

**CITY OF MISSION, KANSAS**  
**FINANCE & ADMINISTRATION COMMITTEE**

**WEDNESDAY, MAY 4, 2016**

**6:30 p.m.**

**Mission City Hall, 6090 Woodson**

**PUBLIC HEARING / PUBLIC COMMENTS**

**PUBLIC PRESENTATIONS / INFORMATIONAL ONLY**

**ACTION ITEMS**

1. Review and Approval of 2015 Audit - Brian Scott
2. Resolution of Intent to Lease-Purchase Vehicles and Equipment - Brian Scott
3. Amendments to Inoperable Vehicle Ordinance - Danielle Murray
4. Amendments to Chapter 210 - Animal Control - Glen Cole
5. Waiver of Chapter 205 - Fireworks for Mission Family Summer Picnic - Laura Smith
6. Massage Establishment License, 6025 Martway - Martha Sumrall

**DISCUSSION ITEMS**

7. Addition of E-Cigarettes to Public Smoking Ban - Laura Smith
8. Selection of Council Committee Chairs - Laura Smith

**2017 BUDGET**

**OTHER**

**Arcie Rothrock, Chairperson**  
**Vacant, Vice-Chairperson**  
***Mission City Hall, 6090 Woodson***  
**913-676-8350**

<b>City of Mission</b>	Item Number:	1.
<b>ACTION ITEM SUMMARY</b>	Date:	April 26, 2016
<b>Administration</b>	From:	Brian Scott

Action items require a vote to recommend the item to full City Council for further action.

**RE:** 2015 Comprehensive Annual Financial Report (CAFR) - Annual Audit

**RECOMMENDATION:** Accept the audited financial statements for the fiscal year ending December 31, 2015.

**DETAILS:** Kansas state statutes require that an audit of the City's financial statements be completed at the end of each fiscal year, which is the same as the calendar year. The audit for 2015 was conducted by Mize Houser & Company, P.A., certified public accountants who worked with the City's staff to prepare and audit the comprehensive financial statements of the City of Mission.

The annual audit was conducted in accordance with auditing standards generally accepted in the United States, the "Kansas Municipal Accounting and Audit Guide," and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. The audit includes examining, on a test basis, evidence that supports the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as, an evaluation of the overall basic financial statement presentations. The City received a "clean" or unqualified opinion for the fiscal year ending December 31, 2015.

Included with the CAFR is the Management Letter, which outlines various comments related to opportunities to strengthen internal controls. These issues have been reviewed and discussed both with the auditor and internally, and specific steps are being developed to ensure that these will be corrected going forward.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ending December 31, 2014. This is the 22nd consecutive year that the City has received this award, which is earned by publishing an easily readable and efficiently organized CAFR. The report must also satisfy both generally accepted accounting principles and applicable legal requirements.

**CFAA CONSIDERATIONS/IMPACTS:** N/A

Related Statute/City Ordinance:	
Line Item Code/Description:	n/a
Available Budget:	n/a



## AUDITOR'S COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Mayor and City Council  
City of Mission, Kansas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mission, Kansas for the year ended December 31, 2015, and have issued our report thereon dated April 25, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated October 15, 2015, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

### Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on February 8, 2016.

## Significant Audit Findings

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note I to the financial statements. As described in Note II to the financial statements, the City changed accounting policies related to the net pension liability by adopting Statement of Governmental Accounting Standard No. 68, Accounting and Financial Reporting for Pensions, as of December 31, 2015. Accordingly, the cumulative effect of the change as of the beginning of the year is reported in the Statement of Net Position. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimate of accumulated depreciation is based on the straight-line method of depreciation. We evaluated the key factors and assumptions used to develop the accumulated depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimates of accrued compensated absences are based on a list of accumulated vacation and sick time through December 31, 2015 from the City's payroll system and calculations per the City's policy to permit employees to accumulate certain amounts of vacation and sick leave, which are discussed in Note I.D.6. We evaluated the key factors and assumptions used to calculate the accrued compensated absences in determining that they are reasonable in relation to the financial statements taken as a whole.

The City operates a single employer defined benefit healthcare plan administered by the City to provide medical and pharmacy benefits to eligible retirees and their dependents. The City's estimates for the annual other postemployment benefit (OPEB) costs and liabilities related to this plan are based on the reports issued by an external actuary hired by the City. See Note IV.F. We reviewed these reports and obtained an understanding of the methods and assumptions used by the actuary, as well as evaluating the model used by the actuary for appropriateness and compliance with generally accepted accounting principles.

The City participates in a cost-sharing multiple-employer pension plan administered by the Kansas Public Employees Retirement System (KPERs). The City's estimates for costs, deferred outflows and inflows of resources, and liabilities related to this plan are based on reports issued by an external actuary hired by the State of Kansas. See Note IV.B. We reviewed these reports and obtained an understanding of the methods and assumptions used by the actuary, as well as evaluating the model used by the actuary for appropriateness and compliance with generally accepted accounting principles.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 25, 2016.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Mission, Kansas's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

### Other Matters

We applied certain limited procedures to required supplementary information (RSI), which supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

### Restriction of Use

This information is intended solely for the use of the Mayor, City Council and management of the City of Mission, Kansas, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Mike Houser: Company PA*

Certified Public Accountants

April 25, 2016  
Lawrence, KS



MIZE & HOUSER  
COMPANY P.A.

Mayor and City Council  
City of Mission, Kansas

In planning and performing our audit of the financial statements of Mission, Kansas, as of and for the year ended December 31, 2015, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.

However, during our audit, we became aware of a matter that is an opportunity for strengthening internal controls and operating efficiency. This letter does not affect our report dated April 25, 2016, on the financial statements of the City of Mission, Kansas.

We will review the status of this comment during our next audit engagement. We have already discussed this comment and suggestion with various City personnel, and we will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of the matter, or to assist you in implementing the recommendation. Our comment is summarized as follows:

During the audit we extended our testing over purchasing card transactions and randomly selected charges for a sample of employees. In this sample we tested for supporting documentation, proper supervisor approvals, review of the business purpose and if sales tax was paid on those transactions. In this testing sample we noted two transactions were missing receipts. We also noted four transactions included the payment of sales tax, and one instance that could not be determined due to lack of documentation. The City should submit appropriate tax-exempt status documentation on all credit card purchases to avoid the payment of sales tax.

This report is intended for the use of the Mayor, City Council and other members of management of Mission, Kansas and should not be used by anyone other than these specified parties.

*Mize & Houser Company PA*

Certified Public Accountants

April 25, 2016  
Lawrence, Kansas

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**CITY OF MISSION, KANSAS**

**Year Ended  
December 31, 2015**

**Prepared by the Finance and Administration Department**

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CITY OF MISSION, KANSAS  
Comprehensive Annual Financial Report  
Year ended December 31, 2015

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 Comprehensive Annual Financial Report  
 Year ended December 31, 2015

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Comprehensive Annual Financial Report  
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**INTRODUCTORY SECTION**

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April 25, 2016

To the Citizens of the City of Mission, Kansas

The City of Mission is pleased to submit the comprehensive annual financial report for the fiscal year ending December 31, 2015. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This report includes all funds of the City. The City provides a range of services including police protection, trash services, the construction and maintenance of streets and infrastructure, and recreational and cultural activities. There are no other entities over which the City exercises financial accountability. Educational, fire protection, sanitary sewer and water services are provided by separate entities.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

### **ECONOMIC CONDITION AND OUTLOOK**

The City is located in the northeast corner of Johnson County and lies along a major transportation corridor, making it accessible to the entire metropolitan area.

The City, incorporated in 1951, operates as a second-class city with a mayor-council form of government. The governing body is made up of eight council members, four of whom are elected in even numbered years to serve four-year terms. The Mayor is elected to a four-year term and serves as the chief executive officer of the City.

The City's population is 9,323 with a current annual budget of \$21,263,297. The City covers 2.87 square miles and is 95% developed. The daytime population of the City increases to nearly 15,000, as a result of people who come into the City to work, conduct business, and shop. The Johnson Drive corridor offers a more traditional downtown, connecting retail hubs located at the City's east and west entrances. Other businesses within the City include general offices, light manufacturing, health care facilities, laboratories, Shawnee Mission Main Post Office, Johnson County offices, State of Kansas Driver's License Bureau, a number of restaurants and casual sit-down establishments, grocery chains and a variety of small retail operations.

The City has traditionally been viewed as a bedroom community, offering convenient services, a small town atmosphere, comfortable living conditions, a family environment, and a variety of outstanding residential neighborhoods. Residents enjoy an excellent standard of living as a result of the active community spirit, an award-winning school system, low crime rates and high quality service delivery. The governing body proactively addresses quality of life issues to ensure that the current standard of living is not only maintained, but ultimately enhanced.

The City Council works to meet the needs of existing businesses, while simultaneously dedicating resources to attract new businesses. The sales tax revenues generated by the business community are vital to the City's financial stability. The mill levy remains one of the lowest in Johnson County and in the State of Kansas. Future financial planning efforts continue to explore revenue diversification and policies to protect cash reserves.

## **MAJOR CITY INITIATIVES**

In 2015, the City began to realize the fruits of its efforts to facilitate and encourage redevelopment and investment throughout the community using comprehensive master plans to attract and secure development consistent with the community's design guidelines and standards. In the City's West Gateway, Phase II of the Mission Crossing development continues with the construction of a 140,000 square foot, multistory independent senior living facility which is set to open in the first quarter of 2016.

Redevelopment of the former Keystone auto dealership was completed in the summer/fall of 2015. The \$25 million project includes a 15,000 sq. ft. Natural Grocer store as well as two other buildings designed for restaurant, retail and/or office tenants.

Residents have enjoyed an outdoor aquatic facility that was opened in May of 2014. Debt service for construction is paid with a portion of a dedicated 3/8-cent sales tax to be used for parks and recreation. The remainder of the funds provide an important revenue stream for continued maintenance and improvement of our recreation facilities.

Street and transportation network investments continue to be a high priority. The reconstruction of Johnson Drive in 2014, from Lamar to Maple, represented the single largest project completed by the City in the last 10 years. Totalling more than \$10.5 million, the project included utility relocation and upgrades, the installation of storm water infrastructure, wider sidewalks, ADA ramps and cross walks, decorative lighting, and other pedestrian amenities. Now complete, the project has transformed an important retail corridor in the community, and quickly become the catalyst of further redevelopment opportunities. The Johnson Drive reconstruction was also a recent recipient of the Capstone Award for infrastructure presented by the Kansas City Business Journal.

In 2015, the City worked on updating its Comprehensive Plan and Parks Master Plan. Both represent important planning tools that will shape future decisions and redevelopment. The City continues to promote organizational efficiency and effectiveness through technology upgrades, management of a classification and compensation system, and on-going evaluation of employee benefits. A continued emphasis on workforce training and development provides employees with the necessary skills to deliver quality services to the citizens of Mission.

## **FUTURE INITIATIVES**

The City continues to explore new and diverse ways to support redevelopment efforts throughout our community. Our work focuses on ensuring that redevelopment results in high quality, sustainable projects benefiting not only Mission but the entire region. Mission supports efforts for long-range, comprehensive capital infrastructure planning and budgeting; refining strategies for the on-going maintenance, repair and replacement of our important infrastructure assets.

The City continues to evaluate Parks and Recreation services to develop sustainable operating plans for the Community Center, the municipal swimming pool, and the 30+ acres of parks and recreational facilities maintained for the benefit of Mission residents. Planning and development of trails which link Mission to the rest of the metropolitan area will remain a priority.

The Police Department remains committed to improving the level of service to the community. Continued emphasis on traffic safety and enforcement contributes to the overall safety of both residents and visitors alike. The Mission Police Department will also maintain its focus on training, keeping personnel abreast of a variety of professional trends and development opportunities.

The Mission Convention and Visitors Bureau (MCVB) assists and enhances existing businesses through an improvement grant program and a number of community festivals and events. The MCVB's specialty publication, with a distribution of approximately 13,500, continues to be popular, featuring and promoting local businesses and the Mission community.

As previously stated, street and transportation network investments continue to be a high priority. This fact was reinforced in a citizen survey completed in 2015 which ranked maintenance of City streets as the number one item of importance for residents. To address this concern the City will identify and prioritize future street repair and maintenance projects, and find sustainable funding sources.

## **FINANCIAL INFORMATION**

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **BUDGETARY CONTROLS**

The City maintains various budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund, Special Revenue Funds, and Debt Service Funds are included in the annual appropriated budget. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end. However, unencumbered appropriations do lapse. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

## **OTHER INFORMATION**

### Independent Audit

Kansas statutes require an annual audit of the City's financial statements. The audit for 2015 was conducted by Mize Houser & Company P.A., Certified Public Accountants and their report on the financial statements is included in the financial section of this report.

### Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ending December 31, 2014. This was the twenty-second consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

## **ACKNOWLEDGEMENTS**

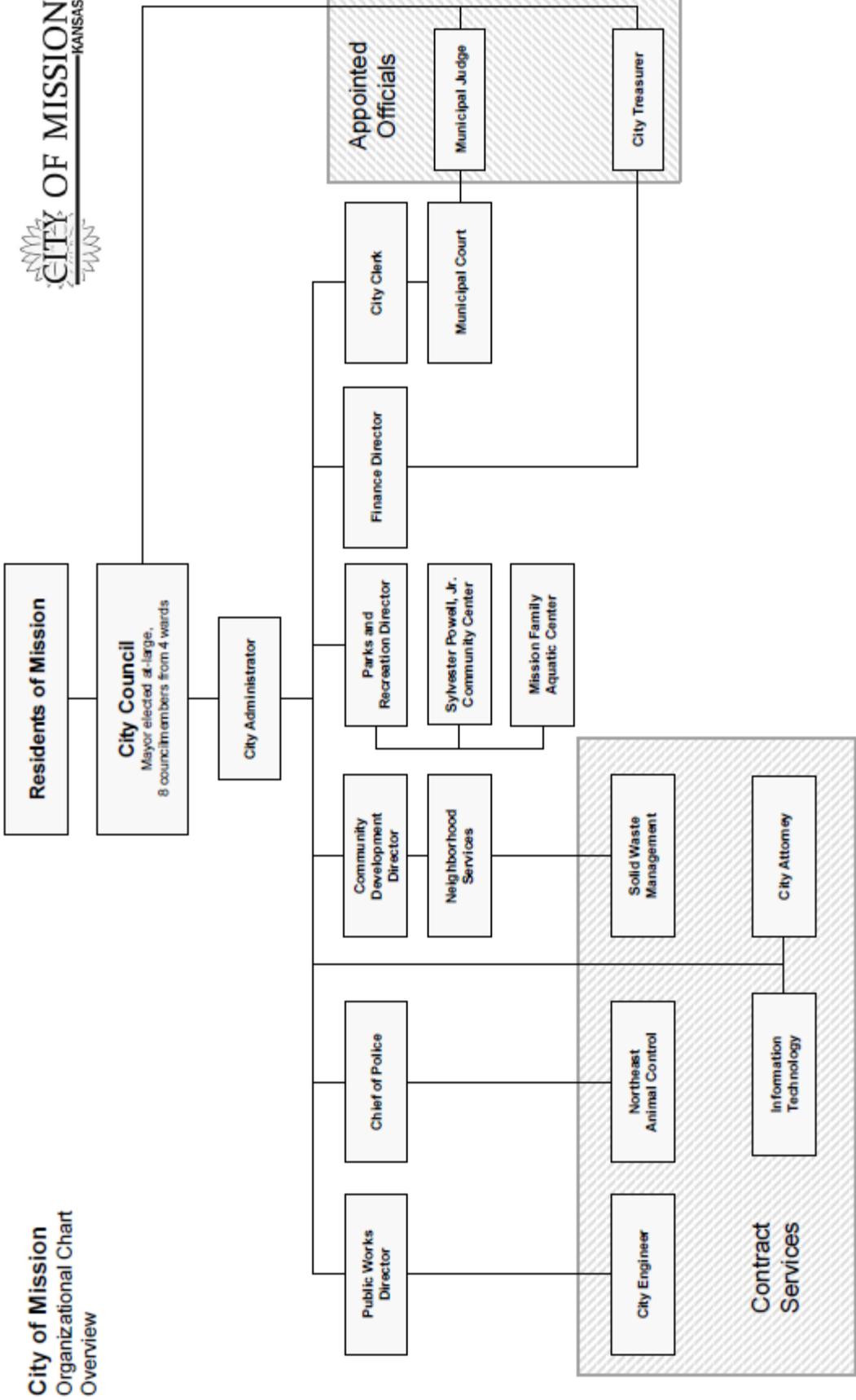
The preparation of this comprehensive annual financial report was made possible by the dedicated services of the staff of the Administration, Municipal Court, and Parks and Recreation departments. Our sincere appreciation is extended to all members of the staff, whose efforts made this report possible.

Respectfully submitted,



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Laura Smith  
City Administrator



CITY OF MISSION, KANSAS  
PRINCIPAL OFFICIALS - 2015

*Mayor and City Council*

Honorable Steve Schowengerdt, Mayor  
Honorable Pat Quinn - Ward 1  
Honorable Jason Vaughn - Ward 1  
Honorable Amy Miller - Ward 2  
Honorable Arcie Rothrock - Ward 2  
Honorable Jennifer Cowdry - Ward 3  
Honorable Debbie Kring - Ward 3  
Honorable David Shepard - Ward 4  
Honorable Suzanne Gibbs - Ward 4

*Administration*

City Administrator: Laura Smith  
Finance Director: Brian Scott  
City Clerk: Martha Sumrall  
Treasurer: Donald C. Chamblin  
Municipal Judge: Keith E. Drill  
Chief of Police: Benjamin Hadley  
Public Works Director: John Belger  
Interim Community Development Director: Danielle Murray  
Parks and Recreation Director: Christy Humerickhouse

*Attorney*

David K. Martin



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Mission  
Kansas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Mayor and City Council  
City of Mission, Kansas

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mission, Kansas, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the "Kansas Municipal Accounting and Audit Guide." These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mission, Kansas, as of December 31, 2015, and the respective changes in financial position, thereof and the respective budgetary comparison for the general fund, the special highway fund, and the storm drain fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## **Emphasis of Matter**

### *Change in Accounting Principle*

As described in Note II.B. to the financial statements, the City implemented GASB 68 during the current year. As a result of the implementation, a restatement was made to the net position for the proportionate share of the City's net pension liability at December 31, 2014. Our opinion is not modified with respect to this matter.

### *Prior Period Restatement*

As discussed in Note II.B. to the financial statements, certain errors resulting in amounts previously reported as capital assets as of December 31, 2014, were discovered by management of the City during the current year. Accordingly, these amounts have been restated in the December 31, 2015, financial statements now presented, and adjustments have been made to net position to correct the error. Our opinion is not modified with respect to these matters

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8, the schedule of funding progress on page 40, the schedule of the City's proportionate share of the net pension liability on page 41, and the schedule of City contributions on page 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Mize Houser & Company PA*

Certified Public Accountants  
Lawrence, Kansas

April 25, 2016

CITY OF MISSION, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2015  
Unaudited

Our discussion and analysis of the City of Mission, Kansas financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2015. This narrative should be read in conjunction with the City's letter of transmittal, which begins on page i.

**Financial Highlights**

- The Government-wide net position totaled \$35.9 million at the end of the current fiscal year.
- Total capital assets, net of accumulated depreciation at December 31, 2015 totaled \$68.6 million.
- During the year ended December 31, 2015, the City's total revenues (which include charges for services, local taxes and state and federal aid) exceeded total expenses by \$5.3 million.
- The City's total indebtedness decreased by \$4.1 million.
- The City's net capital assets decreased \$.3 million in the current fiscal year.

**Using This Financial Report**

This annual report consists of two distinct series of financial statements: government-wide and funds. In addition, the annual report includes budgetary-basis financial statement comparisons, in accordance with the State of Kansas cash basis and budget laws.

The government-wide statements are designed to provide information about the City's activities as a whole and provide a longer-term view of the City's finances. The fund financial statements tell how the City's services for the governmental activities were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in greater detail than the government-wide statements by providing information about the City's most significant funds. In addition, combining statements included in the supplemental information show detail of all other governmental funds. The City also holds fiduciary funds on behalf of various parties. These funds are reported in a separate statement.

**Reporting on the City as a Whole (Government Wide)**

**Statement of Net Position and the Statement of Activities**

The view of the City as a whole looks at all financial transactions and asks the question, "Are we in a better financial position as a result of the current year's financial activities?" The Statement of Net Position and the Statement of Activities provide the basis for answering this question. The statements include all assets and all liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received or paid.

These two statements report the City's Net Position and current year change in Net Position. The change in net position is important because it tells the reader whether the City, as a whole, has improved or diminished its financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Causes of these changes may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, state mandates, and the financial condition of the State of Kansas general fund.

In the Statement of Net Position and the Statement of Activities, the City has one kind of activity:

**Governmental Activities** - Most of the City's programs and services are reported here including general government, public safety, public works and culture and recreation.

CITY OF MISSION, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2015  
Unaudited

**Reporting the City's Most Significant Funds (Fund Financial Statements)**

Fund financial statements provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. The main fund financial statements focus on the City's most significant funds. Combining fund balance sheets and statements of revenues, expenditures and changes in fund balances provide detailed information about all of the City's non-major governmental funds.

Governmental Funds - Most of the City's activities are reported in the governmental funds, which focus on how money flows into and out of the funds and how balances left over at fiscal year end are available to be spent in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps the reader to decide whether there are more or fewer financial resources that can be spent in the near term to finance the City's programs. Major differences between the City's governmental activities as reported in the Statement of Net Position and the Statement of Activities and its governmental funds are reconciled in the Governmental Funds financial statements.

**The City as a Whole**

Government-Wide Position

The Statement of Net Position provides the financial position of the City as a whole. The overall financial position of the City decreased by 0.1% in 2015. The following is a summary of the City's Statement of Net Position as of December 31, 2015 and 2014:

City of Mission  
Condensed Statement of Net Position

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Current assets	\$ 7,428,671	\$ 6,946,670
Net capital assets	<u>68,604,890</u>	<u>68,866,093</u>
Total assets	<u>76,033,561</u>	<u>75,812,763</u>
Deferred outflows of resources	<u>392,807</u>	<u>-</u>
Total assets and deferred outflow of resources	<u>\$ 76,426,368</u>	<u>\$ 75,812,763</u>
Current liabilities	\$ 4,525,378	\$ 5,483,137
Noncurrent liabilities	<u>35,327,641</u>	<u>34,368,110</u>
Total liabilities	<u>39,853,019</u>	<u>39,851,247</u>
Deferred inflows of resources	<u>645,196</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>\$ 40,498,215</u>	<u>\$ 39,851,247</u>
Net Position:		
Net investments in capital assets	\$ 34,647,991	\$ 31,231,003
Restricted for:		
Debt Service	738,850	672,282
Unrestricted	<u>541,312</u>	<u>4,058,231</u>
	<u>\$ 35,928,153</u>	<u>\$ 35,961,516</u>

CITY OF MISSION, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2015  
Unaudited

The assets of the City are classified as current assets and capital assets. Cash and investments and accounts receivable are the largest current assets. These are assets that are available to provide resources for the near-term operations of the City. Capital assets are used in the operations of the City. These assets include land, buildings, equipment and vehicles, and infrastructure.

Current and non-current liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued liabilities, interest payable and the current portion of long-term obligations.

The City has \$34 million in long-term debt, consisting of general obligation bonds, capital leases, and KDHE loans, of which \$3.4 million is due within the next fiscal year.

The City had total assets and deferred outflows of resources at December 31, 2015, totaling \$76.4 million. The total assets and deferred outflows of resources of the City exceeded the total liabilities and deferred inflows of resources by \$35.9 million. The net position invested in capital assets (net of related debt) totaled \$34.6 million, restricted net position totaled \$.7 million and unrestricted net position totaled \$.6 million.

CITY OF MISSION, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2015  
Unaudited

Government-Wide Activities

The following is a condensed statement of the City's change in net position for the year ended December 31, 2015. Major items of program revenues, grants and general revenues are detailed. Government-wide activities increased the net position of the City by approximately \$5.3 million for the year ended December 31, 2015. The increase can be attributed to an increase in property tax. A reconciliation of the total change in fund balances for the governmental funds to the Statement of Activities is located at page 14 of the basic financial statements. A major difference in the Statement of Activities and changes in the fund balances of governmental funds as expenditures in the funds statements is the repayment of long-term debt of \$4.1 million which is treated as expenditures in the funds statements, but is treated as a reduction of long term debt in the Government wide financial statements.

In addition, the capital outlays of \$2.5 million are treated as expenditures in the fund statements, but are treated as an increase in capital assets in the Government wide financial statements.

City of Mission  
Condensed Statement of Changes in Net Position  
For the Year Ended December 31, 2015 and 2014

	Governmental Activities	
	<u>2015</u>	<u>2014</u>
Revenues:		
Program revenues:		
Charges for services	\$ 6,656,690	\$ 6,761,469
Operating grants	2,090,216	2,035,538
General revenues:		
Property taxes	2,460,223	1,444,658
Sales tax	5,711,057	5,744,564
Motor vehicle tax	156,487	134,758
Franchise tax	1,009,649	1,036,905
Investment earnings	2,404	1,954
Miscellaneous	<u>553,144</u>	<u>378,658</u>
Total revenues	<u>18,639,870</u>	<u>17,538,504</u>
Program expenses:		
General government	2,617,020	2,480,810
Public safety	3,539,822	3,774,245
Public works	3,562,734	3,263,297
Culture and recreation	2,647,417	2,695,856
Interest on long term debt	<u>959,983</u>	<u>1,483,825</u>
Total expenses	<u>13,326,976</u>	<u>13,698,033</u>
Increase [decrease] in net position	<u>5,312,894</u>	<u>3,840,471</u>
Net position - beginning	35,961,516	32,144,900
Prior period adjustment	<u>[5,346,257]</u>	<u>[23,855]</u>
Net position - beginning, restated	<u>30,615,259</u>	<u>32,121,045</u>
Net position - ending	<u>\$ 35,928,153</u>	<u>\$ 35,961,516</u>

CITY OF MISSION, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2015  
Unaudited

**Financial Analysis of the City's Funds**

The City uses fund accounting to ensure and demonstrate compliance with state and federal finance related legal requirements. These funds are accounted for on the modified accrual basis of accounting.

The governmental funds of the City provide information on near-term inflows, outflows and balances of spendable resources.

Total fund balances at December 31, 2015 for the governmental funds totaled \$4.2 million. Total unassigned fund balances at December 31, 2014 totaled \$2.8 million, of which all but [\$41,720] was attributable to the General Fund.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2.9 million. The increase in the General Fund's fund balance was \$396,468.

The Special Highway Fund is used to account for monies sent quarterly from the State Treasurer's office which are the Special City and County Highway Fund distributed and computed in compliance with K.S.A. 79-3425C. The ending fund balance of the Special Highway Fund was \$12,391 at December 31, 2015. The decrease in the Special Highway Fund's fund balance was [\$50,786].

The Storm Drain Fund is used to account for storm water charges received based on an equivalent residential unit (ERU) to be used for storm water improvements city wide. The ending fund balance was \$37,027 at December 31, 2015. The increase in the Storm Drain Fund's fund balance was \$12,949.

The Parks and Recreation Sales Tax Bond Fund is used to account for revenues received from a dedicated three-eighths of one percent sales tax for parks and recreation. A portion of the revenues is pledged to retire the 2013B General Obligation bonds issued for the outdoor aquatic facility. The balance is dedicated to other parks and recreation expenses, both capital and operating. The ending fund balance was \$738,850 at December 31, 2015. The increase in the fund balance was \$67,182.

The General Obligation Fund is used to account for resources to be used for the payment of principal, interest and related costs of the general obligation bonds other than the sales tax bonds, as well as certain other long-term obligations of the City. The ending fund balance was \$0 at December 31, 2015. The decrease in the General Obligation Fund's fund balance was [\$614]. The decrease in the fund balance can be attributed to the repayment of debt and fund closing.

