



City of
Chesterfield

**2018 PROPOSED
BUDGET**



City of Chesterfield

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I.
FY2018 PROPOSED BUDGET –
ALL FUNDS



II. Capital Improvement Sales Tax Fund

Includes:

- (a) 2017 Statement of Projected Revenues & Expenditures
- (b) 2018 Statement of Budgeted Revenues & Expenditures
- (c) 2018 Budgeted Expenditures by Type
- (d) 2017-2021 Grant Funded Projects

| <i>Statement of Projected Revenues and Expenditures - Capital Improvement Sales Tax Fund</i> | 2016 ACTUAL | 2017 ADOPTED BUDGET | 2017 AMENDED BUDGET | 2017 PROJECTED | Increase/Decrease 2017 Amended Budget vs 2017 Projected | |
|------------------------------------------------------------------------------------------------------|----------------|---------------------------|---------------------------|-------------------|---------------------------------------------------------------|--------|
| FUND BALANCE, JANUARY 1 | \$ 3,283,353 | \$ 2,286,069 | \$ 2,286,069 | \$ 2,286,069 | | |
| REVENUES: | | | | | | |
| Sales Tax | 6,143,800 | 6,315,000 | 6,315,000 | 5,957,446 | \$ (357,554) | -5.7% |
| Other Revenues | 1,943,469 | 1,392,880 | 1,392,880 | 2,481,208 | 1,088,328 | 78.1% |
| TOTAL REVENUE | 8,087,269 | 7,707,880 | 7,707,880 | 8,438,654 | 730,774 | 9.5% |
| TOTAL AVAILABLE FUNDS | 11,370,622 | 9,993,949 | 9,993,949 | 10,724,723 | | |
| EXPENDITURES | | | | | | |
| Public Works | 849,689 | 637,396 | 1,219,620 | 1,105,532 | (114,088) | -9.4% |
| Capital Items | 9,118,040 | 5,750,000 | 11,769,128 | 11,068,516 | (700,612) | -6.0% |
| TOTAL EXPENDITURES | 9,967,729 | 6,387,396 | 12,988,748 | 12,174,048 | (814,700) | -6.3% |
| TRANSFERS TO/FROM OTHER FUNDS | 883,177 | (1,889,400) | 931,600 | 1,537,646 | 606,046 | 65.1% |
| TOTAL EXPENDITURES AND TRANSFERS | 9,084,553 | 8,276,796 | 12,057,148 | 10,636,402 | (1,420,746) | -11.8% |
| FUND BALANCE, DECEMBER 31 | 2,286,069 | 1,717,153 | (2,063,199) | 88,321 | | |
| Change In Fund Balance | \$ (997,284) | \$ (568,916) | \$ (4,349,268) | \$ (2,197,748) | | |

| <i>Statement of Budgeted Revenues and Expenditures - Capital Improvement Sales Tax Fund</i> | 2016 ACTUAL | 2017 AMENDED BUDGET | 2017 PROJECTED | 2018 BUDGET | Increase/Decrease 2017 Projected vs 2018 Budget | |
|-----------------------------------------------------------------------------------------------------|----------------|---------------------------|-------------------|----------------|-------------------------------------------------------|---------|
| FUND BALANCE, JANUARY 1 | \$ 3,283,353 | \$ 2,286,069 | \$ 2,286,069 | \$ 88,321 | | |
| REVENUES: | | | | | | |
| Sales Tax | 6,143,800 | 6,315,000 | 5,957,446 | 5,957,446 | \$ - | 0.00% |
| Other Revenues | 1,943,469 | 1,392,880 | 2,481,208 | 962,869 | (1,518,339) | -61.19% |
| TOTAL REVENUE | 8,087,269 | 7,707,880 | 8,438,654 | 6,920,315 | (1,518,339) | -17.99% |
| TOTAL AVAILABLE FUNDS | 11,370,622 | 9,993,949 | 10,724,723 | 7,008,636 | | |
| EXPENDITURES | | | | | | |
| Public Works | 849,689 | 1,219,620 | 1,105,532 | 689,404 | (416,128) | -37.64% |
| Capital Items | 9,118,040 | 11,769,128 | 11,068,516 | 2,709,000 | (8,359,516) | -75.53% |
| TOTAL EXPENDITURES | 9,967,729 | 12,988,748 | 12,174,048 | 3,398,404 | (8,775,644) | -72.1% |
| TRANSFERS TO/FROM OTHER FUNDS | 883,177 | 931,600 | 1,537,646 | (3,489,515) | (5,027,161) | -326.9% |
| TOTAL EXPENDITURES AND TRANSFERS | 9,084,553 | 12,057,148 | 10,636,402 | 6,887,919 | (3,748,483) | -35.2% |
| FUND BALANCE, DECEMBER 31 | 2,286,069 | (2,063,199) | 88,321 | 120,717 | | |
| Net Change In Fund Balance | \$ (997,284) | \$ (4,349,268) | \$ (2,197,748) | \$ 32,396 | | |

2018 Budgeted Expenditures By Type - Capital Improvement Sales Tax Fund

Public Works

| | | | |
|----------------------|---------------------------------------------------------|--------------|----------------------------|
| Capital Expenditures | Concrete Street Reconstruction | \$ 1,840,000 | |
| | Asphalt Overlay | 310,000 | |
| | (3) 1.5 ton CNG Truck | 282,000 | |
| | Sidewalk Replacement | 257,000 | |
| | Trench Grate Replacement | 20,000 | |
| | Total Capital | | \$ 2,709,000 |
| Personnel | Salaries/Benefits | | 259,404 |
| Contractual | Schoettler Road right of way | 120,000 | |
| | Design services for Schoettler turn lanes | 100,000 | |
| | Inspection/Testing Services - slab / sidewalk / asphalt | 100,000 | |
| | Old Chesterfield Right of Way | 50,000 | |
| | Misc. design | 20,000 | |
| | Miscellaneous Inspection and Construction Testing | 20,000 | |
| | Miscellaneous Capital Contracts | 10,000 | |
| | TIP grant application | 10,000 | |
| | Total Contractual | | <u>430,000</u> |
| | Grand Total Expenditures | | <u><u>\$ 3,398,404</u></u> |

2017 - 2023 Grant Funded Projects Capital Improvements Sales Tax Fund

| 2017 Budget | | | | | |
|----------------------------------------|---------------------|---------------------------------|-----|-------------------|-----|
| | <u>Total Cost</u> | <u>Grant Funded Portion</u> | | <u>City Cost</u> | |
| Schoettler Road Bridge Reconstruction | \$ 1,741,000 | \$ 1,392,880 | 80% | \$ 348,120 | 20% |
| 2018 Budget | | | | | |
| | <u>Total Cost</u> | <u>Grant Funded Portion</u> | | <u>City Cost</u> | |
| NO PROJECTS CURRENTLY SCHEDULED | \$ - | \$ - | 0% | \$ - | 0% |
| 2019 Budget | | | | | |
| | <u>Total Cost</u> | <u>Grant Funded Portion</u> | | <u>City Cost</u> | |
| Old Chesterfield Road - Mill & Overlay | \$ 350,000 | \$ 280,000 | 80% | \$ 70,000 | 20% |
| Old Chesterfield Road - Trench Repair | 670,000 | 536,000 | 80% | 134,000 | 20% |
| | <u>\$ 1,020,000</u> | <u>\$ 816,000</u> | 80% | <u>\$ 204,000</u> | 20% |
| 2020 Budget | | | | | |
| | <u>Total Cost</u> | <u>Grant Funded Portion</u> | | <u>City Cost</u> | |
| NO PROJECTS CURRENTLY SCHEDULED | \$ - | \$ - | 0% | \$ - | 0% |
| 2021 Budget | | | | | |
| | <u>Total Cost</u> | <u>Grant Funded Portion</u> | | <u>City Cost</u> | |
| NO PROJECTS CURRENTLY SCHEDULED | \$ - | \$ - | 0% | \$ - | 0% |
| 2022 Budget | | | | | |
| | <u>Total Cost</u> | <u>Grant Funded Portion</u> | | <u>City Cost</u> | |
| NO PROJECTS CURRENTLY SCHEDULED | \$ - | \$ - | 0% | \$ - | 0% |
| 2023 Budget | | | | | |
| | <u>Total Cost</u> | <u>Grant Funded Portion</u> | | <u>City Cost</u> | |
| NO PROJECTS CURRENTLY SCHEDULED | \$ - | \$ - | 0% | \$ - | 0% |



III. Parks Sales Tax Fund

Includes:

- (a) 2017 Statement of Projected Revenues & Expenditures
- (b) 2017 Statement of Projected Revenues (Itemized)
- (c) 2018 Statement of Budgeted Revenues & Expenditures
- (d) 2018 Statement of Projected Revenues (Itemized)
- (e) 2018 Budgeted Expenditures by Type
- (f) 2018 Detail of Budgeted Capital Expenditures

| <i>Statement of Projected Revenues and Expenditures - Parks Sales Tax Fund</i> | 2016 ACTUAL | 2017 BUDGET | 2017 AMENDED BUDGET | 2017 PROJECTED | Increase/Decrease 2017 Amended Budget vs 2017 Projected | |
|----------------------------------------------------------------------------------------|----------------|----------------|---------------------------|-------------------|---------------------------------------------------------------|--------|
| FUND BALANCE, JANUARY 1 | \$ 2,870,583 | \$ 2,661,226 | \$ 2,661,226 | \$ 2,661,226 | | |
| REVENUES: | | | | | | |
| Sales Tax | 7,228,099 | 7,429,000 | 7,429,000 | 7,008,753 | \$ (420,247) | -5.7% |
| Intergovernmental | 28,392 | - | - | - | - | 100.0% |
| Charges for Services | 1,840,779 | 1,931,620 | 1,931,620 | 1,856,739 | (74,881) | -3.9% |
| Other Revenues | 71,483 | 31,000 | 31,000 | 30,000 | (1,000) | -3.2% |
| TOTAL REVENUE | 9,168,753 | 9,391,620 | 9,391,620 | 8,895,492 | (496,128) | -5.3% |
| TOTAL AVAILABLE FUNDS | 12,039,336 | 12,052,846 | 12,052,846 | 11,556,718 | | |
| EXPENDITURES | | | | | | |
| Parks and Recreation | 5,253,328 | 5,158,013 | 5,341,218 | 5,222,391 | (118,827) | -2.2% |
| CVAC Concession | 499,880 | 643,537 | 643,537 | 643,393 | (144) | 0.0% |
| Central Park - Concession | 63,178 | 60,480 | 60,480 | 58,613 | (1,867) | -3.1% |
| Capital Items | 468,043 | 312,000 | 419,753 | 413,210 | (6,543) | -1.6% |
| TOTAL EXPENDITURES | 6,284,429 | 6,174,030 | 6,464,988 | 6,337,607 | (127,381) | -2.0% |
| TRANSFERS TO/FROM OTHER FUNDS | (3,093,681) | (2,962,479) | (2,962,479) | (2,962,479) | - | 0.0% |
| TOTAL EXPENDITURES AND TRANSFERS | 9,378,110 | 9,136,509 | 9,427,467 | 9,300,086 | (127,381) | -1.4% |
| FUND BALANCE, DECEMBER 31 | 2,661,226 | 2,916,337 | 2,625,379 | 2,256,632 | | |
| Change in Fund Balance | \$ (209,357) | \$ 255,111 | \$ (35,847) | \$ (404,594) | | |

