



CITY COUNCIL AGENDA
September 26, 2014

Ken Smith, Mayor ~ At-Large
Michael McEachern, Vice-Mayor ~ Ward 4
Richard Russell, Council Member ~ Ward 1
John Alberts, Council Member ~ Ward 2
Donna Yanda, Council Member ~ Ward 3
Grayson Bottom, City Manager

City Council Special Meeting Agenda

September 26, 2014 - 12:00 p.m.

Council Chambers - Centennial Building
12 South Fifth Street, Yukon, Oklahoma

The City of Yukon strives to accommodate the needs of all citizens, including those who may be disabled. If you would like to attend this Council meeting but find it difficult to do so because of a disability or architectural barrier, please contact City Hall at 354-1895. We will make a sincere attempt to resolve the problem. If you require a sign-language interpreter at the meeting, please call or notify City Hall, 500 West Main, by noon, September 25, 2014.

Call to Order: Ken Smith, Mayor

Roll Call: Ken Smith, Mayor
Michael McEachern, Vice Mayor
John Alberts, Council Member
Richard Russell, Council Member
Donna Yanda, Council Member

- 1. Consider approving Resolution No. 2014-20, a Resolution of the City of Yukon, Oklahoma, amending the Operating Budget for the Fiscal Year 2013-2014**

ACTION_____

- 2. Adjournment**

RESOLUTION NO. 2014-20

**A RESOLUTION OF THE CITY OF YUKON, OKLAHOMA, AMENDING THE
OPERATING BUDGET FOR THE FISCAL YEAR 2013-2014**

WHEREAS, it is deemed necessary to amend the Operating Budget for the Fiscal Year 2013-14 to allow for unanticipated expenses caused by the unforeseen retirements of Fire Department and Police Department employees; and

WHEREAS, the General Fund budget should be amended as shown:

Fund: **General Fund**

Amendment: **# 2014-1**

Fiscal Year: **2013-2014**

<u>Account #</u>	<u>Account Name</u>	<u>Estimated Revenue:</u>		<u>Appropriations:</u>	
		<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
01/48704.	Transfer PEST Police	\$130,125.00			
01/48705	Transfer PEST Fire	\$663,942.00			
01/5106.100	Fire Personnel			\$663,942.00	
01/5107.100	Police Personnel			\$130,125.00	

And **WHEREAS**, there are ample funds in the Public Employee Sales Tax (PEST) fund to accommodate the above expenditure, aligning with the purpose of said fund;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YUKON, OKLAHOMA:

Section 1: The City Manager is hereby authorized to change the accounts specifically set forth above by transferring funds from within the PEST fund to the General Fund.

Section 2: That this Resolution and a copy of the revised Budget are transmitted to the Oklahoma State Auditor and Inspector, and one copy be transmitted to the City Clerk.

PASSED and approved by the Mayor and City Council of the City of Yukon, Oklahoma, this 26th day of September, 2014.

Ken Smith, Mayor

Sara Hancock, Deputy City Clerk



MEMORANDUM

To: Yukon City Council
Grayson Bottom, City Manager

From: J. I. Johnson, City Treasurer

Subject: FY 2014 Budget Amendment Proposal

Date: September 18, 2014

The purpose of this memorandum is to propose the attached budget amendment to the City of Yukon's General Fund budget for fiscal year 2014 due to the unanticipated employee retirements that occurred in both the Fire and Police departments this past spring. The amounts paid out in conjunction with these retirements in the Fire and Police departments totaled \$663,942 and \$130,125, respectively.

As you are aware, in December 2003, the City Council approved an ordinance (City Ordinance No. 1132), which, in part, restricted a portion of the City's sales tax proceeds for providing compensation and benefits to personnel in these two departments. Accordingly, a transfer of funds commensurate with the proposed budget amendment will be made from the City's PEST funds for Fire and Police to the General Fund upon approval of the attached amendment by City Council.



Budget Amendment Form

Fund: General Fund

Amendment: # 2014-1

Fiscal Year: 2013-2014

		Estimated Revenue:		Appropriations:	
<u>Account #</u>	<u>Account Name</u>	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
01/48704	Transfer PEST Police	\$130,125			
01/48705	Transfer PEST Fire	\$663,942			
01/5106.100	Fire Personnel			\$663,942	
01/5107.100	Police Personnel			\$130,125	

Explanation:

The purpose of this budget amendment is to fund costs resulting from unexpected retirements occurring in the City of Yukon's Fire and Police departments during the fiscal year and, for which, the pay-out amounts had not been budgeted at the outset of the year.

Date approved by City Manager:

Date approved by City Council:



CPAs+ADVISORS

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Institute of Certified
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TO: Grayson Bottom, City Manager
J.I. Johnson, City Treasurer

RE: Fiscal Year 2014 Budget Amendment

DATE: September 18, 2014

The City of Yukon operates under the Oklahoma Municipal Budget Act (the "Act") as outlined in Section 17-208, Title 11, Oklahoma Statutes. The fiscal year 2013/2014 budget was approved by the City Council on June 4, 2013 in accordance with regulations. The Act allows the governing body, the City Council, to amend the budget several circumstances, including the need to increase appropriations of a fund in cases where unforeseen circumstances arise. Such increase in appropriations is limited to the amount of additional revenues available for the City.