The Transportation Utility Fund is used to account for transportation utility charges received based on an established land-use formula per parcel to fund street and other transportation related improvements. The ending fund balance was \$14,177 at December 31, 2015. The decrease in the Transportation Utility Fund was [\$44,209]. The decrease in the fund can be attributed to debt service repayments.

The Capital Improvement Fund is used to account for resources used to construct and maintain infrastructure city-wide. The ending fund balance was \$36,844 at December 31, 2015. The decrease in the Capital Improvement Fund's fund balance was [\$160,003]. The decrease in the fund balance can be attributed to debt service repayments and the capital outlay expenditures for the Johnson Drive street rehabilitation project.

CITY OF MISSION, KANSAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2015  
Unaudited

**General Fund Budgeting Highlights**

The City's budgets are prepared in accordance with Kansas law and are based primarily on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

The City's final General Fund budget was \$11,757,632, the same as the original published budget. The revenues were more than budgetary estimates by \$.4 million and the expenditures were less than budgetary estimates by \$.6 million.

Property and sales tax revenues were more than budgeted primarily as a result of conservative estimates and an increase in local businesses. Revenues in the police fines and charges for services (court fees) categories were less than budgeted figures due to staffing vacancies in the police department and a decrease in traffic citations processed.

Overall expenditures in the General Fund were below budgeted figures as a result of specific budget control and voluntary line item reductions by each Department as well as personnel vacancies.

**Capital Assets and Debt Administration**

The City's investment in capital assets for its governmental activities totaled \$68.6 million (net of accumulated depreciation) as of December 31, 2015.

The major capital asset events during the current fiscal year included the following:

- Johnson Drive Reconstruction totaling \$1,710,347
- Street Sweeper totaling \$221,260
- Exercise Equipment totaling \$164,378

Additional information on the City's capital assets can be found in Notes I and III of the financial statements.

At December 31, 2015, the City had total debt outstanding of \$34 million, backed by the full faith and credit of the City. Total long-term debt decreased for the fiscal year ended December 31, 2015, in the amount of \$4.1 million. This was a result of continued repayment of general obligation bonds, loans and capital leases.

Additional information on the City's general long term debt can be found in Note III to the financial statements.

**Contacting the City**

This financial report is designed to provide a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the City's Finance and Administration Department at 6090 Woodson, Mission, Kansas 66202.

CITY OF MISSION, KANSAS  
STATEMENT OF NET POSITION  
December 31, 2015

	<u>Total Governmental Activities</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	
Current assets:	
Cash and investments	\$ 3,889,622
Restricted cash and investments	26,458
Receivables	<u>3,512,591</u>
Total current assets	<u>7,428,671</u>
Capital assets:	
Capital assets not being depreciated:	
Land	10,674,052
Construction in progress	97,281
Capital assets being depreciated	74,039,305
Less: accumulated depreciation	<u>16,205,748</u>
Total net capital assets	<u>68,604,890</u>
Total assets	<u>76,033,561</u>
Deferred outflows of resources	
Pension - contributions subsequent to the measurement date	280,095
Pension - difference between expected and actual experience	23,448
Pension - changes in proportion	<u>89,264</u>
Total deferred outflows of resources	<u>392,807</u>
Total assets and deferred outflows of resources	<u>\$ 76,426,368</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	
Current liabilities:	
Accounts payable	\$ 79,599
Accrued liabilities	69,528
Interest payable	459,455
Municipal court bonds payable	26,458
Unearned revenue	165,372
Current portion of compensated absences	313,701
Current portion of capital leases payable	155,166
Current portion of loans payable	4,426
Current portion of general obligation bonds payable	<u>3,251,673</u>
Total current liabilities (payable from current assets)	<u>4,525,378</u>
Noncurrent liabilities:	
Compensated absences	133,161
Net other post employment benefits	454,117
Net pension liability	4,157,885
Capital lease payable	325,212
Loans payable	78,850
General obligation bonds payable	<u>30,178,416</u>
Total noncurrent liabilities	<u>35,327,641</u>
Total liabilities	<u>39,853,019</u>
Deferred Inflows of Resources	
Pension - difference between expected and actual experience	87,975
Pension - net difference between projected and actual earnings on pension plan investments	143,431
Pension - changes of assumptions	47,894
Pension - change in proportion	<u>365,896</u>
Total deferred inflows of resources	<u>645,196</u>
Total liabilities and deferred inflows of resources	<u>\$ 40,498,215</u>
Net Position	
Net investments in capital assets	\$ 34,647,991
Restricted for:	
Debt service	738,850
Unrestricted	<u>541,312</u>
Total net position	<u>\$ 35,928,153</u>

The notes to the financial statements are an integral part of this statement.

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CITY OF MISSION, KANSAS  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2015

	Program Revenues			Net [Expense] Revenue and Changes in in Net Assets
Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities	
<b>Governmental activities:</b>				
General government	\$ 2,617,020	\$ 608,814	\$ -	\$ [2,008,206]
Public safety	3,539,822	1,345,844	70,816	[2,123,162]
Public works	3,562,734	2,855,225	2,019,400	1,311,891
Culture and recreation	2,647,417	1,846,807	-	[800,610]
Interest on long-term debt	959,983	-	-	[959,983]
Total governmental activities	\$ 13,326,976	\$ 6,656,690	\$ 2,090,216	[4,580,070]
<b>General Revenues:</b>				
Property taxes levied for:				
General purposes				2,460,223
Sales tax				5,711,057
Motor vehicle tax				156,487
Franchise tax				1,009,649
Investments earnings				2,404
Miscellaneous				553,144
Total general revenues				9,892,964
Change in net position				5,312,894
Net position - beginning				35,961,516
Prior period adjustment				[5,346,257]
Net position - beginning, restated				30,615,259
Net position - ending				\$ 35,928,153

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2015

	<u>General</u>	<u>Special Highway</u>	<u>Storm Drain</u>
<b>ASSETS</b>			
Cash and investments	\$ 2,641,325	\$ 12,391	\$ 37,027
Restricted cash and investments	26,458	-	-
Receivables			
Taxes	2,656,646	-	-
Other	44,551	-	-
Total assets	<u>\$ 5,368,980</u>	<u>\$ 12,391</u>	<u>\$ 37,027</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 32,734	\$ -	\$ -
Accrued liabilities	69,528	-	-
Payable from restricted assets			
Municipal court bonds	26,458	-	-
Unearned revenue	164,111	-	-
Total liabilities	<u>292,831</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources			
Unavailable revenue - property taxes	<u>2,215,969</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>2,215,969</u>	<u>-</u>	<u>-</u>
Fund balance:			
Restricted	-	12,391	37,027
Committed	-	-	-
Unassigned	<u>2,860,180</u>	<u>-</u>	<u>-</u>
Total fund balance [deficit]	<u>2,860,180</u>	<u>12,391</u>	<u>37,027</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,368,980</u>	<u>\$ 12,391</u>	<u>\$ 37,027</u>

<u>General Obligation</u>	<u>Parks and Recreation Sales Tax Bond</u>	<u>Transportation Utility</u>	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 670,269	\$ 14,177	\$ 36,844	\$ 477,589	\$ 3,889,622
-	-	-	-	-	26,458
-	68,581	-	-	154,006	2,879,233
-	-	-	-	-	44,551
<u>\$ -</u>	<u>\$ 738,850</u>	<u>\$ 14,177</u>	<u>\$ 36,844</u>	<u>\$ 631,595</u>	<u>\$ 6,839,864</u>
\$ -	\$ -	\$ -	\$ -	\$ 46,865	\$ 79,599
-	-	-	-	-	69,528
-	-	-	-	-	26,458
-	-	-	-	1,261	165,372
-	-	-	-	48,126	340,957
-	-	-	-	89,218	2,305,187
-	-	-	-	89,218	2,305,187
-	738,850	14,177	36,844	493,142	1,332,431
-	-	-	-	42,829	42,829
-	-	-	-	[41,720]	2,818,460
-	738,850	14,177	36,844	494,251	4,193,720
<u>\$ -</u>	<u>\$ 738,850</u>	<u>\$ 14,177</u>	<u>\$ 36,844</u>	<u>\$ 631,595</u>	<u>\$ 6,839,864</u>

The notes to the financial statements are an integral part of this statement.

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CITY OF MISSION, KANSAS  
RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
December 31, 2015

Total Governmental Fund Balances		\$ 4,193,720
<p>Amounts reported for governmental activities in the statement of net assets are different because</p> <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds</p>		
The cost of capital assets is	84,810,638	
Accumulated depreciation is	<u>16,205,748</u>	68,604,890
<p>Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position.</p>		
		392,807
<p>Pension fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position.</p>		
		[4,803,081]
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		2,893,994
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long term liabilities at year end consist of:</p>		
General obligation bonds payable	32,775,000	
Discount	[5,688]	
Premium	660,777	
Capital leases payable	480,378	
Loans payable	83,276	
Interest payable	459,455	
Net other post employment benefits	454,117	
Compensated absences payable	<u>446,862</u>	<u>[35,354,177]</u>
Net Position of Governmental Activities		<u>\$ 35,928,153</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2015

	<u>General</u>	<u>Special Highway</u>	<u>Storm Drain</u>
REVENUES:			
Taxes	\$ 6,647,985	\$ -	\$ 75
Intergovernmental	70,816	249,775	-
Licenses and permits	141,750	-	-
Charges for services	1,832,504	-	2,083,213
Fines and fees	1,345,844	-	-
Use of money and property	1,937	76	136
Miscellaneous	508,693	174	-
Total revenues	<u>10,549,529</u>	<u>250,025</u>	<u>2,083,424</u>
EXPENDITURES:			
Current			
General government	2,047,368	-	-
Public safety	3,480,670	-	-
Public works	1,878,568	300,811	16,430
Culture and recreation	2,268,368	-	-
Capital outlay	-	-	-
Debt service			
Principal	65,000	-	1,669,313
Interest and other charges	14,865	-	702,494
Total expenditures	<u>9,754,839</u>	<u>300,811</u>	<u>2,388,237</u>
Excess [deficiency] of revenues over [under] expenditures	<u>794,690</u>	<u>[50,786]</u>	<u>[304,813]</u>
OTHER FINANCING SOURCES [USES]			
Transfers in	25,518	-	641,800
Transfers out	[645,000]	-	[324,038]
Lease proceeds	221,260	-	-
Total other financing sources [uses]	<u>[398,222]</u>	<u>-</u>	<u>317,762</u>
Net change in fund balances	396,468	[50,786]	12,949
Fund balance - Beginning of year	<u>2,463,712</u>	<u>63,177</u>	<u>24,078</u>
Fund balance - End of year	<u>\$ 2,860,180</u>	<u>\$ 12,391</u>	<u>\$ 37,027</u>

<u>General Obligation</u>	<u>Parks and Recreation Sales Tax Bond</u>	<u>Transportation Utility</u>	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 832,314	\$ -	\$ -	\$ 960,150	\$ 8,440,524
-	-	-	1,640,049	129,576	2,090,216
-	-	-	-	-	141,750
-	-	772,012	-	481,367	5,169,096
-	-	-	-	-	1,345,844
-	-	61	42	152	2,404
-	-	-	71,116	7,156	587,139
-	<u>832,314</u>	<u>772,073</u>	<u>1,711,207</u>	<u>1,578,401</u>	<u>17,776,973</u>
-	-	-	-	-	2,047,368
-	-	-	-	-	3,480,670
-	-	-	-	-	2,195,809
-	-	-	-	-	2,268,368
-	210,546	11,057	1,726,141	1,277,944	3,225,688
-	410,000	870,000	540,000	425,000	3,979,313
96	119,586	15,225	112,107	48,845	1,013,218
96	<u>740,132</u>	<u>896,282</u>	<u>2,378,248</u>	<u>1,751,789</u>	<u>18,210,434</u>
[96]	<u>92,182</u>	<u>[124,209]</u>	<u>[667,041]</u>	<u>[173,388]</u>	<u>[433,461]</u>
-	-	80,000	507,038	85,000	1,339,356
[518]	[25,000]	-	-	[344,800]	[1,339,356]
-	-	-	-	168,128	389,388
[518]	<u>[25,000]</u>	<u>80,000</u>	<u>507,038</u>	<u>[91,672]</u>	<u>389,388</u>
[614]	67,182	[44,209]	[160,003]	[265,060]	[44,073]
614	<u>671,668</u>	<u>58,386</u>	<u>196,847</u>	<u>759,311</u>	<u>4,237,793</u>
\$ -	<u>\$ 738,850</u>	<u>\$ 14,177</u>	<u>\$ 36,844</u>	<u>\$ 494,251</u>	<u>\$ 4,193,720</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2015

Total Net Change In Fund Balances - Governmental Funds	\$	[44,073]
<p>Amounts reported for governmental activities in the statement of activities are different because</p> <p>Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.</p>		
Loss on sale of assets		[4,887]
Capital outlays		2,540,658
Depreciation expense		<u>[2,110,770]</u>
		425,001
<p>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which interest decreased.</p>		
		53,235
<p>Some expenses reported in the statement of activities, such as compensated absences and OPEB, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
		[72,139]
<p>Pension payments are reported as expenditures in the governmental funds and do not affect the statement of net activities.</p>		
		249,779
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		862,897
<p>Proceeds of capital leases is a revenue in the governmental funds, but it increases long-term liabilities in the statement of net assets and does not affect the statement of activities.</p>		
		[389,388]
<p>Repayment of capital leases is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.</p>		
		135,077
<p>Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.</p>		
		<u>4,092,505</u>
Changes In Net Position of Governmental Activities	\$	<u>5,312,894</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
GENERAL FUND  
For the Year Ended December 31, 2015

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Taxes	\$ 6,647,985	\$ -	\$ 6,647,985	\$ 6,284,870	\$ 6,284,870	\$ 363,115
Intergovernmental	70,816	-	70,816	42,800	42,800	28,016
Licenses and permits	141,750	-	141,750	150,000	150,000	[8,250]
Charges for services	1,832,504	-	1,832,504	1,975,000	1,975,000	[142,496]
Fines and forfeitures	1,345,844	-	1,345,844	1,490,000	1,490,000	[144,156]
Interest	1,937	-	1,937	1,500	1,500	437
Other	508,693	-	508,693	188,125	188,125	320,568
Total revenues	<u>10,549,529</u>	<u>-</u>	<u>10,549,529</u>	<u>10,132,295</u>	<u>10,132,295</u>	<u>417,234</u>
General government						
Personal service	1,047,453	-	1,047,453	1,059,300	1,059,300	11,847
Contractual	877,153	[16,000]	861,153	986,700	986,700	125,547
Commodities	50,323	-	50,323	52,600	52,600	2,277
Capital outlay	72,082	[56,960]	15,122	72,260	72,260	57,138
Miscellaneous	357	-	357	500	500	143
	<u>2,047,368</u>	<u>[72,960]</u>	<u>1,974,408</u>	<u>2,171,360</u>	<u>2,171,360</u>	<u>196,952</u>
Public works and improvements						
Personal service	740,426	-	740,426	811,000	811,000	70,574
Contractual	754,900	-	754,900	783,700	783,700	28,800
Commodities	123,710	-	123,710	144,850	144,850	21,140
Capital outlay	255,655	-	255,655	69,700	69,700	[185,955]
Miscellaneous	3,877	-	3,877	4,000	4,000	123
	<u>1,878,568</u>	<u>-</u>	<u>1,878,568</u>	<u>1,813,250</u>	<u>1,813,250</u>	<u>[65,318]</u>
Public safety						
Personal service	2,871,374	-	2,871,374	3,081,130	3,081,130	209,756
Contractual	315,040	-	315,040	355,025	355,025	39,985
Commodities	98,626	-	98,626	155,500	155,500	56,874
Capital outlay	195,630	[49,319]	146,311	182,319	182,319	36,008
	<u>3,480,670</u>	<u>[49,319]</u>	<u>3,431,351</u>	<u>3,773,974</u>	<u>3,773,974</u>	<u>342,623</u>
Culture and recreation						
Personal service	1,435,922	-	1,435,922	1,490,200	1,490,200	54,278
Contractual	680,373	-	680,373	740,330	740,330	59,957
Commodities	152,073	-	152,073	169,000	169,000	16,927
	<u>2,268,368</u>	<u>-</u>	<u>2,268,368</u>	<u>2,399,530</u>	<u>2,399,530</u>	<u>131,162</u>
Debt service						
Principal	65,000	-	65,000	80,000	80,000	15,000
Interest and other charges	14,865	-	14,865	-	-	[14,865]
	<u>79,865</u>	<u>-</u>	<u>79,865</u>	<u>80,000</u>	<u>80,000</u>	<u>135</u>
Total expenditures	<u>9,754,839</u>	<u>[122,279]</u>	<u>9,632,560</u>	<u>10,238,114</u>	<u>10,238,114</u>	<u>605,554</u>
Excess [deficiency] of revenues over [under] expenditures	<u>794,690</u>	<u>122,279</u>	<u>916,969</u>	<u>[105,819]</u>	<u>[105,819]</u>	<u>1,022,788</u>
Other financing sources [uses]						
Lease proceeds	221,260	-	221,260	-	-	221,260
Transfers in	25,518	-	25,518	25,000	25,000	518
Transfers out	[645,000]	-	[645,000]	[1,519,518]	[1,519,518]	874,518
Total other financing sources [uses]	<u>[398,222]</u>	<u>-</u>	<u>[398,222]</u>	<u>[1,494,518]</u>	<u>[1,494,518]</u>	<u>1,096,296</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>396,468</u>	<u>122,279</u>	<u>518,747</u>	<u>\$ [1,600,337]</u>	<u>\$ [1,600,337]</u>	<u>\$ 2,119,084</u>
Fund balance, January 1	<u>2,463,712</u>	<u>[122,279]</u>	<u>2,341,433</u>			
Fund balance, December 31	<u>\$ 2,860,180</u>	<u>\$ -</u>	<u>\$ 2,860,180</u>			

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL HIGHWAY FUND  
For the Year Ended December 31, 2015

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 249,775	\$ -	\$ 249,775	\$ 243,460	\$ 243,460	\$ 6,315
Interest	76	-	76	-	-	76
Miscellaneous	174	-	174	-	-	174
Total revenues	<u>250,025</u>	<u>-</u>	<u>250,025</u>	<u>243,460</u>	<u>243,460</u>	<u>6,565</u>
Expenditures						
Public works and improvements	<u>300,811</u>	<u>-</u>	<u>300,811</u>	<u>320,008</u>	<u>320,008</u>	<u>19,197</u>
Total expenditures	<u>300,811</u>	<u>-</u>	<u>300,811</u>	<u>320,008</u>	<u>320,008</u>	<u>19,197</u>
Excess [deficiency] of revenues over [under] expenditures	[50,786]	-	[50,786]	\$ [76,548]	\$ [76,548]	\$ 25,762
Fund balance, January 1	<u>63,177</u>	<u>-</u>	<u>63,177</u>			
Fund balance, December 31	<u>\$ 12,391</u>	<u>\$ -</u>	<u>\$ 12,391</u>			

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
STORM DRAIN FUND  
For the Year Ended December 31, 2015

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>Revenues</b>						
Taxes	\$ 75	\$ -	\$ 75	\$ -	\$ -	\$ 75
Charges for services	2,083,213	-	2,083,213	2,125,000	2,125,000	[41,787]
Use of money and property	<u>136</u>	<u>-</u>	<u>136</u>	<u>100</u>	<u>150</u>	<u>[14]</u>
<b>Total revenues</b>	<u>2,083,424</u>	<u>-</u>	<u>2,083,424</u>	<u>2,125,100</u>	<u>2,125,150</u>	<u>[41,726]</u>
<b>Expenditures</b>						
Public works and improvements	16,430	-	16,430	50,000	50,000	33,570
Principal	1,669,313	-	1,669,313	2,637,986	2,637,986	968,673
Interest and other charges	<u>702,494</u>	<u>-</u>	<u>702,494</u>	<u>-</u>	<u>-</u>	<u>[702,494]</u>
<b>Total expenditures</b>	<u>2,388,237</u>	<u>-</u>	<u>2,388,237</u>	<u>2,687,986</u>	<u>2,687,986</u>	<u>299,749</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[304,813]</u>	<u>-</u>	<u>[304,813]</u>	<u>[562,886]</u>	<u>[562,836]</u>	<u>258,023</u>
<b>Other financing sources [uses]</b>						
Transfers in	641,800	-	641,800	80,000	80,000	561,800
Transfers out	<u>[324,038]</u>	<u>-</u>	<u>[324,038]</u>	<u>[20,000]</u>	<u>[20,000]</u>	<u>[304,038]</u>
<b>Total other financing sources [uses]</b>	<u>317,762</u>	<u>-</u>	<u>317,762</u>	<u>60,000</u>	<u>60,000</u>	<u>257,762</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>12,949</u>	<u>-</u>	<u>12,949</u>	<u>\$ [502,886]</u>	<u>\$ [502,836]</u>	<u>\$ 515,785</u>
Fund balance, January 1	<u>24,078</u>	<u>-</u>	<u>24,078</u>			
Fund balance, December 31	<u>\$ 37,027</u>	<u>\$ -</u>	<u>\$ 37,027</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS  
STATEMENT OF ASSETS AND LIABILITIES  
AGENCY FUNDS  
December 31, 2015

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ <u>59,715</u>
Total Assets	\$ <u>59,715</u>
Liabilities	
Due to others	\$ <u>59,715</u>
Total Liabilities	\$ <u>59,715</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Mission (the City) is a city of the second class with a mayor-council form of government with the addition of a City Administrator. The City was incorporated in 1951 and covers an area of approximately 2.87 square miles in Johnson County, Kansas. The City has approximately 9,323 residents. The City's organization consists of the general government departments of General Overhead, Administration, Municipal Court, Legislative, Community Development, and the Public Works, Police, Parks and Recreation and Neighborhood Services Departments.

Under governmental accounting standards for defining the financial reporting entity and identifying entities to be included in basic financial statements, these financial statements include only the City. There are no other entities for which the City is financially accountable.

B. Government-wide and fund financial statements

The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. All activities of the City are governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Taxes and other items, which are not classified as program revenues, are presented as general revenues of the city.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

CITY OF MISSION, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City reports the following major governmental funds:

The General Fund is used to account for resources traditionally associated with government, which are not required legally, or by sound financial management to be accounted for in another fund.

The Special Highway Fund is used to account for monies sent quarterly from the State Treasurer's office which are the Special City and County Highway Fund distributed and computed in compliance with K.S.A. 79-3425C.

The Storm Drain Fund is used to account for storm water utility charges received based on an equivalent residential unit (ERU) to be used for storm water improvements citywide.

The General Obligation Fund is used to account for resources to be used for the payment of principal, interest and related costs of the general obligation bonds other than the sales tax bonds, as well as certain other long-term obligations of the City.

The Parks and Recreation Sales Tax Bond Fund is used to account for revenues received from 3/8 of one percent sales tax for parks and recreation, a portion is pledged to retire the Series 2013-B General Obligation Bonds issued for the outdoor aquatic facility project. The balance is dedicated to other parks and recreation activities, including operating costs.

The Transportation Utility Fund is used to account for the transportation utility charges received based on an estimated land use formula per parcel to fund street and other transportation related improvements.

The Capital Improvement Fund is used to account for resources used to construct and maintain infrastructure citywide.

Agency funds are custodial in nature and do not measure results of operations or have a measurement focus. Agency funds do, however, use the accrual basis of accounting. The following activities are accounted for in the agency funds:

License Reinstatement Fees Fund is used to account for amounts collected through the court for driver's license reinstatement fees due to the State of Kansas.

Alcohol and Drug Safety Fund is used to account for monies collected and paid for Driving Under the Influence evaluations.

Cafeteria Plan is used to account for monies collected for employee cafeteria plan contributions.

CITY OF MISSION, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments (including certificates of deposit) with original maturities of three months or less from the date of acquisition.

The City reflects investments with a maturity of one year or longer at the time of purchase at fair value, and those maturing in less than one year at the time of purchase at amortized cost.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City and therefore are not susceptible to accrual. Accruals of uncollected current year property taxes are offset by deferred revenue and are identical to the adopted budget for 2016.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the accounting period, and further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. Property taxes are levied as of November 1 and become a lien on the property as of that date. Payments are due November 1, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20 of the ensuing year. Additional amounts are distributed on four (4) subsequent dates throughout the calendar year.

CITY OF MISSION, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity (Continued)

3. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the government, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-75
Building improvements	20-75
Machinery and equipment	5-10
Office equipment	5-10
Infrastructure	20-75

4. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

5. Fund Equity

In the fund financial statements, governmental funds report fund balance in the following classifications: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Restricted fund balance indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city council. The formal action of the city council would be in the form of an ordinance. Assigned fund balances include amounts that are constrained by the City management's, through department heads or the city administrator, intent to be used for specific purposes, but are neither restricted nor committed. The authority for management to assign fund balance is done through the City Council Policy Manual. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

CITY OF MISSION, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity (Continued)

5. Fund Equity (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, restricted amounts is considered to be spent first. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned and unassigned.

The following is the detail for fund balance classifications in the financial statements:

	Major Governmental Funds								Total Governmental Funds
	General	Special Highway	Storm Drain	Parks and Recreation Sales Tax Bond	General Obligation	Transportation Utility	Capital Improvement	Other Governmental Funds	
Fund Balances:									
Restricted for:									
Public works	\$ -	\$ 12,391	\$ 37,027	\$ -	\$ -	\$ 14,177	\$ -	\$ 489,732	\$ 553,327
Debt payments	-	-	-	738,850	-	-	-	3,410	742,260
Capital improvements	-	-	-	-	-	36,844	-	-	36,844
Committed for:									
Public works	-	-	-	-	-	-	42,829	-	42,829
Unassigned:	<u>2,860,180</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>[41,720]</u>	<u>-</u>	<u>2,818,460</u>
Total Fund Balances	<u>\$ 2,860,180</u>	<u>\$ 12,391</u>	<u>\$ 37,027</u>	<u>\$ 738,850</u>	<u>\$ -</u>	<u>\$ 14,177</u>	<u>\$ 36,844</u>	<u>\$ 494,251</u>	<u>\$ 4,193,720</u>

6. Compensated Absences

Under terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. At the end of each calendar year, employees are allowed to carry over any unused vacation. In the event of termination, an employee is paid for any unused carryover plus all unused earned vacation through the date of separation not to exceed a total of 240 hours.

The City's sick leave policy is to pay employees 50% of unused sick leave upon retirement or termination without cause. A liability for compensated absences is reported in governmental funds only if it has matured, for example, as a result of employee resignations and retirements. All compensated absences are accrued when incurred in the government-wide financial statements.

The General Fund has been used to liquidate the governmental funds compensated absences in prior years. The amount of the liability due within one year is \$313,701.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Equity (Continued)

7. Special Assessments

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds, which are secured, by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as a project revenue and those received after the issuance of general obligation bonds are recorded as revenue in the General Obligation Fund. Further, state statutes require levying additional general ad valorem property taxes in the General Obligation Fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable is accounted for within the General Obligation Fund. Special assessments are levied over the repayment period of the bonds and the annual installments are due and payable with annual ad valorem property taxes. Special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the General Obligation Fund with a corresponding amount recorded as deferred revenue. Special assessments receivable at December 31, 2015, in the fund financial statements totaled \$0.

8. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

9. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports changes in the pension liability proportion and differences between expected and actual experience are reported as deferred outflows of resources in the government activities.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government funds report unavailable revenues from one source: property taxes. Differences between expected and actual experience, differences between projected and actual investment earnings, changes in assumptions, and changes in the pension liability proportion are reported as deferred inflows for governmental activities.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2015 budget was amended for the Capital Improvement Fund and Mission Crossing TIF/CID Fund.

The statutes permit management to transfer budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year end. Encumbered appropriations are carried forward.