| Statement of Projected Revenues Parks Sales Tax Fund | 2016 ACTUAL | 2017 BUDGET | 2017 PROJECTED | Increase/Decrease 2017 Amended Budget vs 2017 Projected | |
|-----------------------------------------------------------------|------------------------|------------------------|---------------------------|------------------------------------------------------------------------|--------------|
| Sales Tax: | | | | | |
| Sales Tax | \$ 7,228,099 | \$ 7,429,000 | \$ 7,008,753 | \$ (420,247) | -5.7% |
| Intergovernmental: | | | | | |
| Grants | 28,392 | - | - | - | 0.0% |
| Charges for Services: | | | | | |
| Parks Charges & Fees | 97,149 | 127,870 | 115,660 | (12,210) | -9.5% |
| Dog Tags | 18,210 | 15,000 | 18,500 | 3,500 | 23.3% |
| General Rev Concession - CVAC | 643,487 | 669,344 | 574,202 | (95,142) | -14.2% |
| Soda Exclusivity - CVAC | 17,000 | - | 17,500 | 17,500 | 0.0% |
| Soda Rebates - CVAC | 6,785 | - | 6,800 | 6,800 | 0.0% |
| General Revenue - Concession Central Park | 89,364 | 97,642 | 63,904 | (33,738) | -34.6% |
| Soda Exclusivity - Concession Central Park | 2,000 | - | 2,500 | 2,500 | 0.0% |
| General Revenue - Concession Amphitheater | 22,995 | 24,864 | 18,129 | (6,735) | -27.1% |
| Pool Revenue | 239,366 | 223,900 | 218,854 | (5,046) | -2.3% |
| Pool Program | 20,574 | 21,500 | 21,200 | (300) | -1.4% |
| Parks Contributions | 22,920 | - | 45,600 | 45,600 | 0.0% |
| Field Rentals | 520,103 | 464,000 | 437,000 | (27,000) | -5.8% |
| Amphitheater Revenue | 130,912 | 270,500 | 300,890 | 30,390 | 11.2% |
| Miscellaneous Arts Revenue | 9,900 | 17,000 | 16,000 | (1,000) | -5.9% |
| Total Charges for Services | <u>1,840,779</u> | <u>1,931,620</u> | <u>1,856,739</u> | <u>(74,881)</u> | <u>-3.9%</u> |
| Other Revenues: | | | | | |
| Interest on Investments | (1,517) | 1,000 | - | (1,000) | 0.0% |
| Miscellaneous | 73,000 | 30,000 | 30,000 | - | 0.0% |
| Total Other Revenues | <u>71,483</u> | <u>31,000</u> | <u>30,000</u> | <u>(1,000)</u> | <u>-3.2%</u> |
| Totals | <u>\$ 9,168,753</u> | <u>\$ 9,391,620</u> | <u>\$ 8,895,492</u> | <u>\$ (496,128)</u> | <u>-5.3%</u> |

| <i>Statement of Budgeted Revenues and Expenditures - Parks Sales Tax Fund</i> | 2016 ACTUAL | 2017 AMENDED BUDGET | 2017 PROJECTED | 2018 BUDGET | Increase/Decrease 2017 Projected vs 2018 Budget | |
|---------------------------------------------------------------------------------------|------------------------|------------------------------------|---------------------------|------------------------|----------------------------------------------------------------|--------|
| FUND BALANCE, JANUARY 1 | \$ 2,870,583 | \$ 2,661,226 | \$ 2,661,226 | \$ 2,256,632 | | |
| REVENUES: | | | | | | |
| Sales Tax | 7,228,099 | 7,429,000 | 7,008,753 | 7,008,753 | \$ - | 0.0% |
| Intergovernmental | 28,392 | - | - | - | - | 0.0% |
| Charges for Services | 1,840,779 | 1,931,620 | 1,856,739 | 2,020,137 | 163,398 | 8.8% |
| Other Revenues | 71,483 | 31,000 | 30,000 | 30,000 | - | 0.0% |
| TOTAL REVENUE | 9,168,753 | 9,391,620 | 8,895,492 | 9,058,890 | 163,398 | 1.8% |
| TOTAL AVAILABLE FUNDS | 12,039,336 | 12,052,846 | 11,556,718 | 11,315,522 | | |
| EXPENDITURES | | | | | | |
| Parks and Recreation | 5,253,328 | 5,341,218 | 5,222,391 | 5,042,630 | (179,761) | -3.4% |
| CVAC Concession | 499,880 | 643,537 | 643,393 | 668,319 | 24,926 | 3.9% |
| Central Park - Concession | 63,178 | 60,480 | 58,613 | 46,507 | (12,106) | -20.7% |
| Capital Items | 468,043 | 419,753 | 413,210 | 231,600 | (181,610) | -44.0% |
| TOTAL EXPENDITURES | 6,284,429 | 6,464,988 | 6,337,607 | 5,989,056 | (348,551) | -5.5% |
| TRANSFERS TO/FROM OTHER FUNDS | (3,093,681) | (2,962,479) | (2,962,479) | (3,018,121) | (55,642) | 1.9% |
| TOTAL EXPENDITURES AND TRANSFERS | 9,378,110 | 9,427,467 | 9,300,086 | 9,007,177 | (292,909) | -3.1% |
| FUND BALANCE, DECEMBER 31 | 2,661,226 | 2,625,379 | 2,256,632 | 2,308,345 | | |
| Change in Fund Balance | \$ (209,357) | \$ (35,847) | \$ (404,594) | \$ 51,713 | | |



| <i>Statement of Budgeted Revenue Parks Sales Tax Fund</i> | 2017 BUDGET | 2017 PROJECTED | 2018 BUDGET | Increase/Decrease 2017 Projected vs 2018 Budget | |
|---------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------------------------------|---------|
| Sales Tax: | | | | | |
| Sales Tax | \$ 7,429,000 | \$ 7,008,753 | \$ 7,008,753 | \$ - | 0.0% |
| Charges for Services: | | | | | |
| Parks Charges & Fees | 127,870 | 115,660 | 218,480 | 102,820 | 88.9% |
| Dog Tags | 15,000 | 18,500 | 16,500 | (2,000) | -10.8% |
| General Rev Concession - CVAC | 669,344 | 574,202 | 630,000 | 55,798 | 9.7% |
| Soda Exclusivity - CVAC | - | 17,500 | 17,500 | - | 0.0% |
| Soda Rebates - CVAC | - | 6,800 | 6,000 | (800) | -11.8% |
| General Revenue - Concession Central Park | 97,642 | 63,904 | 63,904 | - | 0.0% |
| Soda Exclusivity - Concession Central Park | - | 2,500 | 2,500 | - | 0.0% |
| General Revenue - Concession Amphitheater | 24,864 | 18,129 | 18,673 | 544 | 3.0% |
| Pool Revenue | 223,900 | 218,854 | 220,000 | 1,146 | 0.5% |
| Pool Program | 21,500 | 21,200 | 21,500 | 300 | 1.4% |
| Parks Contributions | - | 45,600 | 5,000 | (40,600) | -89.0% |
| Field Rentals | 464,000 | 437,000 | 454,080 | 17,080 | 3.9% |
| Amphitheater Revenue | 270,500 | 300,890 | 338,000 | 37,110 | 12.3% |
| Miscellaneous Arts Revenue | 17,000 | 16,000 | 8,000 | (8,000) | -50.0% |
| Total Charges for Services | <u>1,931,620</u> | <u>1,856,739</u> | <u>2,020,137</u> | <u>163,398</u> | 8.8% |
| Other Revenues: | | | | | |
| Interest on Investments | 1,000 | - | - | - | #DIV/0! |
| Miscellaneous | 30,000 | 30,000 | 30,000 | - | 0.0% |
| Total Other Revenues | <u>31,000</u> | <u>30,000</u> | <u>30,000</u> | <u>-</u> | 0.0% |
| Totals | <u>\$ 9,391,620</u> | <u>\$ 8,895,492</u> | <u>\$ 9,058,890</u> | <u>\$ 163,398</u> | 1.8% |



2018 Annual Budget

| <i>Budgeted Expenditures By Type</i> <i>Parks Sales Tax Fund</i> | 2016 ACTUAL | 2017 PROJECTED | 2018 BUDGET |
|---------------------------------------------------------------------|-----------------------|--------------------------|-----------------------|
| Personnel | \$ 2,973,373 | \$ 3,085,165 | \$ 3,120,416 |
| Contractual | 1,541,967 | 1,503,942 | 1,346,725 |
| Commodities | 1,301,046 | 1,335,290 | 1,290,315 |
| Capital | 468,043 | 413,210 | 231,600 |
| Total Expenditures | <u>\$ 6,284,430</u> | <u>\$ 6,337,607</u> | <u>\$ 5,989,056</u> |

Detail of Budgeted Capital Expenditures - Parks Sales Tax Fund

| Department/Activity | Description | Amount | Activity Total |
|----------------------------|---------------------------------------------|---------------|--------------------------|
| Parks | | | |
| Parks & Recreation | Backhoe attachment for Bobcat - Replacement | \$ 10,000 | |
| | Field Groomer - Replacement | 11,500 | |
| | Heavy Duty Utility Cart -Replacement | 22,500 | |
| | Roller attachment for Bobcat - New | 8,300 | |
| | Utility Cart - Replacement | 6,800 | |
| | 1/2 Ton Truck - replacement | 27,500 | |
| | 3/4 Ton Truck- replacement | 30,000 | |
| | Amphitheater Steps | 25,000 | |
| | Electric B concession Stand | 15,000 | |
| | Pool Concessions AC | 11,000 | |
| | Water Heater at Pool - Replace | 16,000 | |
| | Slides (2) repair/maintenance | <u>41,000</u> | |
| | Total Capital | | <u>\$ 224,600</u> |



IV. General Fund

Includes:

- (a) 2017 Statement of Projected Revenues & Expenditures
- (b) 2017 Statement of Projected Revenues (Itemized)
- (c) 2017 Schedule of Fund Reserves
- (d) 2018 Statement of Budgeted Revenues & Expenditures
- (e) 2018 Statement of Projected Revenues (Itemized)
- (f) 2018 Detail of Budgeted Capital Expenditures
- (g) 2018 Schedule of Fund Reserves

