	27

General Fund

Fund Overview	30
Fund Revenues	31
Finance & Administration.....	32
Buildings & Grounds.....	34
Municipal Court.....	36
Community Development.....	38
Police Department	40
Interfund Transfers.....	42

Special Revenue Funds

Excise Tax.....	44
Park Fund	46
Park/Stormwater Sales Tax Fund.....	50
Public Health Fund.....	52
Special Events Fund.....	54
Street Fund	58

Internal Service Funds

Equipment Replacement Fund.....	62
Risk Management Fund	64

Capital Funds

Capital Improvement Sales Tax Fund.....	66
Capital Projects Fund	68
Pool Capital Improvement Sales Tax Fund	70

TABLE OF CONTENTS

Debt Service Fund

Debt Service Fund.....	72
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Enterprise Fund

Water/Sewer Fund.....	76
Depreciation.....	80
Historical Rates.....	81

Appendix

Revenue Assumptions.....	82
Transfer Matrix.....	94
Staffing Summary.....	95
Glossary.....	96
5 year Capital Improvement Plan.....	102

PLEASANT HILL MAYOR & CITY COUNCIL

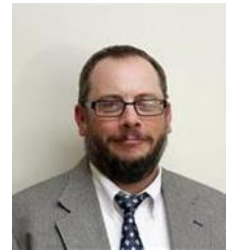
Chris J. Hicks, Mayor

Paul Beason, Mayor Pro-Tem/Councilman, Precinct 21

John King, Councilman, Precinct 20

Don Donovan, Councilman, Precinct 22

Mark Guffey, Councilman at Large



ADMINISTRATION & DEPARTMENT HEADS

Shawn Hennessee, City Administrator

Shelby Teufel, Assistant City Administrator/Finance Director

Robert Driscoll, Police Chief

Vacant, Public Works Director

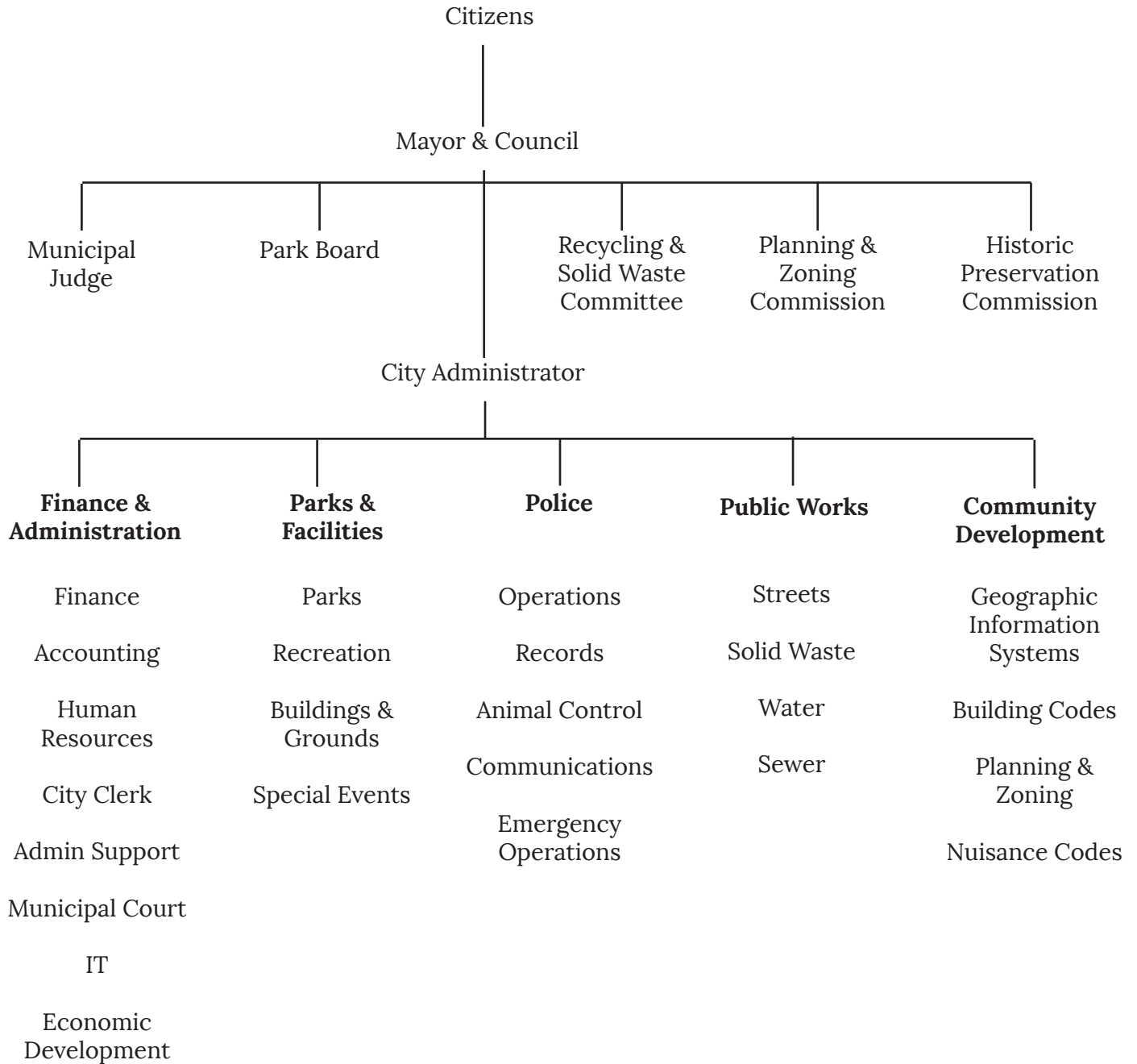
Justin Wieberg, Director of Parks and Facilities

Kevin Anderson, City Attorney

Roger Potter, Municipal Judge

Dana F. Cole & Co LLP, Financial Auditors

ORGANIZATIONAL CHART



PLEASANT HILL at a GLANCE

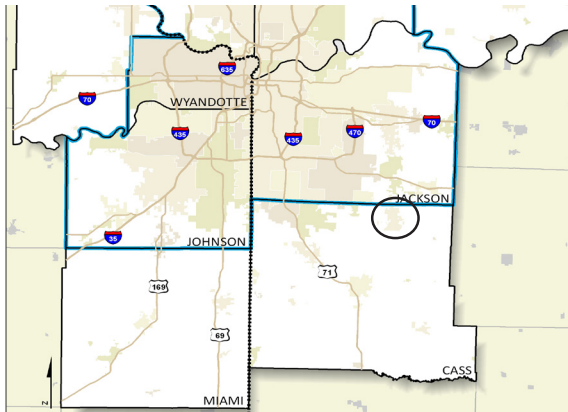
Profile of the City

The City of Pleasant Hill operates under a Special Charter, approved by the Missouri Legislature in 1859. The City is served by a Mayor and Council who serve two-year overlapping terms and an appointed City Administrator.

The City occupies 8.01 square miles and is located 30 miles southeast of Downtown Kansas City.

Pleasant Hill is a growing commuter suburban municipality of approximately 8,600 residents.

The City is situated in northern Cass County and southeastern Jackson County at the intersection of three state highways -- State Route 7 and State Route 58, and State Route 7 and State Route 150. The City is located only three (3) miles south of US Highway 50. The City is also on the main line of the Union Pacific Railroad.



Services provided by the City include:

Police patrol and investigations

Street maintenance

Storm drainage maintenance

Recreation and park services

Planning and zoning management

Licensing, permitting, and inspections

Codes administration

Water distribution / line maintenance

Municipal court

Sewer line maintenance

General administrative services

The City oversees contracts for residential trash service and wastewater treatment. Residents receive fire protection through the Pleasant Hill Fire Protection District.

ABOUT PLEASANT HILL

Historical Background

Pleasant Hill is one of western Missouri's oldest communities. Until the year 1825, the land that now is the site of the City of Pleasant Hill was home of the proud Osage Indians. The first pioneer settlement was established in 1828, upon a scenic ridge known as "Old Town" that gave the town its name. On October 8, 1844, William W. Wright platted the first addition to be recorded. The "Original Town of Pleasant Hill" consisted of 12 blocks located on the ridge near what is now the Pleasant Hill Cemetery. The town was officially chartered and the first Mayor and Council were elected in 1858. On March 1, 1859, the Missouri Legislature enacted the City's governing Charter which is still in effect today.

During the Civil War the town was ravaged by confederate guerrilla raids under Quantrill and union reprisals including General Ewing's infamous Order No. 11. It was occupied and used as a military post. Public buildings were used to house soldiers and horses during the bitter winter of 1862. Fortunately, with the end of the Civil War came a prosperous time for the City. The Atlantic-Pacific Railroad that came to town helped foster a rapidly growing population. It also helped to make Pleasant Hill one of the most important towns in this part of the Country. The City was eventually served by 3 major railroad lines, including the Rock Island and Missouri Pacific, which was later known as the Union Pacific.

People and businesses flocked to be closer to the railroad. This began the development of "New Town". "New Town" saw an insurgence of businesses and industries along the rail line - including the Kellogg Greenhouse and Colonial Poultry. While "Old Town" declined, the population of "New Town" was rapidly growing. By 1867, the population was approximately 2,200.

The importance of railroads, which once made Pleasant Hill such a significant place, was depreciated by the popularity of the automobile. The railroad was no longer the ideal way to get around. As emphasis shifted away from railroads and toward highway development, growth and development occurred along highways and interstates. Businesses, jobs, and residents were drawn to other communities located along these routes. As the highway systems improved, Pleasant Hill again became a desirable community. Highway 7 was built through town and subsequently the businesses started to establish themselves along it. The outward expansion of the Kansas City region allowed residents to live in our small town while enjoying the amenities and jobs of the larger region.

The area of "New Town" is locally known to residents as Downtown Pleasant Hill. Downtown Pleasant Hill is on the National Register of Historic Districts and has seen a number of murals painted on historic buildings to pay tribute to the town's history.

Pleasant Hill again has begun to see interest in Downtown as the State of Missouri opened the Rock Island Spur of the KATY Trail in December 2016.

Pleasant Hill has indeed enjoyed a long and colorful history. It has become important to the community to continue the City's unique identity and rich heritage.

ECONOMIC CONDITION

Economic Condition and Outlook

Residential development continued to increase within the previous fiscal year and is anticipated to continue at a similar pace. Being close to a metropolitan region, residential development typically precedes other development. The City had 64 single-family housing starts in the 2016 calendar year.

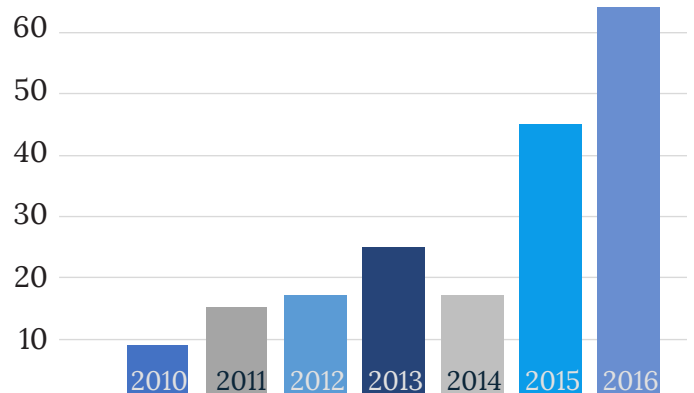
The local economy is diverse, enjoying a blend of service businesses, retail trade, government and education, and manufacturing. In addition to local opportunities, a large segment of the population is employed in other parts of the metropolitan region. The City tracks the larger Kansas City metropolitan labor market as it has an impact on the City and our residents. It is likely that as employment opens up and wages increase, the suburban nature of the community will continue and the number of residential building permits will rise. Historically, the community has seen the number of new commercial and industrial businesses increase with the residential population.

The 2016 average annual unemployment rate for Cass County was 4.1% and the Kansas City region was 4.2%, both down from 4.8% the previous year.

Major Employers

Pleasant Hill School District	Public Education	247
Price Chopper	Retail, Grocery	101
Pleasant Hill Health and Rehab	Long Term Care & Rehab	97
ICF Industries	Manufacturing	92
Sonic	Food Service	48
McDonald's	Food Service	38
National Weather Service	Government	45
City of Pleasant Hill	Government	40

Employed



Housing Starts

DISTINGUISHED BUDGET PRESENTATION AWARD



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Pleasant Hill

Missouri

For the Fiscal Year Beginning

April 1, 2016

A handwritten signature in black ink, appearing to read 'Jeffrey R. Erwin'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Pleasant Hill, Missouri for the Annual Budget beginning April 1, 2015.

In order to receive this award, a governmental unit must publish a document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. The City believes its current budget continues to conform to the program requirements and will be submitted to GFOA for judging of eligibility for another award for FY 2018.

The City has received this award 12 times.



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BUDGET TRANSMITTAL LETTER

To: The Mayor and City Council
From: Shelby Teufel, Assistant City Administrator/Finance Director
Subject: Budget Transmittal Letter for Fiscal Year 2017-18
Date: March 27, 2017

I'm pleased to transmit to you the attached Budget for Fiscal Year 2017-18 for the City of Pleasant Hill, Missouri. I'm also pleased to offer this Budget Transmittal Letter, which is intended as a summary and overview of the information provided in great detail within the Budget Document. This budget includes a one year operating budget as well as a five (5) year Capital Improvement Plan. This budget complies with all city charter and state requirements and fulfills the requirements outlined by the Government Finance Officers Association Distinguished Budget Presentation Award.

This budget of \$11,302,720 (excludes transfers) represents a commitment to provide quality services to our citizens while investing in capital infrastructure assets throughout the City.

The proposed budget represents our continued commitment to our employees, the services we provide, and to our residents for their financial contributions through taxes, fees, and utility payments. The Budget and Capital Improvement Plan provide funding support of the core areas of the City.

How the City Budget is Organized

The City of Pleasant Hill operates on an April 1 to March 31 fiscal year. The Budget is organized into 14 separate and distinct Funds, each of which is described in detail in the Budget Document.

The GENERAL FUND is the City's primary tax supported Fund used to account for all funds not required by standard budgeting practice to be budgeted separately. This fund is divided into six (6) expense categories as follows:

- Finance and Administration
- Municipal Court
- Buildings & Grounds
- Police
- Community Development
- Transfers to Other Funds

The Budget also contains six (6) SPECIAL REVENUE FUNDS, which are those which have a special tax or other revenue source dedicated for a specific purpose. They are the Street Fund, the Park Fund, the Public Health Fund, the Excise Tax Fund, the Park/Stormwater Sales Tax Fund, and the Special Events Fund.

The Budget includes three (3) CAPITAL FUNDS, which were established to record expenditures for capital items and capital projects. They are the Capital Improvement Sales Tax Fund, the Capital Projects Fund, and the Pool Capital Improvement Sales Tax Fund. As the name indicates, the Capital Improvement Sales Tax Fund records expenditures from a sales tax which is dedicated exclusively for a variety of City capital improvements. The Capital Projects Fund details the expenditure of proceeds from bond issues, bond-like instruments called Certificates of Participation, and similar revenue sources. The Pool Capital Improvement Sales Tax Fund was established to record proceeds from a sales tax which was established in 2013 for the construction of a new City swimming pool.

The Budget includes two (2) INTERNAL SERVICE FUNDS, which are used to provide a service to City

departments. The first of these is the Risk Management Fund, which is used to pay insurance deductibles and employee safety training expenses for the various City departments. The other Fund of this type is the Equipment Replacement Fund, which is used to self-finance the purchase of equipment in order to avoid interest payments associated with external financing. With the exception of safety training expenses, using departments repay, over a period of time, the money advanced to them through these two Funds.

The budget contains one DEBT SERVICE FUND, which is used to record the annual payments on outstanding debt, including General Obligation Bonds and Certificates of Participation. The money needed to make these payments comes from the debt levy and inter-fund transfers.

Finally, the City has one ENTERPRISE FUND, which derives its revenues from fees for services rather than taxes. Our only Fund of this type is the Water/Sewer Fund.

The matrix below illustrates which Department operations are budgeted in each fund.

Fund	Finance & Admin	Parks & Facilities	Police	Public Works	Community Development
General	X	X	X		X
Street				X	
Park		X			
Public Health			X		
Water/Sewer	X			X	

Economic Challenges and Changing Conditions

The 2017-18 Budget, coming off a great residential rebound in FY 2017, anticipates another year of residential growth in the community. Our residential growth continues to be strong, albeit not at the pace of growth seen in the early 2000s before the recession. This year’s budget anticipates forty-five (45) new homes will be constructed based on availability of already platted lots. Construction activity impacts the General Fund, Water/Sewer Fund, and Excise Tax Fund, which receive fees associated with new home construction.

Commercial development continues to make small, incremental changes to the City’s tax base. For years, the City has had a disproportionately low level of sales tax collection compared to nearby communities. Our position within the retail sales markets of other communities, and the lack of a major highway to attract retail development, have historically resulted in per capita sales tax collections approximately half that of nearby communities. Reduced sales tax collections impact the General Fund, Capital Improvement Sales Tax Fund, Park/Stormwater Sales Tax Fund, Pool Capital Improvements Sales Tax Fund, and Street Fund. Continued population growth, the opening of the Rock Island Spur of the KATY Trail, and new economic development strategies are expected to improve this situation.

Continued growth in the population base, excitement around the Rock Island Spur, and a focus on economic development give us an overall optimistic outlook for this and future budget years.

Budget Priorities

Given the fact that the City has a limited amount of funds to furnish a wide variety of services, it’s important to make sure that funding is directed to the priorities established by the City Council. The 2017-18 Budget was prepared with attention to established Council priorities.

The first priority of the Budget is always ensuring adequate funding to pay outstanding debt obligations. Another essential Budget priority is maintenance of sufficient fund balance reserves.

Another essential budget priority is retaining sufficient fund balance reserves. Adequate fund balances are necessary for cash flow requirements and unforeseen contingencies. The adopted Budget reflects and unrestricted fund balance of 14%, while the minimum set by the Council is 10%.

The City Budget was developed with attention to the concept of long-term sustainability. That is, even though fund balances might be drawn upon to fund a specific one-time project to fill a temporary need, regular operating expenses should be covered by dependable and consistent sources of revenue. Likewise, any one-time or temporary revenues should be used for one-time projects, and not be depended upon for ongoing funding of basic City services.

Overall Funding Summary

The expenditures for all Departments and Fund add up to a total of \$13,078,113, including interfund transfers. Transfers between Funds represent \$1,775,393 of this total. While interfund transfers are explained below, readers may find it helpful to refer to the Operating Transfer Matrix and the Debt Service Transfer Matrix contained in the Appendix.

