

RESOLUTION NO. 2005-12-127

A RESOLUTION PROVIDING FOR THE ADOPTION OF A BUDGET FOR THE CITY OF TONTITOWN, ARKANSAS, FOR THE TWELVE (12) MONTHS BEGINNING JANUARY 1, 2006 AND ENDING DECEMBER 31, 2006, APPROPRIATING MONEY FOR EACH ITEM OF EXPENDITURE THEREIN PROVIDING FOR.

WHEREAS, the City Council has made a comprehensive study and review of the proposed budget submitted by the Mayor; and

WHEREAS, it is the finding of the conclusion of the City Council that the schedules and exhibits of anticipated revenues and expenditures for the calendar year appear to be as accurate as possible for budgetary purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TONTITOWN, ARKANSAS, AS FOLLOWS:

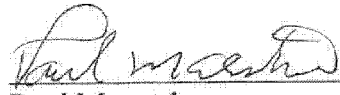
Section 1: This Resolution shall be known as the Budget Resolution for the City of Tontitown, Arkansas, for the twelve (12) month period beginning January 1, 2006 and ending December 31, 2006. The attached budget incorporated herein as if set our word for word and figure for figure, reflects estimated revenues and expenditures as set forth on the succeeding pages.

Section 2: The respective funds for each item or expenditure proposed in the budget for 2006 are hereby approved and adopted for the operation of the City of Tontitown, Arkansas, by the City Council on this date and constitute an appropriation of funds which are lawfully applicable to the items contained within the budget. This budget may be altered or revised by action of this governing body and unpledged fund may be subsequently appropriated to another purpose except as prohibited by law.

Section 3: The Mayor or his duly authorized representative may approve for payment, out of funds appropriated by this budget or otherwise approved by the City Council for those purposes, or may disapprove any bills, debts, or liabilities asserted as claims against the City.

PASSED AND APPROVED this 6th day of December, 2005.

APPROVED:



Paul Maestri,
Mayor

ATTEST:



City Recorder / Treasurer

Sponsored by:

ROLL CALL:

Shall the Ordinance pass:

	YEA	NAY	
Alderman Andrew Penzo	<u> X </u>	<u> </u>	<i>(Ward 2, Position 2)</i>
Alderman Arthur Penzo	<u> X </u>	<u> </u>	<i>(Ward 2, Position 1)</i>
Alderman Henry Piazza	<u> X </u>	<u> </u>	<i>(Ward 1, Position 2)</i>
Alderman Bradley Marveggio	<u> X </u>	<u> </u>	<i>(Ward 1, Position 1)</i>
Alderman Ken Robertson	<u> </u>	<u> </u>	<i>(Ward 3, Position 2)</i>
Alderman Steve Smith	<u> X </u>	<u> </u>	<i>(Ward 3, Position 1)</i>
Mayor Paul Maestri	<u> </u>	<u> </u>	