| <i>Statement of Projected Revenues and Expenditures - General Fund</i> | 2016 ACTUAL | 2017 BUDGET | 2017 AMENDED BUDGET | 2017 PROJECTED | Increase/Decrease 2017 Amended Budget vs 2017 Projected | |
|--------------------------------------------------------------------------------|-----------------------|--------------------|---------------------------|-----------------------|---------------------------------------------------------------|---------------|
| FUND BALANCE, JANUARY 1 | \$ 12,580,998 | \$ 10,581,197 | \$ 10,581,197 | \$ 10,581,197 | | |
| REVENUES: | | | | | | |
| Utility Taxes | 6,861,787 | 6,962,000 | 6,962,000 | 6,816,354 | \$ (145,646) | -2.1% |
| Sales Tax | 6,956,311 | 7,486,109 | 7,486,109 | 7,840,557 | 354,448 | 4.7% |
| Intergovernmental Revenue | 4,290,917 | 4,637,200 | 4,637,200 | 4,562,855 | (74,345) | -1.6% |
| Licenses and Permits | 1,600,329 | 1,538,420 | 1,538,420 | 1,681,035 | 142,615 | 9.3% |
| Charges for Services | 162,835 | 113,050 | 316,603 | 321,665 | 5,062 | 1.6% |
| Court Receipts | 838,000 | 926,508 | 926,508 | 779,056 | (147,452) | -15.9% |
| Other Revenues | 1,143,421 | 353,296 | 353,296 | 338,268 | (15,028) | -4.3% |
| TOTAL REVENUE | 21,853,599 | 22,016,583 | 22,220,136 | 22,339,790 | 119,654 | 0.5% |
| EXPENDITURES | | | | | | |
| Executive & Legislative | 70,778 | 77,447 | 77,447 | 70,340 | (7,107) | -9.2% |
| Department of Administration | | | | | | |
| City Administrator | 472,884 | 493,188 | 614,846 | 605,768 | (9,078) | -1.5% |
| Finance | 478,316 | 498,136 | 498,136 | 468,045 | (30,091) | -6.0% |
| Courts | 242,349 | 262,903 | 262,903 | 248,944 | (13,959) | -5.3% |
| Information Technology | 622,258 | 657,010 | 865,767 | 856,873 | (8,894) | -1.0% |
| Central Services | 1,271,712 | 1,293,302 | 1,299,290 | 1,296,592 | (2,698) | -0.2% |
| Police Department | 9,590,811 | 9,906,177 | 9,988,072 | 10,094,459 | 106,387 | 1.1% |
| Department of Public Services | | | | | | |
| Planning and Development | 908,871 | 1,004,263 | 795,506 | 719,115 | (76,391) | -9.6% |
| Public Works | 5,479,565 | 5,848,308 | 5,848,308 | 5,164,445 | (683,863) | -11.7% |
| TOTAL EXPENDITURES | 19,137,545 | 20,040,734 | 20,250,275 | 19,524,581 | (725,694) | -3.6% |
| TRANSFERS TO/FROM OTHER FUNDS | (4,715,855) | (1,526,285) | (1,526,285) | (1,526,285) | - | 0.0% |
| TOTAL EXPENDITURES AND TRANSFERS | 23,853,400 | 21,567,019 | 21,776,560 | 21,050,866 | (725,694) | -3.3% |
| OPERATING CHANGE IN FUND BALANCE | (1,999,801) | 449,564 | 443,576 | 1,288,924 | 845,348 | 190.6% |
| Fund Balance Before One-Time/ Fund Reserve Expenditures | 10,581,197 | 11,030,761 | 11,024,773 | 11,870,121 | | |
| One-Time / Fund Reserve Expenditures | | | | | | |
| SNOW REMOVAL RECOUPMENT PROGRAM FOR PRIVATE STREETS | | | 162,765 | 162,765 | | |
| 2017 EMERALD ASH BORER (EAB) ACTIVITY | | | 518,000 | 518,000 | | |
| RIVER VALLEY DRIVE CLOSURE DESIGN & CONSTRUCTION COSTS | | | 203,000 | 203,000 | | |
| DOCUMENT MANAGEMENT SYSTEM | | | 150,000 | 150,000 | | |
| JUSTICEWEB MODULE | | | 18,000 | 18,000 | | |
| DEER CENSUS FUNDING | | | 6,000 | 6,000 | | |
| COMPENSATION & BENEFITS STUDY | | | 25,000 | 25,000 | | |
| PO ROLL - ENCUMBRANCES | | | 536,913 | 536,913 | | |
| CNG PROJECT | | | 2,100,000 | 2,100,000 | | |
| TRACFONE SETTLEMENT MML ADVOCACY ALLOCATION | | | 1,542 | 1,542 | | |
| SECURITY ENHANCMENTS | | | 100,336 | 100,336 | | |
| ENVIRONMENTAL STUDY | | | 6,000 | 6,000 | | |
| VHP remaining | | | 556,594 | 556,594 | | |
| Total One-Time Expenditures | - | - | 4,384,150 | 4,384,150 | | |
| FUND BALANCE, DECEMBER 31 | 10,581,197 | 11,030,761 | 6,640,623 | 7,485,971 | | |
| Net Change in Fund Balance | \$ (1,999,801) | \$ 449,564 | \$ (3,940,574) | \$ (3,095,226) | | |



2017 Projected Revenue Detail

| <i>Statement of Projected Revenues General Fund</i> | 2016 Actual | 2017 Budget | 2017 Projected | Increase/Decrease 2017 Budget vs 2017 Projected | |
|-------------------------------------------------------------|----------------------|----------------------|----------------------|-------------------------------------------------------|---------------|
| Utility Taxes: | | | | | |
| Utility Taxes - Electric | \$ 3,809,386 | \$ 4,075,000 | \$ 3,866,954 | \$ (208,046) | -5.1% |
| Utility Taxes - Gas | 946,553 | 1,011,000 | 987,618 | (23,382) | -2.3% |
| Utility Taxes - Telephone | 1,474,229 | 1,271,000 | 1,342,086 | 71,086 | 5.6% |
| Utility Taxes - Water | 631,619 | 605,000 | 619,696 | 14,696 | 2.4% |
| Total Utility Taxes | <u>6,861,787</u> | <u>6,962,000</u> | <u>6,816,354</u> | <u>(145,646)</u> | <u>-2.1%</u> |
| Sales Tax (Including Prop P) | <u>6,956,311</u> | <u>7,486,109</u> | <u>7,840,557</u> | <u>354,448</u> | <u>4.7%</u> |
| Intergovernmental Revenue | | | | | |
| Motor Fuel Tax | 1,275,892 | 1,316,000 | 1,277,396 | (38,604) | -2.9% |
| Motor Vehicle Sales Tax | 619,378 | 628,000 | 629,900 | 1,900 | 0.3% |
| Cigarette Tax | 125,279 | 150,000 | 125,999 | (24,001) | -16.0% |
| County Road & Bridge Tax | 1,841,931 | 2,112,000 | 2,045,251 | (66,749) | -3.2% |
| Police Bullet-Proof Vest Grant | 2,433 | 4,000 | 5,000 | 1,000 | 25.0% |
| Police Academy Grant & RCCEEG | 81,890 | 84,350 | 86,500 | 2,150 | 2.5% |
| ATF Overtime | 2,532 | 7,500 | 1,100 | (6,400) | -85.3% |
| DEA Task Force | 21,127 | 22,600 | 19,000 | (3,600) | -15.9% |
| COPS - Parkway & In School | 266,889 | 278,000 | 263,500 | (14,500) | -5.2% |
| Rockwood Grant | - | - | 59,649 | 59,649 | 100.0% |
| Safety Town Grant | 2,970 | 3,000 | 2,760 | (240) | -8.0% |
| Police Overtime Grants | 32,726 | 23,750 | 28,300 | 4,550 | 19.2% |
| FBI Overtime Grant | - | - | 4,000 | 4,000 | 100.0% |
| Fund from Seized Assets | 6,060 | - | 14,500 | 14,500 | 0.0% |
| POST Commission Training Grant | 5,711 | 8,000 | - | (8,000) | 100.0% |
| Miscellaneous Grant | 6,100 | - | - | - | 0.0% |
| Total Intergovernmental Revenue | <u>4,290,917</u> | <u>4,637,200</u> | <u>4,562,855</u> | <u>(74,345)</u> | <u>-1.6%</u> |
| Licenses & Fees | | | | | |
| Business Licenses | 610,191 | 629,000 | 605,000 | (24,000) | -3.8% |
| Liquor Licenses | 75,458 | 75,000 | 76,000 | 1,000 | 1.3% |
| Vending Licenses | 14,225 | 17,000 | 12,000 | (5,000) | -29.4% |
| Cable Fees | 879,773 | 790,000 | 960,967 | 170,967 | 21.6% |
| Alarm Company Licenses | 1,750 | 1,700 | 1,750 | 50 | 2.9% |
| Miscellaneous Other Licenses | 14,437 | 21,000 | 20,598 | (402) | -1.9% |
| Total Licenses & Fees | <u>1,600,329</u> | <u>1,538,420</u> | <u>1,681,035</u> | <u>142,615</u> | <u>9.3%</u> |
| Charges for Services | | | | | |
| Engineering Inspection Fees | 54,236 | 35,656 | 30,024 | (5,632) | -15.8% |
| Zoning Applications | 13,435 | 13,030 | 14,738 | 1,708 | 13.1% |
| Residential Street Tree Program | 38,600 | 20,000 | 26,167 | 6,167 | 30.8% |
| Police Reports | 8,015 | 7,500 | 8,309 | 809 | 10.8% |
| Fingerprinting | 520 | 590 | 345 | (245) | -41.5% |
| False Alarm Fees | 28,680 | 24,225 | 23,150 | (1,075) | -4.4% |
| Planning Misc Charges | 381 | 250 | 400 | 150 | 60.0% |
| Clarkson Valley Police Services | - | 203,553 | 203,553 | - | 0.0% |
| Miscellaneous Other Charges | 18,968 | 11,799 | 14,979 | 3,180 | 27.0% |
| Total Charges for Services | <u>162,835</u> | <u>316,603</u> | <u>321,665</u> | <u>5,062</u> | <u>1.6%</u> |
| Court Fines & Fees | | | | | |
| Court Fines & Fees | 814,266 | 900,000 | 759,500 | (140,500) | -15.6% |
| Court Fees - Training | 10,862 | 12,132 | 8,950 | (3,182) | -26.2% |
| Inmate Security Fee | 10,862 | 12,132 | 8,950 | (3,182) | -26.2% |
| CVC Fees | 2,009 | 2,244 | 1,656 | (588) | -26.2% |
| Total Court Fines & Fees | <u>838,000</u> | <u>926,508</u> | <u>779,056</u> | <u>(147,452)</u> | <u>-15.9%</u> |
| Miscellaneous Revenue | | | | | |
| Interest on Investments | 49,195 | 75,000 | 106,975 | 31,975 | 42.6% |
| Environmental Revenues | 2,280 | 2,500 | 1,784 | (716) | -28.6% |
| Insurance Reimbursements | 36,778 | - | 26,531 | 26,531 | 100.0% |
| Sale of Fixed Assets | 103,745 | 150,000 | 38,070 | (111,930) | -74.6% |
| Miscellaneous | 202,456 | 25,000 | 37,549 | 12,549 | 50.2% |
| VHP Contributions | 519,388 | - | 26,677 | 26,677 | 0.0% |
| Deferred Revenue - Designated TDD/NID | 229,579 | 100,796 | 100,682 | (114) | 100.0% |
| Total Miscellaneous Revenue | <u>1,143,421</u> | <u>353,296</u> | <u>338,268</u> | <u>(15,028)</u> | <u>-4.3%</u> |
| Total Revenue | <u>\$ 21,853,599</u> | <u>\$ 22,220,136</u> | <u>\$ 22,339,790</u> | <u>\$ 119,654</u> | <u>0.5%</u> |

**General Fund
Schedule of Fund Reserves
December 31, 2017**

| | | |
|------------------------------------------------------------------------------|----------------------|--------------|
| 12/31/16 General Fund Reserves | \$ 10,581,197 | |
| FY2016 Projected General Fund Activity | (3,095,226) | |
| | <hr/> | |
| Projected 12/31/16 General Fund Reserves | 7,485,971 | |
| <u>Less:</u> | | |
| 1) Funds Designated for POST (Funds from the State for Police Training Only) | \$ (80,000) | |
| 2) Funds Designated for Inmate Security | (50,000) | |
| | <hr/> | |
| Total Designated Funds | (130,000) | |
| | <hr/> | |
| Projected 12/31/16 Unreserved General Fund Reserves | 7,355,971 | 30.8% |
| Less 40% Requirement of Expenditures including Transfers: | (9,541,360) | |
| FY2016 Expenditures & Transfers - Adopted Budget | 23,853,400 | |
| | <hr/> | |
| Total Available for Council above the 40% Requirement Policy | (2,185,389) | |
| <u>Less One Time Expenditures</u> | <hr/> | |
| | - | |
| | <hr/> | |
| Available Before One-Time Reimbursements | (2,185,389) | |
| <u>One Time Reimbursements</u> | | |
| Temporary Transfer to Special Projects Fund for Wetland Mitigation | 250,000 | |
| CNG Related Grant Revenue (2016/2017) | 1,538,624 | |
| Broadmoor NID - Receivable | 1,435,000 | |
| | <hr/> | |
| | 3,223,624 | 44.4% |
| | <hr/> | |
| Total Left Above the 40% Requirement Policy | \$ 1,038,235 | |
| | <hr/> | |