The City Budget for 2017-18 achieves the objectives identified above, and provides all Departments with sufficient funding to provide essential services, while also maintaining adequate fund balances. It should be noted that Fund balances increase in some Funds and went down in others. This reflects the fact that Fund balances were built up in prior year in anticipation of spending some of that money later for a specific purpose or project.

In 2017-18, expenditures will exceed revenues, with a corresponding draw-down of fund balances, in the General Fund, Capital Improvement Sales Tax Fund, Excise Tax Fund, Park/Stormwater Sales Tax Fund, Park Fund, Special Events Fund, Capital Projects Fund, Debt Service Fund, Equipment Replacement Fund, and Water/Sewer Fund. As mentioned above, these expenditures from accumulated fund balances were authorized to finance specific one-time needs and special priorities identified this year. Revenues will exceed expenditures in the Street Fund and Public Health Fund, adding to the fund balances in those Funds.

The ending fund balance in each Fund consists of “restricted” and/or “unrestricted” money. Restricted amounts are being held for a specific purpose, and cannot be spent like regular resources in that Fund. Unrestricted funds are not being held for a specific purpose, and can be spent like regular Fund revenue.

The entire 2017-18 Budget can be seen at a glance by referring to the Combined Summary of All Funds in the Introduction Section of the Budget Document.

Budget Summary For Each Fund

The following is a summary of the financial condition of each of the 14 funds.

The Budget for the General Fund anticipates total resources of \$3,133,813 which includes revenues of \$2,734,409 plus transfers of \$399,404. The incoming transfers include a reimbursement of \$76,610 from the Water/Sewer Fund to the General Fund for trash services fees included in water and sewer bills. The remaining transfers represent fees paid by the various funds to the General Fund for administrative services. Fund expenditures of \$3,259,778 includes amounts needed for operations in the General Fund Departments identified today as well as transfers to other departments. In addition, expenditures include a \$300,000 transfer to the Street Fund for contracted street overlay projects, a \$160,068 transfer to the Debt Service Fund for payments on previously issued bonds, a \$103,994 transfer to the Capital Projects Fund for the MoPAC Trail Phase 3 engineering and construction match, a \$15,000 transfer to the Capital Improvement Sales Tax Fund for records management software for the Police Department, and a \$1,969 transfer to the Equipment Replacement Fund for a prior purchase of dispatch chairs. After operating expenses and transfers-out are subtracted from available resources, the General Fund is expected to end the year with a fund balance of \$285,876. \$125,965 of this is restricted, consisting of \$20,000 in municipal court bonds, and money being held back for a planned transfer to the Debt Service Fund to help retire

outstanding bonds. The unrestricted fund balance in the General Fund is expected to total \$149,093.

The Park Fund will benefit from a \$282,600 transfer from the Park/Stormwater Sales Tax fund for park improvements, and a \$455 transfer from the Risk Management Fund for the employee safety program. When combined with regular Park Fund revenue, this Fund will have total resources of \$570,805. Expenditures will total \$697,607, which reflects the addition of a full-time maintenance worker and funding for construction of a youth baseball field which began in FY 2017. The \$126,802 difference between revenue and expenditures represents money taken from the accumulated fund balance, a majority of which has been set aside in prior years for the youth baseball field. The Park Fund will end the year with a \$33,545 ending fund balance, all of which is unrestricted.

As mentioned above, the Park/Stormwater Sales Tax Fund provides substantial support for the Park Fund. Each year, the City Council decides how best to distribute money from this sales tax between park improvements and stormwater projects. It is expected to have revenues of \$350,000 in FY 2017-18. Budget highlights include an allocation of \$282,600 to the Park Fund, \$50,000 to the Street Fund for stormwater work, \$5,748 to the Debt Service Fund for payments on projects funded with previous debt issues, and \$14,000 in administrative fees to the General Fund. Total expenditures will be \$352,348. The \$2,348 difference between expenses and revenues will be taken from the fund balance. The Park/Stormwater Sales Tax fund is expected to end the year with a \$21,790 ending fund balance, all of which is unrestricted.

Resources in the Street Fund are expected to total \$2,967,971 including revenues and transfers from other funds. Transfers include \$300,000 from the General Fund, \$50,000 from the Capital Improvement Sales Tax Fund, \$44,000 from the Excise Tax Fund, \$50,000 from the Park/Stormwater Sales Tax Fund, and \$475 from the Risk Management Fund. All transferred funds are for street improvement projects except the Risk Management Fund transfer which is for an employee safety program. Budgeted expenditures will total \$2,929,746, which includes \$188,310 transferred to the General Fund for administrative fees. The anticipated ending fund balance will be \$300,962, all of which is unrestricted.

The Public Health/Codes Fund records expenditures for Animal Control and nuisance code abatement. It is anticipated that resources will total \$83,500, including a \$100 transfer from the Risk Management Fund. Expenditures will total \$51,180. The ending fund balance is anticipated to total \$72,298, all of which is unrestricted.

The Excise Tax Fund, which derives its funding from development fees, is used to make improvements to the existing street system necessitated by new development. This year, we expect the Fund to have revenues of \$45,450. Expenditures from this Fund will be \$45,818 including \$44,000 to the Street Fund and \$1,818 to the General Fund for administrative fees. It's anticipated that the ending fund balance will be \$102,214, all of which is unrestricted.

COUNCIL BUDGET PRIORITIES

MAINTAINING A HIGH LEVEL OF PUBLIC SAFETY

- 53% of all General Fund revenue supports public safety efforts
- The Police Department includes 20 full-time employees comprised of 1 Animal Control Officer, 1 Records Clerk, 4 Dispatchers, and 14 Commissioned Police Officers as well as additional part-time reserve officers
- \$45,000 for the replacement of a patrol car
- Upgrades to the records management software in the Police Department. This is the first step of a comprehensive upgrade to Police and Court technology which will assist with operational efficiencies.

MAINTAINING AND IMPROVING PUBLIC INFRASTRUCTURE

- Over \$1.8M investment in the Country Club Drive project which includes resurfacing of Country Club Drive, addition of curbing and storm drains, and installation of contiguous sidewalks from 7 Highway to Hickory Hills, completed with grant funding assistance
- The City will invest \$600,000 in street overlays (includes City's match for Country Club). By the end of the fiscal year, \$5M will have been expended in street overlays since FY 2014.
- Purchase of a generator for Myrtle Lift Station to ensure continuous power supply to operate back up pumps and/or multiple pumps if necessary.
- Purchase of a trailer to allow equipment to be utilized simultaneously based on the needs for the day.
- Investment in the City's water and sewer assets by setting aside project money in depreciation for water and sewer projects. \$97,500 is included in the budget for Water and Sewer Projects.
- Completion of the Water Pump House electrical and fencing upgrades

IMPROVING QUALITY OF LIFE THROUGH ACCESS TO AN ACTIVE LIFESTYLE

- Manage parks throughout the community and offer a wide range of programming for youth, adults, and seniors
- Completion of a Bikeway Plan, completed with grant funding assistance
- Work will begin on the MoPAC Phase 3 project which extends the MoPAC Trail from 167th Street to City Lake, completed with grant funding assistance. This will complete the City's portion of the trail toward the Jackson County Rock Island Trail.
- Construction of a Youth Baseball Field at the Recreation Complex with field irrigation, completed with grant funding assistance
- Addition of one full-time Parks and Recreation Staff member to assist with grounds maintenance
- Replacement of vehicles and equipment for the Parks and Facilities Department

TOTAL BUDGET SUMMARY

The proposed budget totals \$11,302,720 (excludes transfers); an increase of \$1,921,008 (20%) from the FY 2016-17 adopted budget. This increase is primarily due to a 247% increase in street overlay associated with the Country Club Drive project which reflects the City's emphasis on maintaining existing assets and infrastructure.

Fund (excluding transfers)	Adopted Budget FY 2016-17	Proposed Budget FY 2017-18	Percent Change	Percent of Total Budget
General	\$2,541,228	\$2,678,747	5%	24%
Excise Tax	\$-	\$-	0%	0%
Risk Management	\$3,300	\$8,580	160%	0%
Park/Stormwater	\$-	\$-	0%	0%
Pool Capital Improvement Sales Tax	\$-	\$-	0%	0%
Codes/Public Health	\$76,070	\$47,844	-37%	0%
Street	\$1,402,450	\$2,811,436	100%	25%
Park	\$596,487	\$675,422	13%	6%
Capital Improvement Sales Tax	\$230,000	\$168,500	-27%	1%
Capital Projects	\$12,499	\$524,961	4100%	5%
Debt Service	\$872,848	\$879,235	1%	8%
Water/Sewer	\$3,500,160	\$3,325,710	-5%	29%
Special Events	\$130,170	\$139,285	7%	1%
Equipment Replacement	\$16,500	\$43,000	161%	0%
TOTAL	\$9,381,712	\$11,302,720	20%	100%

Expenditure Highlights

\$1.8M investment in Country Club Drive overlay

MoPAC Phase 3 design and construction

Construction of a youth baseball field

Allocation of a 3% performance based merit increase for City employees; additional full-time park employee

Continued Memorial Building improvements

Purchase of a police car, Park Dept truck, trailer, generator

Technology upgrades including police records software

Water and Sewer improvements

TOTAL REVENUE SUMMARY

The proposed revenue budget totals \$11,039,707 (excludes transfers) and along with the use of \$263,013 of cash reserves totals \$11,302,720 for planned expenditures. The use of cash reserves is used for one time expenditures.

Fund (excluding transfers)	Adopted Budget FY 2016-17	Proposed Budget FY 2017-18	Percent Change	Percent of Total Budget
General	\$2,667,786	\$2,734,409	2%	24%
Excise Tax	\$20,200	\$45,450	0%	0%
Risk Management	\$985	\$13,520	1273%	0%
Park/Stormwater	\$327,420	\$350,000	0%	3%
Pool Capital Improvement Sales Tax	\$168,300	\$175,000	0%	2%
Codes/Public Health	\$80,800	\$83,400	3%	1%
Street	\$1,022,120	\$2,523,496	147%	22%
Park	\$281,625	\$277,400	-2%	3%
Capital Improvement Sales Tax	\$363,120	\$380,000	5%	3%
Capital Projects	\$-	\$415,997	>100%	4%
Debt Service	\$361,500	\$375,400	4%	3%
Water/Sewer	\$3,359,750	\$3,510,735	4%	31%
Special Events	\$141,675	\$144,550	2%	1%
Equipment Replacement	\$-	\$-	0%	0%
Use of Cash Reserves	\$586,431	\$273,363	-53%	2%
TOTAL	\$9,381,712	\$11,302,720	21%	100%

Description of Major Revenue Sources

Utility Fees

The City's largest revenue source is the City's Enterprise Fund which accounts for water, sewer, and trash utility collections. The City forecasts collecting \$1,400,600 for water sales, \$1,464,610 for sewer service, and \$493,725 for trash collection. Other fees include water and sewer taps, late penalties, and other miscellaneous income.

Utility fee collections are anticipated to increase this fiscal year due to an increase in customer base as a result of residential development within the past year.

Sales Tax

The City currently levies 2.75% on all retail sales within the City. The City projects the local sales tax will produce \$2,013,000. This projection is a 2.7% increase from FY 2017 collections.

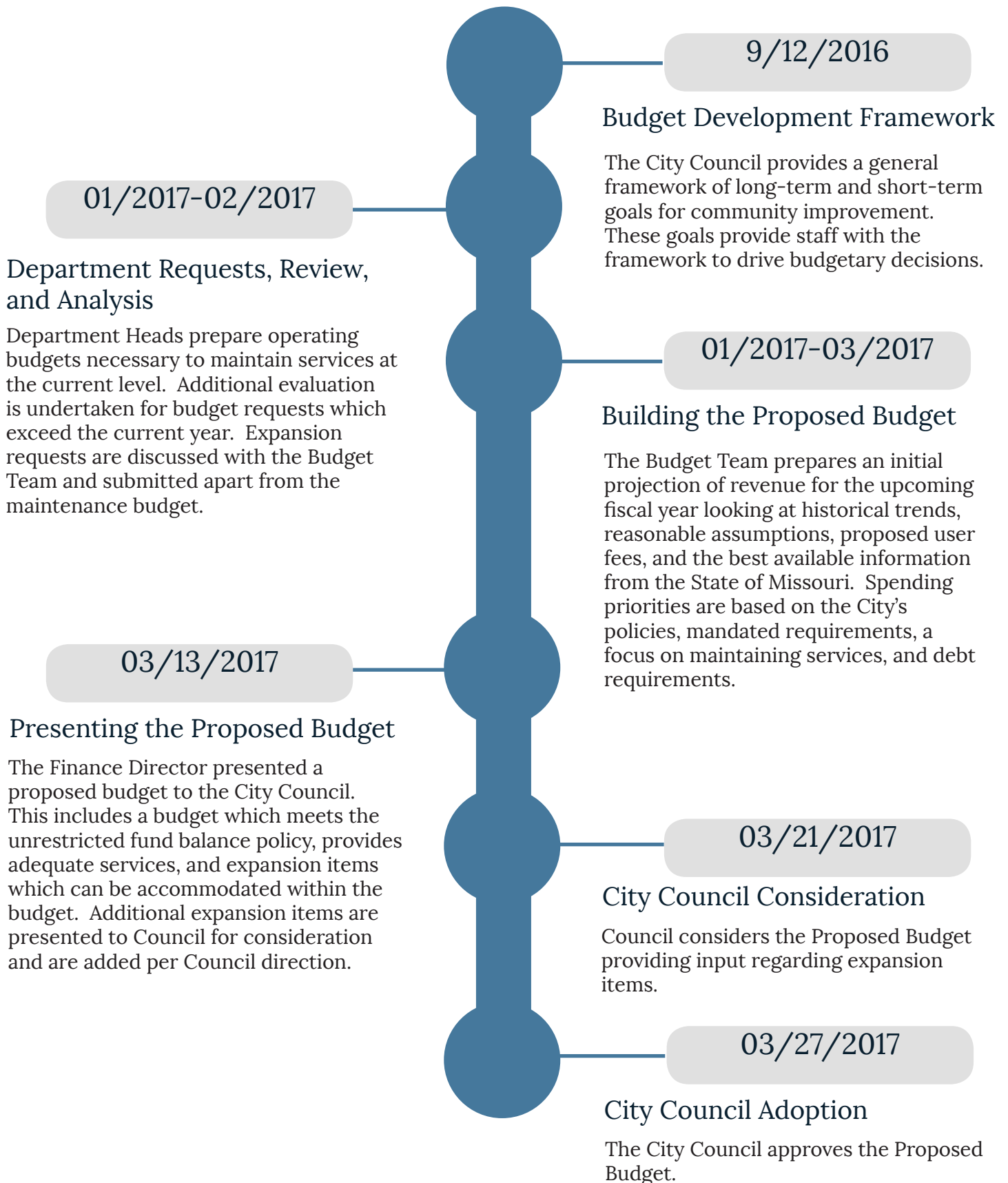
Property Tax

Property tax revenue for all funds is projected to be \$1,093,450. This represents a 1.3% increase from FY 2017 due to new construction.

Franchise Fees

The City levies a franchise tax for gas, phone, cable, and electric gross receipts. The collection is anticipated at \$927,500. This is a 1.6% reduction from FY 2017 due to an additional cable payment in 2016.

BUDGET PROCESS AND CALENDAR



MAJOR BUDGET POLICIES

Policy for Establishing Budget Priorities

To the greatest extent possible, effort shall be made to build up positive fund balances in all City Funds.

Avoid “Feast and Famine” budgetary actions, which allow some City operations to thrive while others fail in their public mission. Attempt to budget in a manner which allows no “Feast and Famine”, but which keeps all departments healthy.

Give priority to those items necessary to maintain current service levels. Funding for expanded services and new programs will be considered after existing services are adequately funded.

Design the Budget Documents so that it is a useful management tool for the Mayor, City Council, and Department Heads.

Provide in the Budget Document an outline of the organization of city government. This includes listing the mission of each department, along with a summary of services provided.

To the greatest extent possible, the Budget should be structured to provide City employees with a safe and pleasant work environment, adequate compensation and proper tools to accomplish the tasks assigned to them.

Budget Administration

Department Heads may not exceed their budget allocation, create any new positions, or purchase any capital equipment which was not included in the budget without approval of the City Administrator and/or Mayor and Council.

The Finance Director shall notify any Department Head who is in danger of exceeding his/her budget allocation. It is also the responsibility of each Department Head to keep track of budget position and to control spending accordingly.

If a budget is exhausted, the Finance Department shall not issue any additional orders or make any purchases until the budget-overrun is addressed through a budget amendment.

Budget Amendments

Transfers within the budget may be made as follows:

- If a department wishes to exceed a budget appropriation, the Department Head must submit a budget amendment to the Finance Director.
- Line item amendments within the same fund without exceeding the total appropriation for the departmental budget can be approved by the Finance Director and the City Administrator.
- Amendments which cannot be accommodated with the departmental budget and/or which affect the budget's fund balance must be approved by the City Council.
- No budget amendment shall be completed without the approval of the City Administrator and Finance Director.

Financial Reserves

The City will establish a reserve:

- To pay for expenditures as a result of unforeseen emergencies or for shortfalls caused by revenue declines
- To comply with the terms and conditions of the debt instruments used to finance capital improvement projects
- And review annually during the budget process

MAJOR BUDGET POLICIES

Budget Development

The budget shall be divided into Department and Fund Types in a manner consistent with good budget practices.

The Department Heads shall be responsible for the preparation of the budget under their direction.

Budget requests shall take two forms: “Maintenance” requests which, if funded, will allow a department to maintain current service levels and “Expansion” requests which propose new programs, equipment, personnel, or savings.

If revenue and fund balances are insufficient to fund requested operations, the City Administrator shall reduce the maintenance requests for all funds before consideration of expansion requests.

If revenue and fund balances are insufficient to fund requested operations, the City Administrator shall reduce the maintenance requests for all funds before consideration of expansion requests.

Input from Department Heads and City Council direction shall be used in prioritizing expansion requests.

Care shall be given to attempt to maintain adequate fund balances after requests are funded.

Debt

Capital projects financed through the issuance of bonds or lease agreements will be financed for a period not to exceed the expected useful life of the project.

The City’s general obligation debt shall not exceed the statutory limit set forth by the Missouri Constitution.

Capital Budget Policy

A five-year capital improvements program will be developed and updated annually, including anticipated funding sources.

The City will coordinate development of the capital improvements budget with development of the operating budget.

The City will maintain all its physical assets at a level adequate to protect its capital investment and to minimize future maintenance and replacement costs.

