



**City of Mexico, Missouri
City Council Meeting Agenda
City Hall – 300 N. Coal Street
Mexico, Missouri 65265
September 14, 2015
7:00 p.m.**

1. Call to Order

2. Roll Call

3. Approval of Minutes

A. August 24, 2015 – Regular Session

4. Public Hearing

A. Public Hearing – 2015 – 2016 Operating and Capital Budget

5. New Business – Resolution (Reading and Passage)

A. Bill No. 2015 – 49. A Resolution Authorizing the City Manager to Enter Into A Contract with Insituform Technologies, LLC for the 2015 CIPP Project. Reading and Passage.

6. New Business – Ordinances (First Reading By Title Only)

A. Bill No. 2015 – 50. An Ordinance Revising The Budget For The City Of Mexico, Missouri, For The Fiscal Year October 1, 2014 To September 30, 2015, Inclusive, And Adopting The Budget For The Fiscal Year October 1, 2015 To September 30, 2016, Inclusive, Appropriating The Funds As Allocated To Various Accounts And Authorizing The Expenditure Of Such Funds By The City Manager And Other Officials For The Purposes Indicated. First Reading By Title Only.

7. Other Business

A. Claims

8. Comments

A. Council

B. Public (*Please state name and address for the record and keep comments to a maximum of three minutes*).

9. Adjournment into Executive Session pursuant to the Revised Statutes of Missouri § 610.021 (1) litigation and (3) personnel matters.

10. Adjournment



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**CITY OF MEXICO, MISSOURI
CITY COUNCIL MEETING MINUTES
AUGUST 24, 2015**

The Council of the City of Mexico, Missouri met in regular session on August 24, 2015 at 7:00 p.m. in the Council Chambers of City Hall, with the following members present: Mayor Greg Miller; Chairman Pro Tem Chris Williams; Councilman Ron Loesch; Councilman Steve Nichols; Councilman Chris Miller. Also present were Bruce R. Slagle, City Manager; Roger Haynes, Deputy City Manager; Russell Runge, Assistant City Manager/Economic Development; Rita Jackson, Community Development Director; Kensey Russell, City Engineer/Public Works Director; and Chief Susan Rockett, Public Safety Department; Dolly Jesse, Deputy City Clerk; City Attorney Lou Leonatti, as well as members of the media and interested citizens.

The Meeting was called to order with Mayor Miller presiding.

APPROVAL OF MINUTES – AUGUST 4, 2015 – SPECIAL BUDGET SESSION

Councilman Miller moved for approval of the August 4, 2015 special budget session minutes as presented. Councilman Loesch seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: G. Miller, C. Miller, Loesch. Nays, none. Abstain, Nichols, Williams. The Minutes were approved as presented.

APPROVAL OF MINUTES – AUGUST 10, 2015 – REGULAR SESSION

Councilman Nichols moved for approval of the August 10, 2015 regular session minutes as presented. Chairman Pro Tem Williams seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Nichols, Williams, G. Miller, C. Miller. Nays, none. Abstaining, Loesch. The Minutes were approved as presented.

PUBLIC HEARING - TO ESTABLISH THE 2015 PROPERTY TAX RATES

Mayor Miller moved to open the Public Hearing. Councilman Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none. The Public Hearing was opened.

City Manager Slagle called upon Deputy City Manager Haynes to present the report.

Deputy City Manager Haynes stated that as required by state law, City Council will conduct a public hearing to establish the current year’s property tax rates for the 2015 Property Tax Levy. The State Auditor’s office calculates the allowable property tax rates based on keeping revenue neutral, exclusive of new construction. Based on the 2015 Assessed Value (\$137,790,155) and the State Auditor’s Office allowable tax rate calculations of .7325, revenues for the City of Mexico would be \$1,009,313. Based on the 2015 Assessed Value (\$137,790,155), revenues for the City of Mexico would be as follows for Budget Year 2015 – 2016.

<i>Proposed Revenue by Fund Using Current Rates</i>	<i>Proposed Revenue</i>	<i>Proposed Tax Rate</i>
General Fund	\$ 595,943	.4325
Parks & Recreation	137,790	.1000
Public Health	275,580	.2000
	<hr/> \$1,009,313	<hr/> \$.7325

Deputy City Manager Haynes recommended Council proceed with the advertised public hearing in order to establish the 2015 Property Tax Levy.

