



City of Smyrna

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Issue Sheet

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In Control: City Council

File Type: Authorization

Agenda Number: C.

WARD: City-wide

COMMITTEE: Finance and Administration

\$ IMPACT:

Agenda Title:

Approval of FY 2020 Budget Amendment

ISSUE: There are several items that were not included in the original FY 2020 budget that have been subsequently requested by departments and approved by Mayor and Council. A budget amendment is necessary to correct the negative budget to actual variances in these accounts.

BACKGROUND: After the adoption of the FY 2020 budget and in the first few months of the fiscal year, several items have been requested that were not originally budgeted for. These items have come before Council and/ or Administration for approval prior to moving forward. When they were approved, the budget impact was not addressed. As a result, departmental line items are showing as over-budget and need to be amended.

These items include:

1. Council authorized Staff to move forward with an annexation study at the pre-council meeting on August 5th. The approval contract was \$45,000.
2. Council authorized Staff to move forward with an air quality study with participation from Cobb and the City of Atlanta. The total contract was for \$133,700; Smyrna's portion was 29.64% or \$39,629.
3. Council authorized Staff to move forward with a Downtown Master Plan update. The approved contract was \$29,950.
4. The Bailer at Environmental Services went down and an emergency repair was needed to keep the center running. This was discussed with Administration and Finance prior to moving forward. \$11,000
5. During a COW meeting Staff was authorized to move forward with the purchase of a few noise monitors to be able to take a reading of noise levels after citizen complaints were heard. \$9,717
6. A Transit Study was approved in participation with ARC. It was initially budgeted in FY 2019 operating expenses. It was not awarded or encumbered at the end of FY 2019 so

we have to add it to the FY 2020 budget. City's 20% share is \$74,000.

7. There has been an issue at the Recycling Center that resulted in additional exterminator costs and will require additional costs to sanitize the offices once the problem is resolved. \$8,000

8. An additional review was needed related to our OPEB plan for the FY 2019 audit. \$2,650

The total of the above items is \$219,945.

We plan to offset these increases in expenses with reductions in salary and FICA line items for new positions budgeted but not yet hired and reclassifications that have not been made. In the approved FY 2020 budget several positions were to be added at 10/1/19, with additional positions added at 1/1/2020. These positions have remained unfilled and will continue to be unfilled until at least 4/1/2020 so that after the new year the Mayor and Council can have a discussion about these positions requests if necessary. As a result, we have approximately \$276,000 in savings.

We plan to use the salary and FICA savings to offset the above unbudgeted expenses which will leave contingency in the budget in the event of emergency expenses later in the year.

Please see attached for more detail.

RECOMMENDATION/REQUESTED ACTION: Staff recommends approval of the budget amendment.