Financial Reporting

Full disclosure will be provided in the general financial statements and bond presentations. An annual audit will be performed by an independent accounting firm.

Timely reports of budget position will be provided to the City Administrator, the Department Heads, Mayor, and City Council.

The City will maintain a budgetary control system to ensure adherence to the budget.

Investment Policy

The City’s investment objectives in priority order are: Safety, Liquidity, and Yield.

Internal controls will be reviewed with the independent auditor annually to ensure that assets are protected from loss, theft, or misuse.

The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

Basis of Budgeting

Water/Sewer Fund: Modified accrual
All others: Cash Basis

Fiscal Year

April 1 - March 31

Basis of Accounting

Water/Sewer Fund: Modified accrual
All others: Modified accrual

TAXATION

Property Tax

The tables below demonstrates the various entities that levy property tax within the City of Pleasant Hill. This is based on the 2016 property tax levies. The amount of each levy (per \$100 assessed) is listed also.

<u>Entity</u>	<u>Property Tax Rate</u>	<u>City of Pleasant Hill</u>	<u>Levy</u>
Cass Co. Road & Bridge	0.2287	General Fund	0.3703
State of Missouri	0.0300	Streets/Roads	0.1388
Hospital Maintenance	0.1356	Parks	0.0741
Library	0.1495	Public Health	0.0741
Sheltered Workshop	0.0498	Debt Service	0.3434
Pleasant Hill Fire District	0.6279		1.0007
Pleasant Hill R-3 Schools	4.7345		
City of Pleasant Hill	1.0007		
	<u>6.9567</u>		

Sales Tax

The tables below demonstrate the various entities that levy sales tax within the City of Pleasant Hill by.

<u>Entity</u>	<u>Sales Tax Rate</u>	<u>City of Pleasant Hill</u>	<u>Rate</u>
State of Missouri	4.225%	General	1.00%
Cass County	1.250%	Park/Stormwater	0.50%
City of Pleasant Hill	2.750%	Capital Improvements	0.50%
Pleasant Hill Fire District	0.500%	Capital Improvements - Pool	0.25%
Cass County Emergency Services	0.500%	Street	0.50%
	<u>9.225%</u>		<u>2.75%</u>

FUND BALANCE

The General Fund encompasses the City's activities not required to be segregated into separate funds. The fund balance available can be appropriated as specified by the City Council. Internal service funds are considered General Fund revenue, but have been segregated into separate funds by the City to more easily track revenues and expenditures.

Special Revenue Funds are required to be segregated since there are statutory restrictions regarding expenditures and appropriation of fund balances. Any unrestricted fund balance within these funds is required to be used for purposes within the designated fund and cannot be used for other purposes. Restricted fund balances can be statutorily placed or as determined by the City Council.

The Water/Sewer Fund encompasses the City's enterprise fund activities. The fund balance available can be appropriated for use on utility services, utility infrastructure, and related debt obligations. Restricted fund balances reflect bond reserves, utility deposits, and future project related funds.

Fund Balance Projections

	General Fund	Internal Service Funds	Special Revenue Funds	Enterprise Fund	TOTAL
Anticipated Balance April 1, 2017	\$411,841	\$296,098	\$934,042	\$893,882	\$2,535,863
Budget 2017-18					
Revenue	\$3,133,813	\$55,154	\$6,104,173	\$3,511,070	\$12,804,210
Expenditures	\$(3,259,778)	\$(56,520)	\$(6,219,466)	\$(3,542,349)	\$(13,078,113)
Restricted	\$(136,783)	\$-	\$(180,224)	\$(393,936)	\$(710,943)
Projected Unrestricted Balance March 31, 2018	\$149,093	\$294,732	\$638,525	\$468,667	\$1,551,017



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BUDGET SUMMARY	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
GENERAL FUND				
REVENUE	\$3,090,691	\$3,116,089	\$3,153,726	\$3,133,813
EXPENSE:				
Administrative & General Expense	\$538,833	\$746,105	\$732,079	\$821,844
Community Development Expense	\$273,175	\$255,775	\$183,253	\$130,245
Bldg. & Grounds Expense	\$147,608	\$143,058	\$170,336	\$176,287
Police Expense	\$1,381,086	\$1,406,514	\$1,527,684	\$1,470,533
Municipal Court Expense	\$72,277	\$74,667	\$76,458	\$79,838
Transfers	\$1,506,354	\$506,175	\$594,195	\$581,031
TOTAL EXPENSES	\$3,919,333	\$3,132,294	\$3,284,005	\$3,259,778
REVENUE OVER EXPENSES	\$(828,643)	\$(16,205)	\$(130,279)	\$(125,965)
EXCISE TAX FUND				
Revenue	\$16,477	\$55,307	\$72,700	\$45,450
Expenses	\$21,008	\$35,106	\$20,108	\$45,818
REVENUE OVER EXPENSES	\$(4,531)	\$20,201	\$52,592	\$(368)
RISK MANAGEMENT FUND				
Revenue	\$26,672	\$58,617	\$16,752	\$13,520
Expenses	\$21,339	\$10,042	\$23,171	\$13,520
REVENUE OVER EXPENSES	\$5,333	\$48,575	\$(6,418)	\$-
PARK/STORMWATER				
Revenue	\$340,762	\$329,422	\$337,332	\$350,000
Expenses	\$306,776	\$376,525	\$326,757	\$352,348
REVENUE OVER EXPENSES	\$33,986	\$(47,103)	\$10,575	\$(2,348)
POOL CAPITAL IMPRV. SALES TAX FUND				
Revenue	\$169,875	\$164,448	\$168,722	\$175,000
Expenses	\$185,397	\$191,925	\$176,843	\$175,000
REVENUE OVER EXPENSES	\$(15,522)	\$(27,477)	\$(8,121)	\$-
CODES/PUBLIC HEALTH FUND				
Revenue	\$78,048	\$81,979	\$81,528	\$83,500
Expenses	\$78,480	\$76,573	\$58,324	\$51,180
REVENUE OVER EXPENSES	\$(432)	\$5,406	\$23,204	\$32,320
STREET FUND				
Revenue	\$1,435,403	\$1,305,306	\$1,469,717	\$2,967,971
Expense	\$1,277,901	\$1,329,233	\$1,458,268	\$2,929,746
REVENUE OVER EXPENSES	\$157,502	\$(23,927)	\$11,449	\$38,225

BUDGET SUMMARY	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
PARK FUND				
Revenue	\$478,801	\$613,391	\$654,909	\$560,455
Expense	\$468,165	\$620,373	\$576,159	\$697,607
REVENUE OVER EXPENSES	\$10,636	\$(6,981)	\$78,750	\$(137,152)
CAP. IMPRVMT. SALES TAX FUND				
Revenue	\$409,487	\$365,677	\$509,265	\$395,000
Expense	\$347,969	\$443,645	\$455,022	\$397,770
REVENUE OVER EXPENSES	\$61,518	\$(77,967)	\$54,243	\$(2,770)
CAPITAL PROJECTS FUND				
Revenue	\$11,540	\$-	\$-	\$519,991
Expense	\$474,771	\$211,369	\$7,731	\$524,961
REVENUE OVER EXPENSES	\$(463,231)	\$(211,369)	\$(7,731)	\$(4,970)
DEBT SERVICE FUND				
Revenue	\$1,114,644	\$1,089,618	\$852,541	\$862,256
Expense	\$1,486,371	\$1,077,790	\$887,740	\$894,251
REVENUE OVER EXPENSES	\$(371,726)	\$11,828	\$(35,199)	\$(31,995)
WATER/SEWER OPERATING. FUND				
Revenue	\$4,150,013	\$3,428,316	\$3,515,056	\$3,511,070
Expense	\$3,933,471	\$3,397,952	\$3,831,981	\$3,542,349
REVENUE OVER EXPENSES	\$216,542	\$30,364	\$(316,925)	\$(31,279)
SPECIAL EVENTS FUND				
Revenue	\$163,596	\$138,832	\$141,864	\$144,550
Expense	\$137,205	\$145,161	\$144,171	\$150,785
REVENUE OVER EXPENSES	\$26,392	\$(6,329)	\$(2,308)	\$(6,235)
EQUIPMENT REPLACEMENT FUND				
Revenue	\$100,096	\$25,221	\$20,591	\$41,634
Expense	\$62,705	\$26,444	\$16,500	\$43,000
REVENUE OVER EXPENSES	\$37,391	\$(1,223)	\$4,091	\$(1,366)
REVENUE - ALL FUNDS	\$11,586,105	\$10,772,224	\$10,994,703	\$12,804,210
EXPENSE - ALL FUNDS	\$12,720,889	\$11,074,432	\$11,266,780	\$13,078,113
REV. OVER EXP. - ALL FUNDS	\$(1,134,784)	\$(302,208)	\$(272,077)	\$(273,902)

COMBINED SUMMARY

FY 2018 Combined Summary	General	CISTX	Excise Tax	Park/ Stormwater	Risk Mgmt	Pool CISTX	Street	Park
Beginning Fund Balance	\$411,841	\$47,368	\$102,582	\$24,138	\$254,303	\$469	\$262,737	\$160,347
Revenue	\$2,734,409	\$380,000	\$45,450	\$350,000	\$13,520	\$175,000	\$2,523,496	\$277,400
Transfers In	\$399,404	\$15,000	\$-	\$-	\$-	\$-	\$444,475	\$283,055
Total Revenue	\$3,133,813	\$395,000	\$45,450	\$350,000	\$13,520	\$175,000	\$2,967,971	\$560,455
Operating Expenses	\$2,678,747	\$168,500	\$-	\$-	\$8,580	\$-	\$2,811,436	\$675,422
Transfers Out	\$581,031	\$229,270	\$45,818	\$352,348	\$4,940	\$175,000	\$118,310	\$22,185
Total Expense	\$3,259,778	\$397,770	\$45,818	\$352,348	\$13,520	\$175,000	\$2,929,746	\$697,607
Revenue Over (Under) Expenses	\$(125,965)	\$(2,770)	\$(368)	\$(2,348)	\$-	\$-	\$38,225	\$(137,152)
Anticipated Fund Balance as of 3/31/2018								
Restricted Balances	\$136,783	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Unrestricted Fund Balance	\$149,093	\$44,598	\$102,214	\$21,790	\$254,303	\$469	\$300,962	\$23,195

COMBINED SUMMARY

FY 2018 Combined Summary	Public Health	Special Events	Capital Projects	Debt Service	Equip. Repl	Water/ Sewer	Total
Beginning Fund Balance	\$39,978	\$35,806	\$185,347	\$75,270	\$41,795	\$893,882	\$2,535,863
Revenue	\$83,400	\$144,550	\$415,997	\$375,400	\$-	\$3,510,735	\$11,029,357
Transfers In	\$100	\$-	\$103,994	\$486,856	\$41,634	\$335	\$1,774,853
Total Revenue	\$83,500	\$144,550	\$519,991	\$862,256	\$41,634	\$3,511,070	\$12,804,210
Operating Expenses	\$47,844	\$139,285	\$524,961	\$879,235	\$43,000	\$3,325,710	\$11,302,720
Transfers Out	\$3,336	\$11,500	\$-	\$15,016	\$-	\$216,639	\$1,775,393
Total Expense	\$51,180	\$150,785	\$524,961	\$894,251	\$43,000	\$3,542,349	\$13,078,113
Revenue Over (Under) Expenses	\$32,320	\$(6,235)	\$(4,970)	\$(31,995)	\$(1,366)	\$(31,279)	\$(273,903)
Anticipated Fund Balance as of 3/31/2018							
Restricted Balances	\$-	\$-	\$180,224	\$-	\$-	\$393,936	\$710,943
Unrestricted Fund Balance	\$72,298	\$29,571	\$153	\$43,275	\$40,429	\$468,667	\$1,551,016



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GENERAL FUND

Fund Description

The General Fund is the City's primary tax supported operating fund. It is used to account for revenues and expenditures not required to be recorded in a special fund. Expenditures from this fund provide basic City services, such as Finance & Administration, Community Development, Municipal Court, Police, and Building & Grounds. Intergovernmental transfers are also included in this Fund.

The major revenue sources are sales tax, property tax, and franchise fees. An annual payment in lieu of taxes (PILOT) is received in this fund and distributed according to Council priorities.

Budget Summary	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Revenue				
Revenue	\$3,023,015	\$3,113,239	\$2,739,390	\$2,734,409
Transfers In	\$67,676	\$2,850	\$414,336	\$399,404
Total Revenue	\$3,090,691	\$3,116,089	\$3,153,726	\$3,133,813
Expense				
Administrative & General	\$538,833	\$746,105	\$732,079	\$821,844
Community Development	\$273,175	\$255,775	\$183,253	\$130,245
Building & Grounds	\$147,608	\$143,058	\$170,336	\$176,287
Police	\$1,381,086	\$1,406,514	\$1,527,684	\$1,470,533
Municipal Court	\$72,277	\$74,667	\$76,458	\$79,838
Transfers	\$1,506,354	\$506,175	\$594,195	\$581,031
Total Expense	\$3,919,333	\$3,132,294	\$3,284,005	\$3,259,778
REVENUE OVER EXPENSES	\$(828,642)	\$(16,205)	\$(130,279)	\$(125,965)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Revenues are expected to remain relatively steady, with slight increases expected to property taxes and sales taxes which constitute a majority of the general fund revenue. While a smaller amount, building rentals are expected to increase due to Memorial Building improvements in recent years, price increases to building rental rates, and finalized leases of City owned facilities.

The addition of a full-time Park and Facilities Maintenance Worker for this budget year slightly increased expenses for Buildings & Grounds.

GENERAL FUND

GENERAL FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
TAXES				
Current taxes	360,011	368,411	379,427	383,500
Delinquent	22,601	25,010	20,408	21,000
Protest Payment Centurylink	15,650	-	-	-
Financial Institutions	130	245	1,575	-
Cigarette	21,497	22,385	23,200	22,500
Sales Tax - 1%	748,921	731,353	743,882	758,000
Pilot Payments	324,675	503,758	305,370	310,068
C.I.D./County	5,363	6,096	5,500	5,500
N.I.D./County	1,426	1,426	1,426	1,426
TOTAL TAXES	1,500,274	1,658,684	1,480,788	1,501,994
LICENSES				
Occupational	15,521	17,071	17,000	17,000
Liquor	10,425	8,850	8,100	8,000
TOTAL LICENSES	25,946	25,921	25,100	25,000
FRANCHISE FEES				
KCP&L	677,783	665,125	664,000	664,000
Mo. Gas Energy	114,717	64,946	80,000	80,000
Telecommunications	218,872	148,878	141,000	141,000
Cable TV	41,742	32,769	57,022	42,500
TOTAL FRANCHISE FEES	1,053,114	911,718	942,022	927,500
OTHER				
Building Permits	30,424	79,749	108,000	72,500
Plan Fees	1,501	1,459	700	1,000
Municipal Court Fines	109,113	112,462	110,900	108,000
Municipal Court Forfeitures	5,097	2,800	5,100	5,000
DWI Recoupment	1,158	2,100	2,200	2,500
Court Costs	7,855	8,820	9,120	8,800
Crime Victims - City	242	272	275	250
P.D. Training - City	1,306	1,468	1,475	1,500
Police Reports	1,856	1,744	1,500	1,500
Rental - Bldg. & Grounds	14,155	17,349	28,000	41,800
Eco Devo - Contributions	-	6,000	3,000	3,000
Eco Devo - Reimbursement	-	8,419	-	26,365
NECFPD/PHAD Contributions	8,262	-	-	-
Grants/Donations - Police	5,458	11,785	7,000	-
Grants/Donations - POST	624	616	710	700
Sale of Surplus Property	-	433	2,000	1,000
Interest Earned	3,211	3,239	6,500	3,500
Misc. Income	6,743	12,254	5,000	2,500
Admin Fees from other funds	246,676	245,949	250,616	319,759
Transfers from other funds	67,676	2,850	163,720	79,645
TOTAL OTHER	511,357	519,766	705,816	679,319
TOTAL GENERAL FUND REVENUES	3,090,691	3,116,089	3,153,726	3,133,813

FINANCE & ADMINISTRATION

Department Description

The Finance and Administration Department is responsible for establishing and implementing operating policies, overseeing the operations and activities of all City departments.

Department Responsibilities

Accounting	City Clerk	Records Retention
Accounts Payable	Customer Service	Payroll
Budgeting	Economic Development	
Cash Collections	Human Resources	

Expenditures	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Personnel	\$358,422	\$533,635	\$479,994	\$511,168
Operating	\$180,411	\$212,470	\$252,085	\$310,676
Total Expenditures	\$538,833	\$746,105	\$732,079	\$821,844

FINANCE AND ADMINISTRATION

ADMINISTRATIVE AND GENERAL EXPENSE	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Salaries	260,131	289,562	356,000	374,652
FICA Expense	19,424	21,075	27,234	28,661
Insurance Benefits	30,909	35,749	39,160	40,567
LAGERS Expense	47,855	186,874	57,000	66,688
Uniform Expense	103	374	600	600
Office Supplies	2,963	4,205	3,700	4,000
Printing	588	1,393	1,000	1,000
Postage	1,815	1,567	1,200	2,000
Publications & Dues	7,113	11,623	11,100	11,000
Meetings & Conventions	16,773	19,765	22,000	26,000
Telephone	8,871	8,686	9,418	10,000
Bldg. Maint, Util. & Trash	24,495	22,681	25,000	24,900
Insurance	8,492	10,986	9,916	109,451
Professional Fees	28,962	25,859	67,550	25,000
Office Equip. & Furniture	5,846	700	-	-
Comcast Internet Service	1,800	1,941	2,225	2,500
County Tax Collector Fee	46,238	47,219	48,000	50,000
ETS - Collection fees	6,447	221	299	400
Payroll Services	2,807	8,721	9,800	10,000
Election Expense	1,655	3,033	5,700	3,500
Map, Deeds, Right of Way & Research	-	-	27	-
Service. & Maint. Office Equipment	-	-	9,950	11,725
Economic Development Efforts	-	21,175	-	-
Auto Allowance/Mileage	709	876	1,200	1,200
Payments. To Downtown C.I.D.	6,363	5,790	6,000	6,000
Misc. Expense	8,473	16,029	18,000	12,000
TOTAL Administrative & General Expense	538,833	746,105	732,079	821,844

BUILDINGS & GROUNDS

Department Description

The Buildings and Grounds budget is used to account for maintenance and repair of existing City facilities. It should be noted that this fund does not account for minor maintenance or custodial expenses for facilities other than the Memorial Building and Community Building.