Discussion was held by Council Members regarding setting the tax rate. City Staff provided additional information to the Council Members regarding the proposed rate.

Thomas Fiedler, 1617 Meadow Lane, made comments regarding the proposed 2015 Property Tax Levy.

John Loyd, 1011 Fairground, made comments regarding the proposed 2015 Property Tax Levy and provided additional information to Council to consider an 11% reduction in property tax and an increase in sales tax.

Mayor Miller moved to close the Public Hearing. Councilman Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none. The Public Hearing was closed.

ORDINANCE (TWO READINGS BY TITLE ONLY)

Bill No. 2015 – 48. An Ordinance Levying Taxes on All Property for the Fiscal Year October 1, 2015 to September 30, 2016. Two Readings By Title Only and Passage.

Mayor Miller called upon City Manager Slagle to provide the report.

City Manager Slagle stated that the public hearing was held earlier in the evening and that Bill No. 2015 – 48 will establish the property tax rates for the next fiscal year. As required by State law, City Council conducted a public hearing for the 2015 Property Tax Levy. City Manager Slagle stated that as discussed at the Public Hearing, the County Clerk has certified the City's total assessed valuation for 2015 as \$137,790,155 which compared to the 2014 total of \$136,226,973. Staff is proposing that the property tax levies for the various funds be proportioned as follows:

	<u>2014</u>	<u>2015</u>
General Fund	.4325	.4325
Parks & Recreation Fund	.1000	.1000
Public Health Fund	<u>.2000</u>	<u>.2000</u>
Totals:	.7325	.7325

City Manager Slagle recommended Council proceed with two readings by title only and passage of Bill No. 2015 – 48, which had been posted the required length of time.

Councilman Loesch moved for first reading by title only of Bill No. 2015 – 48. Chairman Pro Tem Williams seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none. First reading by title only of Bill No. 2015 – 48 was read by Councilman Loesch.

Councilman Loesch moved for second reading by title only of Bill No. 2015 – 48. Councilman Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none. Second reading by title only of Bill No. 2015 – 48 was read by Councilman Loesch.

Councilman Loesch moved for passage of Bill No. 2015 – 48. Councilman Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none. Bill No. 2015 – 48 was passed as Ordinance No. 4333.

OTHER BUSINESS

Staff Report – Purchase of a Tracked Mini Skidsteer for the Parks & Recreation Department (Cemetery Division)

City Manager Slagle called upon Deputy City Manager Haynes to provide the report.

Deputy City Manager Haynes stated that the 2014-2015 annual budget allows \$27,400 for the purchase of a Tracked Mini Skidsteer for the Parks & Recreation Department, Cemetery Division. The purchase will replace #618 Dingo Mini Skidsteer which will be traded in. Request for bids were sent to 6 vendors and advertisements were placed in the *Mexico Ledger*. Bids were received from 3 vendors with Ditch Witch Sales, Inc. of Sullivan, Missouri submitting the best bid. Bids were received from: Ditch Witch Sales, Inc. of Sullivan, Missouri – Ditch Witch SK750, \$13,580; Scott's Power Equipment of Wentzville, Missouri – Toro TX525 Widetrack, \$19,720.75; Vermeer Midwest of Chesterfield, Missouri – Vermeer S725TX, \$22,500. Deputy City Manager Haynes recommended Council approve the purchase of the Ditch Witch SK750 from Ditch Witch Sales, Inc. of Sullivan, Missouri for the bid price of \$13,580 subject to the bidder's ability to deliver the unit in an acceptable length of time.

Chairman Pro Tem Williams moved to approve the purchase of the Ditch Witch SK750 from Ditch Witch Sales, Inc. in the amount of \$13,580. Councilman Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none.

Staff Report – Purchase of a Drum Style Hand Fed Chipper

City Manager Slagle called upon Deputy City Manager Haynes to provide the report.

Deputy City Manager Haynes stated that the 2014-2015 annual budget allows \$61,000 for the purchase of a drum style hand fed chipper for use at the brush yard. The chipper will replace the existing 1996-12 inch Morbark hand fed brush chipper, which will be retained for mobile use by the Streets and Parks Departments. Request for bids were sent to 3 vendors and advertisements were placed in the *Mexico Ledger*. Bids were received from 3 vendors with K&K Supply of Fenton, Missouri submitting the best bid. Bids received were: Fabick Cat of Columbia, Missouri – Morbark M18R Chipper, \$55,605 (with winch); K&K Supply of Fenton, Missouri – Brush Bandit 1590xp, \$52,319.50 (with winch); Vermeer Midwest of Chesterfield, Missouri – Vermeer BC1800XL, \$52,175 (no winch). Deputy City Manager Haynes recommended Council approve the purchase of the Brush Bandit 1590XP from K&K Supply of Fenton, Missouri for the bid price of \$52,319.50 subject to the bidder's ability to deliver the unit in an acceptable length of time.