During the fiscal year, multiple employees in the Fire Department and Police Department retired from service with the City, resulting in a payout of accrued vacation and benefits upon separation. These departures were unforeseen at the time the budget was approved. As a result, expenses were in excess of appropriated funds for the fiscal year.

In December 2003, the City Council passed Ordinance No 1132 which restricted 75% of one cent sales tax to be used to provide competitive compensation and benefits, and related equipment to Fire (30%), Police (36.6%), and General employee (33.3%). This tax is restricted and accounted for in a separate fund of the City, Public Employee Limited Tax (PEST). During the fiscal year, the fund generated approximately \$3,455,000 in tax revenues, \$1,036,500 for Fire, \$1,264,530 for Police, and \$1,153,970 for General employees. The fund has a reserve balance in excess of \$2,000,000 (unaudited). The budget overruns in fiscal year 2014 align with the purpose of the restricted funds.

To maintain compliance with the Act, I recommend the City Council approve an amendment to the fiscal year 2014 budget for the City of Yukon transferring funds from the PEST fund to the General fund to cover the unexpected cost incurred.

Meredith Meacham Wilson, CPA



HUMAN RESOURCES

To: J.I. Johnson
From: Cindi Shivers
RE: Budget Adjustments FY13-14 - Police and Fire
Date: September 22, 2014

After a review of the Fire Department's 100 Series, here are my findings regarding the overages for FY 13-14.

FIRE DEPARTMENT

1. During to budget process there were a few unknowns – the retirement of a long-term employee, the changing of the rank structure and the inclusion of a Training Officer. On the budget worksheet that I prepared, there were scenarios for those changes, but when the budget was prepared those figures were not used. This caused 4 positions to go unbudgeted. This affects not only the 101 salary account, but also the 110 Unemployment, 112 Retirement, 113 FICA, 116 Christmas Stipend, and the 121 Sick Leave Buy Back accounts.
2. There was an additional Firefighter hired in 12/2013 that was not budgeted.
3. There was an employee paid from the Fire Department budget that should have been paid from the Police Department budget.

POLICE DEPARTMENT

1. Unexpected retirements of three (3) department employees. Two (2) long-time police officers and one non-union employee. This caused an increase in unbudgeted monies to be paid in annual leave accrual. There was also promotion associated with shift rotation that was unexpected.
2. Unbudgeted Arbitration Payment.

FIRE DEPARTMENT		CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
PERSONNEL								
01-5106-101	Regular Employees	2,185,910.00	217,664.68	0.00	2,662,651.59	0.00	(476,741.59)	121.81%
01-5106-103	Overtime	125,602.84	18,743.34	0.00	184,015.11	0.00	(58,412.27)	146.51%
01-5106-110	Unemployment Insuranc	0.00	0.00	0.00	186.82	0.00	(186.82)	0.00%
01-5106-112	Employee Retirement	315,712.92	28,991.06	0.00	370,796.72	0.00	(55,083.80)	117.45%
01-5106-113	FICA (Social Security	38,359.01	3,747.68	0.00	46,842.83	0.00	(8,483.82)	122.12%
01-5106-116	Christmas Bonus	6,800.00	0.00	0.00	7,800.00	0.00	(1,000.00)	114.71%
01-5106-119	Cleaning Allowance	780.00	0.00	0.00	780.00	0.00	0.00	100.00%
01-5106-121	Sick Leave Buy Back	18,749.97	0.00	0.00	82,783.48	0.00	(64,033.51)	441.51%
TOTAL PERSONNEL		2,691,914.74	269,146.76	0.00	3,355,856.55	0.00	(663,941.81)	124.66%

POLICE DEPARTMENT		CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
PERSONNEL								
01-5107-101	Regular Employees	3,978,012.83	332,207.00	0.00	4,176,910.53	0.00	(198,897.70)	105.00%
01-5107-102	Extra Help	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
01-5107-103	Overtime	109,323.25	3,185.99	0.00	36,795.22	0.00	72,528.03	33.66%
01-5107-106	Expense Allowance	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
01-5107-110	Unemployment Insuranc	0.00	0.00	0.00	181.14	0.00	(181.14)	0.00%
01-5107-112	Employee Retirement	628,154.52	44,564.23	0.00	645,924.10	0.00	(17,769.58)	102.83%
01-5107-113	FICA (Social Security	315,498.11	24,687.39	0.00	309,486.54	0.00	6,011.57	98.09%
01-5107-116	Christmas Bonus	13,200.00	0.00	0.00	12,800.00	0.00	400.00	96.97%
01-5107-119	Cleaning Allowance	1,980.00	0.00	0.00	1,485.00	0.00	495.00	75.00%
01-5107-121	Sick Leave Buy Back	36,822.33	0.00	0.00	29,533.81	0.00	7,288.52	80.21%
TOTAL PERSONNEL		5,082,991.04	404,644.61	0.00	5,213,116.34	0.00	(130,125.30)	102.56%