A legal operating budget is not required for the Transportation Utility Fund, Capital Improvement Fund, Special Law Enforcement Fund, School District Sales Tax Fund, Mission Convention and Visitor's Bureau Fund, Donations and Gifts Fund, Street Sales Tax Fund, Rock Creek Drainage District #1 Fund, Rock Creek Drainage District #2 Fund, Solid Waste Fund, Mission Crossing TIF Fund, Cornerstone Commons CID Fund, and the agency funds.

Spending in funds, which are not subject to the legal annual operating budget requirements, is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

	Major Governmental Funds								
	General	Special Highway	Storm Drain	Parks and Recreation Sales Tax Bond	General Obligation	Transportation Utility	Capital Improvement	Other Governmental Funds	Total Governmental Funds
GAAP FUND BALANCE									
December 31, 2015	\$ 2,860,180	\$ 12,391	\$ 37,027	\$ 738,850	\$ -	\$ 14,177	\$ 36,844	\$ 494,251	\$ 4,193,720
Adjustments:									
Unreserved fund balances not subject to the Kansas Budget Law:									
Transportation Utility	-	-	-	-	-	[14,177]	-	-	[14,177]
Capital Improvement	-	-	-	-	-	-	[36,844]	-	[36,844]
Nonmajor governmental funds	-	-	-	-	-	-	-	[442,763]	[442,763]
Total deductions	-	-	-	-	-	[14,177]	[36,844]	[442,763]	[493,784]
BUDGETARY FUND BALANCE									
December 31, 2015	\$ 2,860,180	\$ 12,391	\$ 37,027	\$ 738,850	\$ -	\$ -	\$ -	\$ 51,488	\$ 3,699,936

B. Restatement of Equity

The beginning governmental activities net position was restated as follows:

	Governmental Activities
Net position - beginning	\$ 35,961,516
Prior period adjustment	
Capital assets previously disposed	[686,204]
Net pension liability	[4,660,053]
Net position - beginning, restated	\$ 30,615,259

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City's cash is considered to be active funds by management and is invested according to K.S.A. 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county or an adjacent county in which the City is located and the banks provide an acceptable rate for active funds.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Various City investments are considered to be idle funds by management and are invested according to K.S.A. 12-1675. The statute requires that the City invest its idle funds in only temporary notes of the City, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds; then U.S. Treasury bills or notes, or the Kansas Municipal Investment Pool (KMIP). Maturities of the above investments may not exceed two years by statute.

Some of the City's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the US government or any agency thereof, investment agreements with a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's investors service or Standard and Poor's corporation, and various other investments as specified in K.S.A. 10-131.

At December 31, 2015, the City has the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Maturity</u>		
			<u>Less Than 5 Years</u>	<u>5 - 10 Years</u>	<u>10 - 15 Years</u>
Kansas Municipal Investment Pool	\$ <u>2,626,409</u>	S&P AAAf/S1+	\$ 2,626,409	\$ -	\$ -

The Kansas Municipal Investment Pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The fair value of the City's position in the municipal investment pool is substantially the same as the value of the pool shares.

The City does not have any formal investment policies that would further limit concentration of credit risk, interest rate, or custodial credit risks beyond state statutes.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk require that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral according to KSA 9-1402. All deposits were legally secured at December 31, 2015.

B. Accounts Receivable

Accounts receivable of the City, as of the year end, are as follows:

	<u>General</u>	<u>Parks and Recreation Sales Tax Bond</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes	\$ 2,656,646	\$ 68,581	\$ 154,006	\$ 2,879,233
Other	44,551	-	-	44,551
Total	\$ <u>2,701,197</u>	\$ <u>68,581</u>	\$ <u>154,006</u>	\$ <u>2,923,784</u>

CITY OF MISSION, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

	Balance at <u>12/31/14</u>	Prior Period <u>Adjustments</u>	Balance, Restated <u>12/31/14</u>	<u>Additions</u>	<u>Retirements</u>	Balance at <u>12/31/15</u>
City governmental activities:						
Capital assets, not being depreciated						
Construction in progress	\$ 11,470,602	\$ [361,204]	\$ 11,109,398	\$ 1,741,800	\$ 12,753,917	\$ 97,281
Land	10,999,052	[325,000]	10,674,052	-	-	10,674,052
Capital assets, being depreciated						
Building	8,424,432	-	8,424,432	4,834,727	-	13,259,159
Equipment and vehicles	4,663,746	-	4,663,746	587,993	432,729	4,819,010
Infrastructure	<u>47,831,081</u>	<u>-</u>	<u>47,831,081</u>	<u>8,130,055</u>	<u>-</u>	<u>55,961,136</u>
Total capital assets	<u>83,388,913</u>	<u>[686,204]</u>	<u>82,702,709</u>	<u>15,294,575</u>	<u>13,186,646</u>	<u>84,810,638</u>
Less accumulated depreciation for:						
Building	3,249,602	-	3,249,602	294,913	-	3,544,515
Equipment and vehicles	3,439,004	-	3,439,004	484,436	427,842	3,495,598
Infrastructure	<u>7,834,214</u>	<u>-</u>	<u>7,834,214</u>	<u>1,331,421</u>	<u>-</u>	<u>9,165,635</u>
Total accumulated depreciation	<u>14,522,820</u>	<u>-</u>	<u>14,522,820</u>	<u>2,110,770</u>	<u>427,842</u>	<u>16,205,748</u>
Governmental activities capital assets, net	<u>\$ 68,866,093</u>	<u>\$ [686,204]</u>	<u>\$ 68,179,889</u>	<u>\$ 13,183,805</u>	<u>\$ 12,758,804</u>	<u>\$ 68,604,890</u>

The City's depreciation expense was charged to governmental functions as follows:

Governmental Activities:

General government	\$ 52,511
Public safety	171,232
Public works	1,452,008
Culture and recreation	<u>435,019</u>
Total depreciation	<u>\$ 2,110,770</u>

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt

During the year ended December 31, 2015, the following changes occurred in long term liabilities:

	Balance January 1, <u>2015</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2015</u>	Due Within <u>A Year</u>
General Obligation Bonds	\$ 36,750,000	\$ -	\$ 3,975,000	\$ 32,775,000	\$ 3,140,000
General Obligation Bonds Premium	774,781	-	114,005	660,776	112,486
General Obligation Bonds Discount	<u>[6,500]</u>	-	<u>[813]</u>	<u>[5,687]</u>	<u>[813]</u>
General Obligation Bonds, Net	37,518,281	-	4,088,192	33,430,089	3,251,673
Capital Lease Payable	226,067	389,388	135,077	480,378	155,166
KDHE Loan Payable	87,589	-	4,313	83,276	4,426
Compensated Absences	<u>483,590</u>	<u>276,973</u>	<u>313,701</u>	<u>446,862</u>	<u>313,701</u>
	<u>\$ 38,315,527</u>	<u>\$ 666,361</u>	<u>\$ 4,541,283</u>	<u>\$ 34,440,605</u>	<u>\$ 3,724,966</u>

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Series</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Maturity Date</u>	<u>Outstanding Amount As Of December 31, 2015</u>
Series 2007A - Capital Improvement	5/15/2007	\$ 751,114	5.00%-5.30%	9/1/2018	\$ 270,000
Series 2010A - Capital Improvement	8/18/2010	3,276,571	2.00%-2.75%	9/1/2020	1,733,285
Series 2010B - Refunding	12/15/2010	6,974,092	4.00%-4.25%	9/1/2029	6,974,092
Series 2012A - Capital Improvement	2/16/2012	4,351,874	0.40%-2.00%	9/1/2022	3,089,312
Series 2013A - Capital Improvement	7/11/2013	688,786	2.00%-3.00%	9/1/2023	562,029
Series 2013B - Capital Improvement	7/11/2013	4,720,192	2.00%-3.00%	9/1/2023	3,883,153
Series 2013C - Capital Improvement	12/20/2013	4,563,037	2.00%-2.50%	9/1/2023	4,093,810
Series 2014A - Refunding	8/7/2014	9,963,128	2.00%-3.00%	9/1/2029	9,851,919
Series 2014B - Refunding	8/27/2014	4,284,984	2.00%-4.00%	9/1/2018	2,972,488
					<u>\$ 33,430,089</u>

CITY OF MISSION, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest
2016	\$ 3,251,673	\$ 1,378,364
2017	3,306,673	1,261,456
2018	3,401,673	1,126,081
2019	3,404,177	1,004,621
2020	3,477,086	882,551
2021-2025	12,702,336	2,570,544
2026-2029	<u>3,886,471</u>	<u>549,594</u>
Total	<u>\$ 33,430,089</u>	<u>\$ 8,773,212</u>

The Kansas Department of Health and Environment and the City has entered into an agreement for a loan. As of December 31, 2015, the City had made \$406,272 in loan draws and had \$304,704 in principal forgiveness. The loan calls for an interest rate of 2.60%. The City will retire this loan with semi-annual payments through March 2031.

Annual debt service requirements to maturity for the KDHE loan outstanding at December 31, 2015 are as follows:

Year Ending December 31,	Principal	Interest
2016	\$ 4,426	\$ 1,931
2017	4,541	1,826
2018	4,660	1,719
2019	4,782	1,609
2020	4,907	1,496
2021-2025	26,531	5,676
2026-2030	30,189	2,369
2031	<u>3,239</u>	<u>38</u>
Total	<u>\$ 83,276</u>	<u>\$ 16,664</u>

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Conduit Debt Obligations. From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State of Kansas, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2015 there were three series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$29,633,080.

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the last three years.

The City is a member of the Kansas Eastern Region Insurance Trust (KERIT), a group self-insured program consisting of local governments and other political subdivisions. KERIT was formed in 1986 as a public entity risk retention pool to provide workers' compensation benefits to employees of Trust members. The City pays annual premiums to KERIT for workers' compensation coverage. The agreement with KERIT provides that the Trust will be self-sustaining through member premiums. KERIT has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, KERIT has the authority to return dividends to members for the excess of revenues over expenses relating to any single plan year according to the Trust's by-laws.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

IV. OTHER INFORMATION (Continued)

B. Defined Benefit Pension Plan

*Description of Pension Plan.* The City participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
- State/School employees
- Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the Local employees group and the Kansas Police and Firemen group.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at [www.kpers.org](http://www.kpers.org).

*Benefits.* Benefits are established by statute and may only be changed by the State Legislature. Members (except Police and Firemen) with ten or more years of credited service, may retire as early as age 55 (Police and Firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85. Police and Firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

CITY OF MISSION, KANSAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2015

IV. OTHER INFORMATION (Continued)

B. Defined Benefit Pension Plan (Continued)

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

*Contributions.* Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.0% of total payroll for the fiscal year ended June 30, 2015.

The actuarially determined employer contribution rates (not including the 0.85% contribution rate for the Death and Disability Program) and the statutory contribution rates are as follows:

	<u>Actuarial Employer Rate</u>	<u>Statutory Employer Capped Rate</u>
Local government employees	9.48%	9.48%
Police and Firemen	21.36%	21.36%

Member contribution rates as a percentage of eligible compensation for the KPERS fiscal year June 30, 2015 are 5.00% or 6.00% for Local employees and 7.15% for Police and Firemen.

*Employer Allocations.* Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of December 31, 2015, are based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended December 31, 2015.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

IV. OTHER INFORMATION (Continued)

B. Defined Benefit Pension Plan (Continued)

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2015, the City's proportion for the Local employees group was 0.121%, which was a decrease of .008% from its proportion measured at June 30, 2014. At June 30, 2015, the City's proportion for the Police and Firemen group was 0.354%, which was a decrease of .038% from its proportion measured at June 30, 2014.

*Net Pension Liability.* At December 31, 2015 and 2014, the City reported a liability of \$4,157,885 and \$4,156,652, respectively, for its total proportionate share of the net pension liability for the Local and Police and Firemen groups.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015, using the following actuarial assumptions:

<u>Assumption</u>	<u>Rate</u>
Price inflation	3.00%
Wage inflation	4.00%
Salary increases, including wage increases	4.00 to 16.00%, including inflation
Long-term rate of return, net of investment expense, and including price inflation	8.00%

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females, with adjustments to better match actual experience. Separate tables apply for males and females as well as each group (State, School, Local, KP&F and Judges).

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted for three years ending December 31, 2012.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset</u>	<u>Long-Term Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity	47.00%	6.30%
Fixed income	13.00%	0.80%
Yield driven	8.00%	4.20%
Real return	11.00%	1.70%
Real estate	11.00%	5.40%
Alternatives	8.00%	9.40%
Short-term investments	<u>2.00%</u>	[0.50]%
Total	<u>100.00%</u>	

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

IV. OTHER INFORMATION (Continued)

B. Defined Benefit Pension Plan (Continued)

*Discount Rate.* The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State, School and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups may not increase by more than the statutory cap. The expected KPERs employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for Police & Firemen, and Judges. Future employer contribution rates were also modeled for Police & Firemen and Judges, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.* The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 8.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (7.00%) or 1-percentage point higher (9.00%) than the current rate:

	<u>1% Decrease (7.00%)</u>	<u>Discount rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
Local	\$ 2,254,840	\$ 1,588,416	\$ 1,023,419
Police and Firemen	3,731,318	2,569,469	1,588,103
Total	<u>\$ 5,986,158</u>	<u>\$ 4,157,885</u>	<u>\$ 2,611,522</u>

*Pension Expense.* For the year ended December 31, 2015, the City recognized Local pension expense of \$79,386 and Police and Firemen pension expense of \$203,553, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for Local and Police and Firemen groups from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between actual and expected experience	\$ 23,448	\$ 87,975
Net differences between projected and actual earnings on investments	-	143,431
Changes of assumptions	-	47,894
Changes in proportion	89,264	365,896
Total	<u>\$ 112,712</u>	<u>\$ 645,196</u>

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

IV. OTHER INFORMATION (Continued)

B. Defined Benefit Pension Plan (Continued)

\$280,095 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended <u>June 30,</u>	Local Group		Police and Firemen Group		<u>Total</u>
	[Inflows]	Outflows	[Inflows]	Outflows	
	<u>Amount</u>		<u>Amount</u>		
2016	\$	[73,429]	\$	[89,945]	\$ [163,374]
2017		[73,429]		[89,945]	[163,374]
2018		[73,429]		[89,945]	[163,374]
2019		[4,155]		30,892	26,737
2020		[19,814]		[49,285]	[69,099]
Total	\$	[244,256]	\$	[288,228]	\$ [532,484]

C. Interfund Transfers

A reconciliation of all transfers by fund type for 2015 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	Non-major	\$ 85,000	Charter Ordinance
General	Storm Drain	560,000	Charter Ordinance
General Obligation	General	518	K.S.A. 10-117a
Storm Drain	Capital Improvement	324,038	Charter Ordinance
Parks and Recreation Sales Tax Bond	General	25,000	Ordinance 1370
Non-major	Storm Drain	81,800	Charter Ordinance
Non-major	Transportation Utility	80,000	Charter Ordinance
Non-major	Capital Improvement	<u>183,000</u>	Charter Ordinance
	Total	<u>\$ 1,339,356</u>	

The City uses interfund transfers to share administrative costs between funds.

D. Defined Contribution Plan

The City has established the City of Mission Money Purchase Plan, administered by the Principal Financial Group, available to employees other than those participating in KP&F. The City Council established and amends benefit provisions. Employees are eligible to participate after completing 1,000 or more hours of service. The City's contributions for each employee are 60% vested after five years of service and vest an additional 20% each year thereafter. The City makes annual contributions to the plan equal to 2% of covered employees' wages. Employees under the plan are allowed to make contributions to the plan of up to 10% of their wages. Employee contributions and the City's contributions for 2014 and 2015 were \$39,294 and \$38,228, respectively.

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

IV. OTHER INFORMATION (Continued)

E. Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

	Governmental Activities <u>Assets</u>
Other equipment	\$ <u>980,463</u>

During 2015, the City entered into a lease agreement to finance the purchase of a street sweeper in the amount of \$221,260. The lease has a final maturity of March 1, 2019. The City also entered into a lease agreement to finance the purchase of exercise equipment in the amount of \$168,128. The lease has a final maturity of April 24, 2018.

Minimum future lease payments under capital leases as of December 31, 2015 are:

Year Ended <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2016	\$ 155,166	\$ 7,982	\$ 163,148
2017	149,453	5,113	154,566
2018	147,342	2,128	149,470
2019	<u>28,418</u>	<u>244</u>	<u>28,662</u>
Total	<u>\$ 480,378</u>	<u>\$ 15,467</u>	<u>\$ 495,846</u>

F. Postemployment Healthcare Plan

Plan Description. The City operates a single employer defined benefit healthcare plan administered by the City. The Employee Benefit Plan (the Plan) provides medical benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. The General Fund has been used to liquidate other postemployment benefit obligations, such as health care costs, in prior years. No separate financial report is issued for the Plan.

Funding Policy. The contribution requirements of plan participants and the City are established and amended by the City. The required contribution is based on projected pay-as-you-go financing requirements. Plan participant contribution percentages and monthly premiums are as follows:

<u>Monthly Contributions</u>			
<u>Coverage</u>	<u>Health</u>	<u>Dental</u>	<u>Vision</u>
Employee	\$ 566.48	\$ 29.71	\$ 6.52
Employee & Spouse	1,188.96	86.90	17.89
Employee & Child(ren)	1,022.01	86.90	17.89
Family	1,701.92	86.90	17.89

CITY OF MISSION, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2015

IV. OTHER INFORMATION (Continued)

F. Postemployment Healthcare Plan (Continued)

<u>Retiree Contribution Percentage</u>			
Years of <u>Service</u>	<u>Health</u>	<u>Dental</u>	<u>Vision</u>
10 - 14	75%	100%	100%
15 - 19	70%	100%	100%
20 - 24	60%	100%	100%
25 or more	50%	100%	100%

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the Plan for the year, the amount actually contributed to the plan, and the changes in the City's net OPEB obligation to the Plan:

Annual required contribution	\$ 149,450
Interest on net OPEB obligation	10,357
Adjustment to annual required contribution	<u>[17,104]</u>
Annual OPEB cost (expense)	142,703
Benefit payments	<u>33,836</u>
Change in net OPEB obligation	108,867
Net OPEB obligation - beginning of year	<u>345,250</u>
Net OPEB obligation - end of year	<u>\$ 454,117</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the year ended December 31, 2015 was as follows:

Fiscal Year <u>Ended</u>	Annual OPEB <u>Cost</u>	Annual OPEB Cost <u>Contributed</u>	Net OPEB <u>Obligation</u>	Percentage of Annual OPEB Cost <u>Contributed</u>
December 31, 2013	\$ 101,204	\$ 42,232	\$ 270,421	41.73%
December 31, 2014	100,499	25,667	345,250	25.54%
December 31, 2015	142,705	33,821	454,117	23.70%

CITY OF MISSION, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

IV. OTHER INFORMATION (Continued)

F. Postemployment Healthcare Plan (Continued)

**Funding Status and Funding Progress.** As of January 1, 2015, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits was \$1,336,108 and the actuarial value of asset was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,336,108. The covered payroll (annual payroll of active employees covered by the plan) was \$3,152,109, and the ratio of the UAAL to the covered payroll was 42.39%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statement, presents multiyear trend information about whether the actuarial value of plan assets (if any) are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan participants) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan participants to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of January 1, 2015, the most recent actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3% investment rate of return, which is the rate of the employer's own investments as there are no plan assets and an annual healthcare cost trend of 8% initially, reduced by decrements to an ultimate rate of 5% in 2041. The inflationary impact assumption is 3%. The UAAL is being amortized as a level dollar over an open thirty-year period.

CITY OF MISSION, KANSAS  
 OTHER POST-EMPLOYMENT BENEFITS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 December 31, 2015

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percent of Payroll (b-a)/(c)
1/1/2013	\$ -	\$ 998,792	\$ 998,792	0.00%	\$ 3,345,290	29.86%
1/1/2014	-	1,056,015	1,056,015	0.00%	4,614,807	22.88%
1/1/2015	-	1,336,108	1,336,108	0.00%	3,152,109	42.39%

CITY OF MISSION, KANSAS  
 KPERS PENSION PLAN  
 REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
 December 31, 2015

Schedule of the City's Proportionate Share of the Net Pension Liability  
 Last Ten Fiscal Years\*

	<u>Local</u> <u>12/31/15</u>	<u>Police and</u> <u>Firemen</u> <u>12/31/15</u>
City's proportion of the net pension liability	0.121%	0.354%
City's proportionate share of the net pension liability	\$ 1,588,416	\$ 2,569,469
City's covered employee payroll	\$ 2,047,740	\$ 1,613,584
City's proportionate share of the net pension liability as a percentage of its covered employee payroll	77.57%	159.24%
Plan fiduciary net position as a percentage of the total pension liability	71.98%	74.60%

\* - The amounts presented for each fiscal year were determined as of 12/31. Data became available with the inception of GASB 68 during fiscal year 2015, therefore 10 years of data is unavailable.

Schedule of the City's Contributions  
 Last Ten Fiscal Years\*

	<u>Local</u> <u>12/31/15</u>	<u>Police and</u> <u>Firemen</u> <u>12/31/15</u>
Contractually required contribution	\$ 194,783	\$ 351,871
Contributions in relation to the contractually required contribution	<u>194,783</u>	<u>351,871</u>
Contribution deficiency [excess]	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 2,054,675	\$ 1,647,336
Contributions as a percentage of covered employee payroll	9.48%	21.36%

\* - Data became available with the inception of GASB 68 during fiscal year 2015, therefore 10 years of data is unavailable.

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CITY OF MISSION, KANSAS

COMBINING STATEMENTS - NONMAJOR FUNDS

**NONMAJOR SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

1. **Special Alcohol Fund** - established to account for one-third of the Alcohol Tax Funds sent to the City quarterly from the State Treasurer's office, and to disperse monies that are allocated yearly for distribution to agencies that are approved by the City Council in specified amounts on a yearly basis.
2. **Special Parks and Recreation Fund** - established to account for one-third of the Alcohol Tax Funds that are sent to the City quarterly by the State Treasurer's office which are computed in compliance with K.S.A. Supp. 79-41A04 et seq., representing tax receipts and adjustments processed by the Department of Revenue.
3. **Special Law Enforcement Fund** - established to provide a depository for monies forfeited to the police department pursuant to provisions of K.S.A. 65-4135 and 65-4156 relating to controlled substance investigation forfeitures. Expenditures from this fund are made only for authorized law enforcement purposes of the police department. Monies in the fund are not to be used for normal operating expenses of the City's police department.
4. **School District Sales Tax Fund** - established to account for the City's portion of sales tax monies received as a result of a 1/8<sup>th</sup> cent sales tax granted to schools by Johnson County voters in 2002. The sales tax is no longer being collected.
5. **Mission Convention and Visitor's Bureau Fund** - established to account for transient guest tax receipts and is used to track the activities and expenditures of the Mission Convention and Visitor's Bureau.
6. **Donations and Gifts Fund** - established to account for donations and gifts from businesses, groups and individuals.
7. **Solid Waste Fund** – established to account for solid waste charges for services.
8. **Street Sales Tax Fund** – established to account for revenues from the ¼ cent sales tax for streets, pledged to retire the Series 2012-A General Obligation Bonds issued for the Martway/Johnson Drive rehabilitation projects. The sales tax sunsets in 2022.
9. **Rock Creek Drainage District #1** – established to account for the Rock Creek Drainage District #1.
10. **Rock Creek Drainage District #2** – established to account for the Rock Creek Drainage District #2.
11. **Mission Crossing TIF/CID** – established to account for the property tax and sales tax that is generated from the development of the Mission Crossing Shopping Center and Wellstone senior, independent living facility. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A 12-1770 (Tax Increment Finance Statutes) and K.S.A 12-6a26 (Community Improvement District Act).
12. **Cornerstone Commons CID** – established to account for a 1% Community Improvement District (CID) sales tax that is generated from retailers located within the Cornerstone Commons CID. This sales tax is remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A 12-6a26 (Community Improvement District Act).