Councilman Nichols moved to approve the purchase of the Brush Bandit 1590xp, with winch, from K & K Supply in the amount of \$52,319.50. Councilman Miller seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none.

Claims

The list of claims was presented for approval.

Councilman Miller moved for approval of the list of claims as presented. Councilman Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none.

The list of claims was approved.

COUNCIL COMMENTS

Councilman Loesch congratulated Ameren Missouri, Enginuity Worldwide and ECAP, LLC on their recent partnership for renewable fuel sources. Councilman Loesch inquired as to the progress of the Morris Street project. Director Russell provided information on the project stating that the City is currently waiting on MoDOT approval to continue with the project. Councilman Loesch made positive comments regarding the Mexico Jaycee's Soybean Festival held in the downtown area the past weekend.

Chairman Pro Tem Williams made positive comments regarding the Enginuity Worldwide announcement. Chairman Pro Tem Williams made positive comments regarding the Mexico Jaycee's Soybean Festival and indicated the community support that was available for a Brick City Bad Boys Cruise Member. Chairman Pro Tem Williams spoke on the city's parks tax that was passed and the citizens understanding of the tax. Chairman Pro Tem Williams spoke on the Council's decision to support projects through savings and paying for the completed project rather than seek funding and pay additional fees through bonds.

Councilman Nichols stated that he supported Chairman Pro Tem Williams' comments regarding the need for savings on projects approved by Council. Councilman Nichols made positive comments regarding the Mexico Jaycee's Soybean Festival and the support the event received from the Mexico Department of Public Safety.

Councilman Miller supported the Council Members comments.

Mayor Miller commented on the placement of trash to the curb 4-5 days prior to trash pickup date. Mayor Miller asked Director Jackson to address the complaints received and remind citizens that trash is to be placed at the curb no earlier than 24 hours before the pickup date.

PUBLIC COMMENTS

Thomas Fiedler, 1617 Meadowlane, commented on street repairs needed on South Western Street from the Presbyterian Church to Boulevard Street. Fiedler also commented on the need for repairs to the backstop for the ball field at Garfield Park. Fiedler expressed appreciation to Deputy City Manager Haynes for being accessible to discuss the proposed tax rate.

ADJOURNMENT

Mayor Miller moved to close the open session. The motion was seconded by Councilman Nichols. The Chair called for a vote and motion carried with the vote as follows: Nichols, Williams, G. Miller, C. Miller, Loesch. Nays, none.

The City Council Regular Session Meeting was adjourned.

MAYOR

CITY CLERK

APPROVED BY COUNCIL SEPTEMBER 14, 2015

CITY OF MEXICO, MISSOURI
OFFICE OF CITY MANAGER

Agenda: September 14, 2015

Members of City Council
City of Mexico, Missouri

RE: Public Hearing – 2015 – 2016 Operating and Capital Budget

Dear Mayor and Members of the City Council:

I am pleased to present for your consideration the City of Mexico, Missouri Fiscal Year 2016 Budget beginning October 1, 2015.

The Fiscal Year 2016 Budget is designed to maintain our safe community, build stronger neighborhoods and plan for the future. The budget endeavors to maintain existing levels of service and to program public funds in a focused and effective manner based upon desired outcomes identified by the Mayor, City Council and the community.

This budget has been developed with the emphasis on retaining basic City services, funding critical department needs, improving operational effectiveness and efficiencies within departments, and initiating a long-term solution for fiscal sustainability. This budget meets the state statute of being balanced.

This budget also seeks that fine balance between the vast number of tasks to be accomplished and the limited amount of resources necessary to accomplish those tasks. It also reflects the preferences of the public on how to pay for public services, including the many types and forms of taxation and their support for public debt and fees to pay for those services. The City Staff continues to pursue grants and other resources to supplement funding for operations.