| <i>Statement of Budgeted Revenues and Expenditures - General Fund</i> | 2016 ACTUAL | 2017 AMENDED BUDGET | 2017 PROJECTED | 2018 BUDGET | Increase/Decrease 2017 Projected vs 2018 Budget | |
|-------------------------------------------------------------------------------|------------------------|------------------------------------|---------------------------|------------------------|----------------------------------------------------------------|---------------|
| FUND BALANCE, JANUARY 1 | \$ 12,580,998 | \$ 10,581,197 | \$ 10,581,197 | \$ 7,485,971 | | |
| REVENUES: | | | | | | |
| Utility Taxes | 6,861,787 | 6,962,000 | 6,816,354 | 6,727,573 | \$ (88,781) | -1.3% |
| Sales Tax | 6,956,311 | 7,486,109 | 7,840,557 | 9,565,557 | 1,725,000 | 22.0% |
| Intergovernmental Revenue | 4,290,917 | 4,637,200 | 4,562,855 | 4,713,208 | 150,353 | 3.3% |
| Licenses and Permits | 1,600,329 | 1,538,420 | 1,681,035 | 1,587,921 | (93,114) | -5.5% |
| Charges for Services | 162,835 | 316,603 | 321,665 | 517,404 | 195,739 | 60.9% |
| Court Receipts | 838,000 | 926,508 | 779,056 | 794,556 | 15,500 | 2.0% |
| Other Revenues | 1,143,421 | 353,296 | 338,268 | 472,440 | 134,172 | 39.7% |
| TOTAL REVENUE | 21,853,599 | 22,220,136 | 22,339,790 | 24,378,659 | 2,038,869 | 9.1% |
| EXPENDITURES | | | | | | |
| Executive & Legislative | 70,778 | 77,447 | 70,340 | 75,133 | 4,793 | 6.8% |
| Department of Administration | | | | | | |
| City Administrator | 472,884 | 614,846 | 605,768 | 603,062 | (2,706) | -0.4% |
| Finance | 478,316 | 498,136 | 468,045 | 503,693 | 35,648 | 7.6% |
| Courts | 242,349 | 262,903 | 248,944 | 271,804 | 22,860 | 9.2% |
| Information Technology | 622,258 | 865,767 | 856,873 | 792,696 | (64,177) | -7.5% |
| Central Services | 1,271,712 | 1,299,290 | 1,296,592 | 1,183,072 | (113,520) | -8.8% |
| Police Department | 9,590,811 | 9,988,072 | 10,094,459 | 10,918,930 | 824,471 | 8.2% |
| Director of Public Services | | | | | | |
| Planning and Development | 908,871 | 795,506 | 719,115 | 728,007 | 8,892 | 1.2% |
| Public Works | 5,479,565 | 5,848,308 | 5,164,445 | 5,569,246 | 404,801 | 7.8% |
| TOTAL EXPENDITURES | 19,137,545 | 20,250,275 | 19,524,581 | 20,645,643 | 1,121,062 | 5.7% |
| One-Time / Fund Reserve Expenditures * | - | (4,384,150) | (4,384,150) | - | 4,384,150 | -100.0% |
| TRANSFERS TO/FROM OTHER FUNDS | (4,715,855) | (1,526,285) | (1,526,285) | (49,835) | 1,476,450 | -96.7% |
| TOTAL EXPENDITURES AND TRANSFERS | 23,853,400 | 26,160,710 | 25,435,016 | 20,695,478 | (4,739,538) | -18.6% |
| FUND BALANCE, DECEMBER 31 | 10,581,197 | 6,640,623 | 7,485,971 | 11,169,152 | | |
| Net Change in Fund Balance | \$ (1,999,801) | \$ (3,940,574) | \$ (3,095,226) | \$ 3,683,181 | | |
| *Detailed in Section IV(a) | | | | | | |

| <i>Statement of Budgeted Revenues General Fund</i> | 2016 Actual | 2017 Projected | 2018 Budget | Increase/Decrease 2017 Projected vs 2018 Budget | |
|--------------------------------------------------------|------------------------|---------------------------|------------------------|----------------------------------------------------------------|--------------|
| Utility Taxes: | | | | | |
| Utility Taxes - Electric | \$ 3,809,386 | \$ 3,866,954 | \$ 3,900,000 | \$ 33,046 | 0.9% |
| Utility Taxes - Gas | 946,553 | 987,618 | 1,000,000 | 12,382 | 1.3% |
| Utility Taxes - Telephone | 1,474,229 | 1,342,086 | 1,207,877 | (134,209) | -10.0% |
| Utility Taxes - Water | 631,619 | 619,696 | 619,696 | - | 0.0% |
| Total Utility Taxes | 6,861,787 | 6,816,354 | 6,727,573 | (88,781) | -1.3% |
| Sales Tax (including Prop P) | 6,956,311 | 7,840,557 | 9,565,557 | 1,725,000 | 22.0% |
| Intergovernmental Revenue | | | | | |
| Motor Fuel Tax | 1,275,892 | 1,277,396 | 1,277,396 | - | 0.0% |
| Motor Vehicle Sales Tax | 619,378 | 629,900 | 636,199 | 6,299 | 1.0% |
| Cigarette Tax | 125,279 | 125,999 | 125,999 | - | 0.0% |
| County Road & Bridge Tax | 1,841,931 | 2,045,251 | 2,147,514 | 102,263 | 5.0% |
| Police Bullet-Proof Vest Grant | 2,433 | 5,000 | 5,000 | - | 100.0% |
| Police Academy Grant & RCCEEG | 81,890 | 86,500 | 89,000 | 2,500 | 2.9% |
| ATF Overtime | 2,532 | 1,100 | - | (1,100) | 0.0% |
| DEA Task Force | 21,127 | 19,000 | - | (19,000) | -100.0% |
| COPS - Parkway & In School | 266,889 | 263,500 | 268,000 | 4,500 | 1.7% |
| Rockwood Grant | - | 59,649 | 121,000 | 61,351 | 102.9% |
| Safety Town Grant | 2,970 | 2,760 | 2,800 | 40 | 1.4% |
| Police Overtime Grants | 32,726 | 28,300 | 24,300 | (4,000) | -14.1% |
| FBI Overtime Grant | - | 4,000 | 16,000 | 12,000 | 300.0% |
| Fund from Seized Assets | 6,060 | 14,500 | - | (14,500) | 0.0% |
| POST Commission Training Grant | 5,711 | - | - | - | 0.0% |
| Miscellaneous Grant | 6,100 | - | - | - | 0.0% |
| Total Intergovernmental Revenue | 4,290,917 | 4,562,855 | 4,713,208 | 150,353 | 3.3% |
| Licenses & Fees | | | | | |
| Business Licenses | 610,191 | 605,000 | 615,000 | 10,000 | 1.7% |
| Liquor Licenses | 75,458 | 76,000 | 76,000 | - | 0.0% |
| Vending Licenses | 14,225 | 12,000 | 12,000 | - | 0.0% |
| Cable Fees | 879,773 | 960,967 | 857,951 | (103,016) | -10.7% |
| Trash Haulers Licenses | 320 | 320 | 320 | - | 0.0% |
| Alarm Company Licenses | 1,750 | 1,750 | 1,750 | - | 0.0% |
| Cigarette Licenses | 3,975 | 4,200 | 4,200 | - | 0.0% |
| Billboard Business License Fee | 200 | 200 | 200 | - | 0.0% |
| Miscellaneous Other Licenses | 14,437 | 20,598 | 20,500 | (98) | -0.5% |
| Total Licenses & Fees | 1,600,329 | 1,681,035 | 1,587,921 | (93,114) | -5.5% |
| Charges for Services | | | | | |
| Engineering Inspection Fees | 54,236 | 30,024 | 36,158 | 6,134 | 20.4% |
| Zoning Applications | 13,435 | 14,738 | 13,071 | (1,667) | -11.3% |
| Residential Street Tree Program | 38,600 | 26,167 | 16,500 | (9,667) | -36.9% |
| Police Reports | 8,015 | 8,309 | 8,000 | (309) | -3.7% |
| Fingerprinting | 520 | 345 | 345 | - | 0.0% |
| False Alarm Fees | 28,680 | 23,150 | 23,150 | - | 0.0% |
| Planning Misc Charges | 381 | 400 | 250 | (150) | -37.5% |
| Clarkson Valley Police Services | - | 203,553 | 407,107 | 203,554 | 100.0% |
| Miscellaneous Other Charges | 18,968 | 14,979 | 12,823 | (2,156) | -14.4% |
| Total Charges for Services | 162,835 | 321,665 | 517,404 | 195,739 | 60.9% |
| Court Fines & Fees | | | | | |
| Court Fines & Fees | 814,266 | 759,500 | 775,000 | 15,500 | 2.0% |
| Court Fees - Training | 10,862 | 8,950 | 8,950 | - | 0.0% |

| <i>Statement of Budgeted Revenues General Fund</i> | 2016 Actual | 2017 Projected | 2018 Budget | Increase/Decrease 2017 Projected vs 2018 Budget | |
|--------------------------------------------------------|----------------------|----------------------|----------------------|-------------------------------------------------------|--------------|
| Inmate Security Fee | 10,862 | 8,950 | 8,950 | - | 0.0% |
| CVC Fees | 2,009 | 1,656 | 1,656 | - | 0.0% |
| Total Court Fines & Fees | 838,000 | 779,056 | 794,556 | 15,500 | 2.0% |
| Miscellaneous Revenue | | | | | |
| Interest on Investments | 49,195 | 106,975 | 110,000 | 3,025 | 2.8% |
| Environmental Revenues | 2,280 | 1,784 | 1,750 | (34) | -1.9% |
| Insurance Reimbursements | 36,778 | 26,531 | - | (26,531) | 0.0% |
| Sale of Fixed Assets | 103,745 | 38,070 | 250,000 | 211,930 | 556.7% |
| Miscellaneous | 202,456 | 37,549 | 30,000 | (7,549) | -20.1% |
| VHP Contributions | 519,388 | 26,677 | - | (26,677) | -100.0% |
| Deferred Revenue - Designated GRGD/TDD | 229,579 | 100,682 | 80,690 | (19,992) | -100.0% |
| Total Miscellaneous Revenue | 1,143,421 | 338,268 | 472,440 | 134,172 | 39.7% |
| Total Revenue | \$ 21,853,599 | \$ 22,339,790 | \$ 24,378,659 | \$ 2,038,869 | 9.1% |

| <i>Detail of Budgeted Expenditures - General Fund</i> | | | |
|-------------------------------------------------------|-------------------------------------------|---------------|-----------------------|
| Department/Activity | Description | Amount | Activity Total |
| Police | | | |
| Vehicles | Fleet of 10 Police Vehicles | | \$ 299,244 |
| Information Technology | | | |
| | Surveillance System Hardware Replacements | | 26,300 |
| Public Services | | | |
| Street Maintenance | Supplies for Right of Way Repairs | \$ 25,000 | |
| | Truck Mounted Tank with Pump | 15,800 | |
| | Skid Steer | 27,000 | |
| | Skid Steer Planer Attachment | 15,800 | |
| | Skid Steer Trailer | <u>9,000</u> | |
| | | | 92,600 |
| Building Maintenance | Conference Room Chair Repair/Replacement | | <u>27,000</u> |
| | | | <u>\$ 445,144</u> |

**General Fund
Schedule of Fund Reserves
December 31, 2018**

| | | |
|------------------------------------------------------------------------------|---------------------|--------------|
| 12/31/17 General Fund Reserves | \$ 7,485,971 | |
| FY2018 Estimated General Fund Activity | 3,683,181 | |
| | <hr/> | |
| Projected 12/31/18 General Fund Reserves | 11,169,152 | |
| <u>Less:</u> | | |
| 1) Funds Designated for POST (Funds from the State for Police Training Only) | \$ (80,000) | |
| 2) Funds Designated for Inmate Security | (50,000) | |
| | <hr/> | |
| Total Designated Funds | (130,000) | |
| | <hr/> | |
| Projected 12/31/18 Unreserved General Fund Reserves | 11,039,152 | 53.3% |
| Less 40% Requirement of Expenditures including Transfers: | (8,278,191) | |
| FY2018 Expenditures & Transfers - Original Budget | 20,695,478 | |
| | <hr/> | |
| Total Available for Council above the 40% Requirement Policy | 2,760,961 | |
| | <hr/> | |
| <u>One Time Reimbursements</u> | | |
| Temporary Transfer to Special Projects Fund for Wetland Mitigation | 250,000 | |
| CNG Related Grant Revenue | 1,081,623 | |
| Capital Improvement Sales Tax Fund Budgeted CNG Payment | 940,484 | |
| NID - Deferred Revenue (Broadmoor & Chesterfield Hill) | 1,414,159 | |
| | <hr/> | |
| | 3,686,266 | |
| | <hr/> | |
| Total Left Above the 40% Requirement Policy | \$ 6,447,227 | |
| | <hr/> <hr/> | |