CITY OF MISSION, KANSAS  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2015

	Special <u>Alcohol</u>	Special <u>Parks and Recreation</u>	Special <u>Law Enforcement</u>	School <u>District Sales Tax</u>	Mission Convention and Visitor's <u>Bureau</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 27,423	\$ 24,065	\$ 42,829	\$ 19,586	\$ 61,493
Receivables					
Taxes	-	-	-	-	-
Total assets	<u>\$ 27,423</u>	<u>\$ 24,065</u>	<u>\$ 42,829</u>	<u>\$ 19,586</u>	<u>\$ 61,493</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-
Total liabilities	-	-	-	-	-
<b>Deferred inflows of resources</b>					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
<b>Fund balances</b>					
Restricted	27,423	24,065	-	19,586	61,493
Committed	-	-	42,829	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>27,423</u>	<u>24,065</u>	<u>42,829</u>	<u>19,586</u>	<u>61,493</u>
Total liabilities and fund balances	<u>\$ 27,423</u>	<u>\$ 24,065</u>	<u>\$ 42,829</u>	<u>\$ 19,586</u>	<u>\$ 61,493</u>

Donations and Gifts	Solid Waste	Street Sales Tax	Rock Creek Drainage District #1	Rock Creek Drainage District #2	Mission Crossing TIF	Cornerstone Commons	Total
\$ 4,851	\$ 5,145	\$ 273,278	\$ 1,423	\$ 3,410	\$ 14,086	\$ -	\$ 477,589
-	-	45,721	4,477	84,741	12,501	6,566	154,006
<u>\$ 4,851</u>	<u>\$ 5,145</u>	<u>\$ 318,999</u>	<u>\$ 5,900</u>	<u>\$ 88,151</u>	<u>\$ 26,587</u>	<u>\$ 6,566</u>	<u>\$ 631,595</u>
\$ -	\$ 46,865	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,865
1,261	-	-	-	-	-	-	1,261
<u>1,261</u>	<u>46,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,126</u>
-	-	-	4,477	84,741	-	-	89,218
-	-	-	4,477	84,741	-	-	89,218
3,590	-	318,999	1,423	3,410	26,587	6,566	493,142
-	-	-	-	-	-	-	42,829
-	[41,720]	-	-	-	-	-	[41,720]
<u>3,590</u>	<u>[41,720]</u>	<u>318,999</u>	<u>1,423</u>	<u>3,410</u>	<u>26,587</u>	<u>6,566</u>	<u>494,251</u>
<u>\$ 4,851</u>	<u>\$ 5,145</u>	<u>\$ 318,999</u>	<u>\$ 5,900</u>	<u>\$ 88,151</u>	<u>\$ 26,587</u>	<u>\$ 6,566</u>	<u>\$ 631,595</u>

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 For the Year Ended December 31, 2015

	<u>Special Alcohol</u>	<u>Special Parks and Recreation</u>	<u>Special Law Enforcement</u>	<u>School District Sales Tax</u>	<u>Mission Convention and Visitor's Bureau</u>
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 36,786
Charges for services	-	-	-	-	-
Intergovernmental	57,128	57,129	-	-	15,319
Interest	-	152	-	-	-
Miscellaneous	-	3,651	-	22	61
	<u>57,128</u>	<u>60,932</u>	<u>-</u>	<u>22</u>	<u>52,166</u>
Total revenues					
Expenditures					
Current					
Public works and improvements	51,331	323,329	17,786	1,000	45,633
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
	<u>51,331</u>	<u>323,329</u>	<u>17,786</u>	<u>1,000</u>	<u>45,633</u>
Total expenditures					
Excess [deficiency] of revenues over [under] expenditures	<u>5,797</u>	<u>[262,397]</u>	<u>[17,786]</u>	<u>[978]</u>	<u>6,533</u>
Other financing sources [uses]					
Lease proceeds	-	168,128	-	-	-
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
	<u>-</u>	<u>168,128</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources [uses]					
Net change in fund balances	5,797	[94,269]	[17,786]	[978]	6,533
Fund balances, January 1	<u>21,626</u>	<u>118,334</u>	<u>60,615</u>	<u>20,564</u>	<u>54,960</u>
Fund balances, December 31	<u>\$ 27,423</u>	<u>\$ 24,065</u>	<u>\$ 42,829</u>	<u>\$ 19,586</u>	<u>\$ 61,493</u>

<u>Donations and Gifts</u>	<u>Solid Waste</u>	<u>Street Sales Tax</u>	<u>Rock Creek Drainage District #1</u>	<u>Rock Creek Drainage District #2</u>	<u>Mission Crossing TIF/CID</u>	<u>Cornerstone Commons CID</u>	<u>Total</u>
\$ -	\$ -	\$ 554,876	\$ 2,708	\$ 77,651	\$ 281,563	\$ 6,566	\$ 960,150
-	481,367	-	-	-	-	-	481,367
-	-	-	-	-	-	-	129,576
-	-	-	-	-	-	-	152
-	3,364	57	-	1	-	-	7,156
-	484,731	554,933	2,708	77,652	281,563	6,566	1,578,401
895	566,441	16,553	-	-	254,976	-	1,277,944
-	-	425,000	-	-	-	-	425,000
-	-	48,845	-	-	-	-	48,845
895	566,441	490,398	-	-	254,976	-	1,751,789
[895]	[81,710]	64,535	2,708	77,652	26,587	6,566	[173,388]
-	-	-	-	-	-	-	168,128
-	85,000	-	-	-	-	-	85,000
-	-	[263,000]	[3,800]	[78,000]	-	-	[344,800]
-	85,000	[263,000]	[3,800]	[78,000]	-	-	[91,672]
[895]	3,290	[198,465]	[1,092]	[348]	26,587	6,566	[265,060]
4,485	[45,010]	517,464	2,515	3,758	-	-	759,311
\$ 3,590	\$ [41,720]	\$ 318,999	\$ 1,423	\$ 3,410	\$ 26,587	\$ 6,566	\$ 494,251

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL ALCOHOL FUND  
For the Year Ended December 31, 2015

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 57,128	\$ -	\$ 57,128	\$ 42,800	\$ 42,800	\$ 14,328
Total revenues	<u>57,128</u>	<u>-</u>	<u>57,128</u>	<u>42,800</u>	<u>42,800</u>	<u>14,328</u>
Expenditures						
Social services	<u>51,331</u>	<u>-</u>	<u>51,331</u>	<u>52,578</u>	<u>52,578</u>	<u>1,247</u>
Total expenditures	<u>51,331</u>	<u>-</u>	<u>51,331</u>	<u>52,578</u>	<u>52,578</u>	<u>1,247</u>
Excess [deficiency] of revenues over [under] expenditures	5,797	-	5,797	\$ [9,778]	\$ [9,778]	\$ 15,575
Fund balance, January 1	<u>21,626</u>	<u>-</u>	<u>21,626</u>			
Fund balance, December 31	<u>\$ 27,423</u>	<u>\$ -</u>	<u>\$ 27,423</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL PARKS AND RECREATION FUND  
For the Year Ended December 31, 2015

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>Revenues</b>						
Intergovernmental	\$ 57,129	\$ -	\$ 57,129	\$ 42,800	\$ 42,800	\$ 14,329
Interest	152	-	152	-	-	152
Miscellaneous	3,651	-	3,651	-	-	3,651
<b>Total revenues</b>	<b>60,932</b>	<b>-</b>	<b>60,932</b>	<b>42,800</b>	<b>42,800</b>	<b>18,132</b>
<b>Expenditures</b>						
Public works and improvements	323,329	[63,100]	260,229	160,721	160,721	[99,508]
Adjustment for qualifying budget credit	-	-	-	168,128	168,128	168,128
<b>Total expenditures</b>	<b>323,329</b>	<b>[63,100]</b>	<b>260,229</b>	<b>328,849</b>	<b>328,849</b>	<b>68,620</b>
Excess [deficiency] of revenues over [under] expenditures	[262,397]	63,100	[199,297]	[286,049]	[286,049]	86,752
<b>Other financing sources [uses]</b>						
Lease proceeds	168,128	-	168,128	-	-	168,128
<b>Total other financing sources [uses]</b>	<b>168,128</b>	<b>-</b>	<b>168,128</b>	<b>-</b>	<b>-</b>	<b>168,128</b>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	[94,269]	63,100	[31,169]	\$ [286,049]	\$ [286,049]	\$ 254,880
Fund balance, January 1	118,334	[63,100]	55,234			
Fund balance, December 31	\$ 24,065	\$ -	\$ 24,065			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
GENERAL OBLIGATION FUND  
For the Year Ended December 31, 2015

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 14,115	\$ 14,115	\$ [14,115]
Total revenues	-	-	-	14,115	14,115	[14,115]
Expenditures:						
Interest and other charges	96	-	96	-	-	[96]
Total expenditures	96	-	96	-	-	[96]
Excess [deficiency] of revenues over [under] expenditures	[96]	-	[96]	14,115	14,115	[14,211]
Other financing sources [uses]						
Transfer out	[518]	-	[518]	-	-	[518]
Total other financing sources [uses]	[518]	-	[518]	-	-	[518]
Excess [deficiency] of revenues and other sources over [under] over [under] expenditures	[614]	-	[614]	\$ 14,115	\$ 14,115	\$ [14,729]
Fund balance, January 1	614	-	614			
Fund balance, December 31	\$ -	\$ -	\$ -			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
PARKS AND RECREATION SALES TAX BOND FUND  
For the Year Ended December 31, 2015

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues:						
Taxes	\$ 832,314	\$ -	\$ 832,314	\$ 735,000	\$ 735,000	\$ 97,314
Total revenues	<u>832,314</u>	<u>-</u>	<u>832,314</u>	<u>735,000</u>	<u>735,000</u>	<u>97,314</u>
Expenditures:						
Capital outlay	210,546	-	210,546	415,337	415,337	204,791
Principal	410,000	-	410,000	385,000	385,000	[25,000]
Interest and other charges	<u>119,586</u>	<u>-</u>	<u>119,586</u>	<u>144,650</u>	<u>144,650</u>	<u>25,064</u>
Total expenditures	<u>740,132</u>	<u>-</u>	<u>740,132</u>	<u>944,987</u>	<u>944,987</u>	<u>204,855</u>
Excess [deficiency] of revenues over [under] expenditures	<u>92,182</u>	<u>-</u>	<u>92,182</u>	<u>[209,987]</u>	<u>[209,987]</u>	<u>302,169</u>
Other financing sources [uses]						
Transfer out	<u>[25,000]</u>	<u>-</u>	<u>[25,000]</u>	<u>-</u>	<u>-</u>	<u>[25,000]</u>
Total other financing sources [uses]	<u>[25,000]</u>	<u>-</u>	<u>[25,000]</u>	<u>-</u>	<u>-</u>	<u>[25,000]</u>
Excess [deficiency] of revenues and other sources over [under] over [under] expenditures	<u>67,182</u>	<u>-</u>	<u>67,182</u>	<u>\$ [209,987]</u>	<u>\$ [209,987]</u>	<u>\$ 277,169</u>
Fund balance, January 1	<u>671,668</u>	<u>-</u>	<u>671,668</u>			
Fund balance, December 31	<u>\$ 738,850</u>	<u>\$ -</u>	<u>\$ 738,850</u>			

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

**AGENCY FUNDS**

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

1. **License Reinstatement Fees** - established to account for amounts collected through the court for driver's license restatement fees due to the State of Kansas.
2. **Alcohol and Drug Safety** - established to account for monies collected and paid for Driving Under the Influence evaluations.
3. **Cafeteria Plan** - established to account for monies collected for employee cafeteria plan contributions.

CITY OF MISSION, KANSAS  
 COMBINING BALANCE SHEET  
 AGENCY FUNDS  
 December 31, 2015

ASSETS	License Reinstatement Fees	Alcohol & Drug Safety	Cafeteria Plan	Totals
Cash and cash equivalents	\$ 6,498	\$ 20,669	\$ 32,548	\$ 59,715
Total assets	<u>\$ 6,498</u>	<u>\$ 20,669</u>	<u>\$ 32,548</u>	<u>\$ 59,715</u>
 LIABILITIES				
Due to others	\$ 6,498	\$ 20,669	\$ 32,548	\$ 59,715
Total liabilities	<u>\$ 6,498</u>	<u>\$ 20,669</u>	<u>\$ 32,548</u>	<u>\$ 59,715</u>

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 For the Year Ended December 31, 2015

<u>License Reinstatement Fees</u> ASSETS	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Cash and cash equivalents	\$ 6,645	\$ 27,229	\$ 27,376	\$ 6,498
Total assets	<u>\$ 6,645</u>	<u>\$ 27,229</u>	<u>\$ 27,376</u>	<u>\$ 6,498</u>

LIABILITIES

Due to others	\$ 6,645	\$ 27,229	\$ 27,376	\$ 6,498
Total liabilities	<u>\$ 6,645</u>	<u>\$ 27,229</u>	<u>\$ 27,376</u>	<u>\$ 6,498</u>

<u>Alcohol and Drug Safety</u> ASSETS	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Cash and cash equivalents	\$ 20,804	\$ 150	\$ 285	\$ 20,669
Total assets	<u>\$ 20,804</u>	<u>\$ 150</u>	<u>\$ 285</u>	<u>\$ 20,669</u>

LIABILITIES

Due to others	\$ 20,804	\$ 150	\$ 285	\$ 20,669
Total liabilities	<u>\$ 20,804</u>	<u>\$ 150</u>	<u>\$ 285</u>	<u>\$ 20,669</u>

<u>Cafeteria Plan</u> ASSETS	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Cash and cash equivalents	\$ 9,960	\$ 71,175	\$ 48,587	\$ 32,548
Total assets	<u>\$ 9,960</u>	<u>\$ 71,175</u>	<u>\$ 48,587</u>	<u>\$ 32,548</u>

LIABILITIES

Due to others	\$ 9,960	\$ 71,175	\$ 48,587	\$ 32,548
Total liabilities	<u>\$ 9,960</u>	<u>\$ 71,175</u>	<u>\$ 48,587</u>	<u>\$ 32,548</u>

<u>Total Agency Funds</u> ASSETS	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Cash and cash equivalents	\$ 37,409	\$ 98,554	\$ 76,248	\$ 59,715
Total assets	<u>\$ 37,409</u>	<u>\$ 98,554</u>	<u>\$ 76,248</u>	<u>\$ 59,715</u>

LIABILITIES

Due to others	\$ 37,409	\$ 98,554	\$ 76,248	\$ 59,715
Total liabilities	<u>\$ 37,409</u>	<u>\$ 98,554</u>	<u>\$ 76,248</u>	<u>\$ 59,715</u>

See independent auditor's report on the financial statements.

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**STATISTICAL SECTION**

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Statistical Section  
(Unaudited)

This part of the City of Mission's *Comprehensive Annual Financial Report (CAFR)*, presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources, the property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economical Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and the activities it performs.

*Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Financial Report for the relevant year. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.*

TABLE 1  
(UNAUDITED)

CITY OF MISSION, KANSAS  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net investments in capital assets	\$ 8,129,556	\$ 15,120,064	\$ 18,606,539	\$ 21,507,063	\$ 23,644,245	\$ 25,521,486	\$ 26,771,829	\$ 24,709,361	\$ 31,231,003	\$ 34,647,991
Restricted	678,017	722,400	857,622	941,397	791,098	550,988	63,337	5,682	672,282	738,850
Unrestricted	<u>4,359,428</u>	<u>2,360,686</u>	<u>3,571,184</u>	<u>3,841,032</u>	<u>1,518,953</u>	<u>1,844,275</u>	<u>3,336,675</u>	<u>7,429,857</u>	<u>4,058,231</u>	<u>541,312</u>
Total Net Position	<u>\$ 13,167,001</u>	<u>\$ 18,203,150</u>	<u>\$ 23,035,345</u>	<u>\$ 26,289,492</u>	<u>\$ 25,954,296</u>	<u>\$ 27,916,749</u>	<u>\$ 30,171,841</u>	<u>\$ 32,144,900</u>	<u>\$ 35,961,516</u>	<u>\$ 35,928,153</u>

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 2  
(UNAUDITED)

CITY OF MISSION, KANSAS  
CHANGE IN NET POSITION  
LAST TEN YEARS  
(Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General government	\$ 3,547,477	\$ 1,892,510	\$ 3,534,363	\$ 2,311,207	\$ 1,893,579	\$ 2,964,860	\$ 2,376,085	\$ 2,200,521	\$ 2,480,810	\$ 2,617,020
Public safety	2,903,379	3,239,519	3,384,135	3,624,111	3,613,022	3,791,275	3,725,913	3,690,037	3,774,245	3,539,822
Public works	2,657,277	2,953,028	2,699,875	3,990,772	4,388,119	3,332,773	3,306,786	3,448,002	3,263,297	3,562,734
Culture and recreation	2,813,443	2,648,777	2,657,303	2,733,024	2,695,954	2,607,459	2,635,617	2,683,576	2,695,856	2,647,417
Interest on Long-Term Debt	617,069	1,039,158	1,390,170	1,276,197	1,007,059	974,679	1,055,632	1,256,986	1,483,825	959,983
<b>Total Primary Government Expenses</b>	<b>12,538,645</b>	<b>11,772,992</b>	<b>13,665,846</b>	<b>13,935,311</b>	<b>13,597,733</b>	<b>13,671,046</b>	<b>13,100,033</b>	<b>13,279,122</b>	<b>13,698,033</b>	<b>13,326,976</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges for services</b>										
General government	115,658	154,005	164,213	161,865	132,871	781,913	494,255	609,511	663,866	608,814
Public safety	1,568,089	1,897,595	1,850,795	2,071,362	1,648,771	1,640,415	1,868,248	1,528,186	1,462,936	1,345,844
Public works	372,141	574,455	777,603	1,059,463	1,190,916	2,432,511	2,461,655	2,871,020	2,826,091	2,855,225
Culture and recreation	1,758,012	1,818,171	1,872,041	1,841,918	1,805,037	1,559,797	1,776,706	1,776,706	1,808,576	1,846,807
<b>Operating grants and contributions</b>										
General government	1,300	-	-	-	-	-	-	-	-	-
Public safety	14,573	44,286	68,313	54,871	34,335	46,848	55,474	57,824	47,323	70,816
Public works	756,870	4,058,055	5,945,713	3,619,852	1,113,502	2,308,031	492,870	1,070,856	1,988,215	2,019,400
<b>Total Primary Government Program Revenues</b>	<b>4,586,643</b>	<b>8,546,567</b>	<b>10,678,678</b>	<b>8,809,331</b>	<b>5,925,432</b>	<b>8,769,515</b>	<b>7,149,208</b>	<b>7,914,103</b>	<b>8,797,007</b>	<b>8,746,906</b>
<b>Total Primary Government Net [Expense]</b>	<b>[7,952,002]</b>	<b>[3,226,425]</b>	<b>[2,987,168]</b>	<b>[5,125,980]</b>	<b>[7,672,301]</b>	<b>[4,901,531]</b>	<b>[5,950,825]</b>	<b>[5,365,019]</b>	<b>[4,901,026]</b>	<b>[4,580,070]</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
<b>Taxes:</b>										
Property taxes	1,263,709	1,742,544	1,930,893	2,040,368	1,800,788	1,469,907	1,394,756	1,417,391	1,444,658	2,460,223
Sales and use tax	4,296,256	4,542,950	4,323,982	3,972,155	3,973,428	4,057,445	4,040,247	4,942,079	5,744,564	5,711,057
Motor vehicle tax	107,865	123,358	160,252	166,532	158,653	159,717	125,721	130,868	134,758	156,487
Franchise tax	929,185	986,991	1,022,445	976,392	1,011,213	1,014,732	968,696	1,022,854	1,036,905	1,009,649
Investment earnings	710,936	612,662	214,405	37,475	4,282	2,348	4,227	3,214	1,954	2,404
Miscellaneous	392,427	281,947	253,637	1,187,205	388,741	159,835	399,104	368,921	378,658	553,144
<b>Total primary government</b>	<b>7,700,378</b>	<b>8,290,452</b>	<b>7,905,614</b>	<b>8,380,127</b>	<b>7,337,105</b>	<b>6,863,984</b>	<b>6,932,751</b>	<b>7,885,327</b>	<b>8,741,497</b>	<b>9,892,964</b>
<b>Change in Net Position</b>	<b>\$ [251,624]</b>	<b>\$ 5,064,027</b>	<b>\$ 4,918,446</b>	<b>\$ 3,254,147</b>	<b>\$ [335,196]</b>	<b>\$ 1,962,453</b>	<b>\$ 981,926</b>	<b>\$ 2,520,308</b>	<b>\$ 3,840,471</b>	<b>\$ 5,312,894</b>
<b>Governmental activities</b>										

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 3  
(UNAUDITED)

CITY OF MISSION, KANSAS  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(Modified Accrual Basis of Accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund				
Unassigned	\$ -	\$ -	\$ -	\$ -
Assigned	-	-	-	-
Reserved	3,000	3,000	3,000	34,269
Unreserved	<u>1,923,372</u>	<u>2,120,554</u>	<u>2,459,968</u>	<u>2,473,479</u>
Total General Fund	<u>\$ 1,926,372</u>	<u>\$ 2,123,554</u>	<u>\$ 2,462,968</u>	<u>\$ 2,507,748</u>
All Other Governmental Funds				
Assigned	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
Reserved	1,153,883	1,153,883	8,828	-
Unreserved, reported in:				
Special revenue funds	1,654,844	1,635,880	1,642,606	1,527,992
Debt service fund	678,017	722,400	857,622	941,397
Capital project funds	<u>9,970,696</u>	<u>[1,813,596]</u>	<u>5,952,272</u>	<u>815,477</u>
Total All Other Governmental Funds	<u>\$ 13,457,440</u>	<u>\$ 1,698,567</u>	<u>\$ 8,461,328</u>	<u>\$ 3,284,866</u>

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 3  
(UNAUDITED)

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ -	\$ 1,335,927	\$ 1,340,574	\$ 1,551,771	\$ 2,341,433	\$ 2,860,180
-	-	-	-	122,279	-
34,915	-	-	-	-	-
<u>1,289,577</u>	-	-	-	-	-
<u>\$ 1,324,492</u>	<u>\$ 1,335,927</u>	<u>\$ 1,340,574</u>	<u>\$ 1,551,771</u>	<u>\$ 2,463,712</u>	<u>\$ 2,860,180</u>
\$ -	\$ -	\$ -	\$ -	\$ 63,100	\$ -
-	2,093,006	4,989,510	10,353,222	1,695,376	1,332,431
-	3,721	5,610	15,566	60,615	42,829
-	-	[48,129]	[46,223]	[45,010]	[41,720]
-	-	-	-	-	-
417,604	-	-	-	-	-
791,098	-	-	-	-	-
<u>[453,906]</u>	-	-	-	-	-
<u>\$ 754,796</u>	<u>\$ 2,096,727</u>	<u>\$ 4,946,991</u>	<u>\$ 10,322,565</u>	<u>\$ 1,774,081</u>	<u>\$ 1,333,540</u>

TABLE 4  
(UNAUDITED)

CITY OF MISSION, KANSAS  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(Modified Accrual Basis of Accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues			
Taxes	\$ 6,597,014	\$ 7,395,843	\$ 7,336,009
Special assessments	106,173	95,035	101,563
Intergovernmental	666,570	4,007,306	6,014,026
Licenses and permits	147,398	199,545	322,449
Charges for services	2,102,420	2,341,354	2,480,423
Fines and fees	1,564,082	1,903,327	1,861,780
Use of money and property	710,936	612,662	175,208
Miscellaneous	<u>392,427</u>	<u>281,947</u>	<u>275,087</u>
Total revenues	<u>12,287,020</u>	<u>16,837,019</u>	<u>18,566,545</u>
Expenditures			
General government	1,916,208	1,975,256	2,199,511
Public safety	2,722,207	3,079,884	3,326,584
Public works	2,403,996	2,574,231	2,247,005
Culture and recreation	2,521,622	2,381,770	2,387,785
Capital outlay	8,542,329	22,198,096	9,219,468
Debt service			
Principal	4,685,000	5,985,000	8,345,000
Interest and other charges	<u>375,817</u>	<u>1,187,708</u>	<u>1,334,697</u>
Total expenditures	<u>23,167,179</u>	<u>39,381,945</u>	<u>29,060,050</u>
Excess of revenues over [under] expenditures	<u>[10,880,159]</u>	<u>[22,544,926]</u>	<u>[10,493,505]</u>
Other financing sources [uses]			
Transfers in	1,752,338	2,080,802	1,512,547
Transfers out	[1,752,338]	[2,080,802]	[1,512,547]
Bond premium	61,976	1,113	-
Bond discount	-	-	[54,320]
Loan proceeds	-	-	-
Sale of bonds	<u>12,590,000</u>	<u>11,010,000</u>	<u>17,650,000</u>
Total other financing sources [uses]	<u>12,651,976</u>	<u>11,011,113</u>	<u>17,595,680</u>
Net change in fund balances	<u>\$ 1,771,817</u>	<u>\$ [11,533,813]</u>	<u>\$ 7,102,175</u>
Debt service as a percentage of noncapital expenditures	34.60%	41.87%	45.90%

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 4  
(UNAUDITED)

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 7,064,955	\$ 6,927,357	\$ 6,690,601	\$ 6,571,139	\$ 7,514,184	\$ 8,329,707	\$ 8,440,524
90,492	16,725	11,200	10,426	-	-	-
3,674,723	1,147,837	2,354,879	548,344	1,128,680	2,035,538	2,090,216
161,865	132,871	158,156	134,743	198,191	135,133	141,750
2,801,599	2,793,683	4,616,065	4,597,873	5,059,046	5,163,400	5,169,096
2,171,144	1,851,040	1,640,415	1,868,248	1,528,186	1,462,936	1,345,844
37,475	4,282	2,348	4,227	3,214	1,954	2,404
<u>1,212,405</u>	<u>415,230</u>	<u>187,679</u>	<u>428,373</u>	<u>399,687</u>	<u>410,738</u>	<u>587,139</u>
<u>17,214,658</u>	<u>13,289,025</u>	<u>15,661,343</u>	<u>14,163,373</u>	<u>15,831,188</u>	<u>17,539,406</u>	<u>17,776,973</u>
1,912,691	1,907,311	1,925,928	1,721,635	1,817,454	1,876,551	2,047,368
3,473,046	3,438,881	3,710,722	3,652,781	3,540,422	3,667,321	3,480,670
3,489,138	3,335,084	2,113,493	2,048,877	2,005,594	1,926,534	2,195,809
2,475,261	2,477,811	2,434,362	2,407,179	2,418,064	2,421,207	2,268,368
3,899,569	2,673,142	5,545,434	2,244,246	6,761,526	8,912,494	3,225,688
28,400,000	12,365,000	2,976,408	2,450,000	2,420,000	19,399,203	3,979,313
<u>1,606,635</u>	<u>1,329,292</u>	<u>1,047,541</u>	<u>1,143,744</u>	<u>1,253,371</u>	<u>1,370,028</u>	<u>1,013,218</u>
<u>45,256,340</u>	<u>27,526,521</u>	<u>19,753,888</u>	<u>15,668,462</u>	<u>20,216,431</u>	<u>39,573,338</u>	<u>18,210,434</u>
<u>[28,041,682]</u>	<u>[14,237,496]</u>	<u>[4,092,545]</u>	<u>[1,505,089]</u>	<u>[4,385,243]</u>	<u>[22,033,932]</u>	<u>[433,461]</u>
1,634,590	2,609,467	1,250,000	682,000	325,557	351,450	1,339,356
<u>[1,634,590]</u>	<u>[2,609,467]</u>	<u>[1,250,000]</u>	<u>[682,000]</u>	<u>[325,557]</u>	<u>[351,450]</u>	<u>[1,339,356]</u>
-	105,663	-	-	302,014	418,111	-
-	-	-	-	-	-	-
-	273,507	520,911	-	-	190,000	389,388
<u>22,910,000</u>	<u>10,145,000</u>	<u>4,925,000</u>	<u>4,360,000</u>	<u>9,670,000</u>	<u>13,830,000</u>	<u>-</u>
<u>22,910,000</u>	<u>10,524,170</u>	<u>5,445,911</u>	<u>4,360,000</u>	<u>9,972,014</u>	<u>14,438,111</u>	<u>389,388</u>
<u>\$ [5,131,682]</u>	<u>\$ [3,713,326]</u>	<u>\$ 1,353,366</u>	<u>\$ 2,854,911</u>	<u>\$ 5,586,771</u>	<u>\$ [7,595,821]</u>	<u>\$ [44,073]</u>
72.76%	54.93%	26.49%	25.62%	26.84%	66.36%	31.86%

TABLE 5  
(UNAUDITED)

CITY OF MISSION, KANSAS  
GENERAL GOVERNMENT TAX REVENUES BY SOURCE  
LAST TEN YEARS

<u>Fiscal Year</u> <u>December 31,</u>	<u>Property</u> <u>Tax</u>	<u>City Sales</u> <u>Tax</u>	<u>City Use</u> <u>Tax</u>	<u>County Sales</u> <u>Tax</u>	<u>County Use</u> <u>Tax</u>	<u>Franchise</u> <u>Tax</u>	<u>Total</u>
2006	\$ 1,371,573	\$ 2,571,130	\$ 465,239	\$ 1,003,059	\$ 256,828	\$ 929,185	\$ 6,597,014
2007	1,865,902	2,647,561	614,798	1,035,776	244,815	986,991	7,395,843
2008	1,989,582	2,625,275	461,553	1,097,660	139,494	1,022,445	7,336,009
2009	2,116,408	2,484,314	439,764	918,713	129,364	976,392	7,064,955
2010	1,942,716	2,475,013	471,969	897,296	129,150	1,011,213	6,927,357
2011	1,618,424	2,564,793	379,031	938,788	174,833	1,014,732	6,690,601
2012	1,562,195	2,482,815	372,011	1,002,287	174,692	977,139	6,571,139
2013	1,549,252	3,143,802	502,158	1,015,709	174,756	1,128,507	7,514,184
2014	1,548,571	3,700,732	1,003,224	876,568	163,707	1,036,905	8,329,707
2015	1,683,032	3,775,802	914,404	886,416	171,221	1,009,649	8,440,524

Source: City of Mission, Kansas Basic Financial Statements.

TABLE 6  
(UNAUDITED)

CITY OF MISSION, KANSAS  
LOCAL SALES AND CONSUMPTION TAX COLLECTIONS  
LAST TEN YEARS (1)

Category	Local Sales Tax Collected							
	2009	2010	2011	2012	2013	2014	2015	
Auto sales, repairs and parts	\$ 264,802	\$ 297,058	\$ 336,701	\$ 232,132	\$ 213,482	\$ 228,554	\$ 300,907	
Clothing, department and shoe stores	432,385	415,520	438,675	453,851	583,131	682,553	655,278	
Building construction, repairs, and maint.	84,602	67,472	53,265	58,198	60,187	92,319	143,443	
Grocery and drug stores	386,318	437,049	449,708	431,180	535,619	620,021	593,849	
Medical	15,962	18,900	19,979	22,897	33,419	27,661	18,874	
Hotels, restaurants and entertainment	424,966	389,738	431,435	412,674	469,695	648,415	638,244	
Specialty	173,076	173,346	181,528	161,861	265,677	285,063	380,581	
Utilities/communications	373,797	379,538	358,793	332,923	436,971	505,198	416,654	
All other outlets	328,406	296,392	294,709	377,099	545,621	576,026	607,284	
<b>Total</b>	<b>\$ 2,484,314</b>	<b>\$ 2,475,013</b>	<b>\$ 2,564,793</b>	<b>\$ 2,482,815</b>	<b>\$ 3,143,802</b>	<b>\$ 3,665,810</b>	<b>\$ 3,755,114</b>	
<b>City Sales Tax Rates:</b>								
General Sales Tax	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Street Sales Tax (For 10 Years)	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	
Parks Sales Tax (For 10 Years)	0.00%	0.00%	0.00%	0.00%	0.38%	0.38%	0.38%	
	1.25%	1.25%	1.25%	1.25%	1.63%	1.63%	1.63%	

Note (1) - Data became available in 2009, therefore 10 years of data is unavailable.

