

MINUTES OF THE MISSION FINANCE & ADMINISTRATION COMMITTEE

August 1, 2018

The Mission Finance & Administration Committee met at Mission City Hall, Wednesday, August 1, 2018 at 6:30 p.m. The following committee members were present: Pat Quinn, Hillary Thomas, Nick Schlossmacher, Kristin Inman, Debbie Kring, Ken Davis and Sollie Flora. Absent: Arcie Rothrock. Mayor Appletoft was also present. Councilmember Schlossmacher called the meeting to order at 6:30 p.m.

Also present were City Administrator Laura Smith, City Clerk Martha Sumrall, Assistant City Administrator Brian Scott, Public Works Director John Belger, Chief Ben Hadley, and Public Information Officer Emily Randel.

Public Hearings on 2019 City of Mission Budget **Public Hearing on Rock Creek Drainage District No. 1 Budget** **Public Hearing on Rock Creek Drainage District No. 2 Budget**

Councilmember Schlossmacher opened the public hearing on the 2019 recommended budgets and asked Ms. Smith to provide an overview.

Ms. Smith provided an overview of the recommended 2019 Budget, including:

- Timeline of the budget process
- Requirements to adopt a balanced budget
- Maintaining the City's high service levels and sound financial position while also minimizing the tax burden on citizens and businesses
- Sixteen individual funds in the budget totaling \$23.26 million in estimated expenditures for 2019
- General Fund is the largest fund and accounts for core municipal functions and services
- Three primary revenue streams support the General Fund: sales/use taxes, property taxes, and parks and recreation revenues (74% of the annual General Fund budget resources)
- General Fund includes \$13.53 million in revenues, which is an 8% increase over 2018 Estimated
- Assessed valuations increased by 12.86% and one mill in the 2019 budget generates approximately \$156,000
- We will maintain the current mill rate under the property tax lid
- The largest increase in the General Fund is in plan review/inspections due to the new development projects underway
- A new revenue stream in the 2019 budget is for contractual revenues anticipated in connection with Mission providing animal control services to other nearby cities
- Expenditures in the General Fund, including transfers, total \$13.8 million and reflect an increase of 13% from the 2018 Budget.
- Increases in the CIP due to a federal mandate for new radios

- Two additional positions in the Police Department for Community Service Officers and one position added back into the budget for Public Works
- 60% of the General Fund is for Personnel Services - there are 70 full-time employees authorized in the 2019 Budget
- Personnel costs increased by 11.3% over the 2019 Budget primarily as a result of the addition of the two new full-time positions, an estimated 20% increase in health care costs, and fully accounting for all previously authorized positions in the Public Works Department.
- Contractual and commodities increased by 20% from the 2018 Budget and this is due to several one-time/limited expenditures including an update of the DirectionFinder Survey and an update to the City's Comprehensive Plan
- The only fee increase in the budget is for the Solid Waste with a slight increase
- Budget includes various supplemental requests from all departments
- 2019-2023 CIP includes the Street Program, Stormwater Program and Parks & Recreation Program
- Major street projects include the reconstruction of Broadmoor from Johnson Drive to Martway (CARS project), \$350,000 for the residential street program, the design of Foxridge Phase II, and striping, curb repair, and surface treatment for Lamar (SRTS grant)
- Stormwater program includes the design of Rock Creek Channel from the Mission Bowl floodwall to Roeland Drive (SMAC project)
- Parks and Recreation Program includes a variety of projects such as new play structure at Waterworks Park (through grant application), Gelcoat of Slide 1 at MFAC, and various repairs and updates at the Community Center
- Other funds included in the budget are the Special Alcohol Fund, Solid Waste Utility Fund, MCVB Fund, Mission Crossing TIF/CID Fund, and Cornerstone Commons CID Fund.

Ms. Smith thanked Council for all of their work in preparing the budget.

Councilmember Schlossmacher opened the floor to public comments.

Bob Sutryk, Mission resident, stated that he appreciates the recent street repairs to 62nd Street and would like additional information on when the street will be completely replaced. Councilmember Davis stated that once the geotechnical data is received, we will be able to compile this information with past data and develop a complete street program that will prioritize streets throughout the city. This information will be used for the 2019 Street Program. He stated that we have budgeted \$350,000 annually for this program. Discussion continued on when the geotechnical data will be available, and the difference between our residential street program and streets eligible for CARS funding (major arteries).

Councilmember Kring stated that she would like to see greater sustainability efforts by the City, such as an increased number of recycling containers in parks and at events. She feels this is a

great opportunity for the City to improve our sustainability efforts. Councilmember Flora encouraged the completion of a comprehensive energy audit.