Department Responsibilities

Electrical

Refuse disposal contracts for City buildings

HVAC

Janitorial contracts

Plumbing

Expenditures	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Personnel	\$83,700	\$79,501	\$91,400	\$111,937
Operating	\$63,908	\$63,557	\$78,936	\$64,350
Total Expenditures	\$147,608	\$143,058	\$170,336	\$176,287

BUILDINGS AND GROUNDS

BUILDINGS & GROUNDS DEPT. EXPENSE	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2017 BUDGET
Salaries	57,467	54,283	63,000	76,208
FICA Expense	4,072	3,727	4,900	5,830
Insurance Benefits	11,751	13,400	14,500	17,959
LAGERS Expense	10,410	8,091	9,000	11,940
Office Supplies	-	11	-	-
Telephone	1,295	1,290	1,375	1,300
Util., Trash, Gas	44,272	39,531	47,000	46,400
Insurance	5,266	5,858	5,962	-
Service. & Maint. Office Equipment	-	1,510	1,678	1,850
Vehicle Exp. - Gas & Oil	-	100	-	-
Equipment Maint & Repair	2,703	3,126	3,025	3,000
Recycling Program	9,856	10,816	18,761	10,500
Tools, Equip. & Supplies	481	1,266	1,035	1,100
Misc. Expense	36	51	100	200
TOTAL Buildings & Grounds Expense	147,608	143,058	170,336	176,287

MUNICIPAL COURT

Department Description

The Municipal Court has jurisdiction for cases involving violation of City ordinances, establishes and collections all fines, court costs, and bond money, and provides other services prescribed by applicable state statutes. The Court consists of the Municipal Judge and Prosecutor who are independent contractors and the Court Administrator who is an employee.

Department Responsibilities

Administrative court proceedings Establishment of court fee schedule
Accounting of bond money Subpoena issuance
Collection of fines and fees Warrant issuance
Court records retention

Expenditures	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Personnel	\$60,131	\$60,220	\$59,176	\$63,663
Operating	\$12,146	\$14,447	\$17,282	\$16,175
Total Expenditures	\$72,277	\$74,667	\$76,458	\$79,838

MUNICIPAL COURT

MUNICIPAL COURT	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Salaries - Judge & Clerks	47,199	47,728	46,750	50,178
FICA Expense	3,691	3,625	3,576	3,839
Insurance Benefits	601	826	600	614
LAGERS Expense	8,640	8,041	8,150	8,932
Uniform Expense	-	-	100	100
Office Supplies	132	217	250	250
Printing	2,178	1,582	2,000	2,000
Postage	1,321	1,289	1,000	600
Publications & Dues	120	125	125	125
Meetings. & Conventions	1,177	710	2,500	2,500
Contractual Services	7,200	7,200	7,200	7,200
Office Equipment & Furniture	-	-	100	-
ETS Collection Fees	-	717	780	800
Service. & Maint. Office Equipment	-	2,591	3,227	2,500
Misc. Expense	16	16	100	200
TOTAL Municipal Court Expenses	72,277	74,667	76,458	79,838

COMMUNITY DEVELOPMENT

Department Description

The Community Development Department serves as the administrative and enforcement authority of building and nuisance codes in Pleasant Hill. The Department works to ensure a safe community through building standards. The Department ensures orderly growth according to the City's plans, ordinances, and regulations.

Department Responsibilities

Building Permit Issuance	Marketing and Promotions
Codes Administration	Nuisance Abatement
GIS	Property Maintenance
Historic Preservation	Site Review

Expenditures	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Personnel	\$249,172	\$219,277	\$78,490	\$72,545
Operating	\$24,003	\$36,499	\$104,763	\$57,700
Total Expenditures	\$273,175	\$255,775	\$183,253	\$130,245

COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT DEPARTMENT	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Salaries	180,662	168,214	62,365	58,800
FICA Expense	13,805	12,748	4,770	4,498
Insurance Benefits	22,506	16,443	2,955	216
LAGERS Expense	31,928	21,735	8,000	8,731
Uniform Expense	271	137	400	300
Office Supplies	1,858	869	1,500	1,600
Printing	95	123	1,500	1,000
Postage	1,477	1,345	875	2,000
Publications & Dues	1,715	1,662	1,631	1,600
Meetings & Conventions	1,708	424	300	1,000
Telephone	1,509	1,935	2,250	600
Insurance	8,042	16,727	16,463	-
Professional Fees	1,075	325	65,000	40,750
Office Equipment & Furniture	-	1,108	1,165	1,250
Planning & Zoning Expense	567	744	500	600
ETS Collection Fees	-	1,328	750	1,000
Maps, Deeds & Research	-	150	100	250
EDP - Program & Services	99	-	-	-
EDP - 4th Fireworks Display	3,500	4,000	4,000	4,000
Economic Development Efforts	592	617	3,284	900
Auto Allowance	-	-	100	-
Vehicle Expense - Gas & Oil	910	537	300	300
Vehicle Maint. & Repairs	164	195	100	250
Equipment & Supplies	9	8	250	100
Misc Expense	19	1,201	33	500
Condemnation Expense	663	3,202	4,662	-
TOTAL Community Development Expense	273,175	255,775	183,253	130,245

POLICE

Department Description

The Police Department is a General Fund supported department. Nearly half of the General Fund's revenue goes to support this department. Within its budget, several operations and activities are funded, including the 24 hour dispatch and communications system, police patrol, officer training, records, and community policing.

Department Responsibilities

Background checks
Community policing
Detention - Holding Cell
Dispatch

Emergency response
Investigations
Officer training
Patrol

Police records
Traffic control

Expenditures	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Personnel	\$1,201,945	\$1,201,303	\$1,286,174	\$1,342,686
Operating	\$179,142	\$205,210	\$241,510	\$127,847
Total Expenditures	\$1,381,086	\$1,406,514	\$1,527,684	\$1,470,533

POLICE

POLICE DEPARTMENT	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Salaries - Police Officer	658,205	673,295	745,000	763,660
Salaries - Dispatchers	145,623	156,158	155,000	162,536
Salaries -Cross Guard/Police Clerk	41,268	41,647	40,500	44,918
FICA Expense	63,018	63,724	72,000	74,290
Insurance Benefits	144,848	136,493	153,000	166,329
LAGERS Expense	144,226	124,329	113,174	124,953
Uniform Expense	3,414	5,358	7,500	6,000
Uniform Cleaning	1,343	299	-	-
Officers Equipment & Supplies	2,466	2,702	19,200	5,500
Office Supplies	8,173	7,478	7,000	7,000
Printing	604	355	550	800
Postage	1,393	1,287	800	1,500
Publications & Dues	550	870	1,120	570
Meetings. & Conventions	4,821	4,898	7,964	5,300
Special Training	3,330	4,496	4,513	5,000
Telephone	13,348	13,420	14,900	14,700
Building Maintenance, Utilities, and Trash	28,601	31,165	30,000	31,750
Insurance	59,836	74,815	81,063	-
Office Equipment & Furniture	-	279	-	-
Comcast Internet Service	2,312	2,361	2,400	2,400
Siren Expense	4,556	4,610	5,200	5,520
REJIS System User Charges	3,978	2,784	2,800	2,800
Service & Maintenance Office Equipment	-	1,236	1,300	1,300
Auto Expense - Fuel & Oil	21,189	15,868	14,500	17,500
Auto Maint. & Repair	10,843	9,129	8,800	8,000
Equip. Maint. & Repair	5	1,416	360	1,000
Radio & Radar Repairs	425	-	350	500
Lab Services	1,385	803	800	1,000
Grant Match Pool	-	2,665	-	2,207
Prisoner & Jail Care	9,348	6,138	13,000	12,000
Misc. Expense	1,843	1,161	1,600	1,500
Unemployment Benefits	136	-	-	-
Cars & Accessories	-	15,275	23,290	-
TOTAL Police Expenses	1,381,086	1,406,514	1,527,684	1,470,533

INTERFUND TRANSFERS

Department Description

Although this is not a “department”, it exists as part of the General Fund to record transfers that are made to other funds from the General Fund. Traditionally, the General Fund has served as a funding source for other funds that have insufficient revenue to meet expenditures. In recent years, the Council has dedicated payments in lieu of taxes for special projects or additional funding for street, water, and sewer projects.

Expenditures	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Transfer to Street Fund	\$300,000	\$275,000	\$300,000	\$300,000
Transfer to Risk Management Fund	\$1,906	\$5,000	\$-	\$-
Transfer to Capital Projects	\$-	\$-	\$-	\$103,994
Transfer to CISTX Fund	\$-	\$-	\$94,325	\$15,000
Transfer to Debt Service (PILOT)	\$164,675	\$164,675	\$155,370	\$160,068
Transfer to Debt Service	\$555,273	\$-	\$-	\$-
Transfer to Water/Sewer	\$408,500	\$60,000	\$-	\$-
Transfer to Equipment Replacement Fund	\$76,000	\$1,500	\$1,500	\$1,969
Total Expenditures	\$1,506,354	\$506,175	\$551,195	\$1,470,533

INTERFUND TRANSFERS

INTER-GOVERNMENTAL TRANSFERS	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Transfer to Street Fund	300,000	275,000	300,000	300,000
Transfer to Risk Management Fund	1,906	5,000	-	-
Transfers to Capital Projects	-	-	-	103,994
Transfers to CISTX	-	-	137,325	15,000
Trans. To Debt Service (Pilot)	164,675	164,675	155,370	160,068
Transfer to Debt Service	555,273	-	-	-
Transfer to Water/Sewer	408,500	60,000	-	-
Trans. To Equipment Replacement.	76,000	1,500	1,500	1,969
TOTAL Transfers	1,506,354	506,175	594,195	581,031

EXCISE TAX FUND

Fund Description

The Excise Tax is a tax authorized by the voters for infrastructure improvements necessitated by new development.

Budget Summary	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Revenue				
Revenue	\$16,477	\$55,307	\$72,700	\$45,450
Transfers In	\$-	\$-	\$-	\$-
Total Revenue	\$16,477	\$55,307	\$72,700	\$45,450
Expense				
Expenditures	\$-	\$-	\$-	\$-
Transfers Out	\$21,008	\$35,106	\$20,108	\$45,818
Total Expense	\$21,008	\$35,106	\$20,108	\$45,818
REVENUE OVER EXPENSES	\$(4,531)	\$20,201	\$52,592	\$(368)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

With revenues derived from development fees, the Excise Tax Fund makes transfers to the Street Fund for street improvements. Development in 2017 exceeded budget projections and is expected to continue at a strong pace in FY 2018 within the platted but undeveloped lots in Pleasant Hill.

EXCISE TAX FUND

EXCISE TAX FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenue:				
Excise Tax	16,477	55,307	72,700	45,450
Total Excise Tax Revenue	16,477	55,307	72,700	45,450
	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expense:				
Street Improvements				
Transfer to Street Fund	20,000	34,500	19,300	44,000
Admin. Fee to Gen 4%	1,008	606	808	1,818
Total Excise Tax Expense	21,008	35,106	20,108	45,818

PARK FUND

Fund Description

The Park Fund provides for maintenance of the 300+ acre City park system and recreation programming. Revenues for this fund are derived from user fees, dedicated property taxes, donations, and transfers from the Park/Stormwater Sales Tax Fund.

Department Responsibilities

Athletic Facility Maintenance
City Lake
Park Administration

Park Maintenance
Playgrounds
Recreation Programming

Swimming Pool
Turf Maintenance

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget
Revenue				
Revenue	\$240,050	\$257,750	\$369,575	\$277,400
Transfers In	\$222,325	\$305,395	\$281,772	\$283,055
Total Revenue	\$462,375	\$563,145	\$651,347	\$560,455
Expense				
Expenditures	\$464,692	\$594,085	\$553,484	\$675,422
Transfers Out	\$35,000	\$-	\$22,675	\$22,185
Total Expense	\$499,692	\$594,085	\$576,159	\$697,607
REVENUE OVER EXPENSES	\$(37,317)	\$(30,940)	\$75,188	\$(137,152)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Park Fund expenses continue to increase due to some continued major facility improvements authorized by Council and according to grant funding. This year's park improvements include completion of a youth baseball field at the Recreation Complex paid in part from grant funding received in FY 2017. If there is additional funding after field construction, the Council has expressed a desire to irrigate this new field. An additional full-time park maintenance worker was authorized for this budget as the City moves to in-house mowing of all grounds as opposed to the contracted service the City had for the previous two fiscal years.

PARK FUND

PARKS DEPARTMENT	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
PARK FUND REVENUE				
Taxes:				
Current taxes	72,061	73,722	75,926	76,700
Delinquent	4,523	5,005	3,934	4,500
Development Fees	4,515	33,881	30,360	5,400
Donations & Misc. Income	-	-	65,500	-
Field & Light Fees	220	710	400	3,300
Program Fees	11,906	14,309	17,000	14,225
Shelter Reservations	1,686	1,846	2,000	2,250
LL/Baseball & Softball	39,327	41,240	44,000	43,225
LL/Boys & Girls Basketball	20,667	19,162	21,259	22,275
LL Girls Volleyball	8,969	11,167	10,200	10,200
Adult Programs	8,915	7,715	10,150	10,100
Tiny Tot Programs	6,324	5,346	4,398	4,275
Concessions	-	-	21,000	20,000
Sale of Surplus Property	-	7,945	-	-
Misc. Income	1,075	2,607	3,000	450
Transfers In	222,325	308,395	281,772	283,055
	402,512	533,049	590,899	499,955
Pool Revenue				
Admissions	25,790	21,026	22,632	21,000
Passes	27,731	21,580	22,611	21,000
Concessions	1,453	14,428	-	-
Lessons	10,440	12,275	9,659	10,000
Pool Rental	7,720	7,529	6,252	6,000
Total Pool Revenue	73,133	76,838	61,154	58,000
Lake Revenue				
Lake Permits	3,155	3,505	2,856	2,500
Total Lake Revenue	3,155	3,505	2,856	2,500
Total Park Fund Revenue	478,801	613,391	654,909	560,455

PARK FUND

PARKS DEPARTMENT	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Administrative Expense				
Salaries	78,641	96,531	87,000	99,744
FICA Expense	6,049	7,040	6,700	7,630
Insurance Benefits	17,660	18,427	16,500	16,776
LAGERS Expense	9,779	14,777	14,500	17,754
Uniform Expense	464	280	200	500
Office Supplies	1,261	711	1,000	1,500
Printing	166	337	350	500
Postage	37	150	300	300
Publications & Dues	763	1,497	1,400	1,900
Meetings. & Conventions	2,779	261	3,350	3,500
Telephone	3,306	3,558	3,750	3,600
Bldg, Maint, Util & Trash	29,983	31,322	35,500	31,280
Insurance	-	-	-	18,857
Professional Fees	-	1,400	-	-
ETS Collection Fees	-	2,115	2,500	2,500
Service. & Maint. Office Equipment	-	2,766	2,674	2,600
Vehicle Exp - Gas & Oil	-	455	-	-
Unemployment Benefits	37	-	-	-
Adm. Fee to Gen. 4%	9,444	10,310	11,268	10,920
Transfers Out - Debt Service	35,000	-	11,407	11,265
Total Administrative Exp.	195,368	191,936	198,399	231,126
Pool Expenses				
Salaries - Pool	48,042	51,090	50,099	51,000
FICA Expense	3,675	3,909	3,833	4,000
Uniform Expense	662	485	558	600
Telephone	961	1,322	1,490	1,440
Utilities & Trash	7,252	7,969	8,800	8,500
Insurance	2,196	4,642	5,309	-
Collection Fees	572	440	-	-
Maint. & Repairs	552	539	198	550
Chemicals & Supplies	8,089	10,353	8,462	9,000
Concessions	200	5,106	-	-
Contract Instruction	532	290	630	1,000
Misc. Expense	487	2,480	2,161	2,500
Total Pool Expense	73,221	88,625	81,539	78,590

PARK FUND

PARKS DEPARTMENT	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Parks/Grounds Maint. Exp.				
Salaries - Park	63,980	60,834	70,000	100,464
FICA Expense	4,337	4,125	5,355	7,686
Insurance Benefits	15,198	14,890	13,887	24,116
LAGERS Expense	7,886	9,665	8,000	14,104
Uniform Expense	112	282	600	700
Insurance	10,312	11,919	10,488	-
Vehicle Exp-Fuel & Oil	8,903	5,414	5,000	5,000
Vehicle Repair	1,804	992	1,500	1,500
Equipment Maint.	497	329	2,675	500
Maint. & Repairs	14,433	41,291	20,000	25,000
Field Sign Install	-	200	100	-
Program Supplies & Exp.	11,359	12,283	14,695	12,000
LL Baseball/Softball	18,128	20,679	23,656	23,350
LL Boys & Girls Basketball	10,890	10,782	11,500	10,000
LL Girls Volleyball	3,494	3,013	5,191	5,400
Adult Programs	6,691	8,160	8,000	9,300
Tiny Tot Leagues	2,632	1,891	1,600	1,845
Contract Labor	-	30,960	30,960	-
Concessions	-	-	7,733	8,000
Equipment	-	-	-	14,400
Misc. Expense	56	506	300	500
Capital Improvements	6,000	82,684	36,516	107,626
TOTAL Grounds Maintenance Expense.	186,711	320,900	277,756	371,491
Lake Expense				
Utilities & Trash	5,965	5,661	6,400	6,000
Contract Labor	5,400	5,400	5,400	5,400
Maint. & Repairs	1,499	3,299	5,130	3,000
Equip. & Improvements	-	4,552	1,535	2,000
Total Lake Expense	12,865	18,911	18,465	16,400
Total Park Fund Expense	468,165	620,373	576,159	697,607

PARK/STORMWATER SALES TAX FUND

Fund Description

The 1/2 cent Park/Stormwater Sales Tax was approved by voters in April 2005. Each year, the City Council determines how best to distribute the money from this sales tax between park improvements and stormwater improvements.

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget
Revenue				
Revenue	\$340,762	\$329,422	\$337,332	\$350,000
Transfers In	\$-	\$-	\$-	\$-
Total Revenue	\$340,762	\$329,422	\$337,332	\$350,000
Expense				
Expenditures	\$32,556	\$32,690	\$-	\$-
Transfers Out	\$274,220	\$343,835	\$326,757	\$352,348
Total Expense	\$306,776	\$376,525	\$326,757	\$352,348
REVENUE OVER EXPENSES	\$33,986	\$(47,103)	\$10,575	\$(2,348)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Consistent with previous years, the Park/Stormwater Sales Tax will provide substantial support to the Park Fund. The Council authorizes the amount to be transferred between park improvements and stormwater improvements. Other transfers include an administrative fee and a debt service payment.