V.
Budget Assumptions &
Personnel Expenditures

Includes:

- (a) Budget Assumptions
- (b) 2017 Projected Personnel Expenditures
- (c) 2018 Budgeted Personnel Expenditures



FY2018 BUDGET ASSUMPTIONS

REVENUES

- ½ Cent Capital Improvements Sales Tax – No change from 2017 projection
- ½ Parks Sales Tax – No change from 2017 projection
- 1% Local Option Sales Tax – No change from 2017 projection
- Utility Taxes
 - o Electric – less than 1% increase from 2017 projection
 - o Gas – 1% increase from 2017 projection
 - o Telephone – 10% decrease
 - o Water – no change from 2017 adopted budget
- Intergovernmental
 - o Motor Vehicle Sales Tax – 1% increase from 2017 projection
 - o Motor Fuel Tax – No change from 2017 projection
 - o County Road and Bridge Tax – 5% increase from 2016 due to increase in assessed valuations

GENERAL EXPENDITURES

- Fuel: Reduced gasoline and oil from \$380,000 to \$320,000 based on recent trends. Gas prices have gone down and may drop further. Potential CNG fuel costs are reflected in the number.
- Salt: Assuming FY2018 will have a “normal” winter
 - o Need based on the 2016 / 2017 winter
 - Quantities are 3700 tons at \$69 per ton (salt and delivery)
 - \$255,300
 - plus \$20k for other supplies (calcium chloride).

PERSONNEL EXPENDITURES

- 2018 budget does not include Forestry Technician for EAB Project. Council must approve. Would be paid out of Capital Improvement Sales Tax Fund.
- Social Security – 7.65% of gross wages
- Work Comp – Expect premiums to increase 5% on 7/1/18
- Health – Budgeted 5% increase on 7/1/18

- Dental – Budgeted 1% increase on 7/1/18
- Life – Budgeted 5% increase on 7/1/18
- Long-term disability – 5%
- Retirement program – 8% of gross wages
- Personnel Expenditure Budgetary Savings – No change: \$365,052

Merit Raise Pool

The preliminary FY2018 budget does not reflect a merit raise pool. This will be discussed and decided by Council at the Budget Workshops.

Headcount

No new positions are proposed in the FY2018 budget for any of the City's funds. The budget does reflect the reallocation of the City's Arborist from the Parks Fund to the General Fund based on that position's responsibilities.

Budgetary Savings

In the past, members of Council would occasionally suggest that the City's practice of budgeting personnel expenditures at "full employment" caused a disconnect between the budget and actual expenditures. The City had adopted the conservative practice of budgeting at "full employment", meaning that the impact of turnover is not estimated, because there is no way to anticipate the volume, timing, and classification of positions that will be open during a given year.

As a result of this prudent practice, the City had always realized "budgetary savings" as actual expenditures finished below budget. In the FY2016 budget, Staff changed the way personnel expenditures were budgeted to have FY2016 budgeted personnel expenditures more closely reflect actual expenditures. To achieve this, budgeted personnel expenditures were reduced by \$330,000 in the General Fund and \$35,051 in the Parks Sales Tax Fund. This lowered the FY2016 budgeted General Fund personnel expenditures from \$15,167,147, a \$748,265 or 5.2% increase from FY2015, to \$14,837,147, a budget increase of \$307,577 or 2.1%. This methodology was duplicated for the 2017 budget year. As we approach the completion of FY2017, we are projecting personnel expenditures to come in approximately \$160,000 below these reduced amounts.

To account for the budgetary savings, Staff added an offsetting personnel expenditures account to each Division based on that Division's historical personnel savings. This is simply an estimate designed to make each Division's budgetary expenditures comparable to the prior year. Again, there is no way to determine which division will actually realize budgetary savings. As such, Staff has reserved the right to reallocate the General Fund's \$330,000 offset based on where savings were actually realized. This reallocation is reflected in each Division's personnel expenditure budget but had no impact on the Fund's total budgeted amount.

Personnel Expenditures FY2017 Projection

| Personnel Expenditures | | | | | | | | | | | |
|--------------------------|-----------------------------------|----------------------|------------------|-------------------|-------------------|-------------------|---------------------|----------------------|----------------------|--------------------|---------------|
| | | 5111 | 5114 | 5112 | 5113 | 5115 | Benefits & | 2017 | | | Bud Vs Actual |
| | | Salary FT | Salary Council | Salary PT | Overtime | Holiday Pay | Taxes | Total | Budget | \$ | % |
| <u>DIVISION</u> | | | | | | | | | | | |
| G | 11 City Council | \$ - | \$ 60,000 | \$ - | \$ - | \$ - | \$ 5,990 | \$ 65,990 | \$ 65,297 | \$ 693 | 1.1% |
| G | 31 F&A-031 Customer Service | 43,881 | - | 15,600 | - | - | 14,560 | 74,041 | 100,916 | (26,875) | -26.6% |
| G | 34 F&A-034 - Finance | 336,850 | - | 10,000 | - | - | 87,890 | 434,740 | 460,351 | (25,611) | -5.6% |
| G | 36 Central Services | - | - | - | - | - | 76,708 | 76,708 | 85,217 | (8,509) | -10.0% |
| G | 37 F&A-037 Information Technology | 438,215 | - | - | - | - | 99,447 | 537,663 | 537,857 | (194) | 0.0% |
| G | 38 F&A-038 Municipal Court | 147,545 | - | - | 6,000 | - | 49,547 | 203,091 | 198,052 | 5,039 | 2.5% |
| G | 41 Police | 6,774,555 | - | 3,882 | 113,475 | 160,000 | 2,082,106 | 9,134,018 | 9,016,182 | 117,836 | 1.3% |
| G | 51 City Administrator | 448,305 | - | - | - | - | 92,162 | 540,467 | 533,035 | 7,432 | 1.4% |
| G | 61 Planning | 518,030 | - | 15,000 | 5,857 | - | 146,877 | 685,763 | 762,556 | (76,793) | -10.1% |
| G | 71 Public Works/Engineering | 562,754 | - | 14,000 | 1,367 | - | 152,938 | 731,058 | 719,289 | 11,769 | 1.6% |
| G | 72 Street Maintenance | 1,361,803 | - | - | 22,336 | - | 485,579 | 1,869,718 | 1,836,123 | 33,595 | 1.8% |
| G | 73 Vehicle Maintenance | 296,428 | - | - | 7,000 | - | 89,040 | 392,469 | 387,952 | 4,517 | 1.2% |
| G | 76 Facility Maintenance | 329,817 | - | 26,000 | 2,968 | - | 95,947 | 454,731 | 474,024 | (19,293) | -4.1% |
| P | 84 Parks and Recreation | 1,933,174 | - | 132,500 | 24,409 | - | 685,777 | 2,775,860 | 2,805,363 | (29,503) | -1.1% |
| P | 87 CVAC Concession | 135,207 | - | 100,000 | 1,000 | - | 48,187 | 284,395 | 284,537 | (142) | -0.1% |
| P | 88 Central Park - Concession | - | - | 23,000 | - | - | 1,913 | 24,913 | 21,030 | 3,883 | 18.5% |
| C | 79 Capital Projects | 220,439 | - | - | - | - | 60,092 | 280,531 | 305,396 | (24,865) | -8.1% |
| TOTAL | | \$ 13,547,003 | \$ 60,000 | \$ 339,982 | \$ 184,411 | \$ 160,000 | \$ 4,274,759 | \$ 18,566,155 | \$ 18,593,177 | \$ (27,022) | -0.1% |
| <u>DEPARTMENT</u> | | | | | | | | | | | |
| G | General Fund | \$ 11,258,183 | \$ 60,000 | \$ 84,482 | \$ 159,002 | \$ 160,000 | \$ 3,478,791 | \$ 15,200,457 | \$ 15,176,851 | \$ 23,606 | 0.2% |
| P | Parks Fund | 2,068,381 | - | 255,500 | 25,409 | - | 735,877 | 3,085,167 | 3,110,930 | (25,763) | -0.8% |
| C | Capital Improvements Fund | 220,439 | - | - | - | - | 60,092 | 280,531 | 305,396 | (24,865) | -8.1% |
| | | \$ 13,547,003 | \$ 60,000 | \$ 339,982 | \$ 184,411 | \$ 160,000 | \$ 4,274,759 | \$ 18,566,155 | \$ 18,593,177 | \$ (27,022) | -0.1% |
| <u>BUDGET</u> | | 13,692,569 | 60,000 | 348,100 | 217,000 | 160,000 | 4,480,560 | 18,958,229 | | | |
| Over (Under) Budget | | (145,566) | - | (8,118) | (32,589) | - | (205,801) | (392,074) | | | |

Personnel Expenditures FY2017 Projection

| | | Benefits & Taxes | | | | | | | | | | |
|---------------------|-----------------------------------|------------------|------------|--------------|-----------|------------|-----------|--------------|-------------|--------------|-------------|--------------|
| | | 5120 | 5122 | 5124 | 5125 | 5126 | 5127 | 5130 | 5133 | 5131 | | Total |
| | | Social Security | Work Comp | Health | Life | Dental | LTD | Retirement | Forfeiture | Health Reimb | Split | |
| <u>DIVISION</u> | | | | | | | | | | | | |
| G | 11 City Council | \$ 4,591 | \$ 51 | \$ - | \$ 1,348 | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ 5,990 |
| G | 31 F&A-031 Customer Service | 4,470 | 132 | 5,671 | 103 | 478 | 118 | 3,588 | - | - | | 14,560 |
| G | 34 F&A-034 - Finance | 25,666 | 316 | 30,738 | 1,023 | 1,591 | 872 | 27,684 | - | - | | 87,890 |
| G | 36 Central Services | - | - | 1,707 | - | 1,466 | - | - | (26,465) | 100,000 | | 76,708 |
| G | 37 F&A-037 Information Technology | 32,896 | 135 | 29,033 | 1,179 | 1,547 | 1,116 | 33,542 | - | - | | 99,447 |
| G | 38 F&A-038 Municipal Court | 11,198 | 107 | 23,822 | 340 | 1,416 | 381 | 12,284 | - | - | | 49,547 |
| G | 41 Police | 521,514 | 175,263 | 749,619 | 15,428 | 54,746 | 17,244 | 548,292 | - | - | | 2,082,106 |
| G | 51 City Administrator | 33,344 | 269 | 34,855 | 1,750 | 2,272 | 1,113 | 36,003 | - | - | (17,443) | 92,162 |
| G | 61 Planning | 40,056 | 4,900 | 57,962 | 1,312 | 3,980 | 1,290 | 37,378 | - | - | | 146,877 |
| G | 71 Public Works/Engineering | 42,898 | 828 | 61,847 | 1,488 | 3,697 | 1,412 | 40,768 | - | - | | 152,938 |
| G | 72 Street Maintenance | 101,713 | 68,472 | 192,381 | 3,069 | 12,353 | 3,475 | 104,116 | - | - | | 485,579 |
| G | 73 Vehicle Maintenance | 22,106 | 6,938 | 31,797 | 668 | 2,659 | 756 | 24,116 | - | - | | 89,040 |
| G | 76 Facility Maintenance | 26,677 | 2,686 | 36,603 | 742 | 2,709 | 837 | 25,693 | - | - | | 95,947 |
| P | 84 Parks and Recreation | 152,926 | 59,530 | 277,014 | 4,448 | 18,753 | 4,801 | 150,861 | - | - | 17,443 | 685,777 |
| P | 87 CVAC Concession | 17,896 | 9,556 | 7,812 | 300 | 661 | 340 | 11,621 | - | - | | 48,187 |
| P | 88 Central Park - Concession | 1,913 | - | - | - | - | - | - | - | - | | 1,913 |
| C | 79 Capital Projects | 17,096 | 290 | 22,352 | 504 | 1,968 | 606 | 17,277 | - | - | | 60,092 |
| TOTAL | | \$ 1,056,960 | \$ 329,473 | \$ 1,563,212 | \$ 33,702 | \$ 110,295 | \$ 34,361 | \$ 1,073,222 | \$ (26,465) | \$ 100,000 | \$ - | \$ 4,274,759 |
| <u>DEPARTMENT</u> | | | | | | | | | | | | |
| G | General Fund | \$ 867,129 | \$ 260,097 | \$ 1,256,035 | \$ 28,449 | \$ 88,913 | \$ 28,614 | \$ 893,462 | \$ (26,465) | \$ 100,000 | \$ (17,443) | \$ 3,478,791 |
| P | Parks Fund | 172,735 | 69,086 | 284,826 | 4,749 | 19,414 | 5,141 | 162,483 | - | - | 17,443 | 735,877 |
| C | Capital Improvements Fund | 17,096 | 290 | 22,352 | 504 | 1,968 | 606 | 17,277 | - | - | - | 60,092 |
| TOTAL | | \$ 1,056,960 | \$ 329,473 | \$ 1,563,212 | \$ 33,702 | \$ 110,295 | \$ 34,361 | \$ 1,073,222 | \$ (26,465) | \$ 100,000 | \$ - | \$ 4,274,759 |
| <u>BUDGET</u> | | | | | | | | | | | | |
| | | 1,107,682 | 305,298 | 1,646,154 | 34,559 | 113,784 | 35,545 | 1,137,538 | - | 100,000 | - | 4,480,560 |
| Over (Under) Budget | | (50,722) | 24,175 | (82,942) | (857) | (3,489) | (1,184) | (64,316) | (26,465) | - | - | (205,801) |

