

MINUTES OF THE MISSION FINANCE & ADMINISTRATION COMMITTEE

August 7, 2019

The Mission Finance & Administration Committee met at Mission City Hall, Wednesday, August 7, 2019 at 6:30 p.m. The following committee members were present: Pat Quinn, Hillary Thomas, Arcie Rothrock, Nick Schlossmacher, Debbie Kring, Kristin Inman, Ken Davis and Sollie Flora. Mayor Appletoft was also present. Councilmember Flora called the meeting to order at 6:30 p.m.

Also present were City Administrator Laura Smith, City Clerk Martha Sumrall, Assistant to the City Administrator Emily Randel, Public Works Superintendent Brent Morton, and Capt. Dan Madden.

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 Flora stated this is the official public hearing on the 2020 Budget for the City of Mission, Rock Creek Drainage District No. 1 and Rock Creek Drainage District No. 2. The notice of the public hearing was published in The Legal Record on July 23, 2019.

Councilmember Flora opened the public hearing and invited Ms. Smith to give a brief presentation on the Budget. Following the presentation, the hearing will be opened to the public for comments.

Ms. Smith provided a brief overview of the 2020 Budget, including:

- City's 2020 Budget includes 16 individual funds
- \$26.89 million in estimated expenditures for 2020
- No tax or fee increases included - anticipated mill rate of approximately 17.866 - 7 to streets, 10.866 to support general fund operations

General Fund:

- Largest portion of annual budget with \$13.495 million in revenue (2% increase)
- Expenditures in the amount of \$13.59 million (1% decrease)
- Funding for the highest priority capital/technology: permitting software, public works equipment to support snow removal and street maintenance, front line patrol fleet replacement, in-car/body camera replacement
- Supplemental program funding included for: update to greenhouse gas inventory, increased tree maintenance on public property, re-establishing full-time planner position in Community Development, converting two previously authorized "over-hire" positions to full-time to create a directed patrol unit

- Our fund balance has been successfully rebuilt to 35% of General Fund revenues. Our policy is 25% so this provides excess fund balance of approximately \$1.1 million

CIP

- The CIP is a 5-year program covering streets, stormwater and parks and recreation
- Generally supported by dedicated revenue streams that increases transparency and accountability
- 2020 projects are adopted with the annual budget:
 - \$6.47 million in revenues
 - \$11.99 million in expenses (carry-over funds)
- RC Channel Project, Lamar Resurfacing, Mohawk Park Restrooms

Other funds

- MCVB (banners), Special Alcohol (mental health co-responder, DARE, DAC programs), Solid Waste Utility Fund (new contract for 2020), Development Project Tracking (TIF/CID)

She stated that we have been working on this budget since May and it has been discussed at various meetings. Council will adopt the budget at the August 21st City Council Meeting, and it will then be certified to the County by August 25th.

Councilmember Flora invited public comments. There being none, the public hearing was closed.

Acceptance of the July 10, 2019 Finance & Administration Committee Minutes

The July 10, 2019 Finance & Administration Committee Minutes were provided to the committee in the packet. There being no objections or corrections, the minutes were accepted as presented.

2020 Budget Resolution

Ms. Smith stated the 2020 Budget resolution is a part of our annual budget process and captures a high level view of the policies and priorities for 2020. This draft resolution outlines what has been discussed throughout the budget process, and is separated into two sections that highlight the policies associated with public infrastructure as part of the CIP and a section highlighting policies related to basic services and city operations. She stated all aspects of the budget have been discussed by Council over the last few months at various meetings.

Councilmember Quinn recommended that the resolution establishing budget policies for Budget Year 2020 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.

2020-2024 CIP Resolution

Ms. Smith reported that in 2010 the City began putting together a Capital Improvement Program (CIP). As part of the annual budget process, a resolution is adopted that addresses the recommended five-year infrastructure plan (CIP). This resolution is helpful in capturing the history of these projects and outlines priorities for the next five years. She stated revenues and expenses programmed in the CIP for 2020 are included in the 2020 recommended budget in the appropriate funds.

Councilmember Kring recommended that the resolution adopting the 2020-2024 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 2020 Budget

Ms. Smith stated approval of the 2020 Budget will be on the City Council Agenda. She thanked Mr. Scott for all his work on this, as well as other staff. After adoption of the budget and CIP resolutions, the 2020 Budget will be adopted by three individual motions, as each is an independent taxing authority:

- City of Mission 2020 Budget
- Rock Creek Drainage District No. 1 2020 Budget
- Rock Creek Drainage District No. 2 2020 Budget

Councilmember Davis stated he greatly appreciates all of staff's hard work on this budget.

Councilmember Davis recommended that approval of the City of Mission 2020 Budget, Rock Creek Drainage District No. 1 2020 Budget, and Rock Creek Drainage District No. 2 2020 Budget be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

Charter Ordinance Changing Date for Swearing-in Newly Elected Officials

Ms. Smith stated Senate Bill 105 took effect July 1st and allows cities to set the date when newly elected officials will take office. Previously, we had transitioned to the second Monday in January as required by state statutes, but now have more discretion and can select a date between December 1 (after the November election has been certified) and the second Monday in January. If we do not select a date, then we would default to the second Monday in January. Because Charter Ordinance No. 27 specifically sets the date for newly elected officials taking office as the second Monday in January, a charter ordinance is required to change this date. This proposed charter ordinance amends Charter Ordinance No. 27 and moves the swearing-in date for newly elected officials to the December City Council Meeting. Once approved, this charter ordinance must be published once a week for two consecutive weeks, and does not

become effective until 61 days following final publication. That date would be November 3, 2019.