Source: Kansas Department of Revenue.

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TABLE 7  
(UNAUDITED)

CITY OF MISSION  
ASSESSED AND ESTIMATED ACTUAL VALUE  
OF TAXABLE PROPERTY (1)  
LAST TEN YEARS

Assessment Year	Year Ended December 31, Budget Year	Real Property		Personal Property		Total Assessed Value	Estimated Actual Value	Ratio of Assessed Value to Estimated Actual Value	Total Direct Tax Rate
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2005	2006	\$ 122,948,049	\$ 880,351,925	\$ 8,749,943	\$ 29,166,477	\$ 131,697,992	\$ 909,518,402	0.14	9.962
2006	2007	128,267,489	923,590,639	9,862,567	32,875,223	138,130,056	956,465,862	0.14	13.176
2007	2008	130,722,893	936,033,240	6,713,836	22,379,453	137,436,729	958,412,693	0.14	13.198
2008	2009	124,812,666	900,169,960	3,389,601	11,298,670	128,202,267	911,468,630	0.14	13.215
2009	2010	117,416,873	858,323,410	3,104,763	10,349,210	120,521,636	868,672,620	0.14	13.217
2010	2011	115,357,123	862,419,740	2,594,652	8,648,840	117,951,775	871,068,580	0.14	11.213
2011	2012	112,043,638	854,717,930	2,107,544	7,025,147	114,151,182	861,743,077	0.13	11.371
2012	2013	112,122,375	848,855,960	1,725,925	5,753,083	113,848,300	854,609,043	0.13	11.410
2013	2014	115,710,355	879,419,020	1,490,100	4,967,000	117,200,455	884,386,020	0.13	11.413
2014	2015	120,318,510	910,954,710	1,270,673	4,235,577	121,589,183	915,190,287	0.13	11.354

(1) - Information provided by the Johnson County Office of the County Appraiser.

TABLE 8  
(UNAUDITED)

CITY OF MISSION, KANSAS  
PROPERTY TAX RATES PER \$1,000 OF ASSESSED VALUATION  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN YEARS

Year Ended December 31,	City				Johnson County	Shawnee Mission School District	Johnson County Community College
	General Fund	Storm Drain Fund	General Obligation Fund	Total Direct Rate			
2006	9.962	1.003	1.028	11.993	17.9220	49.7480	8.960
2007	13.176	1.002	1.027	15.205	17.9490	51.9800	8.872
2008	13.198	1.004	1.029	15.231	17.9850	52.0080	8.749
2009	13.215	1.005	1.030	15.250	17.7670	52.0940	8.768
2010	11.182	1.005	1.030	13.217	17.7160	55.3180	8.784
2011	10.183	0.000	1.030	11.213	17.7480	57.1920	8.799
2012	10.326	0.000	1.045	11.371	17.7000	56.1350	8.776
2013	10.361	0.000	1.049	11.410	17.7000	56.1350	8.776
2014	10.363	0.000	1.050	11.413	17.7450	55.6110	9.551
2015	11.354	0.000	0.000	11.354	17.7640	55.9110	9.461

Information provided by the Johnson County, Kansas County Clerk's Annual Abstract of Taxes.

TABLE 8  
(UNAUDITED)

Consolidated Fire District #2	Johnson County Library	Johnson County Parks and Recreation	Total
9.405	2.955	2.286	103.269
9.335	2.960	2.290	108.591
9.356	2.962	2.295	108.586
8.992	3.057	2.341	108.269
8.991	3.151	2.346	109.523
10.074	3.158	2.350	110.534
10.098	3.145	2.343	109.568
10.098	3.145	2.343	109.607
11.004	3.155	2.347	110.826
11.003	3.157	2.349	110.999

TABLE 9  
(UNAUDITED)

CITY OF MISSION, KANSAS  
PRINCIPAL TAXPAYERS  
December 31, 2015 and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2015 Assessed Valuation</u>	<u>Rank</u>	<u>% of Total Assessed Valuation</u>	<u>2006 Assessed Valuation</u>	<u>Rank</u>	<u>% of Total Assessed Valuation</u>
Scriptpro	Medical equipment manufacturer	\$ 4,576,660	1	3.90%	\$ 4,258,630	1	3.23%
Tower Properties Company	Property developer	2,432,711	2	2.08%	1,875,168	8	1.42%
CAPROCQ KC Mission, L.L.C.	Real estate	2,334,818	3	1.99%	-		0.00%
MOHR Mission, L.L.C.	Real estate	2,270,019	4	1.94%	-		0.00%
Silverwood Apartments, L.L.C.	Real estate	2,200,755	5	1.88%	1,975,482	7	1.50%
Bridges at Foxridge NF L.L.C.	Property developer	2,070,000	6	1.77%	-		0.00%
Whispering Falls, L.L.C.	Real estate	2,062,065	7	1.76%	-		0.00%
Mission Mart Shopping Center	Shopping center	1,913,999	8	1.63%	1,693,592	10	1.29%
Target	Shopping center	1,879,956	9	1.60%	2,648,131	3	2.01%
Block Properties Company	Property developer	1,757,251	10	1.50%	1,708,421	9	1.30%
Southwestern Bell Telephone	Telecommunications provider	-		0.00%	2,717,014	2	2.06%
Gateway Developers, L.L.C.	Property developer	-		0.00%	2,548,454	4	1.94%
Broadmoor Place Joint Venture	Office building development	-		0.00%	2,383,000	5	1.81%
Sixty Three West Investors	Property developer	-		0.00%	2,006,176	6	1.52%
<b>Total</b>		<b>\$ 23,498,234</b>		<b>20.05%</b>	<b>\$ 23,814,068</b>		<b>18.08%</b>

Source: Johnson County Clerks Office.

TABLE 10  
(UNAUDITED)

CITY OF MISSION, KANSAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

<u>Year Ended December 31,</u>	<u>Total Tax Levy</u>	<u>Current Taxes Collected</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Ratio of Total Tax Collections to Tax Levy</u>
2006	\$ 1,280,090	\$ 1,255,976	98.1%	\$ 5,265	\$ 1,261,241	98.5%
2007	1,733,032	1,697,828	98.0%	30,411	1,728,239	99.7%
2008	1,821,495	1,685,188	92.5%	104,970	1,790,158	98.3%
2009	1,814,496	1,776,342	97.9%	36,912	1,813,254	99.9%
2010	1,694,787	1,657,376	97.8%	12,236	1,669,612	98.5%
2011	1,351,409	1,320,407	97.7%	29,563	1,349,970	99.9%
2012	1,341,230	1,321,097	98.5%	9,484	1,330,581	99.2%
2013	1,302,465	1,286,467	98.8%	13,977	1,300,444	99.8%
2014	1,299,351	1,279,755	98.5%	14,966	1,294,721	99.6%
2015	1,330,712	1,297,246	97.5%	3,139	1,300,385	97.7%

TABLE 11  
(UNAUDITED)

CITY OF MISSION, KANSAS  
OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Temporary Notes	Capital Improvement Bonds	Special Assessment Bonds	Loans Bonds	Capital Leases Payable	Total	City Population	Personal Income	Debt Per Capita	Debt As A Percentage of Personal Income
2006	\$ 9,725,138	\$ 13,946,976	\$ 860,000	\$ 75,000	\$ -	\$ 144,530	\$ 24,751,644	10,020	\$ 279,257,400	2,470	8.86%
2007	9,050,680	19,771,525	700,000	60,000	-	66,200	29,648,405	10,020	279,257,400	2,959	10.62%
2008	7,951,220	30,265,805	535,000	45,000	-	136,823	38,933,848	10,020	279,257,400	3,886	13.94%
2009	29,666,760	3,231,666	365,000	30,000	-	122,359	33,415,785	10,020	279,257,400	3,335	11.97%
2010	30,800,663	-	185,000	20,000	273,507	67,336	31,346,506	9,323	328,701,011	3,362	9.54%
2011	32,748,611	485,000	-	10,000	99,864	407,344	33,750,819	9,323	328,701,011	3,620	10.27%
2012	34,625,964	485,000	-	-	95,887	265,454	35,472,305	9,323	328,701,011	3,805	10.79%
2013	42,210,431	485,000	-	-	91,792	164,814	42,952,037	9,323	328,701,011	4,607	13.07%
2014	37,518,281	-	-	-	87,589	226,067	37,831,937	9,323	328,701,011	4,058	11.51%
2015	33,430,089	-	-	-	83,276	480,378	33,993,743	9,323	328,701,011	3,646	10.34%

Source: Johnson County Clerk and City of Mission Records.

TABLE 12  
(UNAUDITED)

CITY OF MISSION, KANSAS  
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED  
VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA  
LAST TEN YEARS

<u>Year Ended</u> <u>December 31,</u>	<u>Population(1)</u>	<u>Assessed</u> <u>Value</u>	<u>Gross</u> <u>Bonded</u> <u>Debt</u>	<u>Less</u> <u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Net</u> <u>Bonded</u> <u>Debt</u>	<u>Ratio of</u> <u>Net</u> <u>Bonded</u> <u>Debt to</u> <u>Assessed</u> <u>Value</u>	<u>Net</u> <u>Bonded</u> <u>Debt per</u> <u>Capita</u>
2006	10,020	\$ 131,697,992	\$ 9,800,138	\$ 678,017	\$ 9,122,121	6.93%	\$ 910.39
2007	10,020	138,130,056	9,110,680	722,400	8,388,280	6.07%	837.15
2008	10,020	137,436,729	7,996,220	857,622	7,138,598	5.19%	712.43
2009	10,020	128,202,267	29,696,760	941,397	28,755,363	22.43%	2,869.80
2010	9,323	120,521,636	30,820,663	791,098	30,029,565	24.92%	3,221.02
2011	9,323	117,951,775	32,758,611	550,988	32,207,623	27.31%	3,454.64
2012	9,323	114,151,182	34,625,964	63,337	34,562,627	30.28%	3,707.24
2013	9,323	113,848,300	42,210,431	3,529,721	38,680,710	33.98%	4,148.96
2014	9,323	117,200,455	37,518,281	672,282	36,845,999	31.44%	3,952.16
2015	9,323	121,589,183	33,430,089	738,850	32,691,239	26.89%	3,506.51

(1) Information provided by the Johnson County Economic Research Institute.

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TABLE 13  
(UNAUDITED)

CITY OF MISSION, KANSAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
December 31, 2015

<u>Name of Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Mission</u>	<u>Amount Applicable to City of Mission</u>
Direct debt:			
City of Mission, Kansas	\$ 33,993,743	100.00%	\$ 33,993,743
Overlapping debt: (1)			
Johnson County	356,670,000	1.41%	5,029,047
Shawnee Mission School (U.S.D. 512)	302,299,684	3.81%	11,517,618
Fire District #2	545,000	15.60%	85,020
Johnson County Parks and Recreation	<u>2,315,000</u>	1.41%	<u>32,642</u>
Total overlapping debt	<u>661,829,684</u>		<u>16,664,326</u>
Total direct and overlapping debt	<u>\$ 695,823,427</u>		<u>\$ 50,658,069</u>

(1) Information provided by Johnson County Clerk's Office.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the overlapping debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also applied to the other debt of the overlapping governmental units.

TABLE 14  
(UNAUDITED)

CITY OF MISSION, KANSAS  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Total Assessed Valuation of Taxable Property	\$ 144,047,030	\$ 150,542,400	\$ 149,689,527	\$ 140,390,464
Debt Limit Percent of Assessed Value	30.00%	30.00%	30.00%	30.00%
Debt Limit	43,214,109	45,162,720	44,906,858	42,117,139
Total net debt applicable to limit	<u>9,800,138</u>	<u>9,110,680</u>	<u>7,996,220</u>	<u>2,915,000</u>
Legal Debt Margin	<u>\$ 33,413,971</u>	<u>\$ 36,052,040</u>	<u>\$ 36,910,638</u>	<u>\$ 39,202,139</u>
Total Net Debt Applicable To The Limit As A Percentage of Debt Limit	22.68%	20.17%	17.81%	6.92%

Note 1: Total Assessed Valuation of Taxable Property on This Table Includes Motor Vehicle Assessed Valuation.

Note 2: Under State finance law, the City's outstanding general obligation debt should not exceed 30 percent of the total assessed property value.

Source: Assessed valuation from Johnson County Clerk.

TABLE 14  
(UNAUDITED)

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 132,076,558	\$ 129,270,218	\$ 125,513,832	\$ 125,197,213	\$ 128,836,941	\$ 133,572,726
30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
39,622,967	38,781,065	37,654,150	37,559,164	38,651,082	40,071,818
<u>2,740,000</u>	<u>6,535,000</u>	<u>9,865,000</u>	<u>15,935,000</u>	<u>11,720,000</u>	<u>9,591,160</u>
<u>\$ 36,882,967</u>	<u>\$ 32,246,065</u>	<u>\$ 27,789,150</u>	<u>\$ 21,624,164</u>	<u>\$ 26,931,082</u>	<u>\$ 30,480,658</u>
6.92%	16.85%	26.20%	42.43%	30.32%	23.93%

TABLE 15  
(UNAUDITED)

CITY OF MISSION, KANSAS  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
December 31, 2015

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Personal Income</u>
2006	10,020	4.1%	\$ 27,870	\$ 279,257,400
2007	10,020	3.9%	27,870	279,257,400
2008	10,020	4.4%	27,870	279,257,400
2009	10,020	6.3%	27,870	279,257,400
2010	9,323	6.8%	35,257	328,701,011
2011	9,323	6.0%	35,257	328,701,011
2012	9,323	5.4%	35,257	328,701,011
2013	9,323	3.8%	35,257	328,701,011
2014	9,323	3.3%	35,257	328,701,011
2015	9,323	3.3%	35,257	328,701,011

(1) Obtained from Johnson County Economic Research Institute and Bureau of Census.  
Unemployment rates are for Johnson County.

(2) Information compiled every ten years.

TABLE 16  
(UNAUDITED)

CITY OF MISSION, KANSAS  
PRINCIPAL EMPLOYERS  
December 31, 2015 and Nine Years Ago

Employer	December 31, 2015			December 31, 2006		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
AT&T Telecommunications	677	1	7.26%	400	2	3.99%
ScriptPro	600	2	6.44%	500	1	4.99%
VinSolutions	500	3	5.36%			
HyVee Food Stores	320	4	3.43%	250	5	2.50%
U.S. Post Office	250	5	2.68%	250	4	2.50%
Entercom	250	6	2.68%	200	6	2.00%
Packaging Products Corp	250	7	2.68%	Not Available		0.00%
Fred Pryor Seminars	200	8	2.15%			
Geneva Roth Ventures	175	9	1.88%	Not Available		0.00%
Skillpath, Inc.	160	10	1.72%	250	3	2.50%
Target	-		0.00%	Not Available		0.00%
Cumulus Broadcasting (1)	-		0.00%	100	10	1.00%
CGI CommuniGroup	-		0.00%	100	7	1.00%
cGMP Validation L.L.C.	-		0.00%	100	8	1.00%
Medical Staffing Network	-		0.00%	100	9	1.00%
<b>Total</b>	<b>3,382</b>		<b>36.28%</b>	<b>2,250</b>		<b>22.48%</b>

(1) Formerly Susquehanna, Inc.

Source: Northeast Johnson County Economic Development Council.

TABLE 17  
(UNAUDITED)

CITY OF MISSION, KANSAS  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS  
December 31, 2015

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Public Safety/Municipal Justice</b>										
911 Calls Received	9,003	10,756	9,128	8,432	10,583	9,150	10,004	9,640	9,619	10,295
DUI Arrests	213	363	335	441	317	328	254	252	241	222
Traffic/Parking Complaints	16,858	17,964	17,350	20,745	16,947	14,471	15,360	10,724	10,185	9,569
Accidents	316	351	287	252	234	294	272	257	254	267
Investigations Cases	714	744	702	668	732	543	450	474	368	458
Total Court Cases Processed	17,690	19,027	17,574	18,849	17,158	14,760	16,624	10,808	10,237	9,537
<b>Public Works</b>										
Curb Miles Swept (lane miles)	296	222	797	1,263	925	1,416	880	1,327	1,490	890
Streets Milled and Overlaid (Linear Feet)	1,200	2,850	9,386	2,540	4,953	13,330	8,417	6,682	4,329	1,386
Sidewalk Replaced (Square Yards)	550	550	1,330	341	1,619	6,015	455	5,134	6,776	2,265
Curb and Gutter Replaced (Linear Feet)	2,900	6,499	4,920	222	3,642	11,266	4,965	8,027	11,631	1,712
Acres of Lawn Mowed	4,224	1,056	1,056	1,240	1,240	1,240	1,240	1,461	1,575	1,599
<b>Urban Management and Planning</b>										
Building Permits Processed	36	60	130	161	251	281	409	331	357	442
Plan Reviews Performed	20	18	20	20	26	17	14	10	14	26
<b>Leisure and Recreation</b>										
Annual Memberships Sold	937	2,294	2,314	2,520	2,871	2,115	2,031	2,413	2,835	2,140
Annual Membership Revenue	1,054,374	1,028,942	1,022,691	952,658	941,704	932,068	872,878	854,846	834,076	825,630
Facility Reservations Processed	1,960	1,111	735	1,012	846	906	1,027	817	1,560	1,374
Facility Reservation Revenue	168,119	172,469	189,378	247,984	214,995	209,024	221,259	187,577	194,746	222,183
Pool Memberships Sold	261	230	232	315	349	323	262	349	998	291
Pool Revenue	53,504	54,425	57,265	63,998	67,880	55,932	57,339	50,684	104,750	104,544

Source: City of Mission, Kansas.

TABLE 18  
(UNAUDITED)

CITY OF MISSION, KANSAS  
FULL TIME CITY EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS

<u>Function/Program</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Government										
Administration/Finance	7.0	6.0	5.0	5.0	5.0	7.0	7.0	7.0	6.0	6.0
Community Development	5.0	5.0	5.0	5.0	5.0	3.0	3.0	3.0	2.0	2.0
Municipal Court	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0
Public Works	11.0	11.0	11.0	11.0	11.0	11.0	11.0	12.0	14.0	14.0
Police	31.0	31.0	31.0	31.0	31.0	31.0	31.0	30.0	30.0	30.0
Parks & Recreation	<u>13.0</u>	<u>13.0</u>	<u>13.0</u>	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>	<u>13.0</u>	<u>13.0</u>	<u>14.0</u>	<u>14.0</u>
Total	70.0	69.0	69.0	68.0	68.0	68.0	69.0	69.0	69.0	69.0

Source: City of Mission, Kansas.

TABLE 19  
(UNAUDITED)

CITY OF MISSION, KANSAS  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS

<u>Function/Program</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Police										
Stations	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Works										
Miles of streets	44.7	44.7	44.7	44.7	44.7	44.7	44.7	44.7	44.7	44.7
Streetlights	845.0	845.0	805.0	805.0	805.0	850.0	850.0	850.0	850.0	850.0
Parks & Recreation										
Parks	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Park acreage	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Pools	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tennis Courts	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community Center	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

Source: City of Mission, Kansas.

<b>City of Mission</b>	Item Number:	2.
<b>ACTION ITEM SUMMARY</b>	Date:	April 26, 2016
<b>Administration</b>	From:	Brian Scott

Action items require a vote to recommend the item to full City Council for further action.

**RE:** Resolution Authorizing City Staff to Initiate a Lease-Purchase of Six Police Vehicles, One Police Motorcycle, and One Public Works Skid-Steer Loader.

**RECOMMENDATION:** Approve the resolution of intent authorizing staff to initiate the lease-purchase of six police vehicles, one police motorcycle, and one skid-steer loader.

**DETAILS:** The police department's six, front-line patrol vehicles are scheduled to be replaced this year. All six patrol vehicles are 2012 Chevrolet Tahoes, and are nearing the end of their useful life. The department has opted to replace them with Ford Explorers at an approximate cost of \$55,650 each.

In addition, the police department needs to replace a 2007 Harley-Davidson police motorcycle at a cost of approximately \$34,000; and the public works department needs to replace a skid-steer loader at a cost of approximately \$65,000.

The total cost for replacement of the six patrol vehicles, the one police motorcycle, and the skid-steer loader is \$433,000. This is a sizeable amount for the City to pay from the general fund budget in any given year. In such situations, we look to make these purchases through a lease-purchase financing arrangement. This process entails placing all vehicles out for bid to secure the lowest and best price. Once these prices have been secured, the city solicits bids from financial institutions that can offer the lowest interest rates and serve as the lessor in purchasing the vehicles on the City's behalf and leasing them back to the City in a lease-to-purchase arrangement.

The attached resolution authorizes staff to formally begin the process of setting-up a lease-purchase arrangement. The final lease-purchase arrangement will still require the approval of the City Council before it can be finalized.

**CFAA CONSIDERATIONS/IMPACTS:** N/A

Related Statute/City Ordinance:	Article 12, §5 of the Kansas Constitution and K.S.A. 12-101
Line Item Code/Description:	01-30-403-01 Police Vehicles / 01-20-403-03 Public Works Vehicles
Available Budget:	\$100,000 / \$65,000

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AUTHORIZING THE ACQUISITION OF POLICE VEHICLES AND PUBLIC WORKS EQUIPMENT BY PURCHASE OR LEASE FOR THE CITY OF MISSION, KANSAS.**

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**WHEREAS**, the City of Mission, Kansas (the “City”), desires to acquire and equip certain police vehicles and public works equipment (the “Equipment”); and

**WHEREAS**, in order to expedite the ordering of such Equipment, the City needs to enter into a purchase order for such Equipment; and

**WHEREAS**, the City expects that such Equipment will be financed by a lease-purchase agreement with vendors to be selected by the City.

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MISSION, KANSAS, AS FOLLOWS:**

**Section 1.** City staff are authorized to execute and deliver purchase orders for the Equipment in an amount not to exceed \$433,000.

**Section 2.** City staff is authorized to solicit lease purchase proposals to finance the Equipment.

**Section 3.** The City may incur costs for the Equipment in the maximum principal amount of \$445,000 and the City intends to reimburse itself for such expenditures with the proceeds of bonds, notes or a lease purchase agreement.

**Section 4.** The Mayor, City Administrator, City Clerk, Finance Director and the other officers and representatives of the City are hereby authorized and directed to take such other action as may be necessary to carry out the intent of this Resolution.

**Section 5.** This Resolution shall be in full force and effect from and after its adoption.

**ADOPTED** by the Governing Body on May 18, 2016.

(SEAL)

ATTEST:

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Mayor

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Clerk

<b>City of Mission</b>	Item Number:	3.
<b>ACTION ITEM SUMMARY</b>	Date:	April 25, 2016
<b>Community Development</b>	From:	Danielle Murray

Action items require a vote to recommend the item to full City Council for further action.

**RE:** Amendments to Inoperable Vehicle Ordinance

**RECOMMENDATION:** Adopt an ordinance amending Chapter 220 of the Mission Municipal Code relating to nuisances and inoperable vehicles.

**DETAILS:** The attached ordinance amends the City of Mission's inoperable vehicle code. The changes were proposed by the City's Neighborhood Services Officers and are intended to improve their ability to investigate, prosecute or abate vehicular nuisances as well as provide clearer expectations for our citizens. The ordinance has been reviewed by the City Attorney. Specifically, the ordinance as proposed:

- Assigns authority for the appointment of the officer responsible for enforcing this chapter to the City Administrator rather than the Mayor with consent of the City Council;
- Lessens the requirements to investigate a potential nuisance by removing the threshold of 2 signed complaints;
- Removes thirty (30) day storage time currently allowed for an inoperable vehicle;
- Allows the City to act immediately to correct situations where a vehicle poses a hazard to the public;
- Allows the officer to abate an inoperable vehicle nuisance without the need to present a resolution to the City Council;
- Allows the cost of abating the nuisances to be assessed against the property on which the nuisance occurred if the cost of abatement is not paid by the responsible party. This is the same process the City uses for all other code enforcement violations, and;
- Improves definitions and re-organizes chapter for clarity.

A red-lined version and a clean copy of the proposed ordinance is included for your review.

**CFAA CONSIDERATIONS/IMPACTS:** Not applicable.

Related Statute/City Ordinance:	Chapter 220 of the Mission Municipal Code
Line Item Code/Description:	n/a
Available Budget:	n/a

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 220 OF THE CODE OF THE CITY OF MISSION, KANSAS REGARDING VEHICLE NUISANCES.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MISSION, KANSAS AS FOLLOWS:

Section 1. Article III of the Code of the City of Mission is hereby amended as follows:

Chapter 220. Nuisances

Article III. Inoperable, Abandoned Vehicles

Section 220.190. Findings of Governing Body.

[Code 1997; CC 2000 §8-401]

1. The Governing Body finds that junked, wrecked, dismantled, inoperative or abandoned vehicles affect the health, safety and general welfare of citizens of the City because they:
  - a. Service as a breeding ground for flies, mosquitoes, rats and other insects and rodents;
  - b. Are a danger to persons, particularly children, because of broken glass, sharp metal protrusions, insecure mounting on blocks, jacks or other supports;
  - c. Are a ready source of fire and explosion;
  - d. Encourage pilfering and theft;
  - e. Constitute a blighting influence upon the area in which they are located;
  - f. Constitute a fire hazard because they frequently block access for fire equipment to adjacent buildings and structures.

~~Section 220.200. Definitions.~~

~~{Code 1997; CC 2000 §8-402}~~

~~As used in this Article, unless the context clearly indicates otherwise, the following terms shall have the following meanings:~~

~~**INOPERABLE**~~

~~A condition of being junked, wrecked, wholly or partially dismantled, discarded, abandoned or unable to perform the function or purpose for which it was originally constructed.~~

~~**VEHICLE**~~

~~Without limitation, any automobile, truck, tractor or motorcycle which as originally built contained an engine, regardless of whether it contains an engine at any other time.~~

~~Section 220.200. Vehicle Nuisances Unlawful.~~

~~It shall be unlawful for any person to maintain or permit any motor vehicle nuisance within the City which is visible from a public street or adjacent private property.~~

~~Section 220.210. Nuisances Unlawful — Defined — Exceptions.~~

[Code 1997; CC 2000 §8-403]

- ~~1. It shall be unlawful for any person to maintain or permit any motor vehicle nuisance within the City.~~
- ~~2. A motor vehicle nuisance is any motor vehicle which is not currently registered or tagged pursuant to K.S.A. 8-126 to 8-149 inclusive, as amended; or parked in violation of City ordinance; or incapable of moving under its own power; or in a junked, wrecked or inoperable condition. Any one (1) of the following conditions shall raise the presumption that a vehicle is junked, wrecked or inoperable:
  - ~~a. Absence of a current registration plate upon the vehicle;~~
  - ~~b. Placement of the vehicle or parts thereof upon jacks, blocks or other supports;~~
  - ~~c. Absence of one (1) or more parts of the vehicle necessary for the lawful operation of the vehicle upon street or highway;~~
  - ~~d. Vehicle which has not moved within fourteen (14) days.~~~~
- ~~1. The provisions of this Section shall not apply to:
  - ~~a. Any motor vehicle which is enclosed in a garage or other building;~~
  - ~~b. To the parking or storage of a vehicle inoperable for a period of thirty (30) consecutive days or less; or~~
  - ~~c. To any person conducting a business enterprise in compliance with existing zoning regulations or who places such vehicles behind screening of sufficient size, strength and density to screen such vehicles from the view of the public and to prohibit ready access to stored vehicles by children. However, nothing in this Subsection shall be construed to authorize the maintenance of a public nuisance.~~~~

Section 220.200. Vehicle and Vehicle Nuisance Defined.

A. A Vehicle is any automobile, van, truck, all-terrain vehicle, motorcycle, moped, motor scooter, farm machinery, construction equipment, bicycle, or other device designed to carry any cargo, operator, or passenger, and may be powered by an engine or pulled or pushed by any device or person.