Personnel Expenditures 2018 Budget

| | | Personnel Expenditures | | | | | | | |
|-------------------|-----------------------------------|------------------------|----------------|------------|------------|-------------|--------------|--------------|---------------|
| | | 5111 | 5114 | 5112 | 5113 | 5115 | Benefits & | 5199 | |
| | | Salary FT | Salary Council | Salary PT | Overtime | Holiday Pay | Taxes | Savings | Total |
| <u>DIVISION</u> | | | | | | | | | |
| G | 11 City Council | \$ - | \$ 60,000 | \$ - | \$ - | \$ - | \$ 6,143 | \$ (840) | \$ 65,303 |
| G | 31 F&A-031 Customer Service | 70,085 | - | 15,600 | - | - | 24,875 | (6,289) | 104,271 |
| G | 34 F&A-034 - Finance | 370,818 | - | 10,000 | - | - | 99,419 | (14,818) | 465,419 |
| G | 36 Central Services | - | - | - | - | - | 100,000 | (14,783) | 85,217 |
| G | 37 F&A-037 Information Technology | 448,153 | - | - | - | - | 93,054 | (10,411) | 530,796 |
| G | 38 F&A-038 Municipal Court | 148,375 | - | - | 6,000 | - | 51,107 | (6,229) | 199,253 |
| G | 41 Police | 6,985,923 | - | - | 113,500 | 165,000 | 2,242,636 | (141,655) | 9,365,404 |
| G | 51 City Administrator | 455,309 | - | - | - | - | 86,085 | (8,632) | 532,762 |
| G | 52 ACA - Economic Development | - | - | - | - | - | - | - | - |
| G | 61 Planning | 524,449 | - | 15,000 | 3,000 | - | 157,373 | (16,765) | 683,057 |
| G | 71 Public Works/Engineering | 613,752 | - | 14,000 | 3,000 | - | 182,360 | (21,218) | 791,894 |
| G | 72 Street Maintenance | 1,357,190 | - | - | 40,000 | - | 510,034 | (75,301) | 1,831,923 |
| G | 73 Vehicle Maintenance | 294,339 | - | - | 12,000 | - | 92,213 | (5,461) | 393,091 |
| G | 76 Facility Maintenance | 328,780 | - | 26,000 | 4,500 | - | 98,382 | (7,599) | 450,063 |
| P | 84 Parks and Recreation | 1,873,266 | - | 195,770 | 35,000 | - | 712,211 | (20,707) | 2,795,540 |
| P | 87 CVAC Concession | 133,350 | - | 129,180 | 1,500 | - | 50,000 | (8,461) | 305,569 |
| P | 88 Central Park - Concession | - | - | 23,400 | - | - | 1,790 | (5,883) | 19,307 |
| C | 79 Capital Projects | 199,982 | - | - | - | - | 59,421 | - | 259,403 |
| TOTAL | | \$ 13,803,770 | \$ 60,000 | \$ 428,950 | \$ 218,500 | \$ 165,000 | \$ 4,567,104 | \$ (365,052) | \$ 18,878,272 |
| <u>DEPARTMENT</u> | | | | | | | | | |
| G | General Fund | \$ 11,597,172 | \$ 60,000 | \$ 80,600 | \$ 182,000 | \$ 165,000 | \$ 3,743,681 | \$ (330,001) | \$ 15,498,452 |
| P | Parks Fund | 2,006,616 | - | 348,350 | 36,500 | - | 764,002 | (35,051) | 3,120,417 |
| C | Capital Improvements Fund | 199,982 | - | - | - | - | 59,421 | - | 259,403 |
| | | \$ 13,803,770 | \$ 60,000 | \$ 428,950 | \$ 218,500 | \$ 165,000 | \$ 4,567,104 | \$ (365,052) | \$ 18,878,272 |

Personnel Expenditures 2018 Budget

| | | Benefits & Taxes | | | | | | | | | |
|-------------------|-----------------------------------|------------------|------------|--------------|-----------|------------|-----------|--------------|--------------|-------------|--------------|
| | | 5120 | 5122 | 5124 | 5125 | 5126 | 5127 | 5130 | 5131 | | |
| | | Social Security | Work Comp | Health | Life | Dental | LTD | Retirement | Health Reimb | Split | Total |
| <u>DIVISION</u> | | | | | | | | | | | |
| G | 11 City Council | \$ 4,590 | \$ 53 | \$ - | \$ 1,500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,143 |
| G | 31 F&A-031 Customer Service | 6,555 | 131 | 11,304 | 219 | 820 | 239 | 5,607 | - | - | 24,875 |
| G | 34 F&A-034 - Finance | 29,356 | 318 | 35,978 | 1,114 | 2,006 | 981 | 29,665 | - | - | 99,419 |
| G | 36 Central Services | - | - | - | - | - | - | - | 100,000 | - | 100,000 |
| G | 37 F&A-037 Information Technology | 34,284 | 137 | 33,991 | 1,252 | 1,840 | 1,198 | 35,852 | - | (15,500) | 93,054 |
| G | 38 F&A-038 Municipal Court | 11,810 | 107 | 24,674 | 349 | 1,425 | 392 | 12,350 | - | - | 51,107 |
| G | 41 Police | 555,728 | 169,459 | 828,575 | 16,380 | 57,617 | 18,222 | 581,154 | - | 15,500 | 2,242,636 |
| G | 51 City Administrator | 34,831 | 275 | 39,081 | 1,790 | 2,502 | 1,181 | 36,425 | - | (30,000) | 86,085 |
| G | 52 ACA - Economic Development | - | - | - | - | - | - | - | - | - | - |
| G | 61 Planning | 41,497 | 4,953 | 61,768 | 1,384 | 4,202 | 1,373 | 42,196 | - | - | 157,373 |
| G | 71 Public Works/Engineering | 48,253 | 838 | 76,009 | 1,654 | 4,672 | 1,594 | 49,340 | - | - | 182,360 |
| G | 72 Street Maintenance | 106,885 | 64,796 | 206,629 | 3,348 | 12,853 | 3,748 | 111,775 | - | - | 510,034 |
| G | 73 Vehicle Maintenance | 23,435 | 7,175 | 32,954 | 688 | 2,676 | 778 | 24,507 | - | - | 92,213 |
| G | 76 Facility Maintenance | 27,485 | 2,714 | 37,094 | 770 | 2,785 | 872 | 26,662 | - | - | 98,382 |
| P | 84 Parks and Recreation | 157,610 | 59,585 | 283,920 | 4,632 | 18,818 | 4,985 | 152,661 | - | 30,000 | 712,211 |
| P | 87 CVAC Concession | 20,198 | 9,387 | 8,280 | 313 | 680 | 354 | 10,788 | - | - | 50,000 |
| P | 88 Central Park - Concession | 1,790 | - | - | - | - | - | - | - | - | 1,790 |
| C | 79 Capital Projects | 16,064 | 291 | 24,674 | 454 | 1,425 | 515 | 15,999 | - | - | 59,421 |
| | TOTAL | \$ 1,120,371 | \$ 320,219 | \$ 1,704,930 | \$ 35,847 | \$ 114,322 | \$ 36,433 | \$ 1,134,982 | \$ 100,000 | \$ - | \$ 4,567,104 |
| <u>DEPARTMENT</u> | | | | | | | | | | | |
| G | General Fund | \$ 924,708 | \$ 250,956 | \$ 1,388,056 | \$ 30,449 | \$ 93,399 | \$ 30,579 | \$ 955,534 | \$ 100,000 | \$ (30,000) | \$ 3,743,681 |
| P | Parks Fund | 179,599 | 68,972 | 292,200 | 4,945 | 19,498 | 5,339 | 163,449 | - | 30,000 | 764,002 |
| C | Capital Improvements Fund | 16,064 | 291 | 24,674 | 454 | 1,425 | 515 | 15,999 | - | - | 59,421 |
| | | \$ 1,120,371 | \$ 320,219 | \$ 1,704,930 | \$ 35,847 | \$ 114,322 | \$ 36,433 | \$ 1,134,982 | \$ 100,000 | \$ - | \$ 4,567,104 |



VI. Appendix

Includes:

- (a) Mission Statement
- (b) Major Budget Policies
- (c) Budget Process
- (d) Budget Calendar
- (e) Basis of Budgeting
- (f) Bonded Debt Schedule



CITY OF CHESTERFIELD MISSION STATEMENT

The City of Chesterfield is dedicated to maintaining a strong, vibrant community that encourages interaction among residents, businesses and civic organizations which is accomplished through on-going innovative approaches to community and neighborhood planning.

The City of Chesterfield is committed to excellence in service and overall quality of life:

- By being the City of choice in the St. Louis Region within which to live, work, play and visit;
- By partnering with residents, businesses, civic organizations and governments to forge a sense of community;
- By providing and seeking quality in each area of service;
- By providing and encouraging cultural and recreational facilities and activities;
- By protecting, maintaining and enhancing property values;
- By ensuring a secure and responsible environment.