PARK/STORMWATER SALES TAX FUND

PARK/STORMWATER	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenue:				
Park/Stormwater Sales Tax	340,762	329,422	337,332	350,000
Total Park/Stormwater Rev.	340,762	329,422	337,332	350,000

PARK/STORMWATER	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expense:				
Street Sweeper	20,280	19,250	-	-
Transfer Out/Park	222,000	307,870	281,247	282,600
Transfer Out/Street/Stormwater Maint	50,500	30,500	26,770	50,000
Transfer to Debt Service.	-	5,465	5,643	5,748
Interest Expense	1,720	-	-	-
Adm Fee to Gen. 4%	12,276	13,440	13,097	14,000
Total Park/Stormwater Exp.	306,776	376,525	326,757	352,348

PUBLIC HEALTH FUND

Fund Description

The Public Health Fund was created to account for special revenues dedicated to Public Health efforts which include Animal Control and Nuisance Abatement. Revenues are primarily derived from dedicated property taxes and transfers.

Department Responsibilities

Animal adoption	Nuisance abatement	Response to animal bites
Investigation of animal abuse	Nuisance compliant	Veterinary services contract
Investigation of animal neglect	Pet licensing	

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget
Revenue				
Revenue	\$77,943	\$81,874	\$81,423	\$83,400
Transfers In	\$105	\$105	\$105	\$100
Total Revenue	\$78,048	\$81,979	\$81,528	\$83,500
Expense				
Expenditures	\$78,480	\$76,573	\$55,092	\$47,844
Transfers Out	\$-	\$-	\$3,232	\$3,336
Total Expense	\$78,480	\$76,573	\$58,324	\$51,180
REVENUE OVER EXPENSES	\$(432)	\$5,406	\$23,204	\$32,320

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Revenues in this fund have slightly increased due to increases in tax collection and expected nuisance recoupment. Personnel expenses have decreased over time based on employee benefit elections. The personnel savings are contributing to an increasing fund balance which may be utilized for programming or at such time employee benefit elections differ.

PUBLIC HEALTH FUND

PUBLIC HEALTH	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenue:				
Current Taxes	72,061	73,722	75,926	76,700
Taxes - Delinquent	4,523	5,338	3,934	4,500
Dog License	790	815	650	700
Pound Fees	64	236	663	500
Nuisance Recoupment	506	1,764	250	1,000
Transfers In	105	105	105	100
Total Public Health Rev.	78,048	81,979	81,528	83,500

PUBLIC HEALTH	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expense:				
Salary - Animal Control Officer	45,961	43,705	36,520	31,645
FICA Expense	3,321	3,129	2,800	2,421
Insurance Benefits	11,873	11,832	5,000	200
LAGERS Expense	8,251	7,511	2,600	5,633
Uniform Expense	-	-	258	150
Office Supplies	180	-	-	-
Printing	-	-	81	-
Bldg. Maint. & Utilities	1,347	1,805	1,967	2,000
Insurance	2,292	2,720	2,686	2,345
Vehicle Exp. - Fuel,oil,etc.	1,311	1,383	1,250	1,300
Vehicle Maint. & Repair	224	899	-	250
Pound Supplies	358	201	100	150
Vet Services	633	162	250	400
Equipment	-	220	301	250
Nuisance Abatement	725	1,007	1,079	1,000
Misc. Expense	-	-	200	100
Admin Fee to General	2,004	2,000	3,232	3,336
Total Public Health Exp.	78,480	76,573	58,324	51,180

SPECIAL EVENTS FUND

Fund Description

The Special Events Fund was created to account for the activities associated with the Cass County Fair and other special events that the City may choose to host. The fund is typically self contained, meaning the expenses are projected to be covered by revenues received.

Department Responsibilities

5K run/walk	Carnival	Queen contest
ATV and Motocross races	Demolition Derby	Rodeo
Car show	Live music concerts	Tractor Pull

Budget Summary	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Revenue				
Revenue	\$163,596	\$138,832	\$141,864	\$144,550
Transfers In	\$-	\$-	\$-	\$-
Total Revenue	\$163,596	\$138,832	\$141,864	\$144,550
Expense				
Expenditures	\$137,205	\$76,573	\$55,092	\$47,844
Transfers Out	\$-	\$-	\$3,232	\$3,336
Total Expense	\$137,205	\$76,573	\$58,324	\$51,180
REVENUE OVER EXPENSES	\$26,392	\$5,406	\$23,204	\$32,320

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

The Special Events Fund attempts to at least break even annually or utilize the fund balance for a one-time expense from a prior year surplus. Many things play a factor into the success of the Cass County Fair, especially weather.

SPECIAL EVENTS FUND

SPECIAL EVENTS	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
REVENUES				
Ads/Sponsors	33,755	32,105	32,759	33,000
Concessions/Beverage Sales	3,925	3,561	3,281	3,500
Admissions/Rodeo	29,815	22,416	24,877	24,500
Admissions/Demo Derby	15,291	13,156	14,901	15,000
Admissions/Tractor Pull	14,232	12,297	11,532	12,000
Admissions/Motorcross	9,042	7,041	8,381	7,500
ATV Races	3,899	3,328	-	3,500
Beverage Sales/Cover	25,564	19,090	22,538	22,500
Donations	282	2,723	1,085	-
Carnival/Per Contract %	11,072	9,722	9,650	9,500
Booth Fees	7,785	5,890	7,945	7,000
Car Show/Entry Fees	1,775	1,382	1,764	1,700
5K Run/Entry Fee	1,835	1,110	514	750
Bike Rodeo/Donations	2,100	1,945	-	1,000
Kiddie Tractor Pull/Donations	75	225	5	225
Livestock Show/Entry Fee	791	814	1,117	800
Super Farmer/Entry Fee	445	190	-	200
Cass County Voice	55	-	-	-
Queen Contest	-	-	75	75
Meetings & Conventions	1,859	1,838	1,440	1,800
Total Special Events Revenue	163,596	138,832	141,864	144,550

SPECIAL EVENTS FUND

SPECIAL EVENTS	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Operating Expenses				
Office Supplies	295	438	238	450
Food & Beverage	16,750	13,862	15,150	15,500
Rodeo	10,227	10,285	10,273	10,375
Demo Derby	3,347	3,499	3,861	4,050
Tractor Pull	9,162	9,649	10,820	11,170
Motorcross	2,400	2,878	2,655	2,750
ATV Races	1,369	1,593	1,130	1,550
Pavilion Entertainers	4,600	4,200	6,660	8,000
Gazebo Entertainment	5,850	6,075	6,650	7,000
Misc Entertainment	582	338	836	500
Vendor Relations	198	-	-	-
Car Show	650	906	1,319	1,350
Home Ec/Art Show	332	287	296	510
Ribbons/Awards/Promo	7,641	5,359	5,949	6,500
5K Run	767	480	205	375
Bike Rodeo	1,899	2,055	-	1,000
Grounds Maint/Improvements	6,442	11,825	8,788	8,000
Firework Display	1,900	2,300	2,400	2,500
Kiddie Tractor Pull	325	325	175	525
Leases & Rentals	7,489	8,282	6,110	7,400
Livestock Shows	2,244	2,929	3,408	3,500
Advertising	27,119	30,665	30,483	31,000
Parade	67	71	143	150
Super Farmer Contest	-	500	500	500
Queen Contest	1,200	700	700	765
Publication & Dues	165	100	165	165
Meetings & Conventions	4,879	4,799	5,050	5,050
Insurance	3,721	3,962	4,968	5,000
Professional Fees	3,100	4,930	2,400	2,400
Misc. Expense	882	371	1,340	1,250
Admin. Fees To General & Salary Reimbursement	11,604	11,500	11,500	11,500
Total Special Events Exp.	137,205	145,161	144,171	150,785



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STREET FUND

Fund Description

The Street Fund is the largest of the Special Revenue Funds. Revenues from this fund come from dedicated property taxes, state taxes, and fees distributed to the City for the purposes of road construction, repair, and maintenance.

Department Responsibilities

City parking lots	Street overlay contract	Traffic sign maintenance
Snow removal	Street sweeping	
Street Maintenance	Storm sewer maintenance	

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget
Revenue				
Revenue	\$1,014,278	\$889,861	\$1,073,202	\$2,523,496
Transfers In	\$421,125	\$415,445	\$396,515	\$444,475
Total Revenue	\$1,435,403	\$1,305,306	\$1,469,717	\$2,967,971
Expense				
Expenditures	\$1,277,901	\$1,328,970	\$1,417,383	\$2,811,436
Transfers Out	\$-	\$263	\$40,885	\$118,310
Total Expense	\$1,277,901	\$1,329,233	\$1,458,268	\$2,929,746
REVENUE OVER EXPENSES	\$157,502	\$(23,927)	\$11,449	\$38,225

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

The street overlay budget substantially increased due to the Country Club Drive Project which includes resurfacing, curbing, storm drains, and sidewalks on Country Club Drive between 7 Highway and Mulberry Street. This \$1.75M project is paid through an 80%/20% Surface Transportation Grant which is also included in the Street Fund revenue. Aside from this large project, less than \$200,000 will be put toward the street overlay program in other parts of the community. This is a one time effect on the street overlay program which is expected to return to the normal \$600,000 in the following budget year.

Tax revenue is expected to increase 2.6%.

STREET FUND

STREET FUND REVENUE	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Taxes - Real Estate	134,992	138,129	142,213	143,150
Taxes - Delinquent	8,475	9,045	7,371	8,000
Taxes - Cigarette	9,213	9,594	9,800	9,500
Transportation Sales Tax-1/2% cent	340,763	329,422	337,332	350,000
Taxes - State Gasoline and Fuel	246,462	249,524	255,000	258,825
State Motor Vehicle Sales Tax	63,789	68,186	72,000	75,600
Cass County Transportation Grant	84,486	84,486	88,900	88,900
Cass County Road and Bridge Share	102,087	-	103,480	52,000
Misc. Grants & Donations	3,598	-	57,106	1,537,521
Sales of Surplus Property	3,893	-	-	-
Project Reimbursement	363	-	-	-
Misc. Income	16,159	1,475	-	-
Transfer from Other Funds	421,125	415,445	396,515	444,475
Total Street Revenue	1,435,403	1,305,306	1,469,717	2,967,971

STREET FUND

STREET DEPARTMENT EXPENSE	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Salaries - Street	277,513	281,988	269,000	238,897
FICA Expense	20,865	20,538	20,600	18,276
Insurance Benefits	19,168	28,862	34,500	31,145
LAGERS Expense	49,903	46,197	43,000	42,524
Uniform Expense	1,505	1,485	1,500	2,250
Office Supplies	-	1,099	1,000	1,000
Printing	-	136	-	-
Publications & Dues	-	299	-	-
Telephone	509	7,185	9,216	10,560
Bldg. Maint. & Utilities	7,716	8,334	21,500	7,500
Insurance	27,265	37,528	30,511	30,784
Professional Fees	8,800	18,140	136,500	50,000
Office Equipment & Furniture	404	1,510	1,600	1,600
Vehicle Exp./Fuel,Oil,Wash	14,010	11,480	15,500	15,500
Repairs - Trucks	6,543	24,574	6,000	15,000
Repairs - Equipment	7,957	6,855	12,550	8,000
Rock, Asphalt & Road Maintenance.	31,135	34,625	40,000	40,000
Salt & Sand / Snow Removal	28,735	19,928	18,350	30,000
Culverts	652	521	2,000	2,000
Street Signs	1,200	2,421	3,400	3,400
Street Lighting	143,007	143,715	147,000	147,000
Tools & Supplies	5,387	3,999	6,500	6,500
Maint - Burning Area	-	-	-	-
Misc. Expense	1,624	35	500	500
Contract Tree Removal	650	750	850	1,000
Equipment Purchased	-	4,553	-	14,000
Equipment Rental	5,423	1,574	2,600	2,600
Major Improvement Projects	572,739	542,171	584,206	2,083,000
Stormwater Projects	23	33,391	-	-
Oats Bus	9,457	7,874	9,000	8,400
Admin. Fee to Gen.4%	35,712	37,204	40,885	100,940
Transfer Out - Street	-	263	-	17,370
Total Street Expense	1,277,901	1,329,233	1,458,268	2,929,746



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EQUIPMENT REPLACEMENT FUND

Fund Description

The Equipment Replacement Fund cash finances equipment purchases to be repaid by other funds over a span of time. This allows the City to save money on lease fees and interest. The Fund was established in FY 2013. The fund balance originated from pre-paid PILOTs.

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget
Revenue				
Revenue	\$-	\$-	\$-	\$-
Transfers In	\$100,096	\$25,221	\$20,591	\$41,634
Total Revenue	\$100,096	\$25,221	\$20,591	\$41,634
Expense				
Expenditures	\$62,705	\$26,444	\$16,500	\$43,000
Transfers Out	\$-	\$-	\$-	\$-
Total Expense	\$62,705	\$26,444	\$16,500	\$43,000
REVENUE OVER EXPENSES	\$37,391	\$(1,223)	\$4,091	\$(1,366)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

As a revolving internal funding mechanism for the purchase of equipment and other capital items, this funds revenue should always be keeping pace with expenses replenishing funds annually over the life cycle of the purchased item. This year's expense includes the purchase of chairs for the dispatching center and a 1-ton truck for the Parks Department.

EQUIPMENT REPLACEMENT FUND

Equipment Replacement Fund	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenue:				
Transfer In	100,096	25,221	20,591	41,634
Total Debt Service Revenue	100,096	25,221	20,591	41,634

Equipment Replacement Fund	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expense:				
Street Overlay, Equipment Improvement	53,745	23,158	16,500	-
PD Cameras	8,960	-	-	-
Police Equipment	-	3,286	-	3,000
Park Equipment	-	-	-	40,000
Total Debt Service Expense	62,705	26,444	16,500	43,000

RISK MANAGEMENT FUND

Fund Description

The Risk Management Fund accounts for property and liability insurance claim deductibles and funds the Loss Control Program. The fund balance originated from return of premiums from the group self-insurance pool, of which the City is a member.

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget
Revenue				
Revenue	\$24,766	\$45,886	\$16,752	\$13,520
Transfers In	\$1,906	\$12,731	\$-	\$-
Total Revenue	\$26,672	\$58,617	\$16,752	\$13,520
Expense				
Expenditures	\$17,139	\$5,692	\$18,502	\$8,580
Transfers Out	\$4,200	\$4,350	\$4,669	\$4,940
Total Expense	\$21,339	\$10,042	\$23,171	\$13,520
REVENUE OVER EXPENSES	\$5,333	\$48,575	\$(6,418)	\$-

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Annual refund of contributions remains a stable revenue source to fund the City's safety and wellness programs. Dividend reimbursements are reflected in previous fiscal years and are not accounted for until received. The dividend reimbursements help build the insurance claim contingency which was utilized in FY 2017 as well as helping the City fund projects that have the potential to reduce its liability exposure.

RISK MANAGEMENT FUND

RISK MANAGEMENT FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenue:				
MPR Rebates/Safety Program Awards	23,100	45,886	9,042	13,520
Transfers In-Previous Claims other funds	1,906	12,731	-	-
Claim Reimbursement	1,666	-	7,711	-
Total Risk Management Revenue	26,672	58,617	16,752	13,520

RISK MANAGEMENT FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expense:				
Transfers Out	4,200	4,350	4,350	4,400
Equipment	-	1,088	-	-
Admin. Fee to Gen. 4%	96	268	319	540
Deductibles - Property losses	-	-	10,202	-
Deductibles - Auto Losses	1,743	-	-	-
Deductibles - Liability Claims	12,731	-	5,000	-
Safety Programs	2,569	4,336	3,300	8,580
Total Risk Management Expense	21,339	10,042	23,171	13,520

CAPITAL IMPROVEMENT SALES TAX FUND

Fund Description

The 1/2 cent Capital Improvement Sales Tax was authorized by the voters in June 1995. Revenue derived from this sales tax are dedicated exclusively to capital improvements.

Budget Summary	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Revenue				
Revenue	\$374,487	\$365,677	\$371,940	\$380,000
Transfers In	\$35,025	\$-	\$137,325	\$15,000
Total Revenue	\$409,487	\$365,677	\$509,265	\$395,000
Expense				
Expenditures	\$143,848	\$210,123	\$232,213	\$168,500
Transfers Out	\$204,121	\$233,522	\$222,809	\$229,270
Total Expense	\$347,969	\$443,645	\$455,022	\$397,770
REVENUE OVER EXPENSES	\$61,518	\$(77,967)	\$54,243	\$(2,770)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Sales tax collections are expected to increase approximately 2% over FY 2017 estimates. The transfer in from the General Fund will help purchase a new Records Management software system for the Police Department. Other expenses from this fund are annual appropriations for the purchase of a police car, sidewalk replacement, payments on street equipment, and buildings and grounds upgrades. This year's budget sees another year with increased buildings and grounds improvements dedicated to the Memorial Building renovation. This year's budget also has increased funding for computer and network equipment. Transfers out reflect debt payments, administrative fees, funding for street overlay, and payments to the Equipment Replacement Fund for money borrowed in previous years for the purchase of equipment.

CAPITAL IMPROVEMENTS SALES TAX FUND

CAPITAL IMPROVEMENTS SALES TAX FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenues				
Transfers In	35,000	-	137,325	15,000
Cap. Improvement. Sales Tax	374,462	365,677	371,940	380,000
Misc. Income	25	-	-	-
Total Cap. Imp. Fund Rev.	409,487	365,677	509,265	395,000

CAPITAL IMPROVEMENTS SALES TAX FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expenses				
Transfers Out	74,096	98,721	69,091	72,295
Transfer to Debt Service - Interest	78,225	-	-	-
Transfer to Debt Service - Principal	51,800	134,801	139,193	141,775
Police Cars	33,969	40,950	42,000	45,000
Police Equipment	-	13,146	-	-
Street Overlay Project Street Equipment & Improvements	20,281	58,422	53,888	54,000
Computer Equipment	3,160	5,038	11,000	25,500
Park/Pool Equip. & Improvements	36,297	15,174	-	-
Buildings & Grounds Equip & Improvements	34,945	61,925	122,325	40,000
Sidewalk Repair/Replacement	-	789	3,000	4,000
Interest	1,719	-	-	-
Admin. Fee to Gen. 4%	13,476	14,680	14,525	15,200
Total Cap. Imp. Fund Exp.	347,969	443,645	455,022	397,770

CAPITAL PROJECTS FUND

Fund Description

The Capital Projects Fund was created to record expenditures on major capital projects funded through various sources including Certificates of Participation (COP) and transfers in from other funds.

