

GOVERNING BODY WORKSHOP MINUTES
Roeland Park City Hall
4600 W 51st Street, Roeland Park, KS 66205
Monday, June 6, 2016 6:00 P.M.

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| <ul style="list-style-type: none">○ Joel Marquardt, Mayor○ Becky Fast, Council Member○ Tim Janssen, Council Member○ Ryan Kellerman, Council Member | <ul style="list-style-type: none">○ Teresa Kelly, Council Member○ Sheri McNeil, Council Member○ Michael Poppa, Council Member○ Michael Rhoades, Council Member○ Erin Thompson, Council Member | <ul style="list-style-type: none">○ Keith Moody, City Administrator○ Jennifer Jones-Lacy, Asst. Admin.○ Kelley Bohon, City Clerk○ John Morris, Police Chief○ Jose Leon, Public Works Director |
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Admin

Poppa
Fast

Finance

Kelly
Janssen

Safety

Thompson
Rhoades

Public Works

Kellerman
McNeil

I. ROLL CALL

CMBR Thompson called the meeting to order and all Councilmembers were present with the exception of CMBR Rhoades who arrived after the start of the meeting. Mayor Marquardt was not present.

CMBR Thompson suggested that due to the many items on the agenda that they meet until 8:30, evaluate their progress and move any remaining items to the June 20th Governing Body Workshop for completion.

II. DISCUSSION ITEMS:

1. 2015 AUDIT PRESENTATION BY AUDITORS

Ms. Jones-Lacy introduced Chelsea Ryerson with RSM, who provided an overview of the 2015 audit.

Ms. Ryerson said the City received the Certificate of Achievement for Excellence in Financial Reporting for their 2014 CAFR and thanks to the City's management team in keeping financial records they are expected to receive this certificate again this year.

Ms. Ryerson highlighted certain aspects in the audit. Page 1 and 2 is the audit opinion. It is a clean, unmodified opinion, which is the highest level. Emphasis of Matter is a newly added section following the adoption of GASB Statement Nos. 68 and 71 and resulted in a restatement of the financial statements. The purpose of GASB Statement No. 68 is to bring transparency to what the City's liability is to its retirees under the KPERS plan. This is an adoption of a new accounting policy.

Management's Discussion and Analysis (MD&A) is an overview on how to read a CAFR to be able to pull out the necessary information.

Page 12 - Net Pension Liability, listed under Non-Current Liabilities is \$1.8 million. This is the future liability the City has for its retirees under the KPERS plan. This is a new line item for all government entities.

Page 33 - Long-Term Debt footnote. Ms. Ryerson wanted to highlight a new paragraph added this year due to the payment default on the TDD-1 sales tax revenue bonds noting that there is not enough sales tax revenue to make that payment.

Page 34 - Defined Benefit Pension Plan Disclosure. This is very robust compared to prior years. GASB Statement Nos. 68 and 71 added several new disclosures and restates the financial statements for the amount of the liability.

Included in the audit is the Auditor Communication Packet that highlights the results of the audit and any findings made.

Page 1 sets forth the auditor's responsibilities as well as City management's for the financial statements. It also lists out any adopted accounting policies or practices and details GASB Statement Nos. 68 and 71. They did not identify any significant or unusual transactions in going through the audit process, or see any adjustments, estimates or judgements made by management that were impractical or didn't have a business purpose. There were several audit adjustments which are detailed in Exhibit B. There are no uncorrected misstatements this year and no disagreements with management. No significant issues were discussed with management and no significant difficulties were encountered in performing the audit. Disclosed in Note 12 of the financial statements are any pending account pronouncements. They meet with City management annually to discuss anything that's coming up that would affect the financial statements, and those pronouncements are listed in the notes to the financial statements this year.

Summary of Significant Accounting Estimates. These are areas where management has a little bit of judgment over the financial statements. They like to focus their audit here because they tend to be the riskier areas. These include items such as the depreciative life of capital assets, fair value of investments, other post-employment benefit assumptions, and the KPERS pension liability.

Report on Internal Control Over Financial Reporting. This section would disclose any material weakness, significant deficiencies, or internal control deficiencies. There was one significant deficiency reporting this year related to audit adjustments that we proposed. In the course of doing the audit they came across a couple areas where entries hadn't been posted yet and we proposed those entries to the financial statements. Management had an opportunity to respond and provide a corrected action and there are no concerns about the effect to the financial statements going forward.

Management Advice Letter. KPERS is using an actuary that the City is relying on to bring this liability onto the books, which was stated earlier to be about \$1.8 million on this year's financial statements. And internal specialist review had feedback for the actuary in their assumptions and recommended it be watched going forward.