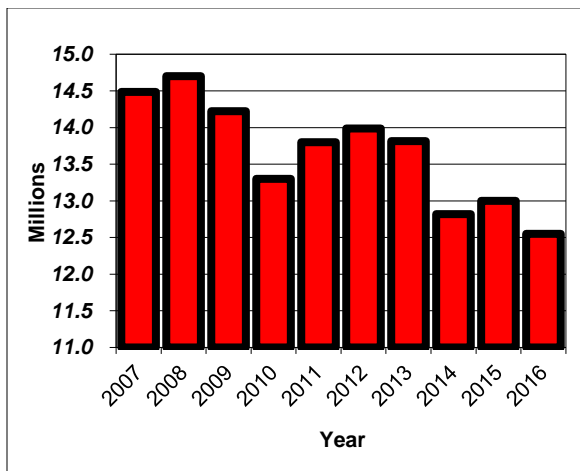
Mission Statement
Adopted by City Council
July 31, 1999
Amended by City Council
October 6, 2001
Amended by City Council
August 24, 2013



MAJOR BUDGET POLICIES

Fund Reserve Level

The City attempts to maintain a reserve level of a minimum of 40% of general fund expenditures, including all operating transfers out (adopted on November 3, 2007). This is considered a prudent reserve level for meeting unanticipated expenditure requirements, a major revenue shortfall, or an emergency. The budget for fiscal year 2017 does not meet that goal with 30.8%, or \$7,355,971, unbudgeted fund balance as of December 31, 2017.



Pay Structure

The City has adopted a policy of paying in the top five for all cities by position in the region. Market studies are periodically performed and pay grades are updated if necessary. The City adjusts pay scales each January 1st based on the prior June's Consumer Price Index (CPI) (policy adopted on July 18, 2002).

Annual Salary Adjustments

One of the perennial issues for City governments during the budget process concerns annual pay increases for City employees. The 2018 budget includes _% for merit pay increases, as recommended by the City Council during the preparation of the budget.

Capital Asset Expenditure

Expenditures of \$5,000 or more on items having an expected life of over a year are normally considered to be capital assets for the purpose of classification of expenditures. The City budget appropriates General Fund monies for those capital assets used to provide services within the normal operation of the City.

Revenue Policy

The City attempts to maintain a diversified revenue system to shelter it from short-run fluctuations in any one revenue source. The City considers market rates and charges levied by other public and private organizations for similar services in establishing rates, fees and charges. The City attempts to establish user charges and fees at a level related to the cost of providing the service.

Debt Management

Bonded indebtedness is limited by Sections 95.115 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property. Based on the

2017 assessed valuation of \$2,056,095,287, the City's legal debt limit is \$201,804,529.

The City has \$3.8 million in general obligation bonds for street and sidewalk improvements outstanding, \$6.6 million in certificates of participation for the construction of a City Hall and \$26.1 million in certificates of participation for parks projects. The certificates of participation, however, do not count against the City's legal debt limit.

The City has a legal debt margin of \$201,804,529.

The City reviews each potential issue of debt either in house or through an independent financial advisor on a case-by-case basis.

The maintenance of a high fund balance in the General Fund provides the necessary cash to avoid the need for short-term borrowing.

The City confines long-term borrowing to capital improvements or projects that cannot be financed from current revenues, and where the issuance of long-term debt is required, it pays back the bonds within a period not to exceed the expected useful life of the project. The City attempts to keep the average maturity of general obligation bonds at or below 20 years which approximates the useful life of assets built with debt proceeds. When practical, the City uses special assessments, revenues, tax increment or other self-supporting bonds.

The City does not incur long-term debt to support current operations.

The City maintains a sound relationship with all bond-rating agencies and keeps them informed about current capital projects.

Capital Improvement Projects

The City appropriates funds from the General Fund for the planning, acquisition, and construction of major capital facilities. In addition, the City uses its ½-cent Capital Improvement Sales Tax Fund for streets and sidewalks. This includes reconstructing streets, sidewalks, storm sewers, and highway beautification projects. These projects are not normally considered on-going or regular maintenance.

The City has issued general obligation bonded debt and certificates of participation for the planning, acquisition, and construction of major capital facilities. This includes buildings, storm sewers, and highway beautification projects. These projects are not normally considered on-going or regular maintenance either.

The financial integrity of the City's operating debt service and capital improvement budgets are maintained in order to provide services, construct and maintain public facilities, streets and utilities.

The City updates its five-year forecast on an annual basis to plan for the acquisition of capital equipment and resources to pay for those acquisitions. The City coordinates decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities.

The City attempts to maintain all of its assets at a level adequate to protect the City's capital investments and to minimize future maintenance and replacement costs.

Cash and Investment Policy

State statutes authorize Missouri local governments to invest in obligations of the United States Treasury and United States agencies, obligations of the State of Missouri, or the City itself, time deposit certificates and repurchase agreements. It is the policy of the City of Chesterfield to invest public funds in a manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

The City has a formal cash and investment policy on file, adopted on December 21, 1992 and last revised on October 7, 2002, that stipulates the objectives, delegation of authority, ethics and conflicts of interest, authorized financial dealers and institutions, authorized and suitable investments, collateralization, safekeeping and custody, diversification, maximum maturities, internal controls, performance standards, and reporting requirements.

Balanced Budget Defined

In accordance with Missouri Statutes, a balanced budget for the City is defined as available fund reserves plus estimated revenues equal or greater than estimated appropriations.



BUDGET PROCESS

The annual budget process is designed to meet the requirements of the ordinances of the City of Chesterfield and the statutes of the State of Missouri.

During the beginning of July of each year, the Finance Director prepares a budget calendar, a copy of which is included in this document. This calendar outlines the process through budget adoption and implementation.

The budget documents and instructions are distributed by the Finance Director to all of the departments. Each of the departments prepares their individual budgets while the Finance Director prepares revenue estimates for the upcoming year.

The Department Heads submit budget requests to the Finance Director who reviews them and requests additional information, if necessary. The City Administrator and Finance Director meet with each Department Head to review the budget requests. Based on these meetings, the City Administrator submits a proposed budget to the Mayor and City Council.

The Mayor and City Council hold a budget work session as a Finance and Administration Committee-of-the-Whole to review the entire proposed budget. The work session begins with a review of the City's Mission and Values statements to ensure linkage between the proposed budget and City goals. In addition, the City Council holds a public hearing to formally present the budget. Notice of this hearing is given by publication in a newspaper of general circulation in the City at least one week prior to the time of the hearing. A copy of the budget document is available for public inspection in the Department of Administration for at least 10 days prior to the passage of the budget by City Council.

Following the work session and a public hearing, the City Council adopts the budget by resolution, which goes into effect on the first day of January.

After the budget is adopted, it can be amended as shown below:

The annual budget may be revised by voice motion by a majority vote of the City Council. No revision of the budget is allowed to increase the budget in the event that funds are not available.

Department Heads may make transfers within their department budget up to \$2,500 with prior approval of the Finance Director.

Department Heads may make transfers within their department from \$2,500 up to \$5,000 with prior approval of the Finance Director and the City Administrator.

Transfers within department budgets over \$5,000 may be made only with prior approval of a majority of the City Council by voice motion.

Budget transfers between departments must be approved by a majority of the members of the City Council by voice motion.

Budget transfers from contingency accounts must be approved prior thereto by a majority of the members of the City Council by voice motion.



BASIS OF BUDGETING

The City of Chesterfield's accounts are organized on the basis of fund and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liability, fund equity, revenues and expenditures or expenses.

The budgets of governmental funds (for example, the General Fund, special revenue funds, debt service funds and capital project funds) are prepared on a modified accrual basis. Briefly, this means that obligations of the City (for example, outstanding purchase orders) are budgeted as expenditures, but revenues are recognized only when they are available and measurable.

The City of Chesterfield's proposed budget for 2016 has a General Fund, four special revenue funds (Capital Improvement Sales Tax Trust Fund, Parks Sales Tax Fund, Sewer Lateral and Police Forfeiture), six debt service funds (Parks 1998 Debt Service Fund, R&S Series Bonds Debt Service Fund, City Hall Bonds 2004 Debt Service Fund, 2013 Parks Bonds Debt Service Fund, 2008 Parks Bonds Debt Service Fund, and 2014 Parks Bonds Debt Service Fund) and two capital project funds (Chesterfield Valley Special Allocation Fund and 2009B Parks Construction Phase II Fund). The capital project funds are used to account for general capital improvement projects in the City which are not specifically required to be accounted for separately because of long-term financing. The budgets for these funds are also prepared on a modified accrual basis.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental fund types. Since appropriations lapse at year end, outstanding encumbrances are appropriated in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments.

In Proprietary Funds (Enterprise Funds and Internal Service Funds), the accrual basis of accounting is used. Revenues are recognized in the accounting period in which they are earned. Expenses are recognized in the accounting period in which they are incurred. The City of Chesterfield does not currently have any Proprietary Funds.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the City prepares its budget. The only exception is compensated absences that are expected to be liquidated with expendable available financial resources which are accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget). In addition, gains or losses on investments, depreciation and amortization are not considered budgetary accounts and are excluded from the budgeting system.



BONDED DEBT SCHEDULE

The City of Chesterfield, Missouri's general long-term debt includes General Obligation Bonds and Certificates of Participation. This overview describes each type of debt, provides a picture of the City's indebtedness and discusses policies for new debt. The total debt to maturity outstanding as of December 31, 2017 is as shown below.

| Year | General Obligation Bonds | | Certificates of Participation | | Totals |
|------|--------------------------|------------------|-------------------------------|---------------------|----------------------|
| | Principal | Interest | Principal | Interest | |
| 2018 | \$ 1,880,000 | \$ 57,300 | \$ 3,355,000 | \$ 1,250,621 | \$ 6,542,921 |
| 2019 | 1,925,000 | 19,250 | 3,600,000 | 1,104,916 | 6,649,166 |
| 2020 | - | - | 3,855,000 | 947,054 | 4,802,054 |
| 2021 | - | - | 3,925,000 | 772,854 | 4,697,854 |
| 2022 | - | - | 3,715,000 | 606,378 | 4,321,378 |
| 2023 | - | - | 2,910,000 | 464,028 | 3,374,028 |
| 2024 | - | - | 3,110,000 | 336,128 | 3,446,128 |
| 2025 | - | - | 3,280,000 | 245,928 | 3,525,928 |
| 2026 | - | - | 785,000 | 147,528 | 932,528 |
| 2027 | - | - | 810,000 | 123,978 | 933,978 |
| 2028 | - | - | 835,000 | 101,673 | 936,673 |
| 2029 | - | - | 890,000 | 78,275 | 968,275 |
| 2030 | - | - | 915,000 | 49,350 | 964,350 |
| 2031 | - | - | 730,000 | 21,900 | 751,900 |
| | <u>\$ 3,805,000</u> | <u>\$ 76,550</u> | <u>\$ 32,715,000</u> | <u>\$ 6,250,607</u> | <u>\$ 42,847,157</u> |

General Obligation Bonds are composed of R&S I & II bonds which were issued for road and sewer construction and funded by the Capital Improvement Sales Tax. The City also issued GO Bonds to purchase Central Park which were funded by a property tax. The City's final assessment of this property tax was in 2014 and the Parks GO Bonds were completely paid off in 2015 via forward funding from the General Fund. The Parks 1998 Debt Service Fund continues to collect delinquent property taxes which are used to pay back the General Fund loan.

Certificates of Participation are composed of debt for the building of the City Hall and Proposition "P". Both public works and city hall are funded from the general fund, while Prop. "P" bonds are funded through the Parks sales tax.

General Obligation Bonds

Definition - General obligation bonds are backed by the full faith and credit of a jurisdiction. General obligation bonds are payable from ad valorem property taxes and other general revenues.

Debt Limitations - Bonded indebtedness is limited by Sections 95.115 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

Existing Debt - The City's outstanding general obligation debt as of December 31, 2017 was \$3,805,000 for 2015 street and sidewalk refunding bonds. The debt service schedule is shown on the following pages.

Debt Burden - Chesterfield's outstanding general obligation debt is well within statutory limits. Based on the City's 2017 assessed valuation of \$2,056,095,287 the City's legal debt margin is \$201,804,529. The City reviews each potential issue of debt either in-house or through an independent financial advisor on a case-by-case basis.

Bond Rating - Chesterfield's general obligation bonds have an Aaa rating from Moody's Investors Services.

CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI
General Obligation Bonds, Series 2015 (Refunding of R&S I and R&S II)
DEBT SERVICE SCHEDULE
\$7,340,000

| <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Period Total</u> | <u>Fiscal Total</u> |
|-------------|---------------------|---------------|------------------|---------------------|---------------------|
| 2/15/2018 | \$ 1,880,000 | 2.00% | \$ 38,050 | \$ 1,918,050 | |
| 8/15/2018 | | | 19,250 | 19,250 | \$ 1,937,300 |
| 2/15/2019 | 1,925,000 | 2.00% | 19,250 | 1,944,250 | |
| | | | | | 1,944,250 |
| | <u>\$ 3,805,000</u> | | <u>\$ 76,550</u> | <u>\$ 3,881,550</u> | |

Certificates of Participation

Definition - Certificates of Participation are securities that represent a share of an issuer's lease payment. When a municipality finances a public facility through a lease-purchase transaction, the interest in that government's lease payment often is assigned to a third party that issues Certificates of Participation. The Certificates represent a share of the lease payment received by the investor.

Debt Limitations - There are no statutory limits on Certificates of Participation. These obligations are not considered debt under state law and are subject to annual appropriations by the Mayor and City Council.

Existing Debt - The City issued \$17,565,000 in Certificates of Participation to fund the acquisition of land and the construction of City Hall on April 15, 2000. The City did a current

refunding of this debt on August 30, 2004 in order to take advantage of the low interest rate environment. The City's outstanding debt related to the issue as of December 31, 2017 was \$6,600,000.

On January 27, 2005, the City issued \$25,710,000 in Certificates of Participation to fund acquisition of park land and parks improvements. The City did a current refunding of this debt in November 2013 in order to take advantage of the low interest rate environment. The City's outstanding debt related to the issue as of December 31, 2017 was \$15,610,000.

In 2008, the City issued \$4,720,000 in Certificates of Participation to fund parks construction phase II. The City did a partial refunding of this debt in 2016 in order to take advantage of the low interest rate environment. The City's outstanding debt related to the issue as of December 31, 2017 was \$3,325,000.

In 2009, the City issued \$4,550,000 in Certificates of Participation to fund parks construction phase II. In 2009, the City issued \$5,695,000 in Build America Bonds to fund parks construction phase II. The City concurrently refunded these debt issuances in September 2014 in order to take advantage of the low interest rate environment. The City's outstanding debt related to the issue as of December 31, 2017 was \$7,180,000.

Debt Burden - As noted above, there is no statutory limitations for Certificates of Participation. As is the case with general obligation bonds, the City reviews each potential issue of debt either in-house or through an independent financial advisor on a case-by-case basis.

Bond Rating – Chesterfield's Certificates of Participation have an Aa1 rating from Moody's Investors Services.

CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI
Certificates of Participation, Series 2004 (City Hall)
DEBT SERVICE SCHEDULE
\$15,820,000

| <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Period Total</u> | <u>Fiscal Total</u> |
|-------------|---------------------|---------------|-------------------|---------------------|---------------------|
| 2/15/2018 | \$ 1,300,000 | 5.00% | \$ 165,000 | \$ 1,465,000 | |
| 8/15/2018 | | | 132,500 | 132,500 | \$ 1,597,500 |
| 2/15/2019 | 1,400,000 | 5.00% | 132,500 | 1,532,500 | |
| 8/15/2019 | | | 97,500 | 97,500 | 1,630,000 |
| 2/15/2020 | 1,500,000 | 5.00% | 97,500 | 1,597,500 | |
| 8/15/2020 | | | 60,000 | 60,000 | 1,657,500 |
| 2/15/2021 | 1,400,000 | 5.00% | 60,000 | 1,460,000 | |
| 8/15/2021 | | | 25,000 | 25,000 | 1,485,000 |
| 2/15/2022 | 1,000,000 | 5.00% | 25,000 | 1,025,000 | |
| | <u>\$ 6,600,000</u> | | <u>\$ 795,000</u> | <u>\$ 7,395,000</u> | |

CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI
Certificates of Participation, Series 2013 (Refunding of 2005 Parks)
DEBT SERVICE SCHEDULE
\$20,360,000

| <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Period Total</u> | <u>Fiscal Total</u> |
|-------------|----------------------|---------------|---------------------|----------------------|---------------------|
| 6/1/2017 | | | \$ 344,888 | \$ 344,888 | |
| 12/1/2017 | \$ 1,340,000 | 3.00% | 344,888 | 1,684,888 | \$ 2,029,776 |
| 6/1/2018 | | | 324,788 | 324,788 | |
| 12/1/2018 | 1,440,000 | 4.00% | 324,788 | 1,764,788 | 2,089,576 |
| 6/1/2019 | | | 295,988 | 295,988 | |
| 12/1/2019 | 1,565,000 | 4.00% | 295,988 | 1,860,988 | 2,156,976 |
| 6/1/2020 | | | 264,688 | 264,688 | |
| 12/1/2020 | 1,695,000 | 5.00% | 264,688 | 1,959,688 | 2,224,376 |
| 6/1/2021 | | | 222,313 | 222,313 | |
| 12/1/2021 | 1,850,000 | ** | 222,313 | 2,072,313 | 2,294,626 |
| 6/1/2022 | | | 177,750 | 177,750 | |
| 12/1/2022 | 2,005,000 | 5.00% | 177,750 | 2,182,750 | 2,360,500 |
| 6/1/2023 | | | 127,625 | 127,625 | |
| 12/1/2023 | 2,180,000 | 5.00% | 127,625 | 2,307,625 | 2,435,250 |
| 6/1/2024 | | | 73,125 | 73,125 | |
| 12/1/2024 | 2,365,000 | 3.00% | 73,125 | 2,438,125 | 2,511,250 |
| 6/1/2025 | | | 37,650 | 37,650 | |
| 12/1/2025 | 2,510,000 | 3.00% | 37,650 | 2,547,650 | 2,585,300 |
| | <u>\$ 16,950,000</u> | | <u>\$ 3,737,630</u> | <u>\$ 20,687,630</u> | |

** Principal of \$225,000 has a 3.50% coupon and principal of \$1,625,000 has a 5.00% coupon.

CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI
Certificates of Participation, Series 2008 (Parks Phase II)
DEBT SERVICE SCHEDULE
\$4,720,000

| <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Period Total</u> | <u>Fiscal Total</u> |
|-------------|-------------------|---------------|------------------|---------------------|---------------------|
| 6/1/2018 | | | \$ 10,355 | \$ 10,355 | |
| 12/1/2018 | \$ 215,000 | 4.40% | 10,355 | 225,355 | \$ 235,710 |
| 6/1/2019 | | | 5,625 | 5,625 | |
| 12/1/2019 | 225,000 | 5.00% | 5,625 | 230,625 | 236,250 |
| | <u>\$ 440,000</u> | | <u>\$ 31,960</u> | <u>\$ 471,960</u> | |

CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI
Refunding Certificates of Participation, Series 2016 (Parks Phase II) - Partial Refunding of 08 Parks
DEBT SERVICE SCHEDULE
\$3,000,000

| <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Period Total</u> | <u>Fiscal Total</u> |
|-------------|---------------------|---------------|-------------------|---------------------|---------------------|
| 6/1/2018 | | | \$ 31,393 | \$ 31,393 | |
| 12/1/2018 | \$ 45,000 | 1.10% | 31,393 | 76,393 | \$ 107,785 |
| 6/1/2019 | | | 31,145 | 31,145 | |
| 12/1/2019 | 45,000 | 1.25% | 31,145 | 76,145 | 107,290 |
| 6/1/2020 | | | 30,864 | 30,864 | |
| 12/1/2020 | 285,000 | 2.00% | 30,864 | 315,864 | 346,728 |
| 6/1/2021 | | | 28,014 | 28,014 | |
| 12/1/2021 | 290,000 | 2.00% | 28,014 | 318,014 | 346,028 |
| 6/1/2022 | | | 25,114 | 25,114 | |
| 12/1/2022 | 300,000 | 1.60% | 25,114 | 325,114 | 350,228 |
| 6/1/2023 | | | 22,714 | 22,714 | |
| 12/1/2023 | 300,000 | 2.00% | 22,714 | 322,714 | 345,428 |
| 6/1/2024 | | | 19,714 | 19,714 | |
| 12/1/2024 | 310,000 | 2.00% | 19,714 | 329,714 | 349,428 |
| 6/1/2025 | | | 16,614 | 16,614 | |
| 12/1/2025 | 315,000 | 3.00% | 16,614 | 331,614 | 348,228 |
| 6/1/2026 | | | 11,889 | 11,889 | |
| 12/1/2026 | 320,000 | 3.00% | 11,889 | 331,889 | 343,778 |
| 6/1/2027 | | | 7,089 | 7,089 | |
| 12/1/2027 | 335,000 | 2.05% | 7,089 | 342,089 | 349,178 |
| 6/1/2028 | | | 3,655 | 3,655 | |
| 12/1/2028 | 340,000 | 2.15% | 3,655 | 343,655 | 347,310 |
| | <u>\$ 2,885,000</u> | | <u>\$ 456,405</u> | <u>\$ 3,341,405</u> | |

CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI
Refunding Certificates of Participation, Series 2014
DEBT SERVICE SCHEDULE
\$8,600,000

| <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Period Total</u> | <u>Fiscal Total</u> |
|-------------|---------------------|---------------|---------------------|---------------------|---------------------|
| 6/1/2018 | | | \$ 110,025 | \$ 110,025 | |
| 12/1/2018 | \$ 355,000 | 3.00% | 110,025 | 465,025 | \$ 575,050 |
| 6/1/2019 | | | 104,700 | 104,700 | |
| 12/1/2019 | 365,000 | 3.00% | 104,700 | 469,700 | 574,400 |
| 6/1/2020 | | | 99,225 | 99,225 | |
| 12/1/2020 | 375,000 | 3.00% | 99,225 | 474,225 | 573,450 |
| 6/1/2021 | | | 93,600 | 93,600 | |
| 12/1/2021 | 385,000 | 3.00% | 93,600 | 478,600 | 572,200 |
| 6/1/2022 | | | 87,825 | 87,825 | |
| 12/1/2022 | 410,000 | 3.00% | 87,825 | 497,825 | 585,650 |
| 6/1/2023 | | | 81,675 | 81,675 | |
| 12/1/2023 | 430,000 | 3.00% | 81,675 | 511,675 | 593,350 |
| 6/1/2024 | | | 75,225 | 75,225 | |
| 12/1/2024 | 435,000 | 3.00% | 75,225 | 510,225 | 585,450 |
| 6/1/2025 | | | 68,700 | 68,700 | |
| 12/1/2025 | 455,000 | 3.00% | 68,700 | 523,700 | 592,400 |
| 6/1/2026 | | | 61,875 | 61,875 | |
| 12/1/2026 | 465,000 | 3.00% | 61,875 | 526,875 | 588,750 |
| 6/1/2027 | | | 54,900 | 54,900 | |
| 12/1/2027 | 475,000 | 3.25% | 54,900 | 529,900 | 584,800 |
| 6/1/2028 | | | 47,181 | 47,181 | |
| 12/1/2028 | 495,000 | 3.25% | 47,181 | 542,181 | 589,363 |
| 6/1/2029 | | | 39,138 | 39,138 | |
| 12/1/2029 | 890,000 | 3.25% | 39,138 | 929,138 | 968,275 |
| 6/1/2030 | | | 24,675 | 24,675 | |
| 12/1/2030 | 915,000 | 3.00% | 24,675 | 939,675 | 964,350 |
| 6/1/2031 | | | 10,950 | 10,950 | |
| 12/1/2031 | 730,000 | 3.00% | 10,950 | 740,950 | 751,900 |
| | <u>\$ 7,180,000</u> | | <u>\$ 1,919,388</u> | <u>\$ 9,099,388</u> | |