Governmental finance is based upon fund accounting. Fund accounting is an accounting system emphasizing accountability rather than profitability. Government agencies have special requirements to show, in financial statements and reports, how money is spent, rather than how much profit was earned. Each Fund operates like a separate business within the greater organization. This means that all revenues and expenditures are classified and assigned to a particular fund for tracking. This segregation of funds provides a level of accountability to ensure that public funds are expended in an appropriate manner.

In our budget work session, we reviewed many details about specific funds, presented capital items for the upcoming and future years and reviewed the funding challenges in certain funds. In general, however, I wish to report the City remains extremely stable and fiscally sound.

The purpose of the Annual Operating Budget document is to present to the public a comprehensive picture of our operations for the budget year expressed in both verbal and statistical terms.

TOTAL OPERATING BUDGET FISCAL YEAR 2016:

The total budgeted expenditures equal \$14,629,443 with total revenues equal to \$13,579,055. The expenditures exceed revenues by \$1,050,388 and will be funded by project reserves and unreserved fund balances. The significant portion of the additional expenditures is for inter-fund transfers and for the purchase of an outdoor warning siren system, a track loader, generator to run the wastewater plant, capital improvement projects and carry-over improvement projects. Adequate reserve balances will exist in all operating funds to meet reserve requirements after making these planned expenditures and fund transfers.

Guiding Budget Issues for 2016:

The City's total assessed property value for this budget year increased slightly due to an increase in residential real estate and personal property values.

We continue to experience rate increases above the rate of inflation for utilities, property and liability insurance as well as health and dental insurances. Recurring expenditures and the cost to replace capital equipment continues to increase.

Our local unemployment rate is continually below the state and federal rate. Sales Tax receipts are up as compared to last year's budget and up compared to the five year average. Lodging tax receipts are stable compared to last year. However; due to heavy spring rains and flooding, our local farmers were unable to plant some crops which points to a weaker agricultural economy in the upcoming year. Therefore; we have taken a very conservative approach to forecasting revenues.

The budget is balanced, full-time staff positions have been increased by one and capital purchases are being kept to a minimum. Cash balances will be maintained in all operating funds in order to meet the reserve policy requirements.

City Assessed Property Values for 2016:

The County assesses property at a percentage of Market Value; therefore, commercial property is assessed at 32% of market value, personal property at 33.3%, residential at 19%, and agricultural at 12% respectively. Tax rates are levied on per hundred dollars of the assessed property values.

The City's total assessed property value for this budget year increased by \$1,563,182 from \$136,226,973 in 2014 to \$137,790,155 in 2015. City property tax rates will remain the same in Fiscal Year 2016 as they were in 2015 as a result of the state imposed revenue neutral formula.

City Property Tax Revenues for 2016:

Fund	Tax Rate Per \$100	Estimated Revenue
General	\$0.4325	\$620,849
Parks & Recreation	\$0.1000	\$144,365
Public Health	\$0.2000	\$288,729

City Sales Tax and Gross Receipts Tax for 2016:

The Sales Tax Revenue for the General Fund, Parks and Recreation Fund and the Capital Improvements Sales Tax Fund are anticipated to be similar to last year's budget. Gross Receipts Taxes for FY 2016 are expected to be down and trending down slightly, all related to lower natural gas prices and a fewer number of residents having a home telephone line. Lodging Sales Tax receipts are anticipated to be similar to last year's budget.

Insurance Rates for 2016:

Property and Liability Insurance renewal rates are estimated to increase by seven percent (7%) over last year. Employee Health Insurance Rates are estimated to increase by fourteen percent (14%) effective January 1, 2016. The budget includes costs associated with continuing the High Deductible Health Plan coupled with the use of a Health Savings Account (HSA) and the increase will be split proportionately between employees and the City. Dental Insurance Rates are estimated to increase by eight percent (8%) effective January 1, 2016.

All insurance rate increases have been estimated based on the industry averages; however, all policies will be bid to ensure the best possible rates.

Personnel Issues for 2016:

There will be an increase of one full-time staff position due to the city taking over control of the yard waste disposal operations. This budget also includes a step increase for each employee on the wage schedule and it will be implemented in accordance with the employee personnel manual. All individual employee wage increases are contingent upon receiving a satisfactory or better rating on their annual evaluation.