Budget Summary	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Revenue				
Revenue	\$11,540	\$-	\$-	\$415,997
Transfers In	\$-	\$-	\$-	\$103,994
Total Revenue	\$11,540	\$-	\$-	\$519,991
Expense				
Expenditures	\$474,771	\$6,219	\$7,731	\$524,961
Transfers Out	\$-	\$205,150	\$-	\$-
Total Expense	\$474,771	\$211,369	\$7,731	\$524,961
REVENUE OVER EXPENSES	\$(463,231)	\$(211,369)	\$(7,731)	\$(4,970)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

This fund will continue to draw down upon available resources, which are set aside from the 2013 Certificate of Participation proceeds dedicated to the construction and improvements at the municipal swimming pool and the MoPAC section of the Rock Island/KATY Trail. An 80%/20% Transportation Alternatives Program grant is included in the revenue for improvements at MoPAC Phase 3 near City Lake. The City is also planning on utilizing a portion of Surface Transportation Program Small Urban Grant Funds for some of the engineering costs associated with the MoPAC Phase 3 project.

CAPITAL PROJECTS FUND

CAPITAL PROJECTS FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenues:				
Government Grants	11,250	-	-	415,997
Interest Earned	290	-	-	-
Transfers In	-	-	-	103,994
Total Capital Projects Revenue	11,540	-	-	519,991

CAPITAL PROJECTS FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expenses:				
Trail to City Lake	19,740	146	2,296	524,739
Swimming Pool	455,031	6,073	5,435	222
Transfers Out	-	205,150	-	-
Total Capital Projects Expense	474,771	211,369	7,731	524,961

POOL CAPITAL IMPROVEMENT SALES TAX FUND

Fund Description

The 1/4 cent Capital Improvement Sales Tax was authorized by voters in April 2013 and is dedicated exclusively to capital improvements at the municipal swimming pool. The funds will primarily be used to make debt service payments. Revenues in excess of the debt service payment can be used to make other capital improvements at the swimming pool.

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget
Revenue				
Revenue	\$169,875	\$164,448	\$168,722	\$175,000
Transfers In	\$-	\$-	\$-	\$
Total Revenue	\$169,875	\$164,448	\$168,722	\$175,000
Expense				
Expenditures	\$6,720	\$6,960	\$-	\$-
Transfers Out	\$178,677	\$184,965	\$176,843	\$175,000
Total Expense	\$185,397	\$191,925	\$176,843	\$175,000
REVENUE OVER EXPENSES	\$(15,522)	\$(27,477)	\$(8,121)	\$-

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Sales tax collections, while steadily increasing, are still under-performing compared to the projections at the time the City issued the Certificates of Participation for construction of the swimming pool. In addition to the transfer from the Pool Capital Improvement Sales Tax Fund, the Park Fund will also transfer into the Debt Service Fund to make principal and interest payments on the 2013 COPs. It is expected that the Pool Capital Improvement Sales Tax will not collect enough revenue to fully cover the debt payment through FY 2019.

POOL CAPITAL IMPROVEMENT SALES TAX FUND

POOL CAPITAL IMPROVEMENT SALES TAX	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenue:				
Pool Capital Improvement Sales Tax	169,875	164,448	168,722	175,000
Total Pool Capital Improvement Revenue	169,875	164,448	168,722	175,000

POOL CAPITAL IMPROVEMENT SALES TAX	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expense:				
Transfer to Debt Service	178,677	184,965	170,711	168,000
Admin. Fee to General 4%	6,720	6,960	6,132	7,000
Total Pool Capital Improvement Expense	185,397	191,925	176,843	175,000

DEBT SERVICE FUND

Fund Description

The Debt Service Fund is used to record expenditures for the payment of principal and interest on the Certificates of Participation and General Obligation (G.O.) Bonds. Revenue for these payments are derived from the debt service levy collections and transfers in from other funds. Transfers are received from the Capital Improvement Sales Tax Fund, Water/Sewer Fund, Park/Stormwater Sales Tax Fund, General Fund, and Pool Capital Improvement Sales Tax Fund. A portion of the PILOT received in the General Fund is transferred to assist with the debt service on the G.O. Bond payments.

Budget Summary	2015 Actual	2016 Actual	2017 Projected	2018 Budget
Revenue				
Revenue	\$351,175	\$364,112	\$370,217	\$375,400
Transfers In	\$763,469	\$725,506	\$482,324	\$486,856
Total Revenue	\$1,114,644	\$1,089,618	\$852,541	\$862,256
Expense				
Expenditures	\$1,486,371	\$1,077,790	\$873,280	\$879,235
Transfers Out	\$-	\$-	\$14,460	\$15,016
Total Expense	\$1,486,371	\$1,077,790	\$887,740	\$894,251
REVENUE OVER EXPENSES	\$(371,726)	\$11,828	\$(35,199)	\$(31,995)

*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Debt payments are made through a combination of transfers from other funds which have benefited from prior improvements, a known draw down of fund balance from a PILOT pre-payment which was previously assisting with debt payments, and the debt service property tax levy. Property tax levies continue to grow. We conservatively budgeted a 1.4% growth in property tax collections for FY 2017.

This fund will continue to draw down the fund balance through FY 2021 at which time the current debt levy and transfers from other funds will not be sufficient to meet the debt obligations. Alternative funding mechanisms or growth in the property tax base may impact this shortfall in FY 2021. If neither of these occur, the Council has the authority to raise the debt service levy to a rate high enough to cover these payments without a vote of the electorate.

DEBT SERVICE FUND

DEBT SERVICE FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Revenue:				
Current Taxes	337,136	343,970	351,864	357,900
Delinquent Taxes	14,014	16,110	18,353	17,500
Misc. Income	26	4,032	-	-
Transfers In - '06,'08, & '09 COP'S	435,004	375,866	144,836	147,523
Transfers In - Park	-	-	11,407	11,265
Transfers In - Pool Capital Improv. Sales Tax	163,790	184,965	170,711	168,000
Transfers In. - General - PILOT	164,675	164,675	155,370	160,068
Total Debt Service Revenue	1,114,644	1,089,618	852,541	862,256

DEBT SERVICE FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Expense:				
Cost of Issuance	-	213,000	-	-
Admin. Fees to Gen. 4%	13,984	14,516	14,460	15,016
Interest Paid on '09 COP's	27,140	-	-	-
Principal Paid on '09 COP's	536,250	-	-	-
Interest Paid on GO Bonds	259,963	145,026	115,882	104,670
Principal Paid on GO Bonds	470,000	520,000	575,000	595,000
Interest Paid on '13 COP's - Pool	124,033	90,249	87,398	84,565
Principal Paid on '13 COP's - Pool	55,000	95,000	95,000	95,000
Total Debt Service Expense	1,486,371	1,077,790	887,740	894,251

DEBT ISSUES AND FINANCING MECHANISMS

General Obligation Bonds

General Obligation Bonds, commonly called “G.O. Bonds”, are bonds secured by the pledge of the City’s full faith, credit, and taxing power. The taxing power is an unlimited ad valorem tax based on the assessed value of property located within the City. The City is legally allowed to raise taxes in order to ensure the debt service on the bonds are paid in each fiscal year. G.O. Bonds carry the lowest interest rates among the various financing options. The voters must approve G.O. Bonds with either a four-sevenths (4/7ths) or two-thirds (2/3rds) majority, depending on when the election is held.

Bond issues accounted for in this section include:
Series 2015B (Refunding of 2005 G.O. Bond)

Revenue Bonds

Revenue bonds are payable from a specific source of revenue and do not pledge the full faith and credit of the City. Revenue bonds are payable from identified sources of revenue, and do not permit the bondholders to compel taxation or legislative appropriation of funds not pledged for payment of debt service. For this reason, revenue bonds often carry a higher interest rate than G.O. Bonds. Pledged revenues may be derived from operation of the financed project, grants, a sales tax, or other non-ad valorem taxes. Revenue bonds may be approved by a simple majority of the voters, and do not count against the City’s constitutional debt limit. The City must also comply with certain bond covenants.

Revenue Bond issues accounted for in the Water/Sewer fund include:
Series 2015A (Refunding of the 2010 Water/Sewer Revenue Bonds)

Certificates of Participation

Certificates of Participation or lease participation certificates, also known as “COPs”, are certificates that represent a proportionate interest of the owner of each Certificates in the right of the lender to receive rental payments made by the City under the lease-purchase agreement. COPs can be issued by the City without voter approval but do generally carry a higher interest rate than G.O. Bonds or revenue bonds. The City must also comply with certain certificate of participation covenants.

Certificates of Participation accounted for in this budget include:
Series 2013 (Swimming Pool)

COMPUTATION OF LEGAL DEBT MARGIN

General Obligation Bonds, commonly called “G.O. Bonds” are bonds secured by the pledge of the City’s full faith, credit, and taxing power. The taxing power allows the City to legally raise taxes in order to pay the debt service on the bonds. G.O. Bonds carry the lowest interest rates among the various financing options due to this taxing authority. The voters must approve General Obligation Bonds. The Missouri Constitution establishes the debt limit not to exceed 20% of the City’s assessed valuation, as referenced below.

The City’s only G.O. Bond is the 2015B (refunding of Series 2005).

March 31, 2017

	Ordinary ⁽¹⁾	General Obligation Bonds Additional ⁽²⁾	Total
Assessed Valuation			\$101,627,917
Constitutional Debt Limit	\$10,162,792	\$10,162,729	\$20,325,584
Less General Obligation Bonds payable	\$5,360,000	\$-	\$5,360,000
Available remaining to be utilized for other debt issues	\$4,802,792	\$10,162,729	\$14,965,584

Note:

1) Article IV, Sections 26(b) and (c) of the State Constitution permits the City, by vote of two-thirds of the voting electorate, to incur an indebtedness for City purposes not to exceed 10% of the taxable tangible property therein as shown by the last completed assessment.

2) Article IV, Section (d) and (e) of the State Constitution provides that the City may become indebted not exceeding in the aggregate an additional 10% of the purpose of acquiring right-of-way, constructing, extending and improving streets and avenues and/or sanitary or storm systems, and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation.

WATER/SEWER FUND

Fund Description

The Water/Sewer Fund accounts for all of the operations of the City's Water, Sewer, and Trash system. The Water and Sewer system handles approximately 3,000 customers

Department Responsibilities

Lift station maintenance
Meter maintenance
Meter reading
Sewer line construction

Sewer line extensions
Sewer line maintenance
Trash & recycling contract
Water system construction

Water system extensions
Water system maintenance

	2015	2016	2017	2018
Budget Summary	Actual	Actual	Projected	Budget

Revenue

Revenue	\$3,435,674	\$3,367,891	\$3,514,631	\$3,510,735
Transfers In	\$714,339	\$60,425	\$425	\$335

Total Revenue	\$4,150,013	\$3,428,316	\$3,515,056	\$3,511,070
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Expense

Expenditures	\$3,868,695	\$3,390,484	\$3,536,721	\$3,325,710
Transfers Out	\$64,776	\$7,468	\$295,260	\$216,639

Total Expense	\$3,933,471	\$3,397,952	\$3,831,981	\$3,542,349
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REVENUE OVER EXPENSES	\$216,542	\$30,364	\$(316,925)	\$(31,279)
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*Beginning in FY 2017, administrative fees assessed to each fund are considered the same as other transfers and were not included in revenues or expenditures

Budget Highlights, Trends, and Projections

Revenues are expected to stay consistent with the previous fiscal year as a whole. We expected additional revenue in water sales, sewer charges, and trash collection fees due to a larger customer base from the new homes constructed within the past year and the City's high occupancy rate. New development is expected to be slightly lower than the previous fiscal year, resulting in reduced revenues for water and sewer taps. No increases were made to water, sewer, or trash rates this fiscal year. The City continues to invest back into the water and sewer system, making necessary improvements. The City will purchase a generator for the Myrtle Lift Station to ensure continuous power supply to operate back up pumps and/or multiple pumps if necessary and install one new antenna for the automated metering infrastructure.

WATER/SEWER FUND

WATER/SEWER FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
REVENUES				
Water Sales - Residential	999,375	995,957	1,040,000	1,052,000
Water Sales - Commercial	335,903	317,854	328,000	348,600
Water Taps	21,240	37,170	63,720	35,400
Sewer Service Charge	1,234,290	1,221,845	1,237,400	1,255,000
Sewer Service Charge.-Dist 5	195,546	193,838	205,500	209,610
Sewer Taps	15,840	49,500	73,700	45,000
Late Payment Penalties	36,625	36,627	37,000	38,400
Trash Collection Fees	531,309	481,776	491,000	493,725
Misc. Income	31,125	12,716	33,127	33,000
Grants & Project Reimbursement	-	15,638	5,184	-
Interest Earned on Investments	615	31	-	-
Interest Income - SRF	27,541	867	-	-
Misc. Sewer Income	5,934	-	-	-
Bad Debt Recovery	330	270	-	-
Sale of Surplus Property	-	3,801	-	-
Transfer In	714,339	60,425	425	335
Total Water/Sewer Revenue	4,150,013	3,428,316	3,515,056	3,511,070

WATER/SEWER FUND

WATER/SEWER FUND	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Production Expense				
Purchase Water/Tri-County	158,994	133,962	111,000	140,500
Purchase Water/Kansas City	424,352	443,738	527,000	548,000
Utility/Pumping Equipment	21,518	20,277	22,500	23,000
Maint. & Repair-Pump Equip.	-	5,258	-	-
Total Production Expense	604,863	603,235	660,500	711,500
Administrative & Gen. Exp.				
Salaries - Office & Gen	56,592	38,273	39,700	39,009
FICA Expense	7,884	5,870	6,600	8,342
Insurance Benefits	14,949	8,513	10,500	19,206
LAGERS Expense	20,101	13,728	14,600	19,411
Uniform Expense	-	-	-	200
Office Supplies	1,104	-	-	-
Printing	5,530	2,886	3,000	3,000
Postage	18,602	19,824	20,000	20,000
Publications & Dues	1,454	1,555	2,040	1,750
Telephone	10,713	5,410	2,912	3,000
Bldg. Maint., Util. & Trash	13,198	9,873	10,400	12,000
Insurance	20,435	11,785	15,031	13,933
Professional Fees	1,461	27,763	20,700	11,500
Trash Collection Contract	434,012	403,552	406,000	417,115
State Primacy Fee/Water Testing	9,292	9,382	9,400	9,600
ETS - Collection Fees	14,475	16,978	15,660	15,600
Payroll Services	8,421	2,294	1,500	1,500
Meter Reading Service	14,000	-	-	-
Service. & Maint. Office Equip	65,901	51,942	60,000	63,884
Loss on Bad Debts	8,380	510	1,177	-
Utility Locates	746	1,161	2,500	2,200
Misc. Expense	216	498	1,000	600
Depreciation - Office equip.	5,856	2,500	2,500	2,500
Admin. Fees to General	140,352	134,465	134,390	140,029
Total Adm. & Gen. Exp.	873,672	768,762	779,610	804,379
Non-Operating Expense				
Interest Paid on Bonds	188,741	159,286	67,802	67,188
Transfer. City 06 & 08 COP'S	40,413	-	-	-
Transfer Out - Debt Service	-	30,450	-	-
Transfers to City/Trash Col.	64,776	-	160,870	76,610
Total Non-Operating Expense	293,930	189,736	228,672	143,798

WATER/SEWER FUND

	2015 ACTUAL	2016 ACTUAL	2017 ESTIMATE	2018 BUDGET
Distribution Expense				
Salaries - Distribution	48,905	45,319	46,500	70,042
Vehicle Exp. - Fuel & Oil	3,020	1,967	1,900	1,500
Vehicle Maint & Repairs	-	-	100	500
Repairs - Trucks	3,799	152	300	-
Repairs - Equipment	1,847	475	2,500	2,500
Tools & Supplies	4,956	3,744	5,300	4,000
Main. - Mains & Hydrants	26,713	16,556	13,000	20,000
Maint. - Meters & Services.	10,778	4,124	3,500	3,500
Main. - Towers	2,343	7,309	5,300	3,300
Misc. Expense	111	5	750	250
Depreciation - Dist.	180,000	364,500	767,000	413,500
Equipment Rental	-	-	700	700
Total Distribution Expense	282,473	444,151	846,850	519,792
Sewer Dept. Expense				
Salaries - Sewer	17,384	6,365	8,400	17,093
FICA Expense	1,399	471	650	1,308
Insurance Benefits	1,274	4,448	6,450	7,226
LAGERS Expense	2,922	637	1,300	3,043
Special training	-	485	600	600
MBC - Customer Fees	1,175,525	1,176,370	1,181,142	1,181,310
Supplies & Equip. Expense	-	148	-	1,000
Professional Fees	48,548	146	-	-
Sewer Service Connection Fee	2,239	2,482	2,756	2,800
Vehicle Maint & Repairs	121	1,421	300	2,000
Maint. - Buildings. & Grounds	-	-	-	-
Equip Maint & Repairs	-	3,391	-	4,000
Maint.- Lines	6,868	8,967	15,500	10,000
Maint. Lift Stations	49,859	70,907	47,000	45,000
Supplies & Equip. Expense	200	430	383	-
Reimburse. Sewer Consumption Waiver	751	96	344	500
Misc. Expense	805	336	24	500
Transfer to other Funds	-	7,468	-	-
Depreciation	551,496	107,500	51,500	86,500
Amortization Expense	19,144	-	-	-
Total Sewer Dept. Expense	1,859,390	1,392,068	1,316,349	1,362,880
Total Water/Sewer Expense	3,933,471	3,397,952	3,831,981	3,542,349

DEPRECIATION EXPENSE

Depreciation Explanation

The Water/Sewer Budget includes line items for Depreciation which sets aside a budget to allow the City to reinvest in the water and sewer systems. Including depreciation in the budget allows the city to establish service charges necessary to maintain the current water and sewer systems as well as reinvest in the system when necessary. The depreciation is the annual expense associated with using assets and infrastructure in a given year or period. It reflects a combination of both an outstanding debt principal payment and cash payments for replacement of equipment, purchases of new equipment, and infrastructure of the current system.

The capital assets which are depreciated include buildings, improvements, processing facilities, machinery and equipment, transmission lines, mains, and storage facilities. Depreciation is calculated by dividing the purchase price of the asset by its useful life.