Yeas: 5 **Nays:** 0 *(total)*

Revenue Source	ORD# 2005-02-200	2005 Budget	2005 Amended	2006 Budget	Resolution #127	2006 BUDGET COMMENTS & ASSUMPTIONS
Business License & Permits		\$5,500	\$9,002	\$13,905		Assume most are in due to 6/30 renewal date and 10% growth
Construction Surcharge			\$691			Grouped under Planning & Building Fees
County Road Tax		\$900	\$1,983			Balance reflected in county sales tax
Delinquent county tax			\$679			Balance reflected in property tax
Franchise Tax				\$245,606		
Franchise Tax - Cable		\$34,000	\$5,208			This is received annually, grouped with "Franchise Tax" line item
Franchise Tax - Electric			\$25,079			This is received annually, grouped with "Franchise Tax" line item
Franchise Tax - Gas			\$17,440			This is received annually, grouped with "Franchise Tax" line item
Franchise Tax - Telephone			\$1,406			This is received annually, grouped with "Franchise Tax" line item
Franchise Tax-Waste Mang.		\$225,000	\$196,473			This is received annually, grouped with "Franchise Tax" line item
Inspection Income			\$1,675			Grouped under Planning & Building Fees
Interest Income		\$22,000	\$22,325	\$22,325		
Large Scale Development			\$327			Grouped under Planning & Building Fees
Lot Split			\$1,582			Grouped under Planning & Building Fees
Misc Income		\$1,000	\$3,075	\$3,075		
Museum-Memorial Contributions		\$1,000	\$1,102			Assume all donations made direct to Museum
Permits-Beverage		\$400	\$120			See Business License & Permits
Permits-Building		\$70,000	\$97,270			
Permits-Electrical			\$2,648			Grouped under Planning & Building Fees
Permits-Fireworks			\$2,618			See Business License & Permits
Permits-Gas			\$506			Grouped under Planning & Building Fees
Permits-Sign			\$235			Grouped under Planning & Building Fees
Permits-Variance			\$2,945			Grouped under Planning & Building Fees
Planning & Building Fees				\$152,381		
Plat Fee			\$1,702			Grouped under Planning & Building Fees
Police Fines		\$25,000	\$3,742	\$25,000		
Property Tax		\$51,000	\$63,156	\$109,905		75% increase based on 2004 annexation
Rezoning		\$2,000	\$1,309			Grouped under Planning & Building Fees
Sales Tax - City			\$666,646	\$1,399,956		
Sales Tax - County		\$162,000	\$272,364	\$272,364		Assume YTD 2005 projected for 12 months @ the average month intake for period thru Nov times 2 because of sales tax. Plus 5% growth.
State Turn back		\$15,000	\$92,362	\$92,362		Note: Sales tax YTD 2005 is running 16% above 2004
Total Revenues		\$614,800	\$1,496,569	\$2,336,878		
Expenditures						
Advertising Expense				\$20,000		only item is \$20,000 for Museum (see notes below)
Association Dues		\$2,500	\$0			This expense projected in other line items
Auto & Mileage		\$0	\$372			see transfer to Planning Commission
Architect		\$0	\$0			
Architect Fire Department		\$3,750	\$0			
Building/Code Enforcer		\$0	\$87,000			see transfer to Planning Commission
City Planning Expense		\$10,000	\$6,560			see transfer to Planning Commission
Computer Software, Website & maintenance		\$0	\$1,905	\$6,905		website needs to be expanded
Construction Surcharge Expense		\$0	\$3,385			see transfer to Planning Commission
Dues & Subscriptions		\$0	\$5,723	\$5,723		same assumption from 2005
Equipment Repair		\$3,000	\$87			see Repairs & Maintenance
Event Sign City Hall		\$7,000	\$0			
Fire Protection		\$25,000	\$0	\$120,000		\$ 7000 Audio Visual \$ 5000 Computers server b/up \$ 2000 phone auto attend \$ 5000 fire proof storage \$ 50000 GIS system \$ 5000 security system \$ 50000 park furnishings
Fixed Assets Purchases		\$0	\$126,034	\$124,000		
Holiday Lighting		\$1,069	\$0			see Miscellaneous Expenses
Insurance, Taxes, & Bonds		\$10,000	\$751	\$10,000		same assumption as 2005
Legal Fees & Advertising		\$15,000	\$51,759	\$57,181		
Medicare		\$0	\$285			see social security
Meetings & Travel		\$3,000	\$173	\$1,000		\$1069 holiday lights \$1069 (this was a 3 yr deal)
Miscellaneous Expenses		\$2,000	\$771	\$1,069		
Museum Expense		\$6,000	\$3,672			Moved to Advertising Expense
Office Furniture		\$6,000	\$4,112			See Fixed assets

QTR Payments 2005 YTD
 1st 39,050.67
 2nd 45,313.52
 3rd 43,610.62
 Per Roger Lawrence based on 50cents/ton

Assume 2400 sq ft single family permit cost \$916 and there will be 150 new homes built. Plus 10% increase on all other permits

assume all donations disbursed plus operation expenses will be paid only when 501c3 certification is provided to the city council

Date Donor Amount
 12/1/2003 Memorial for Frank Morsani \$5,000.00
 2/26/2004 Preservation Project Carry Over \$1,721.37
 2/14/2004 Memorial for LeWana Bariola Ke (\$50.00
 5/25/2004 Kurt & Penny Anderson donation \$25.00
 6/15/2004 Donation Box \$36.00
 6/15/2004 John & Carol Stout donation \$20.00
 11/15/2004 Polenta Smeat Cash donations \$68.00
 9/13/2004 Donation box \$19.00
 9/13/2004 Reprint pic \$10.00
 9/13/2004 Delta Italians book from 2004 Gr~ \$480.00
 5/10/2005 Bernie Ardemagni McCauley don \$100.00
 5/26/2005 Frank Maestri & siblings, honoring \$500.00
 Total \$8,029.37