B. A vehicle nuisance is any of the following:

1. A vehicle in the condition of being junked, wrecked, wholly or partially dismantled, discarded, abandoned or unable to perform the function or purpose for which it was originally constructed.
2. Any vehicle which has been placed on jacks, blocks or a stand.
3. A vehicle which is not currently registered and tagged pursuant to K.S.A. 8-126 to 8-149 inclusive, as amended.
4. Parked in violation of any city ordinance.
5. A vehicle incapable of moving under its own power.
6. A vehicle missing any parts necessary for the lawful operation of the vehicle upon a street or highway.
7. Any vehicle which has not moved within 14 days.

8. Any vehicle that is parked or stored in a residential zoning district so that it is visible from a public street or adjacent private property and the license plate is screened from view by a cover, tarp, vegetation, adjacent structure.

Section 220.220. Public Officer.

~~[Code 1997; CC 2000 §8-404]~~

~~The Mayor with the consent of the Council shall designate a Public Officer to be charged with the administration and enforcement of this Article.~~

Section 220.220. Public Officer.

The City Administrator shall designate a public officer to be charged with the administration and enforcement of this article.

Section 220.230. Complaints — Inquiry and Inspection.

~~[Code 1997; CC 2000 §8-405]~~

~~The Public Officer shall make inquiry and inspection of premises upon receiving a complaint or complaints in writing signed by two (2) or more persons stating that a nuisance exists and describing the same and where located or is informed that a nuisance may exist by the Board of Health, Chief of Police or the Fire Chief. The Public Officer may make such inquiry and inspection when he/she observes conditions which appear to constitute a nuisance. Upon making any inquiry and inspection, the Public Officer shall make a written report of findings.~~

Section 220.240. Right of Entry.

~~[Code 1997; CC 2000 §8-406]~~

~~It shall be a violation of this Article to deny the Public Officer the right of access and entry upon private property at any reasonable time for the purpose of making inquiry and inspection to determine if a nuisance exists. Absent emergency circumstances, whenever necessary to make inspection to enforce any of the provisions of this Article, . . . the Public Officer or his or her authorized representatives may enter such premises at all reasonable times to inspect the same or to perform any duty imposed by this Article, provided that such entry is pursuant to the law, and further provided that if such premises be occupied, the public officer shall first present credentials and request entry; and if entry is denied the Public Officer shall have the authority to seek lawful entry pursuant to an administrative search warrant from the municipal judge or other lawful means.~~

Section 220.250. Notice.

~~[Code 1997; CC 2000 §8-407; Ord. No. 1101 §1, 12-10-2003]~~

Any person found by the Public Officer to be in violation of Section ~~220.210~~**220.200** shall be served a notice of such violation. The notice shall be served either by ~~registered~~**certified** mail, postage prepaid, return receipt requested or personally served by the Public Officer or a Law Enforcement Officer.

Section 220.260. Notice — Contents.

[Code 1997; CC 2000 §8-408]

1. The notice shall state the condition(s) which is (are) in violation of Section ~~220.210~~220.200. The notice shall also inform the person that:
  - a. He/she or they shall have ten (10) days from the date of serving the notice to abate the condition(s) in violation of Section ~~220.210~~220.200; or
  - b. He/she or they have ten (10) days from the date of serving the notice to request a hearing before the Governing Body of the matter as provided by Section 220.300.
  - c. Failure to abate the condition(s) or to request a hearing within the time allowed may result in prosecution as provided by Section 220.270 and/or abatement of the condition(s) by the City as provided by Section 220.280.

Section 220.270. Failure To Comply — Penalty.

[Code 1997; CC 2000 §8-409]

Should the person fail to comply with the notice to abate the nuisance or request a hearing, the Public Officer may file a complaint in the Municipal Court of the City against such person and, upon conviction of any violation of provisions of Section ~~220.210~~220.200, be fined in an amount not to exceed one hundred dollars (\$100.00) or be imprisoned not to exceed thirty (30) days, or be both fined and imprisoned. Each day during or on which a violation occurs or continues after notice has been served shall constitute an additional or separate offense.

Section 220.280. Abatement.

~~[Code 1997; CC 2000 §8-410]~~

- ~~1. In addition to or as an alternative to prosecution as provided in Section 220.270, the Public Officer may seek to remedy violations of this Article in the following manner. If a person to whom a notice has been sent pursuant to Section 220.250 has neither alleviated the conditions causing the alleged violation or requested a hearing before the Governing Body within the time period specified in Section 220.260, the Public Officer may present a resolution to the Governing Body for adoption authorizing the Public Officer or other agents of the City to abate the conditions causing the violation at the end of ten (10) days after passage of the resolution.~~
- ~~2. The resolution shall further provide that the costs incurred by the City shall be charged against the lot or parcel of ground on which the nuisance was located as provided in Section 220.310. A copy of the resolution shall be served upon the person in violation in one (1) of the following ways:
  - ~~a. Personal service upon the person in violation;~~
  - ~~b. Service by registered mail, postage prepaid, return receipt requested; or~~
  - ~~c. a. In the event the whereabouts of such person are unknown and the same cannot be ascertained in the exercise of reasonable diligence, an affidavit to that effect shall be made by the Public Officer and filed with the City Clerk and the serving of the resolution shall be made by publishing the same once each week for two (2) consecutive weeks in the official City newspaper and by posting a copy of the resolution on the premises where such condition exists.~~~~

Section 220.280. Abatement by Public Officer; Assessment of Costs.

- A. In addition to or as an alternative to prosecution as provided in Section 220.270, the Public Officer may seek to remedy violations of the Article in the following manner. If a person to whom a notice has been sent pursuant to Section 220.250 has neither alleviated the conditions causing the alleged violation or requested a hearing before the Governing Body within the time period specified in Section 220.260, the Public Officer may remove and abate the violation of this chapter by reasonable means and assess the costs of removal, including reasonable administrative costs, against the property on which the violation was located.
- B. When in the opinion of the public officer a vehicle nuisance exists in such a condition as to require immediate action to protect the public, such officer may erect barricades or cause the vehicle to be taken down or otherwise made safe without delay and such action may, under such circumstance, be taken without prior notice to or hearing of the owners, agents, or lienholders. The costs of any such action shall be assessed, including reasonable administrative costs, against the property on which the violation was located.
- C. The Public Officer or his/her authorized agent shall give notice to the owner, occupant or agent in charge of the premises by first class mail of the costs of the abated violation(s). The notice shall state the payment of the costs is due and payable within thirty (30) days following issuance of the notice.

If the costs of the abatement of the nuisance as defined by Section 220.200 remain unpaid after thirty (30) days following issuance of the notice, a record of the costs of abatement shall be certified to the City Clerk who shall cause such costs to be assessed against the particular lot or piece of land on which such violation(s) were so removed. The City Clerk shall certify the assessment to the County Clerk at the time other special assessments are certified for spreading on the tax rolls of the County.

#### Section 220.290. Disposition of Vehicle.

[Code 1997; CC 2000 §8-411]

Disposition of any motor vehicle removed and abated from private property pursuant to this Article shall be as provided by K.S.A. Supp. 8-1102, as amended.

#### Section 220.300. Hearing.

[Code 1997; CC 2000 §8-412]

If a hearing is requested within the ten (10) day period as provided in Section **220.260**, such request shall be made in writing to the Governing Body. Failure to make a timely request for a hearing shall constitute a waiver of the person's right to contest the findings of the Public Officer before the Governing Body. The hearing shall be held by the Governing Body as soon as possible after the filing of the request therefore and the person shall be advised by the City of the time and place of the hearing at least five (5) days in advance thereof. At any such hearing, the person may be represented by counsel and the person and the City may introduce such witnesses and evidence as is deemed necessary and proper by the Governing Body. The hearing need not be conducted according to the formal rules of evidence. Upon conclusion of the hearing, the Governing Body shall record its determination of the matter by means of adopting a resolution and serving the resolution upon the person in the manner provided in Section **220.280**.

Section 220.310. Costs Assessed.

~~[Code 1997; CC 2000 §8-413]~~

~~If the City abates the nuisance pursuant to Section 220.280, the cost of abatement shall be charged against the lot or parcel of ground on which the nuisance was located. The City Clerk shall, at the time of certifying other taxes to the County Clerk, certify the costs as provided in this Section. The County Clerk shall extend the same on the tax roll and it shall be collected by the County Treasurer and paid to the City as other City taxes are collected and paid.~~

Section 22. This Ordinance shall take effect and be in force from and after publication as required by law.

PASSED AND APPROVED by the City Council this \_\_\_ day of \_\_\_\_\_, 2016.

APPROVED by the Mayor this \_\_\_ day of \_\_\_\_\_, 2016.

(SEAL)

\_\_\_\_\_  
Steve Schowengerdt, Mayor

ATTEST:

\_\_\_\_\_  
Martha M. Sumrall, City Clerk

APPROVED BY:

PAYNE & JONES, CHTD.

\_\_\_\_\_  
David K. Martin, City Attorney  
11000 King, Suite 200  
P. O. Box 25625  
Overland Park, KS 66225-5625  
Tel: (913) 469-4100  
Fax: (913) 469-8182

**ORDINANCE NO. \_\_\_\_\_**

AN ORDINANCE AMENDING CHAPTER 220 OF THE CODE OF THE CITY OF MISSION, KANSAS REGARDING VEHICLE NUISANCES.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MISSION, KANSAS AS FOLLOWS:

Section 1. Article III of the Code of the City of Mission is hereby amended as follows:

Chapter 220. Nuisances

Article III. Inoperable, Abandoned Vehicles

Section 220.190. Findings of Governing Body.

1. The Governing Body finds that junked, wrecked, dismantled, inoperative or abandoned vehicles affect the health, safety and general welfare of citizens of the City because they:
  - a. Service as a breeding ground for flies, mosquitoes, rats and other insects and rodents;
  - b. Are a danger to persons, particularly children, because of broken glass, sharp metal protrusions, insecure mounting on blocks, jacks or other supports;
  - c. Are a ready source of fire and explosion;
  - d. Encourage pilfering and theft;
  - e. Constitute a blighting influence upon the area in which they are located;
  - f. Constitute a fire hazard because they frequently block access for fire equipment to adjacent buildings and structures.

Section 220.200. Vehicle Nuisances Unlawful.

It shall be unlawful for any person to maintain or permit any motor vehicle nuisance within the City which is visible from a public street or adjacent private property.

Section 220.210. Vehicle and Vehicle Nuisance Defined.

A. A Vehicle is any automobile, van, truck, all-terrain vehicle, motorcycle, moped, motor scooter, farm machinery, construction equipment, bicycle, or other device designed to carry any cargo, operator, or passenger, and may be powered by an engine or pulled or pushed by any device or person.

B. A vehicle nuisance is any of the following:

1. A vehicle in the condition of being junked, wrecked, wholly or partially dismantled, discarded, abandoned or unable to perform the function or purpose for which it was originally constructed.

2. Any vehicle which has been placed on jacks, blocks or a stand.
3. A vehicle which is not currently registered and tagged pursuant to K.S.A. 8-126 to 8-149 inclusive, as amended.
4. Parked in violation of any city ordinance.
5. A vehicle incapable of moving under its own power.
6. A vehicle missing any parts necessary for the lawful operation of the vehicle upon a street or highway.
7. Any vehicle which has not moved within 14 days.
8. Any vehicle that is parked or stored in a residential zoning district so that it is visible from a public street or adjacent private property and the license plate is screened from view by a cover, tarp, vegetation, or adjacent structure.

#### Section 220.220. Public Officer.

The City Administrator shall designate a public officer to be charged with the administration and enforcement of this article.

#### Section 220.230. Right of Entry.

Absent emergency circumstances, whenever necessary to make inspection to enforce any of the provisions of this Article, the Public Officer or his or her authorized representatives may enter such premises at all reasonable times to inspect the same or to perform any duty imposed by this Article, provided that such entry is pursuant to the law, and further provided that if such premises be occupied, the public officer shall first present credentials and request entry; and if entry is denied the Public Officer shall have the authority to seek lawful entry pursuant to an administrative search warrant from the municipal judge or other lawful means.

#### Section 220.240. Notice.

Any person found by the Public Officer to be in violation of Section 220.210 shall be served a notice of such violation. The notice shall be served either by certified mail, postage prepaid, return receipt requested or personally served by the Public Officer or a Law Enforcement Officer.

#### Section 220.250. Notice — Contents.

1. The notice shall state the condition(s) which is (are) in violation of Section 220.210. The notice shall also inform the person that:
  - a. He/she or they shall have ten (10) days from the date of serving the notice to abate the condition(s) in violation of Section 220.210; or

- b. He/she or they have ten (10) days from the date of serving the notice to request a hearing before the Governing Body of the matter as provided by Section 220.290.
- c. Failure to abate the condition(s) or to request a hearing within the time allowed may result in prosecution as provided by Section 220.260 and/or abatement of the condition(s) by the City as provided by Section 220.270.

Section 220.260. Failure To Comply — Penalty.

Should the person fail to comply with the notice to abate the nuisance or request a hearing, the Public Officer may file a complaint in the Municipal Court of the City against such person and, upon conviction of any violation of provisions of Section 220.210, be fined in an amount not to exceed one hundred dollars (\$100.00) or be imprisoned not to exceed thirty (30) days, or be both fined and imprisoned. Each day during or on which a violation occurs or continues after notice has been served shall constitute an additional or separate offense.

Section 220.270. Abatement by Public Officer; Assessment of Costs.

- A. In addition to or as an alternative to prosecution as provided in Section 220.270, the Public Officer may seek to remedy violations of the Article in the following manner. If a person to whom a notice has been sent pursuant to Section 220.240 has neither alleviated the conditions causing the alleged violation or requested a hearing before the Governing Body within the time period specified in Section 220.260, the Public Officer may remove and abate the violation of this chapter by reasonable means and assess the costs of removal, including reasonable administrative costs, against the property on which the violation was located.
- B. When in the opinion of the public officer a vehicle nuisance exists in such a condition as to require immediate action to protect the public, such officer may erect barricades or cause the vehicle to be taken down or otherwise made safe without delay and such action may, under such circumstance, be taken without prior notice to or hearing of the owners, agents, or lienholders. The costs of any such action shall be assessed, including reasonable administrative costs, against the property on which the violation was located.
- C. The Public Officer or his/her authorized agent shall give notice to the owner, occupant or agent in charge of the premises by first class mail of the costs of the abated violation(s). The notice shall state the payment of the costs is due and payable within thirty (30) days following issuance of the notice.

If the costs of the abatement of the nuisance as defined by Section 220.210 remain unpaid after thirty (30) days following issuance of the notice, a record of the costs of abatement shall be certified to the City Clerk who shall cause such costs to be assessed against the particular lot or piece of land on which such violation(s) were so removed. The City Clerk shall certify the assessment to the County Clerk at the time other special assessments are certified for spreading on the tax rolls of the County.

Section 220.280. Disposition of Vehicle.

Disposition of any motor vehicle removed and abated from private property pursuant to this Article shall be as provided by K.S.A. Supp. 8-1102, as amended.

Section 220.290. Hearing.

If a hearing is requested within the ten (10) day period as provided in Section 220.250, such request shall be made in writing to the Governing Body. Failure to make a timely request for a hearing shall constitute a waiver of the person's right to contest the findings of the Public Officer before the Governing Body. The hearing shall be held by the Governing Body as soon as possible after the filing of the request therefore and the person shall be advised by the City of the time and place of the hearing at least five (5) days in advance thereof. At any such hearing, the person may be represented by counsel and the person and the City may introduce such witnesses and evidence as is deemed necessary and proper by the Governing Body. The hearing need not be conducted according to the formal rules of evidence. Upon conclusion of the hearing, the Governing Body shall record its determination of the matter by means of adopting a resolution and serving the resolution upon the person in the manner provided in Section 220.250.

Section 2. This Ordinance shall take effect and be in force from and after publication as required by law.

PASSED AND APPROVED by the City Council this \_\_\_\_ day of \_\_\_\_\_, 2016.

APPROVED by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2016.

(SEAL)

\_\_\_\_\_  
Steve Schowengerdt, Mayor

ATTEST:

\_\_\_\_\_  
Martha M. Sumrall, City Clerk

APPROVED BY:

PAYNE & JONES, CHTD.

---

David K. Martin, City Attorney  
11000 King, Suite 200  
P. O. Box 25625  
Overland Park, KS 66225-5625  
Tel: (913) 469-4100  
Fax: (913) 469-8182

<b>City of Mission</b>	Item Number:	4.
<b>ACTION ITEM SUMMARY</b>	Date:	April 29, 2016
<b>Finance &amp; Administration</b>	From:	Laura Smith & Glen Cole

Action items require a vote to recommend the item to full City Council for further action.

**RE:** Changes to Animal Ordinances Regulating Number of Pets Allowed and Animal Fostering

**DETAILS:** Following discussion at the Committee’s January meeting, staff prepared changes to the municipal code that would repeal the existing regulations on keeping a third cat or dog and would, instead, regulate them under the same policies the Council adopted for chickens and bees last fall.

By right, a person would be able to keep up to four cats or dogs, in any combination. An accessory animal permit would allow a person to keep an additional two animals, cats or dogs, in any combination. This could be used for foster or permanently owned animals above the limits granted by right above.

Accessory animal permits would cost \$50.00 annually, require an inspection, and would not allow persons with a history of animal and/or code enforcement violations to obtain a permit. The language used takes into account a variety of ordinance violations, such as animals running at large, unsafe or unhealthy animal keeping practices, inoperable vehicles, junk and rubbish piles, and failure to keep weeds and grass at an acceptable height. Permits are handled administratively, and require no consent from surrounding neighbors or the City Council. Permits would have to be renewed annually.

In addition to the revised limits discussed above, staff and the City Attorney have prepared a comprehensive rewrite of Chapter 210 of the Mission Municipal Code to assist in ensuring our animal ordinances represent best practices and are clear. A number of other small substantive changes were made, including the following:

- **Rabies vaccination:** A rabies shot is now required at 4 (instead of 6) months of age. This is the threshold used by most of Mission’s peer cities, and reflects the CDC’s determination that rabies vaccines are effective for dogs and cats starting at 3 months of age.
- **Rabies observation:** An animal biting another animal does not trigger mandatory rabies observation, but the animal may still be impounded for observation at the discretion of the Animal Control Officer. Animal-on-animal bites where both animals are vaccinated are no longer considered a high risk for rabies transmission. Mission is one of the last cities in the area to still require rabies observations for these type of bites.

Related Statute/City Ordinance:	Chapter 210 of the Mission Municipal Code
Line Item Code/Description:	N/A
Available Budget:	N/A

<b>City of Mission</b>	Item Number:	4.
<b>ACTION ITEM SUMMARY</b>	Date:	April 29, 2016
<b>Finance &amp; Administration</b>	From:	Laura Smith & Glen Cole

Action items require a vote to recommend the item to full City Council for further action.

- **Minimum impoundment period:** The minimum impoundment period before releasing an animal for adoption has been reduced from 5 days to 3 days. This lower threshold helps reduce shelter overcrowding and the cost of impoundment fees paid by the City for animals that are not claimed.
- **Feral cat release:** Non-domesticated animals (i.e. feral cats) may be immediately released without observing the 3-day minimum impoundment period. This allows the City to avoid paying impoundment fees for feral animals before they are offered for adoption, i.e. as barn or warehouse cats.
- **Animal cruelty:** The animal cruelty section is now significantly more comprehensive. The City's previous ordinance on animal cruelty was adopted verbatim from state statute. The language proposed does a better job of laying out conditions that definitively constitute animal cruelty, such as when an animal is left in a sealed car on a hot day, intentionally abandoned for impoundment, fed poison, etc. while still providing broad protections.
- **Duty to care:** A section has been added (210.130) which places an affirmative burden on the owner of an animal to provide humane care, food, shelter, etc.

The changes and rewrites of the existing code chapter were so extensive that a red-lined version was difficult to follow. If you have any questions about how provisions tie back to the existing chapter, please feel free to contact Glen Cole.

**CFAA CONSIDERATIONS/IMPACTS: N/A**

Related Statute/City Ordinance:	Chapter 210 of the Mission Municipal Code
Line Item Code/Description:	N/A
Available Budget:	N/A

**CHAPTER 210 - ANIMAL CONTROL**  
**REVISIONS DRAFT - 4 / 1 / 2016**

**ARTICLE I: GENERAL PROVISIONS**

- 210.010 Findings.**
- 210.020 Definitions.**
- 210.030 Animal Control Officer - Authority.**
- 210.040 Animals - Financial Responsibility.**
- 210.050 Animals - Impounding, Redemption, and Disposition.**
- 210.060 Animals - Biting or Scratching Persons Report - Impoundment and Examination.**

**ARTICLE II: DOMESTIC ANIMALS**

- 210.070 Owning Certain Animals Prohibited.**
- 210.080 Animals Allowed Without a Permit.**
- 210.090 Limitations Upon Number Of Domesticated Dogs and Cats.**
- 210.100 Animals Only Allowed With a Permit.**
- 210.110 Accessory Animal Permits.**
- 210.120 Inoculations Against Rabies Required.**
- 210.130 Responsible Animal Care Required.**
- 210.140 Animal Nuisances Prohibited.**
- 210.150 Dangerous or Vicious Animals Prohibited.**
- 210.160 Cruelty to Animals Prohibited.**
- 210.170 Trapping Prohibited.**
- 210.180 Sale or Display of Certain Animals Prohibited.**
- 210.190 Penalties.**

**ARTICLE III: NORTHEAST ANIMAL CONTROL COMMISSION**

- 210.200 Findings.**
- 210.210 Purpose and Objectives.**
- 210.220 Agreement Incorporated.**

**Legend:**

**Cross-references in the existing code are in bold / red**

Cross-references to sections within this code are highlighted in blue

**CROSS-REFERENCE OF OLD TO NEW SECTIONS**

**OLD**

210.020

210.030

210.040

210.050

210.060

210.065

210.070

210.090

210.130

210.140

210.150

210.170

210.180

210.190

210.200

210.210

210.220

210.230

210.240

210.250

210.260

210.270

210.280

210.290

210.300

210.310

210.320

210.330

**NEW**

NONE

210.180

210.170

210.030.B.f

210.070; 210.080; 210.100

210.110

210.120

210.090; 210.110

210.140.A

210.050

210.050.A

210.140

210.140.I

210.150

210.060

210.060.C

210.140.E

210.140.D

210.160

210.040.C

210.030, 210.050

210.020

210.190

210.200

210.210

210.220

210.070

210.070

## CHAPTER 210 - ANIMAL CONTROL

### TITLE ONE: GENERAL PROVISIONS

#### **210.010 Findings.**

The Governing Body of the City of Mission, Kansas hereby finds that to protect and preserve the public health, safety and welfare it is necessary to prohibit the ownership of certain animals within the City and to establish regulations governing the ownership of animals allowed within the City. **new**

#### **210.020 Definitions.**

For the purposes of this Chapter, the following words shall have the following meanings:

**“Abandon”** means for the owner to leave an animal without demonstrated or apparent intent to recover or resume custody; to leave an animal for more than 12 hours without providing adequate food and shelter for the duration of the absence; or to turn out or release an animal for the purpose of causing it to be impounded.

**“Accessory Animal”** refers to those animals requiring an Accessory Animal Permit before they may be lawfully owned in the City pursuant to [Sections 210.090 through 210.100](#).

**“Animal”** means and includes any mammal, amphibian, fish, reptile, fowl, or other warm-blooded or cold-blooded vertebrate.

**“Animal Nuisance”** means and includes those unlawful activities specified in [Section 210.140](#) and any animal performing such activities.

**“Animal Shelter”** means the facility or facilities operated by the City or an authorized service provider for the purpose of impounding, adopting or caring for any seized, stray, homeless, relinquished or abandoned animals under the authority of this Chapter or State law.

**“At Large”** means an animal not under control, as defined herein, of the animal’s owner or a competent person.

**“Control”** of an animal means that the same is on a leash not more than eight (8) feet in length; is on or within a vehicle being driven or parked; or is within the property limits of its owner or upon the premises of another person with the consent of that person.

**“Dangerous or vicious animals”** shall include all animals deemed to be dangerous or vicious pursuant to [Section 210.150](#).

**“Domestic animals”** shall include all animals allowed within the City pursuant to Title One of this Chapter.

**"Domesticated"** shall mean adapted to living dependently in an urban household setting.

**“Hive”** includes any man-made habitation in which bees are harbored or kept, including beehives, standards, boxes, or apiaries.

**"Impound"** means to seize summarily, confine, or restrain in custody.

**“Officer”** means the City’s Animal Control Officer, Police Officer, or Neighborhood Services Officer.

**"Own"** means the act of being the owner of an animal.

**"Owner"** means any person who provides food, water, shelter or who owns, keeps, possesses, harbors or offers refuge or asylum to or for any animal, or who professes to be doing the same or permits the same upon their property, for three (3) consecutive days or more shall be considered the animal's owner. Additionally, any person who signs a receipt for the return of an animal from any City designated animal shelter facility, animal holding facility, humane shelter or licensed veterinarian shall be considered the animal's owner. A parent or legal guardian shall be deemed to be an owner of animals owned by children upon their premises. **210.270**

**“Person”** means any individual, firm, corporation, association or partnership.

**"Trap"** means any mechanical device or snare which seeks to hold, capture or kill an animal.

**"Trapping"** means the setting or laying or otherwise using a trap.

**210.030 Animal Control Officer - Authority. 210.260**

- A. There is hereby established the position of Animal Control Officer, who are hereby charged with the duties of enforcing this title and shall have such powers and authority as allowed by law. The Officers of the Northeast Animal Control Commission, as established in Title 4 of this Chapter, shall serve as the City’s Animal Control Officers. The City’s Police Officers and Neighborhood Services Officers may also enforce this Chapter and, when doing so, possess the same powers and authority. No person shall interfere with, hinder, molest or abuse such officers in the exercise of their powers.
- B. The officers of the city enforcing this Chapter may:
  - a. Take up and impound all animals found in the City in violation of the provisions of this Chapter; **210.260**

- b. Issue a citation to the owner of an animal in violation of this Chapter and the person receiving the citation shall be compelled to, at the date and time specified on the citation, appear in the Municipal Court of the City to answer the charged violation of this Chapter; **210.260**
- c. Enter without a warrant upon private property to regulate or prohibit the running at large of any animal or the creation of an animal nuisance where such animal is found in plain sight, other than in a residence structure, and to seize such animal from said private property; **new**
- d. Enter without a warrant upon private property to apprehend a dangerous animal, a wild creature, or an animal suspected of being infected with rabies where such animal is found in plain sight, other than in a residential structure, and to seize such animal from said property; **new**
- e. Enter upon private property to investigate cruelty to animals; and **new**
- f. Destroy, without notice, any animal that is dangerous, fierce or vicious; suspected of being infected with rabies, distemper or other zoonotic disease; presents an immediate danger to the public health and safety; or is injured severely with no apparent chance of survival or in such pain as to warrant humane destruction. **210.050**

**210.040 Animals - Financial Responsibility. 210.250; 210.270**

In the event any person or their owned animals shall be found to be in violation of any of the provisions of this Chapter, any financial liability incurred for the treatment, impoundment and care or destruction of such animal shall be the personal financial responsibility of such person. In the event such person is a minor, the parent or legal guardian of such minor shall be financially responsible for such treatment and care. **210.250**

**210.050 Animals - Impounding, Redemption, and Disposition. 210.140; 210.150**

An officer is authorized to receive and dispose of animals, and to impound, offer for adoption, or destroy: any animal in violation of this Chapter, any animal that may carry a disease communicable to humans, or any animal that otherwise presents an immediate danger to the public health and safety. Such animals may be taken or impounded even though no citizen makes a complaint and even though the officer issues no notice to appear. Impoundment shall be subject to the following:

- A. The officer shall notify the owner of an animal, identifiable by a tag or other method, which is impounded under this Chapter, by telephone or personal service. Failure to receive such notice shall not prevent the City or its authorized agency to carry out the provisions of this Article. **210.150**
- B. Such animal shall be confined in the City's animal shelter for a period of three (3) days, such period of time beginning at nine a.m. on the morning following the day of impoundment. If the owner does not reclaim his or her animal during the three (3) day period, or if the officer or animal shelter is unable to locate and notify the owner after making a good faith effort to do so within the three (3) day period, then the animal shelter may offer for adoption or destroy such animal. **210.140**

If the animal is not identifiable by a tag or other approved method, no notice is required and such animal shall be confined for a period of three (3) days beginning at nine a.m. of the morning following its capture; after such time the animal shelter may offer for

adoption or destroy such animal. **210.140**

*Exception:* Notwithstanding the above, any animal impounded as provided in Section **210.060** shall be held for a period of at least ten (10) days for the purpose of observing such animal for symptoms of rabies disease; after such time the animal shelter may dispose of the animal. **210.200 / 210.210**

*Exception:* Notwithstanding the above, any animal that is determined by the Animal Control Officer to not be domesticated may be released immediately to an animal shelter for disposition without observing the minimum period of confinement. **new**

- C. Any animal may be claimed by its owner upon the payment of an impoundment fee which shall be set by the Northeast Animal Control Commission. Each animal impoundment is a separate and subsequent impoundment regardless of animal ownership in prior impoundments. **210.140**

**210.060 Animals - Biting or Scratching Persons Report - Impoundment and Examination. 210.200 - 210.210**

When any animal subject to rabies has bitten, scratched or attacked any person, or when an animal is suspected of having rabies, it shall be the duty of any person having knowledge of such facts to report the same immediately to an officer. Such animal shall not be killed, but shall be confined for a period of ten (10) days to the premises of: **210.200**

- A. The City's animal shelter; or **210.200**
- B. The premises of a duly licensed veterinarian; or **210.200**
- C. The officer may authorize the confinement of the animal on the owner's premises if the owner produces a current rabies vaccination certificate for the animal. The owner of the animal must sign a written agreement to keep the animal confined as directed by the officer, and further agree to allow the animal to be examined periodically to determine its physical condition during the confinement period. **210.210**

No person shall refuse to surrender any animal for quarantine when demand is made by the order of the officer. The animal must be confined as directed by the officer. The confinement of the animal shall be at the expense of the owner of such animal, as set forth in Section **210.040**. No person shall release from confinement any such animal or remove such animal from its place of confinement to another place without the consent of the officer. **210.200**

Following consultation with a licensed veterinarian, if the officer has reasonable cause to believe the animal is diseased, or upon exigent circumstances, the officer shall be empowered to order examination of such animal to determine whether it may have rabies. If the animal dies or is killed, a laboratory examination shall be made at the expense of the animal's owner.