Support for Outside Agencies in 2016:

Charitable Agencies	Request	Budgeted
Mexico Senior Center, Inc.	\$11,000	\$11,000
Audrain County Historical Society	\$7,000	\$4,900
Miss Missouri Scholarship Pageant	\$10,000	\$10,000
Help Center	\$10,000	\$10,000
Optimist Youth Sports	\$6,500	\$3,500

Contract Agencies	Request	Budgeted
Handi-Shop (Recycling Program)	\$18,000	\$18,000
Mexico Chamber of Commerce (Marketing)	\$13,000	\$13,000
Presser Hall (Community Theater)	\$10,000	\$10,000
Mexico Chamber of Commerce (ED Activities)	\$5,000	\$5,000
Totals	\$90,500	\$85,400

Grant Funding:

The following grant funds have been incorporated into the 2016 Fiscal Year Budget:

➤ MoDOT STP – Lakeview/Morris	\$85,600
➤ MoDOT – Pollock Bridge	\$64,000
➤ MoDOT – Morris Street Improvements	\$42,102
➤ DOT – Airport Layout Plan	\$84,750
➤ DOT – Runway/Apron Improvements	<u>\$540,000</u>
Total	\$816,452

GENERAL FUND:

The General Fund is the chief operating fund of the City. This fund supports those operations most identified with the City, such as Public Safety, Administration, Finance, Community Development, Emergency Management, Engineering, Forestry, Cemetery, Community Maintenance and Streets.

General Fund budgeted revenue for Fiscal Year 2016 equals \$5,528,245 and expenditures equal \$5,926,355. The estimated expenditures and inter-fund transfers are greater than revenues by \$398,110. This Budget transfers out of the General Fund \$100,000 to the Parks and Recreation Fund and \$34,000 to the Airport Fund. This budget sets aside \$100,000 in project reserves for the General Fund. Qualifying capital expenditures in the General Fund include: \$200,000 for an outdoor warning siren system, \$8,000 for a forestry dump trailer, \$60,000 for a track loader, \$10,000 for an engine scan unit and \$51,200 for building improvements; therefore, no cash balances are being expended for recurring expenditures.

The ending fund balance goal by policy for the General Fund is 25%; however, the ending fund balance for 2016 is estimated to be 42%.

Significant projects and/or programs that are included in the 2016 General Fund Budget:

- Public Safety:
 - Outdoor Warning Siren System \$200,000
 - Patrol Vehicles \$55,000

- Administration:
 - Network Server – Storage Expansion \$5,600

- Community Development:
 - Sidewalk Replacement Program \$7,500

- Forestry – Brush Grinding
 - Dump Trailer \$8,000
 - Skid Loader – Grapple Attachment \$6,000

- Streets & Maintenance:
 - Engine Scan Unit \$10,000
 - Track Loader \$60,000
 - Snow Plow & Spreader \$16,000
 - Walk Behind Concrete Saw \$16,000

- Building & Grounds:
 - Maintenance Building – Overhead Doors \$7,200
 - Maintenance Building – Radiant Heat \$27,000
 - Maintenance Building – Security System \$17,000

General Fund transfers to other Funds include:

- Parks & Recreation – Operations \$100,000
- Airport \$34,000

WASTEWATER FUND:

The Wastewater Operations Fund for the current year is running right on track with expectations providing ninety (90) days of operating cash reserves, required reserves for facilities restoration and replacement, and funds necessary for debt service payments.

Budgeted revenues for Fiscal Year 2016 equal \$2,947,770 and operating expenditures equal \$2,445,713 plus an inter-fund transfer of \$783,875 to the Wastewater Debt Service Fund for total expenditures of \$3,229,588.

The ending fund balance goal by policy for the Wastewater Fund is recommended to be 25%; however, the ending fund balance for 2016 is estimated to be 84%, which includes designated funds for upcoming bond payments and future capital improvements. This budget includes \$709,500 in planned capital improvement projects for this fiscal year. The future wastewater capital improvement budget includes \$2,664,500 in planned capital projects over the next five years.

The budget reflects a 2% increase in wastewater rates effective with the October 2015 billing to meet operating expenses, capital improvements and debt service obligations. This budget also reflects an increase in non-city user's wastewater rate from 125% to 150% of the city rate to be effective January 1, 2016. This year's rate adjustment is 1% less than what was originally forecasted within the wastewater rate study performed in 2009. We were able to reduce the projected increase due to implementing a pay as you go program for improvements versus borrowing money and paying interest.

