

MINUTES OF THE MISSION FINANCE & ADMINISTRATION COMMITTEE

May 3, 2017

The Mission Finance & Administration Committee met at Mission City Hall, Wednesday, April 5, 2017 at 7:20 p.m. The following committee members were present: Pat Quinn, Tom Geraghty, Arcie Rothrock, Nick Schlossmacher, Debbie Kring, Kristin Inman, Ron Appletoft and Suzie Gibbs. Councilmember Appletoft called the meeting to order at 7:20 p.m.

Also present were City Administrator Laura Smith, City Clerk Martha Sumrall, Assistant City Administrator Brian Scott, Chief Ben Hadley, Public Works Director John Belger, Parks & Recreation Director Christy Humerickhouse, Public Information Officer Emily Randel, and City Planner Danielle Sitzman.

2016 Audit

Mr. Scott stated that in accordance with State statutes, the City conducts an annual audit of its financial records at the end of each fiscal year. He introduced Jonathan Nybarger, Mize Houser & Company, who reviewed the prepared audit. He noted the following:

- The City received an “unmodified” rating for 2016 which is the best that can be received
- In 2015, the City received the GFOA CAFR Award of Excellence
- He highlighted the various sections of the audit and encouraged Council to refer to and review the statistical data included
- There are two areas where the City can strengthen our financial practices and procedures moving forward - purchasing card transactions and journal entries.

Mr. Scott stated that staff was aware of these issues and it is an evolving process as we modify our procedures to include logging all journal entries. Discussion continued on what constitutes a material threshold, how many audits Mize Houser conducts for municipalities, working through our procedures with staff turnover in the last several years, and improvements that have been made to processes over the last year. Ms. Smith noted that Mr. Scott spent a great deal of time compiling the summary of our TIF and CID, and stated that this is the best summary of how we use TIF/CID in Mission.

Councilmember Kring recommended that the audited financial statements for the year ending December 31, 2016 be forwarded to Council for acceptance. All on the committee agreed, but this will not be a consent agenda item.

KERIT Trust Agreement Documents

Mr. Scott reported that the Kansas Eastern Regional Insurance Trust (KERIT) is a formal, organized insurance trust of municipalities in eastern Kansas, allowing members to pool their funds together to provide worker's compensation coverage to their employees. Mission joined

KERIT in 2009 and we have had a good relationship with this organization. KERIT functions under a Board of Trustees without any formal staff, and recently began a review and update of their bylaws. There are not many significant changes in the proposed revised bylaws, but he noted that sections regarding the termination of membership have been updated. Discussion continued on the number of cities in KERIT (18) and their location, recent marketing to new member cities and the need to maintain performance standards, and the savings Mission has realized since joining KERIT.

Councilmember Quinn recommended that the resolution authorizing the City Administrator to sign the KERIT Trust Agreement on behalf of the City of Mission be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Network Firewall Server Replacement

Mr. Scott stated that the City has four primary network servers that host various software applications and digital files. Two of these servers are for the Police Department and the other two serve the rest of the City. They are nearing the end of their useful life and need to be replaced. Johnson County's Department of Technology and Innovation (DTI) developed specifications for the servers and solicited bids. The first quote received was approximately \$55,000. A second quote was requested that came in at approximately \$32,000.

Councilmember Schlossmacher stated that he has done some research on his own and feels that this is very expensive. He expressed his concerns with Johnson County and whether they are paying attention to our specific needs. Councilmember Appletoft agreed and stated that the high bid was worrisome, and that we need to communicate our disappointment to DTI.

Chief Hadley provided additional information on the current situation with the servers and the impact on the City should they go down. Staff will request an updated quote prior to the City Council Meeting.

Councilmember Quinn recommended that the purchase of two network servers and one firewall server with a newly quoted price be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item. (Note: This item was subsequently removed from the April 17, 2017 City Council agenda until further information is available.)

Waiver of Chapter 205 - Fireworks for Mission Family Summer Picnic

Ms. Sumrall stated that each year the City provides a fireworks display at the conclusion of the Mission Summer Family Picnic in Broadmoor Park. In order to proceed with this display, Council must waive the requirements of chapter 205 of the Code. Also, Councilmember Kring has purchased the fireworks on behalf of the City in an amount not to exceed \$600. Councilmember Quinn asked if the \$600 budget is sufficient. Councilmember Kring stated that it is.

Councilmember Quinn recommended that the waiver of the requirements of Chapter 205: Fire Prevention and Protection as it relates to Public Exhibitions for Saturday, July 8, 2017, in connection with the Mission Summer Family Picnic held at Broadmoor Park, and the approval of the purchase of fireworks in an amount not to exceed \$600 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Review of MCVB Ending Fund Balance and Recommended Expenditures

Ms. Smith reported that in January, the Council eliminated the MCVB Committee. Per statutory requirements, the City has to maintain the MCVB Fund as the repository for transient guest tax receipts. These funds have been used for the Mission Magazine, special events, the Mission business Partnership, and the holiday adoption program. Following completion of the 2016 audit, there is \$45,231 left in this fund which can be used for other programs or services. Staff recommends using \$5,000 for the 2017 Holiday Lights event and will budget for this event in 2018; \$15,000 to incentivize businesses for removal of nonconforming pole signs; and \$25,000 for other business support with specific programs identified after working with the business community.

Councilmember Kring stated that she would like to see additional outside seating along the business corridor. Councilmember Gibbs asked how far these funds would go in removing pole signs. Ms. Smith and Ms. Sitzman stated that it is approximately \$3,000-\$5,000 for removal of each sign. Councilmember Appletoft stated that he would like to see additional information on these proposed options.

This item was for discussion only and no action was taken.

Department Updates

Other

Chief Hadley announced the 2017 Citizen's Academy graduation to be held on Thursday, May 4th at 6:30 p.m. Council was invited to attend. There will be a Coffee with a Cop event on Friday, May 5th and on Thursday, May 11 the Police Department and Fire Department will be hosting free ice cream at Dips & Sips on Johnson Drive from 5:30-7:30 p.m.

Councilmember Kring gave a "shout out" for the recent food truck event which was very successful, and thanked Ms. Randel for her work on the event. Brian Sullivan was also thanked for his assistance with this event. Discussion continued on the possibility of hosting food truck events more frequently and potential costs.

Meeting Close

There being no further business to come before the Committee, the meeting of the Finance and Administration Committee adjourned at 8:05 p.m.

Respectfully submitted,

Martha Sumrall
City Clerk