Councilmember Davis stated that he feels it is important to communicate to residents about the overall budget, but particularly the street program so they understand how this is managed. Councilmember Thomas stated that she would like to have a constituent newsletter and it could include information such as this.

Councilmember Quinn thanked Ms. Smith, Mr. Scott, and the Mayor for their work on the budget.

Councilmember Thomas would like to have a comprehensive needs assessment that in particular addresses future needs for policing with new developments being built in Mission.

There being no further comments, the public hearing was closed at 6:55 p.m.

IRB Reserve Release Mission Square

Ms. Smith stated that the City issued \$10,000,000 in Senior Housing Revenue Bonds in 2009 to help finance the construction of Mission Square. Mission Square, Inc. has recently asked if the City will consider an amendment to the bond documents allowing the debt service reserve funds to be released early for payment toward the remaining balance due. The City had no liability with the initial issuance of these bonds, and the proposed amendment will not change that. She stated that this is not an uncommon request and the bond trustee has agreed.

Councilmember Davis thanked Ms. Smith for the information provided to Council to clarify this transaction.

Councilmember Davis recommended that the resolution approving and authorizing the City of Mission, Kansas to enter into an omnibus amendment of bond documents relating to its \$10,000,000 Senior Housing Revenue Bonds (Mission Square, Inc. Project), Series 2009A be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Ordinance Authorizing Issuance of IRBs - WAK Development, LLC

Ms. Smith reported that last month Council approved a resolution of intent to issue industrial revenue bonds for WAK Development, LLC for improvements to the building at 6299 Nall Avenue, Keith + Associates Dentistry. The property owners are now ready to move ahead with their building improvements and this ordinance would authorize the issuance of taxable Industrial Revenue Bonds for the project in the amount not to exceed \$4,000,000. These bonds are not a general obligation of the City, and are not backed by the full faith and credit of the City.

The developer will be responsible for reimbursing all costs incurred by the City in connection with the IRBs.

Councilmember Schlossmacher expressed his support for this issue as it will help the owners with a complete overhaul of the building.

Councilmember Davis recommended that the ordinance authorizing the City of Mission to issue Industrial Revenue Bonds in one or more series in an aggregate principal amount not to exceed \$4,000,000 to finance the costs of acquiring, constructing, and equipping the facility at 6299 Nall for the benefit of WAK Development , LLC it successors and assigns be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

2019 Budget Resolution

Ms. Smith stated that the public hearing on the 2019 Budget was held at the beginning of this meeting. As a part of the budget process, Council has historically adopted a budget resolution which outlines and describes the financial policies, tax and fee structures, and other related issues recommended for that fiscal years. Included in the resolution are the anticipated mill rates for all three budgets.

Councilmember Davis recommended that the resolution establishing budget policies for Budget Year 2019 for the City of Mission be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

2019 - 2023 CIP Resolution

Ms. Smith reported that historically, Council adopts a resolution that addresses the recommended five-year infrastructure plan, also known as the Capital Improvement Program (CIP). The revenues and expenses shown in the CIP for 2019 are included in the 2019 Recommended Budget in the appropriate funds. Years 2020-2023 of the CIP remain flexible in order to evaluate and address changes in resources or priorities in those years. The resolution also outlines some projects that are outside the 2019-2023 period, but on the horizon.

Councilmember Davis recommended that the resolution adopting the 2019-2023 Capital Improvement Program (CIP) for the City of Mission be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

Adoption of 2019 Budget

2019 Budget - City of Mission

2019 Budget - Rock Creek Drainage District No. 1

2019 Budget - Rock Creek Drainage District No. 2

Ms. Smith provided information to the committee on the process for formally adopting the budget during the August 15th City Council Meeting. The Budget Resolution and 2019-2023 CIP Resolution will first be approved. Then there will be three separate motions to adopt the three budgets for 2019. Following adoption, Council will be asked to sign a certification page that will be provided to the County prior to the August 25th certification deadline.

There was no action on this item at this time.

Resolution Regarding Withdrawal from NEACC

Ms. Smith provided information on Northeast Animal Control Commission that includes the cities of Mission, Fairway, Mission Woods, Roeland Park, Westwood, and Westwood Hills. Mission recently decided to withdraw from the commission and will provide animal control services in-house through the hiring of two Community Service Officers. The other cities have expressed an interest in contracting directly with the City of Mission for these services. The joint agreement that established NEACC requires that four months notice be given prior to withdrawal. Each participating city will be approving similar resolutions that formally terminate their participation.