Depreciation Calculator

	WATER	ADMIN	SEWER	TOTAL
Total Depreciation Budget	\$413,500	\$2,500	\$86,500	\$502,500
Less				
Principal Obligation	\$(330,000)	-	-	\$(330,000)
Inventory	\$(13,500)	-	\$(1,500)	\$(15,000)
Total Remaining	\$70,000	\$2,500	\$85,000	\$157,500

Principal Obligation

2015A Principal Payment - \$330,000

Anticipated Projects included in the Depreciation Expense

Generator at Myrtle Lift Station - \$60,000 (Sewer)

Power washing the Knorpp Water Tower - \$8,000 (Water)

Install one antenna for the automated metering system - \$30,000 (Water)

HISTORICAL UTILITY RATES

WATER RATES	4/1/2013	4/1/2014	4/1/2015	4/1/2016	4/1/2017
0-1,000 gallons	\$8.92	\$9.37	\$9.51	\$9.80	\$9.80
next 29,000 gallons	\$7.61	\$7.99	\$8.11	\$8.35	\$8.35
over 30,000 gallons	\$5.71	\$6.00	\$6.09	\$6.27	\$6.27

SEWER RATES	4/1/2013	4/1/2014	4/1/2015	4/1/2016	4/1/2017
Per 1,000 gallons	\$5.28	\$5.54	\$5.54	\$5.54	\$5.54

SEWER BASE RATE	4/1/2013	4/1/2014	4/1/2015	4/1/2016	4/1/2017
Residential	\$14.75	\$14.75	\$14.75	\$14.75	\$14.75
Commercial & Industrial	\$17.50	\$17.5	\$17.50	\$17.50	\$17.50

TRASH/RECYCLING RATES	4/1/2013	4/1/2014	4/1/2015	4/1/2016	4/1/2017
Regular	\$16.00	\$16.50	\$14.50	\$14.50	\$14.50
Senior	\$14.50	\$14.50	*	*	*
*Discontinued in 2015					

REVENUE ASSUMPTIONS

Account: Property Tax

Description: Tax levied on all real and personal property within the City of Pleasant Hill on January 1st of each year.

Distribution: Debt, General, Park, Public Health, and Street Funds by allocation
Overall Levy \$1.0070 per \$100 assessed valuation

Basis of Budget Projection: Strong building construction over the past 24 months should be reflected in the FY 2018 property tax collections, marking an increase to the tax base and assessed valuation. A 1.2% increase is projected for this year.

Year	Assessed Valuation	% Inc/Dec	Levy	Amount Levied	% Inc/Dec
1998-99	\$40,625,500	3.9%	0.7200	\$308,520	19.50%
1999-00	\$45,300,696	11.5%	0.7100	\$349,620	13.3%
2000-01	\$48,790,780	7.7%	0.7100	\$364,575	4.3%
2001-02	\$54,343,355	11.4%	0.6400	\$380,462	4.4%
2002-03*	\$56,280,130	3.6%	0.8343	\$505,857	33.0%
2003-04	\$64,358,212	14.4%	0.7541	\$506,344	0.1%
2004-05	\$67,153,871	4.3%	0.7389	\$478,615	-5.5%
2005-06	\$74,398,320	10.8%	0.7389	\$478,615	0.0%
2006-07	\$77,868,996	4.7%	0.7442	\$572,450	19.6%
2007-08	\$86,323,210	10.9%	0.7390	\$631,828	10.4%
2008-09	\$91,057,445	5.5%	0.7390	\$672,915	6.5%
2009-10	\$93,644,887	2.8%	0.7390	\$692,036	2.8%
2010-11	\$94,179,676	0.6%	0.7442	\$700,885	1.3%
2011-12	\$93,350,364	-0.9%	0.7538	\$717,249	2.3%
2012-13	\$95,384,288	2.2%	0.8630	\$823,166	14.8%
2013-14	\$95,947,445	0.6%	0.9944	\$954,101	15.9%
2014-15	\$97,096,408	1.2%	0.9944	\$976,261	2.3%
2015-16	\$100,338,947	3.3%	0.9963	\$997,954	2.2%
2016-17	\$101,627,917	1.3%	1.0007	\$1,025,356	2.7%
2017-18 Budget Projection				\$1,037,950	

*This was the first year of the voter approved levy increase for GO Bonds to fund 7 Highway improvements.

REVENUE ASSUMPTIONS

Account: Sales Tax

Description: 1% sales tax levied on all retail within the City

Distribution: 100% to the General Fund

Basis of Budget Projection: In 2012, the Missouri Supreme Court invalidated out-of-state motor vehicle tax collections for any jurisdiction that has not adopted a use tax. Pleasant Hill does not have a use tax. The reduction of this sales tax stream was primarily felt in FYs 13 and 14. The sales tax was temporarily restored by the Missouri Legislature in the middle of the City's FY14 budget. In April 2016, the citizens voted to make the out-of-state motor vehicle tax collection permanent.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
1998-99	\$406,591		
1999-00	\$431,032	\$24,441	6.0%
2000-01	\$450,251	\$19,219	4.5%
2001-02	\$500,522	\$50,271	11.2%
2002-03	\$545,983	\$45,461	9.1%
2003-04	\$583,885	\$37,902	6.9%
2004-05	\$607,945	\$24,060	4.1%
2005-06	\$592,045	\$(15,900)	-2.6%
2006-07	\$598,149	\$6,104	1.0%
2007-08	\$645,247	\$47,098	7.9%
2008-09	\$642,238	\$(3,009)	-0.5%
2009-10	\$616,657	\$(25,581)	-4.0%
2010-11	\$647,116	\$30,459	4.9%
2011-12	\$693,429	\$46,313	7.2%
2012-13	\$666,206	\$(27,223)	-3.9%
2013-14	\$646,839	\$(19,367)	-2.9%
2014-15	\$748,921	\$102,082	15.8%
2015-16	\$731,353	\$(17,568)	-2.3%
2016-17	\$743,882	\$12,529	1.7%
2017-18 Budget Projection			\$758,000

REVENUE ASSUMPTIONS

Account: Franchise Fee - Cable TV

Description: Each company or corporation engaged in the business of supplying public, non-municipal cable services to the citizens pays an annual franchise tax of 3% of the gross receipts collected from the sale of this public utility service within the city limits

Distribution: 100% to the General Fund

Basis of Budget Projection: Cable TV franchise fees have minimally increased in recent years, likely due to the availability of streaming services which are not subject to this franchise fee. While the number of homes is increasing, the City does not anticipate an large increase to this revenue stream.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
1998-99	\$15,561		
1999-00	\$13,856	\$(1,705)	-11.0%
2000-01	\$20,648	\$6,792	49.0%
2001-02	\$23,961	\$3,313	16.0%
2002-03	\$24,329	\$368	1.5%
2003-04	\$25,560	\$1,231	5.1%
2004-05	\$28,021	\$2,461	9.6%
2005-06	\$29,807	\$1,786	6.4%
2006-07	\$31,356	\$1,549	5.2%
2007-08	\$35,719	\$4,363	13.9%
2008-09	\$39,815	\$4,096	11.5%
2009-10	\$39,946	\$131	0.3%
2010-11	\$38,969	\$(977)	-2.4%
2011-12	\$39,934	\$965	2.5%
2012-13	\$40,852	\$918	2.3%
2013-14	\$41,687	\$835	2.0%
2014-15	\$41,742	\$55	0.1%
2015-16	\$32,769	\$(8,973)	-21.5%
2016-17	\$57,022	\$24,253	74.0%
2017-18 Budget Projection			\$42,500

REVENUE ASSUMPTIONS

Account: Franchise Fee - Telecommunications

Description: Each company or corporation engaged in the business of supplying public, non-municipal telephone services to the citizens pays an annual franchise tax of 5% of the gross receipts collected from the sale of public utility services within the City limits.

Distribution: 100% to the General Fund

Basis of Budget Projection: Recent telecommunications settlements have caused this revenue stream to vary significantly. Removing one time settlements, this revenue stream has declined in recent years, primarily in distributions from cell phone companies.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
1998-99	\$44,699		
1999-00	\$41,437	\$(3,262)	-7.3%
2000-01	\$51,559	\$10,122	24.4%
2001-02	\$58,714	\$7,155	13.9%
2002-03	\$58,100	\$(614)	-1.0%
2003-04	\$58,918	\$818	1.4%
2004-05	\$60,645	\$1,727	2.9%
2005-06	\$56,236	\$(4,409)	-7.3%
2006-07	\$58,381	\$2,145	3.8%
2007-08	\$87,240	\$28,859	49.4%
2008-09	\$324,931	\$237,691	272.5%
2009-10	\$182,270	\$(142,661)	-43.9%
2010-11	\$265,854	\$83,584	45.9%
2011-12	\$166,968	\$(98,886)	-37.2%
2012-13	\$179,260	\$12,292	7.4%
2013-14	\$165,008	\$(14,252)	-8.0%
2014-15	\$218,872	\$53,864	32.6%
2015-16	\$148,878	\$(69,994)	-32.0%
2016-17	\$141,000	\$(7,878)	-5.3%
2017-18 Budget Projection			\$141,000

REVENUE ASSUMPTIONS

Account: Court Fines

Description: Court fines are fees placed on guilty cases handled by the Municipal Court

Distribution: 100% to the General Fund

Basis of Budget Projection: The budget projection is based on historical data and information supplied from the Police Department on reported crime and traffic violations. Information maintained by the Municipal Court regarding the number of court cases and conviction rates are given consideration in arriving at the estimate.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
1999-00	\$98,627		
2000-01	\$108,455	\$9,828	10.0%
2001-02	\$112,804	\$4,349	4.0%
2002-03	\$111,837	\$(967)	-0.9%
2003-04	\$105,521	\$(6,316)	-5.6%
2004-05	\$109,983	\$4,462	4.2%
2005-06	\$98,614	\$(11,369)	-10.3%
2006-07	\$102,026	\$3,412	3.5%
2007-08	\$137,369	\$35,343	34.6%
2008-09	\$116,843	\$(20,526)	-14.9%
2009-10	\$122,607	\$5,764	4.9%
2010-11	\$106,384	\$(16,223)	-13.2%
2011-12	\$116,843	\$10,459	9.8%
2012-13	\$102,380	\$(14,463)	-12.4%
2013-14	\$107,959	\$5,579	5.4%
2014-15	\$109,113	\$1,154	1.1%
2015-16	\$112,462	\$3,349	3.1%
2016-17	\$110,900	\$(1,562)	-1.4%
2017-18 Budget Projection			\$108,000

REVENUE ASSUMPTIONS

Account: Park/Stormwater Sales Tax

Description: A 1/2 cent sales tax levied on retail sales within the City. The tax, which is earmarked for park and stormwater improvements, was approved by voters on April 15, 2005.

Distribution: 100% to the Park/Stormwater Sales Tax Fund

Basis of Budget Projection: In 2012, the Missouri Supreme Court invalidated out-of-state motor vehicle tax collections for any jurisdiction that has not adopted a use tax. Pleasant Hill does not have a use tax. The reduction of this sales tax stream was primarily felt in FYs 13 and 14. The sales tax was temporarily restored by the Missouri Legislature in the middle of the City's FY14 budget. In April 2016, the citizens voted to make the out-of-state motor vehicle tax collection permanent.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
2006-07	\$261,406		
2007-08	\$276,079	\$14,673	5.6%
2008-09	\$269,170	\$(6,909)	-2.5%
2009-10	\$263,147	\$(6,023)	-2.2%
2010-11	\$273,894	\$10,747	4.1%
2011-12	\$296,332	\$22,438	8.2%
2012-13	\$296,712	\$380	0.1%
2013-14	\$292,290	\$(4,422)	-1.5%
2014-15	\$340,762	\$48,472	16.6%
2015-16	\$329,422	\$(11,340)	-3.3%
2016-17	\$337,332	\$7,910	2.4%
2017-18 Budget Projection			\$350,000

REVENUE ASSUMPTIONS

Account: Capital Improvement Sales Tax

Description: A 1/2 cent sales tax levied on all retail sales and domestic utilities within the City. The tax, which is earmarked for Capital Improvements, was approved by voters in 1995 (effective in 1996).

Distribution: 100% to the Capital Improvement Sales Tax Fund

Basis of Budget Projection: In 2012, the Missouri Supreme Court invalidated out-of-state motor vehicle tax collections for any jurisdiction that has not adopted a use tax. Pleasant Hill does not have a use tax. The reduction of this sales tax stream was primarily felt in FYs 13 and 14. The sales tax was temporarily restored by the Missouri Legislature in the middle of the City's FY14 budget. In April 2016, the citizens voted to make the out-of-state motor vehicle tax collection permanent.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
2000-01	\$225,438		
2001-02	\$250,311	\$24,873	11.0%
2002-03	\$272,961	\$22,650	9.0%
2003-04	\$291,893	\$18,932	6.9%
2004-05	\$303,967	\$12,074	4.1%
2005-06	\$296,011	\$(7,956)	-2.6%
2006-07	\$299,075	\$3,064	1.0%
2007-08	\$322,619	\$23,544	7.9%
2008-09	\$321,117	\$(1,502)	-0.5%
2009-10	\$308,328	\$(12,789)	-4.0%
2010-11	\$323,142	\$14,814	4.8%
2011-12	\$346,707	\$23,565	7.3%
2012-13	\$333,104	\$(13,603)	-3.9%
2013-14	\$323,421	\$(9,683)	-2.9%
2014-15	\$374,462	\$51,041	15.8%
2015-16	\$365,677	\$(8,785)	-2.3%
2016-17	\$371,940	\$6,263	1.7%
2017-18 Budget Projection			\$380,000

REVENUE ASSUMPTIONS

Account: State Motor Vehicle Sales Tax

Description: One-half (1/2) of the proceeds from the State Sales Tax on all motor vehicles, trailers, motorcycles, and mopeds are dedicated for highway and transportation use. Fifteen percent (15%) of these proceeds are allocated to incorporated cities, towns, and villages, based on a per capita basis.

Distribution: 100% to the Street Fund

Basis of Budget Projection: The estimate is based on historical data as well as the trend of automobile sales. In addition, interest rates on consumer loans and the economic conditions as a whole are considered. Statewide, sales of automobiles continues to rise, positively impacting this revenue stream.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
1998-99	\$26,234		
1999-00	\$27,903	\$1,669	6.4%
2000-01	\$26,871	\$(1,032)	-3.7%
2001-02	\$34,667	\$7,796	29.0%
2002-03	\$40,954	\$6,287	18.1%
2003-04	\$40,858	\$(96)	-0.2%
2004-05	\$40,417	\$(441)	-1.1%
2005-06	\$37,040	\$(3,377)	-8.4%
2006-07	\$40,648	\$3,608	9.7%
2007-08	\$39,531	\$(1,117)	-2.7%
2008-09	\$31,087	\$(8,444)	-21.4%
2009-10	\$29,011	\$(2,076)	-6.7%
2010-11	\$32,857	\$3,846	13.3%
2011-12	\$37,411	\$4,554	13.9%
2012-13	\$50,495	\$13,084	35.0%
2013-14	\$56,111	\$5,616	11.1%
2014-15	\$63,789	\$7,678	13.7%
2015-16	\$68,186	\$4,397	6.9%
2016-17	\$72,000	\$3,814	5.6%
2017-18 Budget Projection			\$75,600

REVENUE ASSUMPTIONS

Account: State Gasoline Tax & Motor Vehicle Fee

Description: The State Gasoline Tax on the purchase of motor vehicle fuel at retail is levied and collected by the State of Missouri. The proceeds are to be used solely for construction, reconstruction, maintenance, repair, policing, signing, lighting, and clearing roads and streets in the City. Fifteen percent (15%) of the \$0.17/gallon proceeds are allocated to incorporated cities, towns, and villages, based on a per capita basis.

Distribution: 100% to the Street Fund

Basis of Budget Projection: The budget projection is based on historical data as well as the price of crude oil, which has a direct impact on consumption through the gasoline prices at the pump.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
1998-99	\$125,398		
1999-00	\$131,053	\$5,655	4.5%
2000-01	\$129,881	\$(1,172)	-0.9%
2001-02	\$142,127	\$12,246	9.4%
2002-03	\$181,072	\$38,945	27.4%
2003-04	\$186,413	\$5,341	2.9%
2004-05	\$192,922	\$6,509	3.5%
2005-06	\$191,882	\$(1,040)	-0.5%
2006-07	\$198,806	\$6,924	3.6%
2007-08	\$190,088	\$(8,718)	-4.4%
2008-09	\$180,471	\$(9,617)	-5.1%
2009-10	\$178,116	\$(2,355)	-1.3%
2010-11	\$182,321	\$4,205	2.4%
2011-12	\$192,985	\$10,664	5.8%
2012-13	\$239,059	\$46,074	23.9%
2013-14	\$240,897	\$1,838	0.8%
2014-15	\$246,462	\$5,565	2.3%
2015-16	\$249,524	\$3,062	1.2%
2016-17	\$255,000	\$5,476	2.2%
2017-18 Budget Projection			\$258,825

REVENUE ASSUMPTIONS

Account: Transportation Sales Tax

Description: A 1/2 cent sales tax levied on retail sales within the City. The tax, earmarked for transportation purposes, was approved by voters in 1997.

Distribution: 100% to the Street Fund

Basis of Budget Projection: In 2012, the Missouri Supreme Court invalidated out-of-state motor vehicle tax collections for any jurisdiction that has not adopted a use tax. Pleasant Hill does not have a use tax. The reduction of this sales tax stream was primarily felt in FYs 13 and 14. The sales tax was temporarily restored by the Missouri Legislature in the middle of the City's FY14 budget. In April 2016, the citizens voted to make the out-of-state motor vehicle tax collection permanent.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
2000-01	\$197,895		
2001-02	\$226,484	\$28,589	14%
2002-03	\$250,437	\$23,953	11%
2003-04	\$266,849	\$16,412	7%
2004-05	\$270,804	\$3,955	1%
2005-06	\$258,083	\$(12,721)	-5%
2006-07	\$261,660	\$3,577	1%
2007-08	\$276,529	\$14,869	6%
2008-09	\$269,493	\$(7,036)	-3%
2009-10	\$263,210	\$(6,283)	-2%
2010-11	\$274,881	\$11,671	4%
2011-12	\$296,501	\$21,620	8%
2012-13	\$296,747	\$246	0%
2013-14	\$292,324	\$(4,423)	-1%
2014-15	\$340,763	\$48,439	17%
2015-16	\$329,422	\$(11,341)	-3%
2016-17	\$337,332	\$7,910	2%
2017-18 Budget Projection			\$350,000

REVENUE ASSUMPTIONS

Account: Water Sales

Description: Sale of water to consumers. The FY 2018 water rates are \$9.80 per one thousand (1,000) gallons of water consumed for the first thousand (1,000) gallons, \$8.35/1,000 gallons for the next 29,000 gallons, and \$6.27/1,000 gallons for 30,000 gallons and more. All water customers received a minimal bill for 1,000 gallons of water.