Significant projects and/or programs that are included in the 2016 Wastewater Operating Fund Budget:

➤ GIS Data Layer and Work Order System	\$6,500
➤ Generator – Plant Operation	\$408,000
➤ Collection System Improvements	\$40,000
➤ Collection System – Slip Lining	\$150,000
➤ Building Improvements – Doors	\$15,000
➤ Equipment Replacements – Lift Station(s)	\$25,000
➤ Lift Station Improvements – Drives & Alarms	\$35,000
➤ Engineering Design/Maps/Surveys	\$30,000

This Budget also includes \$50,000 for a Private Line Repair Program. Wastewater inflow and infiltration studies have shown large amounts of stormwater entering the wastewater collection system via private sewer line defects. The program is yet to be defined, but the concept is a program of detecting, notifying and monitoring of private sewer line repairs in an attempt to reduce the large volume of excess stormwater from entering the wastewater collection system.

SANITATION FUND:

Revenues received for the sanitation/garbage utility are deposited into this fund. The expenses for the contracted residential refuse services, spring and fall clean ups, drop-off recycling, household hazardous waste disposal and brush grinding services are all paid out of this fund.

Budgeted revenues for Fiscal Year 2016 equal \$580,978 and expenditures for operation equal \$573,501 plus a project reserve for the equipment replacement in the amount of \$7,500 for total expenditures of \$581,001. The ending fund balance goal by policy for the Sanitation Fund is recommended to be 25%; however, the ending fund balance for 2016 is estimated to be 31%.

This budget anticipates a 2.43% increase in sanitation rates effective with the April 2016 billing to meet operating expenses and increases in the contract for residential refuse service.

The City took over the direct control of the yard waste and brush grinding/chipping duties of the yard waste disposal operation during the Fiscal Year 2015. The City had a service contract for yard waste disposal with a private operator that was terminated due to poor performance. The City hired a full time brush yard operator/arborist to oversee the city's tree population and the yard waste disposal operations. The expenses for running the forestry and yard waste operation is split between the General Fund and the Sanitation Fund.

ECONOMIC DEVELOPMENT FUND:

Lease revenue received from the City owned industrial speculative buildings is recorded in this fund. Building owner expenses related to the two city-owned speculative buildings and the annual debt payment on the Christopher Drive building is paid out of this fund.

Budgeted revenues for Fiscal Year 2016 equal \$200,290 and expenditures equal \$209,535. The single largest expense for this fund is the debt payment for the city owned spec building on Christopher Drive, which is currently leased to Home Depot. The second largest expense is support for job creation, retention, industry recruitment and economic development planning. The City also owns the railroad spur that serves the businesses located within the Industrial Park. The spur is in need of ongoing repairs and \$25,000 has been budgeted to make the next phase of necessary repairs.

The ending fund balance policy for the Economic Development Fund is recommended to be 50% of the annual debt service payment on the spec building. The ending fund balance for 2016 is estimated to be \$278,440, which would exceed the fund balance policy minimum goal.

PARKS AND RECREATION FUND:

Revenue from a dedicated park property tax in the amount of ten cents (.10) per one hundred dollars of assessed valuation, a dedicated parks sales tax and charges from user fees for parks, pool and recreation programs are recorded in this fund.

Parks and Recreation Fund budgeted revenue for Fiscal Year 2016 equals \$1,101,040 and expenditures equal \$1,183,294. The Parks and Recreation budget reflects a reduction in the cash balance by \$82,254 due to current year carryover of capital

projects, equipment purchases and planned capital projects. This fund is also supported by a \$100,000 transfer from the General Fund.

The City Pool suffered a major mechanical failure late in the 2014 season and required major repairs before the pool could reopened in 2015. The pool is 30 years old and is reaching the end need of its intended life cycle. Therefore, City Council and Staff have begun a planning and cost research process for a major renovation or replacement of the City's pool facility.

The ending fund balance goal by policy for the Parks and Recreation Fund is recommended to be 25%; however, the ending fund balance for 2016 is estimated to be 33%.

Significant projects and/or programs are included in the 2016 Parks and Recreation Fund Budget:

➤ Tennis Court Resurfacing	\$25,000
➤ Wide Area Mower	\$40,000
➤ Skate Park Equipment	\$16,000
➤ R.S. Green Park – Restroom	\$55,000
➤ Garfield Park – Back Stop & Fence	\$13,540
➤ Walk Behind Mini Skid Steer	\$27,400
➤ Picnic Tables	\$10,800
➤ Aluminum Bleachers	\$6,800
➤ AP Green Park Trail – Micro seal	\$18,000
➤ Playground Equipment	\$22,100

PUBLIC HEALTH AND ANIMAL CONTROL FUND:

Revenue from a dedicated public health tax in the amount of twenty cents (.20) per one hundred dollars of assessed valuation, the Humane Society donations, animal licensing and charges for animal impoundments are deposited into this fund. The costs for running the animal shelter, nuisance abatements, dangerous building demolitions and pest control are paid out of this fund.