## **TITLE TWO: DOMESTIC ANIMALS**

### **210.070 Owning Certain Animals Prohibited. 210.060 / 210.330**

It shall be unlawful for any person(s) to own, within the city limits, any animal except as allowed by Section 210.080 and Section 210.100.

This Section shall not apply to:

- A. Animals being transported through the City;
- B. Veterinary facilities operated by a licensed veterinarian;
- C. *Bona fide* medical institutions or accredited educational institutions;
- D. Facilities licensed by the State of Kansas to impound, shelter, or care for animals; or
- E. Law enforcement officers acting in their official capacity.

### **210.080 Animals Allowed Without a Permit. 210.060; 210.090**

A person may own the following animals lawfully without first obtaining an Accessory Animal Permit:

- A. Domesticated dogs, subject to the limitations prescribed in Section 210.090;
- B. Domesticated cats, subject to the limitations prescribed in Section 210.090;
- C. Rabbits, subject to the following limitations:
  - a. No more than three (3) adults over the age of twelve (12) weeks and fourteen (14) young under the age of twelve (12) weeks may be kept.
  - b. Rabbits may either be housed outdoors or in a fenced yard.
    - i. If housed outdoors, rabbits shall be housed in hutches located in the rear yard of the property at least ten (10) feet from the nearest property line.
    - ii. Rabbits may be owned, with no distance requirements from residences or other establishments, in any fenced yard that is at least five hundred (500) square feet. Said fence shall be constructed of small, mesh wire that the rabbit cannot escape through with the perimeter of the fence buried along the bottom to prevent the rabbit from burrowing out. Rabbit(s) fenced in a yard shall be provided with adequate housing for protection from the weather.
- D. Domesticated rodents, ferrets, and hedgehogs;
- E. Birds;
- F. Nonvenomous lizards, arachnids, and snakes;
- G. Turtles;
- H. Amphibians;
- I. Fish; or
- J. Invertebrates.

### **210.090 Limitations Upon Number Of Domesticated Dogs and Cats. 210.090**

- A. It shall be unlawful to own more than four (4) of the following animals, in any combination, without first obtaining an Accessory Animal Permit as provided in Section 210.110:
  - a. Domesticated dogs over the age of six (6) months; or
  - b. Domesticated cats over the age of six (6) months.
- B. It shall be unlawful for a person to own more than one (1):
  - a. Litter of pups under the age of six (6) months; or
  - b. Litter of kittens under the age of six (6) months.

- C. *Exception*: Domesticated dogs providing services for the disabled, as defined in and governed under K.S.A. 39-1101 *et seq.*, shall be exempt from restriction under this Section, and shall not be considered when calculating the maximum lawful number of animals under this Section.

**210.100 Accessory Animals Allowed Only With a Permit. 210.060**

A person may, upon first applying for and receiving an Accessory Animal Permit as provided in [Section 210.110](#), own the following animals ("accessory animals") subject to the restrictions contained herein:

- A. *Additional Dogs or Cats*. Upon obtaining an Accessory Animal Permit, a person may own up to two (2) additional domesticated dogs or cats over the age of six (6) months, in any combination, such that a person may own a maximum of six (6) dogs or cats.
- B. *Chickens*. Any person keeping chickens shall comply with the following:
- No more than six (6) adult chickens may be owned.
  - Male chickens ("roosters") shall not be owned.
  - Chickens shall be kept in an adequate shelter, such as an aviary, coop, run, or tractor. Such shelter shall be located in the rear yard of the property at least ten (10) feet from the nearest property line.
- C. *Bees*. Any person keeping bees shall comply with the following:
- No more than two (2) hives shall be located on a single property.
  - All hives shall be located in the rear yard of the property at least ten (10) feet from the nearest property line.
  - The rear yard shall be surrounded by an exterior fence at least forty-two (42) inches in height. A flyway structure or barrier (such as shrubbery or fencing) shall be provided if the exterior fence is less than six (6) feet in height.
  - The owner shall maintain and manage hives to minimize swarming and prevent the creation of any public nuisance.
  - A source of water shall be provided on the property at all times.

**210.110 Accessory Animal Permits. 210.065**

- A. *Permit Required*. It shall be unlawful for any person to own within the City any accessory animal requiring a permit as set forth in [Sections 210.090 through 210.100](#) without first applying to and receiving a permit from the City Clerk as hereinafter provided.
- B. *Application*. Any person desiring a new or renewal accessory animal permit shall file an application with the City Clerk or his or her designee on a form provided by the City and remit a fee established by ordinance. The application shall identify the owner by name, address, and telephone number, the classes of animal to be kept at the property, and location and shelter facilities for the subject animal(s) so permitted.
- C. *Requirements*. At all times, applicants or permittees must comply with all of the following to be eligible to hold an accessory animal permit:
- The applicant or permittee must comply with the requirements listed in this Chapter for the particular class of animal being kept.
  - The applicant or permittee must successfully pass his or her most recent inspection relating to adequate shelter, food, water, yard condition, yard security, and animal health concerns, and compliance with this Chapter. An on-site inspection shall be performed prior to first issuance of an accessory animal permit, and from time to time as described elsewhere in this Section.

- c. The applicant or permittee may not be the subject of more than three (3) of the following, in any combination:
  - i. Valid complaints submitted to the City documenting a violation of any Section of Chapter 220, concerning public nuisances, within twelve (12) months preceding the date of the application;
  - ii. Valid complaints submitted to the City documenting a violation of any Section of Chapter 210, concerning animal control, within twenty-four (24) months preceding the date of the application.
- D. *Other Conditions of Permit.* Accessory animal permits issued shall be valid from the date of issuance until the next succeeding March 1. Permits must be renewed annually. The fee for a permit shall not be calculated pro rata or refunded after issuance. Permits issued shall only be valid for the specific classes of animal, address, and applicant listed on the application. A new permit and application fee shall be required in the event that an applicant or permittee moves to a new address or transfers the animal(s) listed in the permit to a person not already possessing the appropriate permit.
- E. *Inspection.* An officer may perform an inspection of the property of an applicant or permittee for any of the following reasons:
  - a. The City Clerk or his or her designee requires an inspection for first issuance of an accessory animal permit or as a condition of renewal;
  - b. The applicant or permittee has received a citation for violation of any section of this Chapter within the preceding twelve (12) months;
  - c. The City has received a documented complaint from the owner, lessee, or occupant of a contiguous property concerning the conditions of the permit, including the animal(s) permitted or the manner in which the animal(s) are kept;
  - d. The officer has probable cause to believe a violation of this Chapter exists.
  - e. The inspection shall verify that the applicant or permittee provides adequate shelter, food, water, yard condition, yard security, and other necessary conditions to preserve the health of the animal, and complies with the requirements of this Chapter. If any deficiency of these conditions is found, the applicant or permittee must correct such violation within such period of time as the officer shall direct.
- F. *Denial, revocation, cancellation, non-renewal.* The City Clerk or his or her designee may deny, revoke, cancel, or refuse to renew an accessory animal permit if, at any time, the applicant or permittee:
  - a. Fails to comply with any requirement of this Section or the requirements listed in this Chapter for the particular class of animal being kept;
  - b. Is the subject of an ongoing violation of this Chapter;
  - c. Allows any animal they own to habitually cause or to be a public nuisance as defined in Chapter 220;
  - d. Refuses to allow an inspection of his or her property as elsewhere authorized by this Chapter;
  - e. Has provided false information in his or her permit application.
- G. Persons granted an Accessory Animal Permit shall be subject to all code provisions relating to animals.

**210.120 Inoculations Against Rabies Required. 210.070**

- A. It shall be unlawful for any person to own any dog or cat over four (4) months old unless such dog or cat is currently vaccinated against rabies with a vaccine approved by the

State of Kansas for use in the prevention of rabies. Proof of valid rabies inoculation must be produced upon request of an officer.

- B. *Exception:* The provisions of this Section shall not apply if a licensed veterinarian recommends that a dog or cat not be inoculated with a rabies vaccine. The owner of such animal shall maintain a statement from a licensed veterinarian on official letterhead specifying the reason that the animal should not be vaccinated, and produce it upon request of an officer.

**210.130 Responsible Animal Care Required.**

It shall be unlawful for any owner of an animal not to provide:

- A. Sufficient quantity of good and wholesome food and water;
- B. Proper protection and shelter from the weather;
- C. Veterinary care when needed to prevent suffering;
- D. Humane treatment; and
- E. Prompt removal and sanitary disposal of all excreta deposited by his animal in the City.

**210.140 Animal Nuisances Prohibited.**

It shall be unlawful for the owner of any animal to cause or permit such animal to perform, create or engage in any of the following activities:

- A. Runs at large or upon the private property of any other person or firm than the owner; **210.130**
- B. Molests or disturbs persons or vehicles by chasing, barking, or biting, or otherwise interferes with their use of public property; **210.170.B.1**
- C. Attacks other animals;
- D. Damages property other than that of the owner; **210.230; 210.170.B.2**
- E. Barks, whines, howls, brays, cries or makes other noise excessively between the hours of 10:00 P.M. and 7:00 A.M., or at any time so as to cause unreasonable annoyance, disturbance or discomfort to an individual residing in a residence structure which is within one thousand (1000) yards of the property on which the animal is kept or harbored; **210.220**
- F. Creates noxious or offensive odors; **210.170**
- G. Defecates upon any public place or upon premises not owned or controlled by the owner unless promptly removed by the owner; **210.170.A.2 / 210.170.B.3**
- H. Creates an insect breeding and/or attraction site due to an accumulation of excreta;
- I. Is in estrus (heat) and not securely confined and enclosed within a building except when on the owner's premises briefly for toilet purposes while under complete control of a responsible person. **210.180**
- J. Is ridden on public property and obstructs or interferes with vehicular or pedestrian traffic;
- K. Threatens or causes a condition which endangers public health; or
- L. Impedes refuse collection by ripping any bag or tipping any container of such. **210.170.B.3-4**

Any animal found acting in any way forbidden by this Section, in the determination of an officer, shall hereby be declared a nuisance and its owner shall be subject to citation. Knowledge, intent or scienter is not required for this offense. **210.130**

**210.150 Dangerous or Vicious Animals Prohibited. 210.190**

- A. *Prohibited.* It shall be unlawful for any person to keep, possess or harbor a vicious animal within the City. Impoundment of animals whose owners have been cited for violation of this Section shall be at the discretion of the Animal Control Officer. If the animal presents a clear and present danger to the public health or safety, it shall be the duty of the Animal Control Officer or his/her agent to impound such animal.
- B. *Defined.* For purposes of this Chapter, a vicious animal shall include:
1. Any animal with a known propensity, tendency or disposition to attack unprovoked, to cause injury or to otherwise endanger the safety of human beings or domestic animals;
  2. Any animal which attacks a human being or domestic animal without provocation;
  3. Any animal owned or harbored primarily or in part for the purpose of fighting or any animal trained for fighting;
  4. Any animal which is urged by its owner or harborer to attack or whose owner or harborer threatens to provoke such animal to attack any Law Enforcement Officer while such officer is engaged in the performance of official duty, attack any person or attack any animal;
  5. Any hybrid animal that is part wild;
  6. Any breed of animal, physically altered or unaltered, trained or untrained, with or without external evidence of previous injury, that will, unprovoked or upon any type of command, attack human beings, other animals or damage property; or
  7. Any guard canine or security canine running at large.
- C. *Complaint.* Whenever a complaint is filed in the Municipal Court against the owner of an animal alleging that such animal is vicious and in violation of this Section, the Municipal Judge shall hold a hearing to determine whether or not the animal is vicious within the meaning of this Section and thereby in violation of this Section. The owner of the animal shall be notified in writing of the time and place of the hearing at least one (1) week prior to the hearing. In making a determination, the Municipal Judge shall consider the following:
1. The seriousness of the attack or bite;
  2. Past history of attacks or bites;
  3. Likelihood of attacks or bites in the future;
  4. The condition and circumstances under which the animal is kept or confined;
  5. Other factors which may reasonably relate to the determination of whether or not the animal is vicious.
- The Municipal Judge shall order the impoundment, the muzzling in accordance with Subsection D and/or the confinement of the animal accused of being in violation of this Section in a manner and location that will insure that it is no threat to persons or other animals pending the outcome of the hearing. If such impoundment, muzzling or otherwise safe confinement is not possible or if prior court orders to restrain such animal have gone unheeded, the Municipal Judge may order the animal immediately destroyed.
- D. *Vicious Canines To Be Muzzled.* It shall be the duty of every owner, keeper or harbinger of any canine in the City, which canine is vicious or has been known to bite, chase or run

after any person or animal in the streets, alleys or any public place in the City, to keep the same muzzled with a good and sufficient wire or leather muzzle securely fastened so as to wholly prevent such canine from biting any animal or person until such time as a determination has been made by the court as to whether the canine is vicious or not. Any person owning, keeping or harboring any canine within the City limits contrary to this Section shall be guilty of a violation of this Code.

- E. *Immediate Destruction.* Nothing in this Chapter shall be construed to prevent the Animal Control Officer or any Law Enforcement Officer from taking whatever action is reasonably necessary to protect himself/herself or members of the public from injury or danger, including immediate destruction of any vicious animal without notice to the owner.
- F. *Release Of.* If a complaint has been filed in the Municipal Court against the owner of an impounded animal for a charge under this Section, the animal shall not be released except on the order of the Municipal Judge who may also direct the owner to pay all impounding fees in addition to any penalties for violation of this Chapter. The Municipal Judge may, upon making a finding that an animal is vicious or that it represents a clear and present danger to the citizens or to other animals in the community, order the animal to be destroyed in a humane manner by the animal shelter. Surrender of an animal by the owner thereof to the Animal Control Officer does not relieve or render the owner immune from the decision of the court nor to the fees and fines which may result from a violation of this Section.
- G. *Confinement, Destruction, Removal By Judge.* The Municipal Court Judge or Judge Pro Tem shall have the authority to order any animal deemed to be dangerous or vicious to be confined, destroyed or permanently removed from the corporate City limits.

**210.160 Cruelty to Animals Prohibited. 210.240**

- A. It shall be unlawful for any person:
  - a. to willfully or maliciously kill, maim, disfigure or torture, strike, hit or beat with a stick, board, chain, club or other object; mutilate, burn, or scald with any substance; or drive over any domestic animal, or cruelly set an animal upon another animal, except that reasonable force may be employed to drive off vicious or trespassing animals; or
  - b. by any means to make accessible to any animal, with the intent to cause harm or death, any substance which has in any manner been treated or prepared with harmful or poisonous substances; or
  - c. to fail, refuse or neglect to provide any animal in his or her charge or custody as owner or otherwise with proper food, drink, shade, care, or shelter. Any animal kept outside shall be provided with structurally sound weatherproof enclosure, large enough to accommodate the animal; or
  - d. to drive or work any animal cruelly; or
  - e. to abandon any animal within the City limits; or
  - f. to cause, instigate, stage, or train any animal to fight or permit any fight between any animal and another animal or human; or
  - g. except a licensed veterinarian, to crop animal ears or dock animal tails; or

- h. to give away any live animal, fish, reptile, or bird as a prize for, or as an inducement to enter a place of amusement; or offer such animal as an incentive to enter into any business agreement whereby the offer was for the purpose of attracting trade; or
  - i. to leave any animal confined in a vehicle for more than five (5) minutes in extreme weather conditions, defined as less than thirty (30) degrees Fahrenheit or more than eighty (80) degrees Fahrenheit.
- B. Any person who, as the operator of a motor vehicle, strikes a domestic animal shall stop at once and render such assistance as may be possible and shall immediately report such injury or death to the animal's owner; in the event the owner cannot be ascertained and located, such operator shall at once report the accident to the appropriate law enforcement agency.
- C. *Exceptions:* Nothing in Subsection A of this Section shall:
- a. Be deemed to prohibit any action by a licensed veterinarian done in accordance with accepted standards of veterinary medicine, or any action taken by a law enforcement officer pursuant to the interests of public health and safety.
  - b. Be deemed to prohibit any act done in self-defense or done to defend another person.
  - c. Be deemed to prohibit the use of poisonous substances for the control of vermin of significance to the public health.

**210.170 Trapping Prohibited. 210.040**

- A. No person shall do any trapping anywhere in the City.
- B. *Exceptions:*
- a. This Section does not apply to the use of any trap specifically designed to kill rats, mice, gophers, moles, or vermin of significance to the public health.
  - b. This Section does not apply to the use of cage-type live traps employed for the control of wild animals.
  - c. This Section does not apply to actions taken by a law enforcement officer pursuant to the interests of public health and safety.
  - d. This Section does not apply to actions taken by a professional rodent or wildlife control company.

**210.180 Sale or Display of Certain Animals Prohibited. 210.030**

- A. It shall be unlawful for any person to do any of the following actions to any newly hatched fowl or any newly born rabbit under the age of three (3) months:
- a. use as a toy;
  - b. use for display;
  - c. use for decorative purposes;
  - d. sell;
  - e. offer for sale;
  - f. expose for sale;
  - g. subject to any form of mistreatment or careless handling; or
  - h. dye;

- B. *Exception:* The provisions of this Section relating to the sale of certain animals shall not apply to a regular licensed pet dealer who is licensed by the Kansas Department of Agriculture or any Federal licensing or regulating authority.

**210.190 Penalties. 210.280**

Any person violating any provisions of this Chapter shall, upon conviction thereof, be punished by a fine of not more than five hundred dollars (\$500.00) or be imprisoned not to exceed thirty (30) days, or be both so fined and imprisoned. Each consecutive day's violation shall constitute a separate punishable offense.

## **TITLE FOUR: NORTHEAST ANIMAL CONTROL COMMISSION**

### **210.200 Findings. 210.290**

The Governing Body deems it advisable and necessary that this City adequately control the problems of dead and uncontrolled domestic and wild animals on the streets or roaming at large within the City. It further finds it necessary to join together with other Cities to continue a cooperative animal control program with certain other Johnson County Cities to effect for the benefit of the citizens of the Cities a better animal control service at the lowest possible cost to the Cities.

### **210.210 Purpose and Objectives. 210.300**

- A. It is hereby declared that the cost and operation of animal control can best be effected in the several member cities by cooperative management and financing of personnel and equipment needed to enforce and provide services necessary to pick up, care for and dispose of, where necessary, domestic, unwanted or at-large animals or dead or dangerous animals within the member cities.
- B. It is hereby declared the purpose of the cooperative program to study and provide new or better methods of animal control and to develop and maintain communications with the governing bodies and residents of the member cities to eliminate problems of animal control.

### **210.220 Agreement Incorporated. 210.310**

- A. The City joins with at least two (2) other adopting cities to continue the Johnson County Animal Control Commission, which name shall be changed to the Northeast Animal Control Commission.
- B. There is hereby incorporated by reference, as though reproduced herein in its entirety, Ordinance No. 1228 providing for the establishment and operation of the Northeast Animal Control Commission.

<b>City of Mission</b>	Item Number:	5.
<b>ACTION ITEM SUMMARY</b>	Date:	April 26, 2016
<b>Administration</b>	From:	Laura Smith

Action items require a vote to recommend the item to full City Council for further action.

**RE:** Waiver of requirements of Chapter 205: Fire Prevention and Protection, and approval of purchase of fireworks.

**RECOMMENDATION:** Approve a waiver of the requirements of Chapter 205: Fire Prevention and Protection as it relates to Public Exhibitions for Saturday, July, 9, 2016, in connection with the Mission Summer Family Picnic held at Broadmoor Park. Approve the purchase of fireworks in an amount not to exceed \$600.

**DETAILS:** Traditionally, the City of Mission has provided a fireworks display at the conclusion of the Mission Summer Family Picnic held at Broadmoor Park. In order to proceed with this display, the City Council must waive the requirements of Chapter 205 of the Mission City Code.

In addition to the ordinance waiver, the Council is also asked to consider the expenditure of funds not to exceed \$600 for the purchase of fireworks.

**CFAA CONSIDERATIONS/IMPACTS:** N/A

Related Statute/City Ordinance:	Chapter 205
Line Item Code/Description:	01-09-208-01
Available Budget:	\$9,768.00

<b>City of Mission</b>	Item Number:	6.
<b>ACTION ITEM SUMMARY</b>	Date:	April 27, 2016
<b>Administration</b>	From:	Martha Sumrall

Action items require a vote to recommend the item to full City Council for further action.

**RE:** Massage Establishment License

**RECOMMENDATION:** Approve the Massage Establishment License for Joshua Bond, 6025 Martway, upon final approval by the Chief of Police pending background check results.

**DETAILS:** Under the provisions of Chapter 620 of Mission’s Municipal Code, anyone opening a massage establishment is required to submit an initial application which is considered by the City Council. Joshua Bond has submitted his application to operate as a massage therapist at 6025 Martway, in conjunction with a Craig Chiropractic Office.

He has provided the necessary documentation regarding education and training, and his background check is currently underway. It is anticipated that his background check will be complete prior to the City Council Meeting. If the background check is not complete prior to the May 18th City Council Meeting, the application will be deferred to the June agenda.

Following approval of the initial application and payment of the \$300 application fee, the license will be renewed annually based on the square footage of the business. Mr. Bond has also applied for the required massage therapist permit which may be approved administratively following Council approval of the Massage Establishment License.

**CFAA CONSIDERATIONS/IMPACTS:** Not applicable.

Related Statute/City Ordinance:	Mission Municipal Code, Chapter 620
Line Item Code/Description:	n/a
Available Budget:	n/a

<b>City of Mission</b>	Item Number:	7.
<b>DISCUSSION ITEM SUMMARY</b>	Date:	April 29, 2016
<b>Administration</b>	From:	Laura Smith & Glen Cole

Action items require a vote to recommend the item to full City Council for further action.

**RE:** Addition of E-Cigarettes to Public Smoking Ban

**DETAILS:** A member of the City’s Planning Commission recently requested that the City Council consider expanding Mission’s ban on smoking in public places to include e-cigarettes. Locally, the cities of Overland Park, Olathe, Kansas City, MO and Kansas City, KS have all taken steps to ensure their smoking bans include these products. Staff seeks direction on whether the Committee wishes to pursue similar revisions to Mission’s ordinances.

Mission has had some form of public smoking ban in place since 1987 (Ord. 709), and enacted a comprehensive second-hand smoke ban (i.e. places of employment, restaurants, etc.) in 2008. The City’s ordinance defines smoking only to include combustible tobacco products - such as cigars, cigarettes, and pipes. The Attorney General has ruled that the Kansas Indoor Clean Air Act does not apply to e-cigarette products. At the state level, it is illegal to “sell, furnish, or distribute” e-cigarettes to anyone under the age of 18. However, due to a lack of federal regulation, youth can (theoretically) obtain e-cigarette products from online retailers without difficulty.

The Federal government has not provided comprehensive guidance as to the health effects of e-cigarettes except to determine that “insufficient evidence” exists to recommend them for use in smoking cessation. However, the CDC argues that e-cigarette use is rapidly becoming prevalent among middle and high school students. Their publications on e-cigarettes request that communities “prevent youth use of all tobacco products, including e-cigarettes” and “Support efforts to implement and continue proven youth tobacco prevention approaches, including [...] comprehensive smoke-free laws.”

Proponents argue that e-cigarettes emit harmful chemicals into the air, and that later studies will prove their harm to public health; additionally, some studies have shown a link between e-cigarette use and later use of combustible tobacco products. Opponents argue that studies have not demonstrated a conclusive health risk to second-hand vapor inhalation, and that e-cigarettes are an important cessation strategy for many tobacco smokers.

An information brief prepared by the CDC’s Office on Smoking and Health is attached, as well as a 2014 article from the Kansas Government Journal. A 2014 ASHRAE Journal article which was submitted by the Planning Commissioner has also been included.

**CFAA CONSIDERATIONS/IMPACTS:** The Communities for All Ages checklist discusses smoking cessation in the context of community and health services.

Related Statute/City Ordinance:	Chapter 225, Article III: Smoking Regulations
Line Item Code/Description:	N/A
Available Budget:	N/A

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## 2016 0321 Updated Smoking Ordinance Request

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Robin Dukelow <rdukelow@kc.rr.com>

Mon, Mar 21, 2016 at 12:41 PM

To: DKring@missionks.org, Arcie Rothrock <arothrock@missionks.org>, amiller@missionks.org, mayor@missionks.org, pquinn@missionks.org, jvaughn@missionks.org, Jennifer - Mission <jcowdry@missionks.org>, David Sheppard <dshepard@missionks.org>, sgibbs@missionks.org  
Cc: lsmith@missionks.org

Hello Everyone,

I am writing to request that the City Council consider clarifying/updating the Smoking Ordinance to address e-cigarettes as follows:

"Electronic cigarettes are considered a form of smoking and are prohibited where conventional cigarettes are prohibited."

The "vaping" terminology used in marketing E-cigarettes is a misnomer. Users of E-cigarettes are actually "aerosolizing." The "vapor" that you see are actually microscopic aerosol particles that have condensed after being flashed to a gas by the cigarette's heater. Thus, when using an e-cigarette, the user is inhaling an aerosol.

Please reference the attached ASHRAE Journal article from June 2014: "We conclude that e-cigarettes emit harmful chemicals into the air and need to be regulated in the same manner as tobacco smoking."