Councilmember Davis asked if there are additional mechanics required to dissolve the commission. Ms. Smith stated that the resolutions by each city are the first step, but there may also be a separate dissolution document required. The commission will need to divide the assets, and Mission will have contracts with each city to consider in the coming months.

Councilmember Quinn recommended that the resolution establishing Mission's intent to withdraw from the Northeast Animal Control Commission effective December 31, 2018 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Selection of Voting Delegates for LKM and NLC Business Meetings

Ms. Sumrall stated that as a member city of both the League of Kansas Municipalities and the National League of Cities, Mission may designate voting delegates for the business meetings held at the respective annual conferences. Council may select up to three voting delegates for the LKM Business Meeting and one voting delegate and one alternate for the NLC Business Meeting. She stated that currently Councilmembers Kring, Davis, and Schlossmacher plan to attend the NLC conference, but we do not yet have any attendees registered for the LKM conference.

Councilmember Davis recommended that Councilmember Kring serve as Mission's voting delegate to the NLC meeting and Councilmember Schlossmacher as the alternate. All on the committee agreed.

Councilmembers Quinn, Thomas, and Flora all stated that they hoped to attend the LKM meeting in Topeka in October. The committee agreed that Councilmembers Quinn, Thomas, and Flora should serve as Mission's voting delegates at the LKM annual conference.

The committee agreed that the selection of voting delegates for the LKM and NLC business meetings be a consent agenda item.

CFD2 Street Solicitation Application

Ms. Sumrall stated that Consolidated Fire District No. 2 and IAFF Local 1371 hold an annual "boot block" to solicit funds to benefit the Muscular Dystrophy Association. This year's event would be Friday, August 31 through September 3 at Johnson Drive and Broadmoor.

Councilmember Quinn recommended that the street solicitation application for Consolidated Fire District No. 2 and IAFF Local 1371 to conduct a "boot block" on August 31, September 1, 2, and 3 at the intersection of Johnson Drive and Broadmoor be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Quarterly Police Department Update

Chief Hadley provided an update on police department activity during the months of April, May and June. He stated that auto burglaries continue to be a problem and residents are encouraged to lock their cars as all the cars recently burglarized were unlocked. The perpetrators were most likely teenagers. He stated that some of the more serious crimes are located in the north end of the City near the many apartments. Two officers are always dispatched to calls in the area. He discussed the various categories included in the quarterly update, including calls for service vs. CADD calls, and Part 1 and Par2 crimes. Chief Hadley stated that nothing in the statistics stands out.

Discussion continued regarding various statistics including the number of alarm calls received. These can be generated by an incident, weather, a door left open. They also discussed how 911 calls are reported (dispatched calls), the drop in shoplifting incidents, fingerprinting requests (teachers, state employees, etc.), and our fees for fingerprinting which are \$25 and one of the lowest in the area. Chief Hadley stated that he believes fingerprinting is a service we should provide and there is no difference in cost to resident vs. non-resident. Councilmember Thomas thanked Chief Hadley for breaking out some of the categories and asked if there is any trend information on attempted suicides which seem to be increasing. Chief Hadley discussed the use of our mental health co-responder in these situations and noted that Johnson County Mental Health is located in Mission which contributes to calls. Councilmember Thomas requested information on the types of drugs seen in Mission. Chief Hadley stated that it is most often marijuana, with most drug issues seen near the north end of the City and I-35. He also stated that the department's policy is not to chase a car unless it is a serious incident, and he will not loosen this policy as there is software available to track cars. Councilmember Quinn

requested information on forgeries. Chief Hadley stated that these are checks where someone signs someone else's name. Councilmember Schlossmacher asked if Mission officers carry Narcan. Chief Hadley stated that they do not. The Johnson County Fire Departments can deploy quickly to a call and are often first on the scene. They carry and administer Narcan. Councilmember Kring asked if there was an update on the recent break-ins at St. Pius X Church/School building. Chief Hadley stated that there is not, but it was probably kids who entered the building that will be demolished soon.

Chief Hadley asked that councilmembers provide feedback on the report so that it can be modified if necessary. Quarterly reports will be given throughout the year with a final year-end report. Councilmember Kring commended the Police Department on their recent response to an incident on Riggs. Councilmember Thomas asked how the department's body cameras are working. Chief Hadley stated that in 2020 we will be requesting new in-car and body cameras. The current body cameras fall off easily, and the video bounces. There is newer technology available that includes night vision. The current cameras were bought in 2015 and we anticipated replacing them when the police cars are replaced.

Other - Department Updates

There were no department updates.

Meeting Close

There being no further business to come before the Committee, the meeting of the Finance and Administration Committee adjourned at 7:30 p.m.

Respectfully submitted,

Martha Sumrall
City Clerk