Public Health and Animal Control Fund budgeted revenue for Fiscal Year 2016 equals \$331,729 and expenditures equal \$379,882. The reduction in cash balance is in support of increased funding for the demolition program and nuisance abatements, which we are currently experiencing an increase in requests to address these issues.

The ending fund balance goal by policy for the Public Health Fund is 25%; however, the ending fund balance for 2016 is estimated to be at 47%.

AIRPORT FUND:

Revenue for this fund is reliant on inter-fund transfers from the General Fund and C.I.S.T. Fund along with hangar rental and a percentage of fuel sales. Operating expense for the Fixed Based Operator’s Management Contract and day-to-day operation expenses are paid out of this fund.

Budgeted revenues for Fiscal Year 2016 equal \$708,550 and expenditures equal \$750,555. The increase in expenditures in this fund is due to the ongoing update of the Airport Layout Plan (estimated cost \$87,500), which is partially funded by a DOT Grant (estimated grant \$84,750) and a runway and apron paving project (estimated cost \$600,000), which is partially funded by a DOT Grant (estimated grant \$540,000).

A \$34,000 transfer from the General Fund and a \$20,000 transfer from the C.I.S.T. Fund is being made to support operations and as a grant match.

The ending fund balance is projected to be at \$48,216, which is above the 25% ending fund balance policy goal.

CAPITAL IMPROVEMENT SALES TAX (C.I.S.T.) FUND:

Revenue is from tax on sales set at the State Statute limit of one-half of one percent and has a ten year sunset to expire June 30, 2020. The Fund pays for pavement and curb replacements, asphalt overlays, stormwater improvements, drainage projects, capital improvements and capital equipment.

The dedicated Capital Improvement Sales Tax and investment income is estimated to bring in \$811,400 in revenue to support this Fund. All expenditures from this fund is for capital outlay projects and transfers listed below. The ending fund balance is projected to be at 24%, which is above the 10% ending fund balance policy goal.

Projects and programs included in the Capital Improvement Sales Tax Fund:

➤ Downtown Street Lights	\$50,000
➤ Asphalt Overlays	\$278,000
➤ Public Parking Lots	\$15,000
➤ Stormwater Improvements	\$75,000
➤ Curb and Concrete Replacements	\$60,000
➤ Engineering Study – Master Street Plan	\$10,000
➤ Project Reserve	\$20,000
➤ Transfer to other Funds	
○ General Fund	\$340,000
○ Airport Fund	\$20,000
○ MoDOT Grant Match	\$10,000
○ MoDOT Bridge Project	\$16,000

ACKNOWLEDGEMENTS:

The preparation of this budget document was a team effort, and its timely preparation could not have been accomplished without the cooperation of the entire City Staff. The cooperative effort to balance this budget was done in such a way as to reflect the goals and objectives of the City Council and to maintain the services being provided to the citizens.

I would especially like to thank and acknowledge Roger Haynes, Vicki Duenke, and all Department Directors for their assistance and preparation of this budget. I sincerely hope this budget will be well received by the City Council and the Citizens of Mexico.

Respectfully Submitted,

Bruce R. Slagle
City Manager

CITY OF MEXICO, MISSOURI
OFFICE OF PUBLIC WORKS DIRECTOR

Agenda: September 14, 2015

Members of City Council
City of Mexico, Missouri

RE: A Resolution Authorizing the City Manager to Enter Into A
Contract with Insituform Technologies, LLC for the 2015
CIPP Project

Dear City Council Members:

The 2014 – 2015 budget allows \$150,000 for the 2015 CIPP (Cured In Place Pipe) Project. The project is designed to reduce the inflow and infiltration of stormwater and groundwater into the sanitary sewer system. The work of the project is generally described as follows: The cured in place lining of sanitary sewer pipe, and the lining and sealing of manholes, including the cleaning and inspection thereof, and the restoration of active service connections.