Thank you for your consideration,

~Robin Dukelow

**ROBIN DUKELOW, LEED AP BD&C**

# The Hazards of E-Cigarettes

BY FRANCIS (BUD) J. OFFERMANN, P.E., CIH, MEMBER ASHRAE

The prevalence of the use of e-cigarettes is increasing. E-cigarettes are marketed as an alternative to smoking tobacco that only produces harmless water vapor, with no adverse impact on indoor air quality. However, published literature seems to show that e-cigarettes are not harmless.<sup>1</sup> *Photo 1* shows an e-cigarette user exhaling a dense visible aerosol into the surrounding air. This visible aerosol consists of condensed submicron liquid droplets, which contain many chemicals including some that are carcinogenic, such as formaldehyde, metals (cadmium, lead, nickel), and nitrosamines.

*Figure 1* is a schematic of typical e-cigarette components. E-cigarettes contain a liquid, typically propylene glycol and/or glycerol, that include varying amounts of nicotine (e.g., 0 to 36 mg/mL) as well as flavorants. A wicking material is used to transport the liquid by capillary action from a reservoir to the heater. When the user draws on the e-cigarette, a sensor detects the draw and a microprocessor activates the heater, which vaporizes the fluid to produce a saturated vapor at an elevated temperature (i.e., > 350°C [662°F] in the center of the heating unit<sup>2</sup>). Propylene glycol, glycerol, and nicotine are liquids with relatively high boiling points: propylene glycol (188°C [370°F]), glycerol (290°C [554°F]), and nicotine (247°C [477°F]). Consequently, the vaporized fluid immediately condenses upon leaving the heating element, forming an aerosol of submicron spherical liquid droplets with the visible appearance of smoke or fog.

While the word vapor is used to describe what e-cigarettes produce, and vaping is a term used to describe the process of inhaling from an e-cigarette, the emissions out of the mouthpiece are not actually a vapor, which is a gas, but rather they are primarily an aerosol. This aerosol consists of submicron particles of the condensed vapor of glycols containing the nicotine and flavorants. So users are not vaping, but rather they are aerosolizing.

## What are the chemical emissions from e-cigarettes?

We searched through the published literature for information on the chemical emissions from e-cigarettes. We then used these chemical emissions to calculate the direct exposure to users and the indirect (passive) exposure to non-users, with usage and exposure assumptions selected to produce worst-case exposure scenarios.

For both the direct and indirect exposures, we calculated the hazard quotients as the ratio of the calculated exposures to both cancer and non-cancer health exposure guidelines. Hazard quotients in excess of 1.0 indicate a health risk.

The paper by Goniewicz et. al.<sup>3</sup> contained the largest study of chemical emissions from e-cigarettes and forms the primary basis for our analyses. In this paper the chemical emissions of 11 chemicals, including carbonyl compounds, volatile organic compounds, tobacco specific nitrosamines, and heavy metals were measured from 12 different e-cigarettes. Each e-cigarette was tested three times. A total of 150 puffs (70 mL/puff) were directly vaporized into the analytical samplers from an e-cigarette attached to a mechanical smoking machine. For our exposure analyses we included seven of the 11 chemicals studied by Goniewicz



**PHOTO 1:** E-cigarettes do not produce a vapor (gas), but rather a dense visible aerosol of liquid sub-micron droplets consisting of glycols, nicotine, and other chemicals, some of which are carcinogenic (e.g., formaldehyde, metals, nitrosamines).

cal samplers from an e-cigarette attached to a mechanical smoking machine. For our exposure analyses we included seven of the 11 chemicals studied by Goniewicz

Francis (Bud) J. Offermann, P.E., CIH, is president of Indoor Environmental Engineering in San Francisco.

et.al.,<sup>3</sup> that had both significant emission rates and relevant health-based exposure guidelines. Schripp et. al.<sup>2</sup> measured the emission rates of propylene glycol from three e-cigarettes.

Table 1 summarizes the minimum and maximum chemical emissions rates for nine chemicals in terms of mass ( $\mu\text{g}$ ) of chemical per 150 puffs (70 mL/puff). The dominant chemical emitted was propylene glycol, with a range of 250,950 to 828,750  $\mu\text{g}/150$  puffs. The chemical with the next highest emission rate was nicotine, for which we assumed a concentration of 24 mg/mL of nicotine in propylene glycol, yielding 5,770 to 19,060  $\mu\text{g}/150$  puffs.

**Are the chemical emissions from e-cigarettes a health risk?** We used the maximum chemical emissions in Table 1 to calculate the direct exposure to users and the indirect (passive) exposure to non-users, with the following usage and exposure assumptions, which were selected to produce worst-case exposure scenarios.

**Direct Exposure Assessment.** The median puffs/day by e-cigarette users was assumed to be 175 puffs/day with a puff volume of 70 mL/puff. The respiratory absorption of the inhaled vapor was assumed to be 100% for all compounds. We assumed a zero exposure other than the vapor that was directly inhaled (i.e., no indirect exposure).

**Indirect (Passive) Exposure Assessment.** We modeled exposures for a small office space (i.e., 20.9 m<sup>2</sup> [225 ft<sup>2</sup>], 2.4 m [7.9 ft] ceiling), with a low outdoor air ventilation rate of 0.3 h<sup>-1</sup> (assuming openable windows closed and no mechanical ventilation, so there is only outdoor air infiltration) and no contaminant removal other than ventilation. We assumed continuous occupancy for eight hours by two occupants; one e-cigarette user (125 puffs in 8 hours, 70 mL/puff) and one non-user. For this assessment we assumed that 100% of the inhaled vapor by the user was exhaled into the indoor air and the respiratory absorption by occupants of the exhaled vapor in the indoor air was 100% for all compounds. We assumed a zero exposure when away from work.

For cancer health effects we used the California Office of Environmental Health Hazard Assessment,<sup>4</sup> No

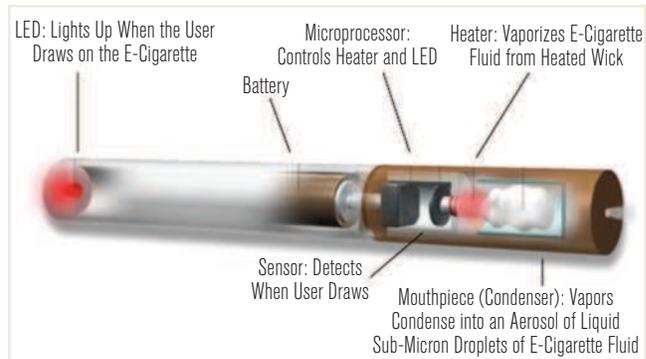


FIGURE 1: Schematic of the typical components found in an e-cigarette.

TABLE 1 Chemical emissions of selected compounds from e-cigarettes for exposure analyses.

CHEMICAL	CHEMICAL EMISSIONS ( $\mu\text{G}/150$ PUFFS - 70 ML/PUFF) INDIRECT EXPOSURE	
	Minimum	Maximum
ACETALDEHYDE	2.0	13.6
ACROLEIN	<0.02	41.9
FORMALDEHYDE	3.2	56.1
CADMIUM	<0.04	0.22
LEAD	0.03	0.57
NICKEL	0.11	0.29
NICOTINE	5,770	19,060
NNK <sup>a</sup>	<0.0001	0.028
PROPYLENE GLYCOL	250,950	828,750

<sup>a</sup> NNK, 4-(n-nitrosomethylamino)-1-(3-pyridyl)-1-butanone.

TABLE 2 Hazard quotients associated with the direct exposures of e-cigarette users and the indirect (passive) exposures of non-users.

CHEMICAL	EXPOSURE CRITERIA		DIRECT EXPOSURE		INDIRECT EXPOSURE	
	NSRL ( $\mu\text{g}/\text{day}$ )	CREL ( $\mu\text{g}/\text{m}^3$ )	HQ <sup>a</sup> NSRL	HQ <sup>a</sup> CREL	HQ <sup>a</sup> NSRL	HQ <sup>a</sup> CREL
ACETALDEHYDE	90	140	0.18	0.01	0.004	0.0001
ACROLEIN	N/A	0.35	N/A	<b>7.0</b>	N/A	0.17
FORMALDEHYDE	40	9	<b>1.64</b>	0.36	0.04	0.009
CADMIUM	0.05	0.02	<b>5.13</b>	0.64	0.12	0.015
LEAD	0.5	0.15	<b>1.33</b>	0.22	0.03	0.005
NICKEL	0.8	0.05	0.42	0.34	0.008	0.007
NICOTINE	N/A	5	N/A	<b>222</b>	N/A	<b>5.4</b>
NNK <sup>b</sup>	0.014	N/A	<b>2.36</b>	N/A	0.05	N/A
PROPYLENE GLYCOL	N/A	50	N/A	<b>967</b>	N/A	<b>23</b>

<sup>a</sup> Hazard quotients expressed as the ratio of the calculated exposure to the NSRL and CREL health exposure guidelines, with values above 1.0 **bolded**.

<sup>b</sup> NNK, 4-(n-nitrosomethylamino)-1-(3-pyridyl)-1-butanone.

Significant Risk Levels (NSRLs). The NSRL is the 70 year average daily intake level calculated to result in one excess case of cancer in an exposed population of 100,000. For non-cancer health effects, we used the California Office of Environmental Health Hazard Assessment<sup>5</sup> Chronic Reference Exposure Guidelines (CRELs).

For propylene glycol and nicotine, which do not have established CRELs, we used 1% of the California OSHA<sup>6</sup> occupational eight-hour Permissible Exposure Guideline, and for lead we used the Environmental Protection Agency<sup>7</sup> National Ambient Air Quality Standards (NAAQS), three-month average requirement.

For both the direct and indirect exposures, we calculated the hazard quotients as the ratio of the calculated exposures to the cancer (NSRL) and non-cancer (CREL) health exposure guidelines. Hazard quotients in excess of 1.0 indicate a health risk.

Table 2 summarizes the hazard quotients associated with the direct exposures of e-cigarette users and the indirect (passive) exposures of non-users.

With respect to the NSRL hazard quotients for cancer

related health effects, four of the nine chemicals analyzed exceeded 1.0 for the direct exposure to users; lead (1.33), formaldehyde (1.64), NNK (2.36), and cadmium (5.13). For the indirect exposure to non-users, the NSRL hazard quotients were all less than 1.0, with the highest, cadmium (0.12). With respect to the CREL hazard quotients for non-cancer related health effects, three of the nine chemicals analyzed exceeded 1.0 for the direct exposure to users; acrolein (7.0), nicotine (222), and propylene glycol (967). For the indirect exposure to non-users, the CREL hazard quotients also exceeded 1.0 for nicotine (5.4) and propylene glycol (23).

If we use the minimum rather than the maximum chemical emissions in Table 1, the modeled direct and indirect CREL hazard quotients still exceed 1.0 for propylene glycol (293 direct and 7.0 indirect) and nicotine (65 direct and 1.6 indirect).

With respect to the modeled indirect exposures, we note that while this was a worst-case exposure scenario with a low ventilation rate of 0.3 h<sup>-1</sup>, even if ventilation rates are tripled to 0.9 h<sup>-1</sup>, which exceeds ASHRAE Standard 62.1<sup>8</sup> default minimum ventilation of 0.78 h<sup>-1</sup> for the modeled office space, the indirect exposures still present a significant health risk. Ventilation rates would have to be increased by a factor of 23 to mitigate the health risks for each of the nine chemicals modeled. Clearly, ventilation is not a solution and e-cigarette use will have to be regulated indoors in the same manner as is done for tobacco smoking, which is prohibited indoors.

We also note that there has been little research into the emissions of the flavorants that are added into the e-cigarette fluids. Some flavorant chemicals, such as diacetal, while having no apparent adverse effects when ingested, when aerosolized and inhaled can cause lung irritation.

Like the flavorants, the propylene glycol carrier, while used as a preservative in food products without apparent adverse health effects, are themselves a potential airborne respiratory irritant. Wieslander et.al.<sup>9</sup> conducted experimental studies of 27 individuals exposed to propylene glycol aerosol for a one-minute period with airborne concentrations ranging from 176 to 851 mg/m<sup>3</sup> (geometric mean of 309 mg/m<sup>3</sup>). Results of post-exposure measurements of tear film stability and forced expiratory respiratory volume indicated that short-term exposures to propylene glycol aerosol can cause acute eye and upper respiratory irritation in non-asthmatic patients.

*Advertisement formerly in this space.*

## Conclusions

We conclude that e-cigarettes emit harmful chemicals into the air and need to be regulated in the same manner as tobacco smoking. There is evidence that nitrosamines, a group of carcinogens found specifically in tobacco, are carried over into the e-cigarette fluid from the nicotine extraction process.<sup>10</sup> There is also evidence that the glycol carriers can be oxidized by the heating elements used in e-cigarettes to vaporize the liquids, creating aldehydes such as formaldehyde.<sup>11</sup> Consumers should be warned that, while the health risks associated with the usage of e-cigarettes are less than those associated with tobacco smoking, there remain substantial health risks associated with the use of e-cigarettes.

## References

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11. Ohta, K., et al. 2011. "Determination of carbonyl compounds generated from the electronic cigarette using coupled silica cartridges impregnated with hydroquinone and 2,4-dinitrophenylhydrazine." *Bunseki Kagaku*; 60:791-797. ■

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**CDC Office on Smoking and Health  
E-cigarette Information  
November 2015**

E-cigarettes have the potential for harm and benefit to the public’s health. It is important to consider their effects on specific populations, including youth, pregnant women, and adult smokers.

**Table: Examples of how e-cigarettes could benefit or harm the public’s health**

<b>E-cigarettes could cause public health HARM if they:</b>	<b>E-cigarettes could lead to public health BENEFIT if:</b>
<ul style="list-style-type: none"> <li>• Lead to use of nicotine and/or other tobacco products by youth and nontobacco users.</li> <li>• Are used by pregnant women.</li> <li>• Lead former smokers to relapse to nicotine use or use of other tobacco products.</li> <li>• Delay complete smoking cessation among current smokers.</li> <li>• Result in nicotine poisonings (e.g., through ingestion of e-cigarette liquid, absorption of e-cigarette liquid through the skin, or inhalation of e-cigarette aerosol).</li> <li>• Expose nonusers to secondhand aerosol.</li> </ul>	<ul style="list-style-type: none"> <li>• Individual adult smokers switch <i>completely</i> from combustible tobacco products to e-cigarettes.</li> <li>• They assist in rapid transition to a society with little or no combustible tobacco use.</li> </ul>

**For YOUTH:**

- Use of tobacco and nicotine pose known harms for youth. Therefore, youth should not use *any* tobacco product, regardless of whether it’s combustible, noncombustible, or electronic.
  - Nicotine is highly addictive.
  - Nicotine exposure may harm the developing adolescent brain.
  - E-cigarette use by youth could also cause harm if it leads to use of other tobacco products.

**For NON-PREGNANT ADULT SMOKERS:**

- Any combusted tobacco use at any age is dangerous. According to the US Surgeon General, the burden of death and disease from tobacco use in the United States is overwhelmingly caused by cigarettes and other combusted tobacco products.
- For adult smokers to benefit from e-cigarettes, they must *completely* quit combusted tobacco use. Smoking even a few cigarettes per day is dangerous to health.
- E-cigarettes are not an FDA-approved smoking cessation aid.
  - The US Preventive Services Task Force, a group of health experts that makes recommendations about preventive health care, has concluded that evidence is insufficient to recommend e-cigarettes for smoking cessation in adults, including pregnant women.

**For PREGNANT WOMEN:**

- Nicotine is a health danger for pregnant women and their developing fetuses.
- Pregnant women should not use any tobacco product, including e-cigarettes, because nicotine is toxic to developing fetuses and impairs fetal brain and lung development.

**CDC Office on Smoking and Health**  
**E-cigarette Information**  
**November 2015**

- Pregnant women who haven't been able to quit smoking on their own or with counseling can discuss the risks and benefits of using cessation products, such as nicotine replacement therapy, with their health care provider.

**For ADULT NONTOBACCO USERS:**

- E-cigarette aerosol is not harmless water vapor. In addition to nicotine, e-cigarette aerosol can contain heavy metals, ultrafine particulates that can be inhaled deep into the lungs, and cancer-causing agents like acrolein.
- E-cigarette aerosols also contain propylene glycol or glycerin and flavorings. Some e-cigarette manufacturers claim that the use of these ingredients is safe because they meet the FDA definition of "generally recognized as safe" (GRAS). However, GRAS status applies to ingestion of these ingredients (i.e., in food), *not* inhalation. The health effects of inhaling these substances, including from an e-cigarette, are unknown.
- Inhaling e-cigarette aerosol directly from the device or from secondhand aerosol that is exhaled by users is potentially harmful to health. Therefore, adult nontobacco users should not use e-cigarettes or be exposed to secondhand aerosol from these products.



## Should Cities Regulate the Use of Electronic Cigarettes?

In the spirit of election season, I decided to turn this month's Best Practices column into a debate. The debate topic will be whether cities should extend the state's public smoking ban to the use of electronic cigarettes (or "e-cigarettes").

Before debating the issue, here is a little background on e-cigarettes and e-cigarette regulations. E-cigarettes were first developed in China, and were introduced to the U.S. market in 2007. Typically, they are composed of a rechargeable, battery-operated heating element and a replaceable cartridge. They are smoke-free and tobacco-free, and designed to deliver nicotine or other substances to a user in the form of a vapor. The liquid used to produce that vapor is typically a combination of nicotine, flavorings, propylene glycol (a solvent), and other additives.<sup>1</sup>

In 2011, the Kansas Attorney General's Office released an opinion stating that the state's Clean Indoor Air Act did not apply to the use of e-cigarettes in public places.<sup>2</sup> However, that Act included language expressly authorizing cities and counties to pass more stringent smoking local regulations, which could include extending the ban to e-cigarettes.<sup>3</sup> In 2012, the Kansas Legislature joined a handful of other states to ban their sale to minors.<sup>4</sup> This August, Overland Park became one of the first cities in Kansas to extend the state's public smoking ban to e-cigarettes.<sup>5</sup> They were joined a few weeks later by the City of McPherson, which passed a similar ban.<sup>6</sup> There are currently no federal e-cigarette regulations, but the Food and Drug Administration (FDA) has proposed rules that would establish minimum age requirements and require ingredient listings and health warnings on the products.<sup>7</sup>

### Include E-Cigarettes in Your Community's Public Smoking Ban

One of the main roles of local government is to protect the public's health, and that should include decreasing the use of and exposure to e-cigarettes. The vapor created by these products is from liquid nicotine, which is extracted from tobacco and can be lethal. The FDA found some cartridges of liquid nicotine contained about one percent diethylene glycol (DEG), a toxic chemical ingredient also found in antifreeze.<sup>8</sup> In 2013, 24 people (11 of whom were children) reported toxic exposure from e-cigarettes to poison control. Cities should do whatever they can to discourage exposure to these dangerous substances.

Proponents of e-cigarettes often claim that prohibiting their use in public does not make sense because there are no second-hand exposure concerns. However, many e-cigarette devices release metals like tin during use, as well as other materials known to be toxic or carcinogenic.<sup>9</sup> These are the same types of chemicals the Kansas Legislature intended to ban from indoor areas open to the public when they enacted the Kansas Indoor Clean Air Act. Not including e-cigarettes in a community's smoking ban amounts to a loophole that individuals can use to circumvent the purpose of this Act.

Additionally, e-cigarettes may lead young people to try other tobacco products like conventional cigarettes. Allowing the widespread use of a gateway product like e-cigarettes could increase smoking, which is the leading cause of preventable disease and death in the United States.

Finally, Kansas's public smoking ban is extremely popular, and municipalities should recognize that a vast majority of their residents now expect smoke and vapor free public environments.<sup>10</sup> As stated by Overland Park City Councilmember Terry Goodman, "Whether it's harmful or not, Overland Park residents have a right to go into a restaurant or bar and not sit next to a table full of six people puffing away on vaping devices and exhaling the vapor or smoke..."<sup>11</sup>

*The League of Kansas Municipalities has no position on whether cities should or should not expand their smoking bans to include use of electronic cigarettes. The intent of this article was to inform city officials about the arguments for and against expansion.*

### Do Not Regulate the Use of E-Cigarettes in Public

The whole conversation about regulating e-cigarettes is another example of busybody government unnecessarily intruding on the lives of its citizens. Most evidence suggests e-cigarettes are safer than smoking tobacco products, and possibly as safe as other nicotine replacement products.<sup>12</sup> Shouldn't Kansans have the freedom to enjoy safe products in public?

Additionally, e-cigarettes can help smokers quit using regular cigarettes. Cities are not considering outlawing the public use of the patch or nicotine gum, which arguably can also lead to nicotine addiction. It makes little sense for cities to ban another product that could decrease cigarette use, which, as my opponent mentioned, is the leading cause of preventable disease and death in the United States.

It is also important to recognize that e-cigarettes do not cause the same second-hand exposure issues created by regular cigarettes. The aerosol produced from e-cigarettes has notably fewer toxicants than cigarette smoke and likely poses less harm to others.<sup>13</sup> Since Kansas's public smoking ban was passed primarily to protect non-smokers from the effects of second-hand smoke, there is no reason to expand that ban to e-cigarettes.

Finally, banning e-cigarettes in public is anti-business. Hip establishments designed for individuals to enjoy e-cigarettes (often called "vaping hangouts") are a fast-growing industry in Kansas. Passing ordinances that prevent the continued proliferation of these businesses will harm entrepreneurs and job creation in our state.

In summary, please reject the nanny-state approach of my opponent. Public regulation should be reserved for legitimate public health issues. Banning e-cigarettes in public is simply another example of government overreach.

 Michael Koss is Legal Counsel & Membership Services Manager for the League of Kansas Municipalities. He can be reached at [mkoss@lkm.org](mailto:mkoss@lkm.org) or (785) 354-9565.

To view the sources for this article, see page 315.

<b>City of Mission</b>	Item Number:	8.
<b>DISCUSSION ITEM SUMMARY</b>	Date:	April 27, 2016
<b>ADMINISTRATION</b>	From:	Laura Smith

Discussion items allow the committee the opportunity to freely discuss the issue at hand.

**RE:** Election of Council Committee Chairs.

**DETAILS:** In accordance with Section 130.010 (B) of the City’s Municipal Code, “On an annual basis, on or before the first June Council meeting, the City Council shall vote to elect the chairperson and vice chairperson of the Finance and Administration Committee and the Community Development Committee.”

Committee Chairs are appointed for one year. City Council Policy 104 outlines the practices and procedures of the Council Committees and has been attached for your information.

This item will be placed under “New Business” on the May 18, 2016 City Council agenda.

**CFAA IMPACTS/CONSIDERATIONS:** n/a

Related Statute/City Ordinance:	Section 130.010 of the Mission Municipal Code
Line Item Code/Description:	n/a
Available Budget:	n/a

# CITY OF MISSION CITY COUNCIL POLICY MANUAL

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## **POLICY NO. 104 - REVISED**

### **GUIDELINES FOR CITY COUNCIL COMMITTEES**

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#### **1.01      Composition and Number**

The City of Mission has established and assigned specific responsibilities to the following City Council Committees:

- Finance and Administration Committee
- Community Development Committee

#### **1.02      Meetings**

Committee meetings shall be scheduled monthly. All meetings are open to the public. Wednesday evenings shall be committee meeting night with meetings beginning at 6:30 p.m. Committees shall follow a meeting schedule, except for holidays, as follows:

- 1<sup>st</sup> Wednesday of the month: Community Development Committee at 6:30 p.m.; Finance & Administration Committee at 7:30 p.m. or immediately following the Community Development Committee.
- 2<sup>nd</sup> Wednesday of the month: Reserved for overflow business from either the Community Development Committee or Finance and Administration Committee. Committee meetings scheduled for the second Wednesday of the month shall begin at 6:30 p.m.

All meetings shall be held at City Hall unless otherwise specified. Additional meetings may be held upon the call of the Chair or upon the call of a majority of committee members, provided that all members shall be notified of such meeting at least 24 hours in advance of the announced start of the meeting, and is consistent with Kansas Open Meeting laws.

#### **1.03      Quorum**

Committees shall conduct business only in the presence of a quorum. A quorum shall consist of five members. It shall be the duty of each committee chair to encourage member

attendance. City staff will be responsible to ascertain in advance whether or not a quorum will be present to conduct business.

#### **1.04 Agenda**

An agenda shall be developed by the chair and related staff before each meeting. Individual councilmembers may request the addition of specific items to the agenda by contacting the committee chairperson, vice-chairperson, or City Administrator. These items will initially be placed under "Discussion Item" for consideration of additional/future action by the committee. The agenda shall be followed as much as possible; however, business not appearing on the agenda may be taken up under the heading "Other Business." All items on the Agenda will identify the person(s) sponsoring an item. The City Administrator and department heads will participate in the presentation of information to the committee, but are not voting members of the committee.

Public comments will be allowed at committee meetings. "Public Comment" cards will be available at each meeting and the public is encouraged to complete this card to accommodate orderly meetings. Public Comment cards will be given to the chair at the beginning of each meeting. Public comments will also be accepted from members of the public who have not completed a Public Comment card. All public comments are at the discretion of the chair and committee members.

#### **1.05 Votes**

Meetings shall be conducted in an orderly manner. Generally, Code of Procedure for Kansas Cities, First Edition, should serve as a guideline in the conduct of committee meetings. The committee chair will preside over the meetings and is responsible for maintaining orderly discussion. Upon the call of the chair, voice votes shall be taken of committee members to determine committee action on each issue. Passage shall require a majority of those present and voting, including the chair. Tie votes shall be considered to be a failure of the motion. The chair of the committee cannot make a motion. Seconds to motions are not required.

#### **1.06 Minutes**

Minutes shall be kept of all committee meetings by staff assigned by the City Administrator. Distribution shall be made to the Mayor and Council.

#### **1.07 Committee Responsibilities**

Committees shall be responsible for the review of policy matters dealing with their assigned departments. This shall include but not limit review of major equipment purchases, property acquisition, construction, development policies, ordinance and resolution review, budget review.

Requests by various groups for proclamations shall be routed to the Mayor for consideration. Proclamations do not require Council action. Planning Commission items generally shall go directly to the Council except in the instance of recommended changes to the actual Zoning Ordinance, in which case these recommendations will be reviewed by the Community Development Committee.

Council committee members shall not be involved in daily administrative tasks. Direction of the daily operations of a department shall be left to the department head under the direction of the City Administrator. If a committee has specific operations problems, these are to be directed to the attention of the City Administrator who will expedite any necessary actions.

Committees shall deal with City personnel matters only on a policy review basis. Policy review means such things as personnel rules, job descriptions, or salary schedules. Committee members either individually or as a committee shall not meet with an employee concerning personnel matters. Employees with specific grievances shall use the established appeal procedure as outlined in the Personnel Policies and Guidelines.

The City Administrator shall be responsible for any necessary support to the Council committees.

#### **1.08 Significance of Committee Actions**

Action of committees shall constitute recommendations to the full Council. No binding decision can be made in committee on matters that should be brought before the full Council. In emergency and time-constrained situations, the City Administrator or City Clerk may poll the remainder of the City Council Committee members for approval of a committee action.

#### **1.09 Responsibilities of Committee Chair**

1. Conduct meetings of the committee.
2. Report on Committee action to the full Council at City Council Meetings.
3. Approve agendas for regular and special committee meetings.
4. Encourage participation and attendance of committee members, including soliciting motions.
5. Serve as principal liaison between the committee and the staff and City Council on issues for which the committee had principal responsibility.

Suggestions and ideas regarding city business from individual Councilmembers are welcome and should be directed to the Committee Chair and/or City Administrator for action.

**APPROVED BY THE CITY COUNCIL ON AUGUST 13, 2003.**

**REVISED AND APPROVED BY THE CITY COUNCIL ON JANUARY 14, 2004.**

**REVISED AND APPROVED BY THE CITY COUNCIL ON MAY 10, 2006.**

**REVISED AND APPROVED BY THE CITY COUNCIL ON MAY 21, 2014**