Revenue Source	ORD# 2005-02-200	2005 Budget	2005 Amended	2006 Budget	Resolution #127	2006 BUDGET COMMENTS & ASSUMPTIONS
Office Supplies & Postage		\$8,000	\$5,642	\$6,206		Assume 10% over 2005
Ordinance Codification		\$1,000	\$2,181			see legal
Park Expenses		\$10,000	\$10,193	\$11,212		assume 10% increase
Park Improvement & Repairs		\$25,000	\$18,462			See Fixed assets
Planning & Building		\$0	\$11,345	\$132,000		
Police Protection		\$285,604	\$111,907	\$152,940		
Repairs & Maintenance		\$0	\$12,447	\$12,654		
Repairs, Buildings, & Grounds		\$4,500	\$119			Combined into line above
Road & Street Improvements		\$0	\$0			see transfer section for street fund below
Road Work (1% County Tax)		\$110,000	\$85,878			see line above
Salaries		\$127,379	\$33,939	\$58,760		
Social Security, Medicare & unemployment		\$0	\$1,217	\$5,605		6.2% of salaries (no limit - conservative) +Medicare 1.45%
Sound System - City Hall		\$6,500	\$623			
Unemployment		\$0	\$138			see social security
Utilities		\$9,000	\$10,306	\$11,337		Assume 10% increase
Website Maintenance		\$3,000	\$3,510			see computer & website
Total Expenditures		\$684,302	\$600,495	\$736,598		
Excess (deficiency) of Revenues		(\$69,502)	\$896,075	\$1,600,280		
OTHER FINANCING SOURCE (USES)						
Transfer From Street Fund						
Transfers In		\$0	\$31,079	\$0		
Transfer To Water & Sewer		(\$800,000)	(\$1,466,646)	(\$979,969)		All of 1999 sales tax plus 40%2005 sales tax to* W&S
Transfer To Street Fund		(\$64,500)	(\$115,887)	(\$429,991)		40% of 2005 sales tax to* W&S plus \$150,000
Transfers Out		(\$864,500)	(\$1,582,533)	(\$1,409,960)		
EXCESS (DEFICIENCY) OF REVENUES						
OVER EXPENDITURES AFTER TRANSFERS		(\$934,002)	(\$655,379)	\$190,320		

May-SepMTH Avg increase% 2006Projection
 Taken from County billing sheets*
 gas \$816.57 35% \$1,102
 Salary \$10,772.465% \$11,311
 Insurance \$160.11 5% \$168
 Vehide Exp \$38.685% \$41
 Cell Phones \$117.00 5% \$123
 Totals \$11,904.82 \$12,745.00

Assume \$75,000 Salary for official
 plus 40 hours per, 52 week @\$13/hr
 for clerk
 mileage 200 mi/week @ 40 cent/mi

Salaries:
 Mayor \$1,000/mth
 Rec/Treas \$800/mth
 Mayor/Sec 20 hr @ \$11.50/hr x 52 wk
 Alderman \$300 X 12 meetings

Per 2005 Municipal league Officials Handbook - Page 14
 * Deficit spending is prohibited. Cities are not allowed to spend more money than they accrue during a year (Ark. Const. Art. 12 Sec. 4). Exceptions to this rule are made for capital improvement and revenue bonds (Ark. Const. Amend. 62 and 65) and for short term (up to five years) financing (Ark. Const. Amend. 78 sec. 2).
\$800,000 for waterlines was approved per 2005 budget

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2		ORD# 2005-02-200		Resolution#127	
3	Revenue Source	2005 Budget	2005 Amended	2006 Budget	2006 BUDGET COMMENTS & ASSUMPTIONS
4	County Road Tax	\$48,000	\$0	\$0	This is included with item below
5	State Turnback	\$15,000	\$72,687	\$72,687	This formerly was called county turnback but all comes from state
6	Delinquent county Tax	\$1,000	\$584	\$584	
7	Interest Income	\$500	\$821	\$821	
8	Misc Income		\$747	\$747	
9					
10	Total Revenues	\$64,500	\$74,838	\$74,838	
11					
12					
13					
14					
15	Expenditures				
16	General Street Work	\$6,000	\$5,965		see Street Repairs & Maintenance
17	Materials & Supplies	\$43,500	\$217		see Street Repairs & Maintenance
18	Miscellaneous Expenses	\$2,000	\$1,211	\$961	
19	Roadway Work	\$1,000	\$78,361		see Street Repairs & Maintenance
20	Street Improvements			\$400,000	
21	Street Repairs & Maintenance	\$8,000	\$15,205	\$96,606	
22	Street Signs	\$1,000	\$5,848	\$4,640	
23	Utilities	\$3,000	\$8,101	\$6,427	
24					
25	Total Expenditures	\$64,500	\$114,907	\$508,634	
26	Excess (deficiency) of Revenues	\$0	(\$40,069)	(\$433,795)	
27					
28	OTHER FINANCING SOURCE (USES)				
29	Transfers In (General Fund)		\$39,065	\$429,991	
30	Transfers Out		(\$28,425)	\$0	
31					
32	EXCESS (DEFICIENCY) OF REVENUES				
33	OVER EXPENDITURES AFTER TRANSFERS	\$0	(\$29,429)	(\$3,804)	
34					