Councilmember Davis recommended that the charter ordinance amending the provisions of Charter Ordinance No. 27 which regulates municipal elections to provide that the terms of newly elected officials will begin on the date of the regular council meeting in December following November elections or as set by resolution be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

Selection of Voting Delegates for LKM and NLC

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 their respective conferences. At this time, Councilmember Inman, Councilmember Davis and Brian Scott plan to attend the LKM meeting. Mission is allowed three voting delegates and three alternates, and the committee agreed that those attending would be designated as our three voting delegates. Currently, Councilmember Kring and Councilmember Schlossmacher are registered to attend the NLC Conference in November where we are allowed to designate one voting delegate and one alternate. Councilmember Schlossmacher recommended Councilmember Kring be our voting delegate and he would be the alternate. All on the committee agreed.

The committee recommended that the selection of Kristin Inman, Ken Davis, and Brian Scott as voting delegates for the LKM business meeting and that the selection of Debbie Kring as the voting delegate and Nick Schlossmacher as the alternate voting delegate for the NLC business meeting be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

CFD2 Street Solicitation Application

Ms. Sumrall reported that Consolidated Fire District No. 2 and IAFF Local 1371 have conducted a boot block annually to solicit funds to benefit the Muscular Dystrophy Association. They are requesting approval to solicit at the intersection of Johnson Drive and Lamar over the Labor Day weekend (August 30 - September 2). Their application has been reviewed and approved by Chief Hadley and they have submitted the required certificate of insurance coverage.

Councilmember Rothrock recommended that approval of the Street Solicitation Application for CFD2 and IAFF Local 1371 to conduct a "boot block" at the intersection of Johnson Drive and Lamar, August 30 - September 2, 2019 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Refresh of City Website

Ms. Randel reported that staff is working with our website provider, Municipal CMS, on a refresh of the site. The changes will be mostly aesthetic, but the refresh will also allow our website to work better with mobile devices, be more user-friendly, and include updated photos. Additionally, staff will complete a full site review with Municipal CMS staff. She noted the website examples provided in the meeting packet and stated that our preferred “look” will look more like a smart app with icons rather than text boxes. She also discussed updating the photos on the website, that will change seasonally. She noted that the website examples included in the packet are presented in the order of staff’s preference.

Councilmember Kring suggested that more photos from events be added to the website, noting people like to see many community pictures.

Councilmember Davis stated that he trusts staff recommendation on the look of the website, and agrees the first example (MaMatthews, NC) looks good.

Councilmember Quinn asked if staff tracks and reviews traffic to our website. He is interested in a comparison of the past few years since there are so many other social media options. Ms. Randel stated we do use Google Analytics and have periodic snapshots of social media usage. She also discussed the ability to have direct dialogue with residents through social media.

Councilmember Thomas asked how long a “refresh” of a website usually lasts. Ms. Randel stated usually 3-4 years, and that our website is overdue, but not by too long as 2018 would have been their recommended year for a refresh.

Councilmember Inman asked if we can work to include the ability to attach a picture when reporting a concern through the website. Ms. Randel stated we will look into this and agreed that it would be very helpful. The committee also discussed the YourGov app and whether or not it is still being used. Mr. Morton stated that it is used, and Ms. Randel stated that the “report a concern” option on the website is also popular with residents.

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

Other Department Updates

Ms. Smith discussed a recent article in the KC Star regarding declining sales tax in some cities, and the dark store theory, which will be considered by the Kansas Supreme Court for a final ruling. She noted that staff monitors our sales tax revenues monthly and a year-to-date comparison shows that we continue to maintain revenue levels and are even seeing some small growth. She stated our use tax revenues are down, but that this should be taken in context as we have exceeded what was budgeted due to very conservative budgeting. We have been able

to rebuild our General Fund balance and she stated we do not overestimate, especially sales tax. Staff will continue to monitor sales tax, but we are not experiencing some the same trends that other cities are experiencing. This may be due to the size of Mission and the fact that we have a limited number of larger retailers. She also reported that information was received today from the appraiser on the potential impact the dark store theory could have in Mission, but stressed that we do have time to react to this while it moves through the legal system. She again stated that we are in a strong position financially and will continue to be conservative.

Councilmember Schlossmacher requested information on the use tax. Ms. Smith stated that most of this comes from facility and equipment upgrades by companies in Mission, and referenced a table in the annual audit that outlines where our sales taxes come from.

Councilmember Inman requested information on the recent Supreme Court decision involving Wayfair and internet sales taxes. Ms. Smith will review this and provide additional information to Council. Councilmember Flora stated that information on this was made available by the Kansas Department of Revenue this week. Discussion continued on where this sales tax is collected (state level) and how it is distributed to municipalities.

Councilmember Quinn reminded all that there will be a Harvesters Mobile Food Distribution event on Saturday, August 17th at Shawnee Mission North. Volunteers are needed and those interested should contact Suzie Gibbs or Lynn Kring. Volunteers should report to the Shawnee Mission North parking lot at 8:00 a.m. with the food distribution beginning at 8:30 a.m. He stated this is a great event and encouraged anyone interested to volunteer.

Meeting Close

There being no further business to come before the Committee, the meeting of the Finance and Administration Committee adjourned at 7:06 p.m.

Respectfully submitted,

Martha Sumrall
City Clerk