

**EDGERTON CITY COUNCIL
WORK SESSION AGENDA
CITY HALL
404 EAST NELSON STREET
July 11, 2019**

**Work Session will begin following adjournment
of regularly scheduled council meeting.**

1. Call to Order
2. Roll Call ___ Roberts ___ Longanecker ___ Brown ___ Conus ___ Lewis ___ Smith
3. Presentation of Recommended 2020 Other Funds Budget
4. Adjourn



July 8, 2019

To: Mayor and City Council Members

From: Beth Linn, City Administrator
Karen Kindle, Finance Director

Re: Other Funds 2020 Recommended Budgets

Attached are the budget schedules for the other funds for which the City adopts a budget. The sections below provide additional information about the 2020 Recommended Budget for these funds.

Special Highway Fund

The Special Highway Fund is the fund the City is required to establish by state statute to track the revenues and expenditures related to the state gasoline tax.

Revenues

The portion of the gas tax that is distributed to cities is distributed on a per capita basis. The League of Kansas Municipalities provides an estimate of the gas tax revenue for the current year and the budget year. This estimate is compared with the last several years of actual revenues for reasonableness. Since the population of Edgerton hasn't changed much, the amount of gas tax has had a small increase over time.

Expenditures

Expenditures of gas tax revenues are limited to street maintenance by state statute. The City uses the gas tax revenue to fund the annual street maintenance program. The funds are transferred to the Capital Projects Fund and deposited into the Annual Street Maintenance Project.

Special Parks and Recreation Fund

The Special Parks & Recreation Fund is the fund the City is required to establish by state statute to track the revenues and expenditures related to the tax on alcoholic beverages sold by any club, caterer or drinking establishment. A portion of the taxes paid within the City limits are returned to the City and must be allocated 50% to the General Fund and 50% to the Special Parks and Recreation Fund.

Revenues

The League of Kansas Municipalities provides an estimate of the alcohol tax for the budget year. This estimate is compared with the last several years of actual revenues for reasonableness. For the past several years, the amount received from this tax has averaged \$2,700 - \$3,000, with the exception of 2017, which contained one distribution that was more than normal.

Expenditures

Expenditures of the portion of the alcohol tax revenue deposited in the Special Parks & Recreation Fund are limited to park and recreation programs and improvements. Council has not designated any funds from this source for new programs or capital projects, so the balance has continued to accumulate. The Recommended Budget includes a transfer to the Capital Projects fund should the Council decide later to utilize the balance in this fund.

Bond & Interest Fund

The Bond & Interest Fund contains the transactions related to some of the debt obligations of the City. Currently, this fund contains the transactions related to the Series 2012A General Obligation Bonds related to the Sunflower Benefit District. Debt obligations related to water operations are paid from the Water Fund. Debt obligations related to the sewer operations are paid from the Sewer Fund. Debt obligations related to LPKC Phases 1 and 2 are paid from their respective Public Infrastructure Funds in accordance with the development agreements and master trust indentures.

Revenues

The Recommended Budget includes the amount of special assessments payable to the City from the properties within the Sunflower Benefit District for 2020. In 2017 some of the properties were delinquent in their payments. These properties changed ownership and the delinquent amounts were paid in 2018. Payments are current for 2019.

Expenditures

The expenditures in the Recommended Budget reflect the amount payable on the Series 2012A related to the Sunflower Benefit District in 2020. Bond payments have been made according to the debt schedule each year.

City of Edgerton Special Highway Fund

	2017 Actual	2018 Actual	2019 Estimate	2020 Recommended
Balance 1/1	\$ 959	\$ 3,018	\$ 4,419	\$ 1,190
Revenues:				
Gasoline Tax	46,559	47,990	48,240	47,610
Total Revenue	\$ 46,559	\$ 47,990	\$ 48,240	\$ 47,610
Transfers from Other funds:				
Total	\$ -	\$ -	\$ -	\$ -
Total Sources	\$ 46,559	\$ 47,990	\$ 48,240	\$ 47,610
Expenditures:				
Public Works	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Transfers to Other Funds:				
Transfer to Capital Projects Fund	44,500	46,589	51,469	48,800
Total	\$ 44,500	\$ 46,589	\$ 51,469	\$ 48,800
Total Uses	\$ 44,500	\$ 46,589	\$ 51,469	\$ 48,800
Sources Over(Under) Uses	\$ 2,059	\$ 1,401	\$ (3,229)	\$ (1,190)
Prior Period Adjustment	-	-	-	-
Balance 12/31	\$ 3,018	\$ 4,419	\$ 1,190	\$ -
Expenditure Detail:				
Annual Street Maintenance Project	\$ 44,500	\$ 46,589	\$ 51,469	\$ 48,800
	\$ 44,500	\$ 46,589	\$ 51,469	\$ 48,800

Funding Sources: State gasoline tax (per gallon)

Expenditures: Maintenance of City streets

**City of Edgerton
Special Parks & Recreation Fund**

	2017 Actual	2018 Actual	2019 Estimate	2020 Recommended
Balance 1/1	\$ 14,377	\$ 21,932	\$ 25,039	\$ 28,139
Revenues:				
Local Alcoholic Liquor Tax	7,555	3,107	3,100	3,100
Total Revenue	\$ 7,555	\$ 3,107	\$ 3,100	\$ 3,100
Transfers from Other funds:				
Total	\$ -	\$ -	\$ -	\$ -
Total Sources	\$ 7,555	\$ 3,107	\$ 3,100	\$ 3,100
Expenditures:				
Parks	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Transfers to Other Funds:				
Transfer to Capital Projects Fund	-	-	-	31,239
Total	\$ -	\$ -	\$ -	\$ 31,239
Total Uses	\$ -	\$ -	\$ -	\$ 31,239
Sources Over(Under) Uses	\$ 7,555	\$ 3,107	\$ 3,100	\$ (28,139)
Prior Period Adjustment				
Balance 12/31	\$ 21,932	\$ 25,039	\$ 28,139	\$ -

Expenditure Detail:

Transfer to CIP	\$ 31,239
	<u>\$ 31,239</u>

Funding Sources: Special alcohol tax per K.S.A. 79-41a04 (1/2 of total alcohol tax received by the City)

Expenditures: Park & Recreation programs and improvements

City of Edgerton Bond & Interest Fund

	2017 Actual	2018 Actual	2019 Estimate	2020 Recommended
Balance 1/1	\$ 259,012	\$ 171,449	\$ 673,695	\$ 661,402
Revenues:				
Special Assessments	12,490	757,299	245,512	245,634
Investment Income	-	-	-	-
Total Revenue	\$ 12,490	\$ 757,299	\$ 245,512	\$ 245,634
Transfers from Other funds:				
Total	\$ -	\$ -	\$ -	\$ -
Total Sources	\$ 12,490	\$ 757,299	\$ 245,512	\$ 245,634
Expenditures:				
Debt Service	100,053	255,053	257,805	255,005
Total Expenditures	\$ 100,053	\$ 255,053	\$ 257,805	\$ 255,005
Transfers to Other Funds:				
Total	\$ -	\$ -	\$ -	\$ -
Total Uses	\$ 100,053	\$ 255,053	\$ 257,805	\$ 255,005
Sources Over(Under) Uses	\$ (87,563)	\$ 502,246	\$ (12,293)	\$ (9,371)
Prior Period Adjustment				
Balance 12/31	\$ 171,449	\$ 673,695	\$ 661,402	\$ 652,031

Funding Sources: Special assessments

Expenditures: Debt service payments on the City's 2012 outstanding GO bonds

Notes: The City's 2012 outstanding GO bonds will be paid off in 2034.