Distribution: 100% to the Water/Sewer Fund

Basis of Budget Projection: The budget projection takes into consideration the number of current customers, average water usage per customer, customer growth rate or decline, and charges for services.

Revenues for FY18 are based on increased growth in our water base and increased customer usage. No rate increase is factored into this budget projection.

<u>Year</u>	<u>Amount</u>	<u>\$ Inc (Dec)</u>	<u>% Inc/Dec</u>
1998-99	\$943,958		
1999-00	\$1,014,051		
2000-01	\$1,078,378		
2001-02	\$1,061,819	\$(16,559)	-2%
2002-03	\$1,099,938	\$38,119	4%
2003-04	\$1,209,915	\$109,977	10%
2004-05	\$1,081,807	\$(128,108)	-11%
2005-06	\$1,178,995	\$97,188	9%
2006-07	\$1,155,167	\$(23,828)	-2%
2007-08	\$1,186,312	\$31,145	3%
2008-09	\$1,258,515	\$72,203	6%
2009-10	\$1,255,244	\$(3,271)	-0%
2010-11	\$1,246,105	\$(9,139)	-1%
2011-12	\$1,248,746	\$2,641	0%
2012-13	\$1,376,237	\$127,491	10%
2013-14	\$1,333,121	\$(43,116)	-3%
2014-15	\$1,335,278	\$2,157	0%
2015-16	\$1,313,811	\$(21,467)	-2%
2016-17	\$1,368,000	\$54,189	4%
2017-18 Budget Projection			\$1,400,600

REVENUE ASSUMPTIONS

Account: Sewer Service Charge

Description: A charge for the use and services provided by the wastewater treatment system. The base fee on all residential accounts is \$14.75/mo and \$17.50/mo for commercial and industrial accounts. The charge is then \$5.54/1,000 gallons of water usage thereafter. A minimum 1,000 gallons is billed. Inactive but connected accounts are charged \$32.50/mo. Customers can opt in to sewer averaging or seek a one-time sewer consumption waiver if a majority of the water utilized does not go directly into the sewer system.

The City and District 5 Water District collect sewer charges. District 5 submits a monthly payment to the City attributable to sewer charges. The numbers reflected below include both City and District 5 sewer revenue.

Distribution: 100% to the Water/Sewer Fund

Basis of Budget Projection: The budget projection takes into consider the number of current customers, average water usage per customer, customer growth rate or decline, and charges for services.

Revenues for FY18 are based on increased growth in the customer base and consumption per customer.

Year	Amount	\$ Inc (Dec)	% Inc/Dec
2002-03	\$414,711		
2003-04	\$429,101	\$14,390	3%
2004-05	\$412,456	\$(16,645)	-4%
2005-06	\$456,000	\$43,544	11%
2006-07	\$599,178	\$143,178	31%
2007-08	\$636,685	\$37,507	6%
2008-09	\$880,233	\$243,548	38%
2009-10	\$1,083,788	\$203,555	23%
2010-11	\$1,261,561	\$177,773	16%
2011-12	\$1,322,367	\$60,806	5%
2012-13	\$1,411,838	\$89,471	7%
2013-14	\$1,408,882	\$(2,956)	-0%
2014-15	\$1,429,836	\$20,954	1%
2015-16	\$1,415,683	\$(14,153)	-1%
2016-17	\$1,442,900	\$27,217	2%
2017-18 Budget Projection			\$1,464,610

TRANSFER MATRICES

Operating Transfer Matrix

FROM	TO								
	General	Capital Improvement Sales Tax	Capital Projects	Street	Park	Public Health	Debt Service	Water/Sewer	Equipment Replacement
General	\$-	\$15,000	\$103,994	\$300,000	\$-	\$-	\$160,068	\$-	\$1,969
Capital Improvement Sales Tax	\$15,200	\$-	\$-	\$50,000	\$-	\$-	\$141,775	\$-	\$22,295
Excise Tax	\$1,818	\$-	\$-	\$44,000	\$-	\$-	\$-	\$-	\$-
Park/Stormwater Sales Tax	\$14,000	\$-	\$-	\$50,000	\$282,600	\$-	\$5,748	\$-	\$-
Risk Management	\$3,575	\$-	\$-	\$475	\$455	\$100	\$-	\$335	\$-
Street	\$100,940	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$17,370
Park	\$10,920	\$-	\$-	\$-	\$-	\$-	\$11,265	\$-	\$-
Pool CISTX	\$7,000	\$-	\$-	\$-	\$-	\$-	\$168,000	\$-	\$-
Public Health	\$3,336	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Special Events	\$11,500	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Debt Service	\$15,016	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Water/Sewer	\$216,639	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-

*Beginning in FY17, Administrative Fees were added in as part of the operating transfer matrix.

Debt Service Matrix

FROM	TO	
	G.O..... Bond	COP '13
Capital Improvement Sales Tax	\$141,775	\$-
Pool Capital Improvement Sales Tax	\$-	\$168,000
Park	\$-	\$11,265
Park/Stormwater	\$5,748	\$-
General	\$160,068	\$-
Debt Levy	\$375,400	\$-
Debt Service Fund Reserves	\$16,679	\$300
TOTAL	\$699,670	\$179,565

STAFFING SUMMARY

	Full-Time Regular		
DEPARTMENT	2016 Actual	2017 Actual	2018 Proposed
General Fund	27	28	27
Finance & Administration	4	5	5
Police	18	18	19
Municipal Court	1	1	1
Buildings & Grounds	1	1	1
Community Development	3	3	1
Street Fund	6	6	5
Park Fund	3	3	4
Public Health/Animal Control	1	1	1
Water/Sewer	2	2	3
TOTAL	40	40	40

	Part-Time Regular		
DEPARTMENT	2016 Actual	2017 Actual	2018 Proposed
General Fund	8	8	5
Finance & Administration	0	0	0
Police	4	4	4
Municipal Court	0	0	0
Buildings & Grounds	3	3	0
Community Development	1	1	1
Street Fund	0	0	0
Park Fund	0	0	3
Public Health/Animal Control	0	0	0
Water/Sewer	0	0	0
TOTAL	8	8	8

	Part-Time Temporary		
DEPARTMENT	2016 Actual	2017 Actual	2018 Proposed
General Fund	0	0	0
Street Fund	0	0	0
Park Fund	27	27	27
Public Health/Animal Control	0	0	0
Water/Sewer	0	0	0
TOTAL	27	27	27

GLOSSARY OF FREQUENTLY USED TERMS

ACCOUNT PAYABLE

Accounts owed to others for goods and services received and assets acquired

ACCOUNTS RECEIVABLE

Amounts due from others for goods furnished and services rendered. Such amounts include reimbursements earned and refund receivable

ACCRUAL BASIS OF ACCOUNTING

The basis of accounting under which revenues are recorded when earned and expenditures are recorded when goods are received and services performed, even though receipt of the revenue or payment of the expenditures may take place, in whole or part, in another accounting period

AD VALOREM

Latin term meaning "value of". Refers to the tax assessed against real property (land and buildings) and personal property (equipment, vehicles, and furniture)

ADMIN FEES

Abbreviation for administrative fees for which the General Fund charges all other funds for shared common costs such as computers and equipment, utilities, administration, and general services

ANNUAL BUDGET

Revenue and expenditures for one fiscal year period

APPRAISED VALUE

An estimate of the market value of a property for the purposes of taxation, established by the County Assessor

APPROPRIATION

An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources

ASSESSED VALUATION

This is the value of property set for tax purposes. The assessed value is set by the County Assessor who is charged with determining the taxable value of property according to a formula set by the State of Missouri

ASSETS

Anything of material value or usefulness that is owned by a person or company

BALANCED BUDGET

A budget in which planned revenues and other financing sources are equal to or greater than planned expenditures and other financing uses

BOND

A written promise to pay a specified sum of money (called the face value or principal amount) at a specified date or dates (called the maturity dates) together with periodic interest at a specified rate

GLOSSARY OF FREQUENTLY USED TERMS

BOND MATURITY

A set period of time at the end of which the principal on a bond is completely paid. The length of the maturity normally is not longer than the useful life of the facility that is being financed

BUDGET

A financial plan for the operation of the City for the year

BUDGET DOCUMENT

The instrument used by the budget-making authority to present a plan of operations to the City Council

BUDGET YEAR

The fiscal year for which the budget is being considered. Pleasant Hill's budget year runs April 1 to March 31 of the following year.

CAPITAL EXPENDITURES

These are expenditures for equipment and property necessary for operations of City offices. Capital items include real property, office equipment, furnishings, vehicles, and other items.

CAPITAL IMPROVEMENT PLAN (CIP)

A multi-year plan or schedule for the acquisition of infrastructure, facilities, and major equipment. The City of Pleasant Hill uses a five year plan.

CAPITAL IMPROVEMENT SALES TAX (CISTX and/or CIST)

A voter authorized sales tax used to purchase, construct, or improve capital assets

CAPITAL OUTLAYS

The purchase of items with a cost of more than \$5,000 and having a useful life of greater than one year that are added to the fixed asset schedule

CAPITAL PROJECTS FUND

A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment

CASH BASIS OF ACCOUNTING

The basis of accounting whereby revenues are recorded when received and expenditures (outlays) are recorded when paid without regard to the accounting period in which the transaction occurred

CERTIFICATES OF PARTICIPATION (COPs)

COPs, or lease rental revenue bonds, are debt instruments representing a fractional share of a government lessor's interest in a tax-exempt lease marketed to investors. A government will use proceeds from the COPs to purchase or construct capital assets for the government through another part (that is, trustee) who, in turn, leases the asset to the government. The government's lease payments (the basic security) to the trustee repay the COPs. However, the government's lease payments are frequently subject to an annual appropriation requirement, thus increasing risk of repayment to the bondholders. The interest component of the lease payment is tax exempt.

GLOSSARY OF FREQUENTLY USED TERMS

CHARGES FOR SERVICES

Revenue from charges for all activities of a governmental unit

COMMUNITY IMPROVEMENT DISTRICT (CID)

A CID may either be a political subdivision or a not-for-profit corporation. CIDs are organized for the purpose of financing a wide range of public-use facilities and establishing and managing policies and public services relative to the needs of the district.

CURRENT TAXES

Taxes levied and due within one year

DEBT LIMIT

The maximum amounts of gross or net debt which is legally permitted

DEBT SERVICE FUND

A fund established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest

DELINQUENT TAXES

Taxes remaining unpaid after the date on which a penalty for nonpayment is attached, i.e. tax statements are mailed out in October and become delinquent if unpaid by January 1

DEPRECIATION

Setting aside funds for system improvements/replacements in an Enterprise Fund. The City of Pleasant Hill sets aside depreciation amounts for Water and Sewer system improvements.

DEPARTMENT

The department is the primary unit in City operations. Each is headed by a department head. Departments are generally composed of divisions which share a common purpose or which perform similar duties.

ECO DEVO

Abbreviation for “economic development”

ENCUMBRANCE

The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or render services to the general public on a user-charged basis

EXPENDITURES

A decrease in the financial resources of the City due to the acquisition of goods and services. This is also known as money spent

FICA

Abbreviation for Federal Insurance Contributions Act, which requires payroll withholdings for federal taxes

GLOSSARY OF FREQUENTLY USED TERMS

FRANCHISE FEE

A fee paid by public service utilities for use of public property in providing their services to the citizens of a community

FUND

Revenues and expenditures are organized into separate budgetary entities called funds. Special revenue funds used to account for revenues, which are dedicated to a special purpose. Operations which do not have revenues dedicated to them are ground into the General Fund.

FUND BALANCE

The amount after expenditures are subtracted from resources

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund for general operating purposes

GENERAL OBLIGATION BONDS (G.O. BONDS)

Bonds that finance a variety of public projects that pledge the full faith and credit of the City

GEOGRAPHIC INFORMATION SYSTEM (GIS)

A computer system designed to capture, store, manipulate, analyze, manage, and present all types of geographical data

GRANT

A contribution by a government or other organization to support a particular function. Grants can be classified as either categorical or block depending on the amount of discretion allowed by the grantee

INFRASTRUCTURE

The underlying permanent foundation or basic framework. Often used to describe streets, water lines, sewer lines, and equipment utilized to keep pipes flowing.

INTERGOVERNMENTAL REVENUES

Revenue from other governments, primarily Federal, State, and County grants, but also payments from other agencies

INTERNAL SERVICE FUNDS

These funds are General Funds by accounting standards, but which the City recognizes a need to segregate. Internal service funds typically account for goods or services provided by the City which are paid by other departments on a cost reimbursement basis.

LAGERS EXPENSE

LAGERS is the acronym for the Local Government Employees Retirement System. LAGERS is an agent of a multiple-employer public employee retirement system that acts as a common investment administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan that provides retirement, disability, and death benefits to plan members and beneficiaries.

GLOSSARY OF FREQUENTLY USED TERMS

LICENSE, PERMITS & FEES

Revenue collected by a governmental unit from individuals or business concerns for various rights or privileges granted by the government

MID-AMERICA REGIONAL COUNCIL (MARC)

The Mid-America Regional Council is Kansas City's metropolitan planning organization. MARC coordinates projects and provides representation for all of the Kansas City metropolitan area local governments.

MARCIT/MPR REBATES

Rebates and dividends received from the City's workers compensation, liability, and wellness group insurance pool

MODIFIED ACCRUAL BASIS OF ACCOUNTING

The basis of accounting under which revenues are recorded when they become available and measurable, and expenditures are recorded in the period the associated liability is incurred, even though payment of the expenditure may take place, in whole or in part, in another accounting period

NECFPD/PHAD

Abbreviation for "Northeast Cass Fire Protection District/Pleasant Hill Ambulance District"

NEIGHBORHOOD IMPROVEMENT DISTRICT (NID)

An area of a city or county with defined limits and boundaries which is created by vote or by petition under section RSMo 67.453 to 67.475 and which is benefited by an improvement and subject to special assessments against the real property therein for the cost of the improvement. The kinds of projects that can be financed through a NID must be for facilities used by the public, and must confer a benefit on property within the NID boundaries.

OATS

A not-for-profit corporation providing specialized transportation for senior citizens, people with disabilities, and the rural general public in 97 Missouri counties so they can live independently in their own communities

PAYMENT IN LIEU OF TAXES (PILOT)

A payment in lieu of taxes made to compensate a local government to help offset losses in property tax revenue due to non-taxable land. The City of Pleasant Hill received PILOT payments from Dogwood Energy Plant.

POOL CAPITAL IMPROVEMENT SALES TAX (POOL CISTX)

A 1/4 cent sales tax authorized by the voters in 2013 which is dedicated to capital improvements for the municipal swimming pool

PROPERTY TAX

Used to describe all revenues received in a period from current taxes, delinquent taxes, penalties and interest on delinquent taxes. Property taxes are levied on both real and personal properties according to the property's valuation and tax rate.

GLOSSARY OF FREQUENTLY USED TERMS

PROPERTY TAX LEVY

This refers to the property tax, which is placed on property. The levy, or amount of tax charges, is determined by a two-thirds vote of the people. The tax income is determined by multiplying the tax levy by the assessed valuation.

RESOURCES

The sum of revenues and the beginning fund balance

RESTRICTED FUND BALANCE

The portion of fund balance that is held in reserve for a specific purpose or not available for appropriation or subsequent spending

REVENUES

Funds that the government receives as income

REVENUE BONDS

Bonds whose principal and interest are paid exclusively from a revenue source pledged as the payment source before issuance

SALES TAX

The tax placed on the value of goods sold within the City. The rate is set by majority vote of the people. The tax is collected by the State and is distributed to local taxing authorities.

SPECIAL REVENUE FUNDS

A governmental unit may have many, one, or no special revenue funds. The funds are established when a statute, charter provision, or local ordinance requires that a specific segment of the tax levy be used exclusively for financing a particular function or activity.

TRANSFER

A transfer of revenues from one fund to another fund

UNLIQUIDATED ENCUMBRANCE

Obligations to make future payments that are incurred as soon as a purchase order is placed. This encumbers a certain sum of money that has yet to be spent in the fiscal year. The balance on these encumbrances will be added back to the fund balance for the year in which the purchase order was encumbered. In these cases, if they are not paid by the end of the fiscal year, the purchase orders shall be voided and new purchase orders will be issued in the next fiscal year.

USER FEES

The payment of a charge or fee for direct receipt of a service by the party benefiting from the service

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) is used to plan, budget, and finance the purchase and/or construction of large capital infrastructure, facilities, equipment, or other capital assets. The City uses this process to ensure long-lived projects are funded.

Funding for capital projects can be obtained from any of the following sources.

Water & Sewer Revenue Bonds - The Water & Sewer Fund is an enterprise fund supported by fees for service rather than taxes. Revenue bonds are a type of loan in which the loan is repaid with revenues from the enterprise. Projects financed through Water & Sewer Revenue Bonds are multi-year projects. Water & Sewer Revenue Bonds are accounted for in the Water & Sewer Fund.

General Obligation (G.O.) Bonds - General obligation bonds are used to finance major capital projects with an expected life of 10 years or more. A general obligation bond is secured by the City's pledge to use legally available resources, including tax revenue, to repay bondholders. The City uses a portion of the property tax levy to finance the debt service payments. General obligation bonds are accounted for in the Debt Service Fund.

Certificates of Participation (COPs) - Certificates of participation are used to finance capital projects and equipment. Certificates of participation are repaid from the Debt Service Fund. Money is transferred into the Debt Service Fund from other Funds related to the financed project or equipment.

Fund Operating Revenues - The General, Street, Park, Capital Improvement Sales Tax, Excise Tax, Equipment Replacement, Park/Stormwater, and Water/Sewer Funds dedicate a portion of annual funds for capital improvements.

Dedicated Sales Taxes - Specific voter approved sales taxes support capital improvement projects. The 1/2 cent Capital Improvement Sales Tax provides cash financing for improvements. The 1/2 cent Park/Stormwater Sales Tax provides assistance for Stormwater and Park Capital purchases. The 1/4 cent Pool Capital Improvement Sales Tax provides revenue for improvements at the City's swimming pool, which is currently dedicated to covering debt service payments.

Excise Tax Fund - Pleasant Hill imposes a fee to new residential and commercial development. Funds generated help fund improvements associated with development in the community. In FY 2018, the City has chosen to allocate funds to the Street Fund in order to make street improvements.

Grants - Funds may be granted from Federal, State, or local sources.

Donations - Funds may be available through donation sources and used for capital improvements or purchases.

The CIP provides detailed information for all CIP projects the City has planned for the years 2018-2022. The CIP is updated annually to make adjustments for changing capital needs, changes in availability and cost of funds, and to add a year of programming to replace the year just completed.



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