Requests for bids were sent to 6 contractors and advertisements were placed in the *Mexico Ledger*. Staff received bids from 3 contractors with Insituform Technologies, LLC of Chesterfield, MO submitting the lowest bid.

<u>Contractor</u>	<u>Location</u>	<u>Bid Price</u>
Insituform Technologies, LLC	Chesterfield, MO	\$137,240.40
SAK Construction, LLC	O'Fallon, MO	\$147,634.50
Visu-Sewer of Missouri, LLC	E. St. Louis, IL	\$142,158.95

Staff recommends Council proceed with reading & passage of the Resolution authorizing the City Manager to enter into a contract with Insituform Technologies, LLC for the 2015 CIPP Project.

Respectfully submitted,

J. Kensey Russell, PE, LS
City Engineer/Public Works Director

JKR
Attachments

Reviewed by: Bruce R. Slagle, City Manager

BILL NO. 2015 – 49

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH
INSITUFORM TECHNOLOGIES, LLC FOR THE 2015 CIPP PROJECT**

WHEREAS, the 2015 CIPP project is needed to reduce inflow and infiltration to the sanitary sewer system; and

WHEREAS, Insituform Technologies, LLC submitted the lowest bid for the 2015 CIPP Project.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MEXICO, MISSOURI, AS FOLLOWS:

Section 1. The City Manager is hereby authorized to enter into a contract with Insituform Technologies, LLC for the 2015 CIPP Project.

Section 2. This Resolution shall be in full force and effect from and after the time of its passage.

PASSED THIS 14TH DAY OF SEPTEMBER 2015

MAYOR

ATTEST:

CITY CLERK

CITY OF MEXICO, MISSOURI
OFFICE OF CITY MANAGER

Agenda: September 14, 2015

Members of City Council
City of Mexico, Missouri

RE: An Ordinance Approving the 2015 – 2016 Operating and
Capital Budget.

Dear City Council Members:

The Public Hearing regarding the attached Ordinance was held earlier this evening. As Council is aware, Staff has submitted the Operating and Capital Budget for 2015 – 2016 for your approval.

Staff recommends that Council proceed with first reading by title only approving the 2015 – 2016 Operating and Capital Budget for the City of Mexico.

Respectfully submitted,

Bruce R. Slagle
City Manager

Attachment

AN ORDINANCE REVISING THE BUDGET FOR THE CITY OF MEXICO, MISSOURI, FOR THE FISCAL YEAR OCTOBER 1, 2014 TO SEPTEMBER 30, 2015, INCLUSIVE, AND ADOPTING THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2015 TO SEPTEMBER 30, 2016, INCLUSIVE, APPROPRIATING THE FUNDS AS ALLOCATED TO VARIOUS ACCOUNTS AND AUTHORIZING THE EXPENDITURE OF SUCH FUNDS BY THE CITY MANAGER AND OTHER OFFICIALS FOR THE PURPOSES INDICATED

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEXICO, MISSOURI AS FOLLOWS:

Section 1. For the purpose of financing the conduct of affairs of the City of Mexico, Missouri during the fiscal year October 1, 2014 to September 30, 2015, inclusive, the revised budget of the City's revenues and expenses for such period prepared and presented to the Council by the City Manager, and attached hereto and made a part of this Ordinance as Appendix "A", is hereby approved and adopted as the official revised budget of the City of Mexico.

Section 2. For the purpose of financing the conduct of affairs of the City of Mexico, Missouri during the fiscal year from October 1, 2015 to September 30, 2016, inclusive, the budget of the City's revenues and expenses for such period prepared and presented to the Council by the City Manager, and attached hereto and made a part of this Ordinance as Appendix "A", is hereby approved and adopted as the official budget of the City of Mexico.

Section 3. The amounts set forth in the various funds under the classes of expenditures (for personnel, supplies, services, capital outlay, debt service, etc.) are hereby given to the City Manager and other officials of the City of Mexico to expend the amounts shown for the purposes indicated.

Section 4. Appropriations within a department may be transferred by the City Manager for the purpose of equalization when necessary.

Section 5. That all unexpended appropriations from all funds, and revenues collected in excess of anticipated revenues, except those appropriations for special projects or commitments which are incomplete on September 30, 2015, be and the same are hereby canceled on September 30, 2015, and the City Manager is directed to transfer all fund balances to the General Fund for the use of General Fund expenditures.

PASSED THIS _____ DAY OF SEPTEMBER 2015

MAYOR

ATTEST:

CITY CLERK