Ms. Ryerson said she is very impressed with Ms. Jones-Lacy and her level of preparedness. Ms. Jones-Lacy checks in throughout the year to make sure things are being done correctly versus waiting until year's end. She appreciated how proactive she is in reaching out when new things arise.

2. EXECUTIVE SESSION

Public Comment:

Tom Madigan (5316 W. 49th Terr.) Mr. Madigan said he attended a seminar put on by the Kansas Attorney General in regard to the Kansas Open Meeting Act and the Open Records Act. He questioned the need of the Council to have an executive session to discuss the Open Meeting Act and why the item couldn't be discussed in public.

CMBR Fast asked Mr. Shortlidge about the need for executive session when other cities' discussions were being done in open meetings.

City Attorney Shortlidge said the meeting is to give legal advice is, therefore, attorney-client privilege. He is unable to waive the attorney-client privilege.

MOTION: CMBR KELLY MOVED AND CMBR MCNEIL SECONDED TO RECESS INTO EXECUTIVE SESSION UNDER THE ATTORNEY-CLIENT PRIVILEGE EXCEPTION TO THE OPEN MEETINGS ACT IN ORDER TO RECEIVE LEGAL ADVICE CONCERNING A RECENT AMENDMENT TO THE KANSAS OPEN RECORDS ACT WITH THE OPEN MEETING TO RESUME IN THIS ROOM AT 6:26 P.M. (Motion passed 7-0)

(Council in Executive Session until 6:26 p.m.)

CMBR Thompson reconvened the Workshop.

MOTION: CMBR JANSSEN MOVED AND CMBR KELLY SECONDED TO WAIVE THE ATTORNEY-CLIENT PRIVILEGE AS IT PERTAINS TO THE DISCUSSION REGARDING THE OPEN MEETING ACT. (MOTION PASSES 7-0).

CMBR Thompson said it was discussed in Executive Session that the change in the law now requires elected officials and public officials to produce all records that are created, no matter where it occurs. This applies to both public and private e-mail account. There is question whether or not it applies retroactively to the July 1, 2016 effective date.

3. REVIEW AND DISCUSS THE VOTING PROCEDURES AND ORDINANCES FOR COUNCIL PRESIDENT.

Public Comment:

Linda Mau (5439 Linden) - Ms. Mau spoke to the voting procedure of Council President and the Mayor's ability to break the tie.

CMBRS Rhoades, Kellerman and Fast wrote a document that questioned the validity of the election of the Council President stating that according to City ordinances, they did not follow the correct procedure as the Mayor did have the right to break a tie vote. Cited was Chapter 15, Section 15-310 which states the City Council shall elect one of their own body as President of the Council.

CMBR Fast said that when Charter Ordinance 26 was passed, the "whereas" in Section 1-203 provides for the Council to elect a president of the Council, not the Mayor. She said this should be clarified for the future.

City Attorney Shortlidge said the statute cited is not applicable to cities of the second class and would have no application to Roeland Park. The statute to cities of the second class do say that the mayor has a tie-breaking vote on all questions when the members are equally divided. This does not pertain strictly to just ordinances, but to any vote. The Roeland Park Council rules have been adopted from the League of Kansas Municipalities Section 32. He added that every decision the Council makes is a Council decision.

CMBR Fast would like the matter clarified and resolved before the next Council president selection.

CMBR Kellerman said he would like the matter resolved at this meeting.

City Attorney Shortlidge said he has given the opinion of how the Council should proceed until as a Council they decide to change it. He also reiterated that any matter before the Council, other than an ordinance that has its own special rules, that if there is a tie vote by the Council, the mayor may cast the deciding vote.

CMBR Kelly agreed with CMBRS McNeil and CMBR Fast that the members who brought the matter forward should take the initiative to craft what they feel like would be more representative of how they believe the process should be and proceed from there.

CMBR Janssen said he sees some room for clarification on how things move forward based on votes and would like to see the process tightened up. He said this discussion warrants further research.

CMBR Kellerman said it might be a good idea to seek out the Attorney General's opinion.

CMBR Poppa said he believed the Council could make their own policy on such an item without having to ask for help from the Attorney General as the item is not that big.

There was Council agreement to place this for further discussion on a future agenda. CMBRS Rhoades, Kellerman and Fast will work on clarifying the action item and the ordinance going forward.

4. Discussion of Change in Election Dates

City Attorney Shortlidge addressed Council questions that they wanted clarification on.

Cost of a special election. The Election Commissioner's office has stated if there is a county-wide election, a vacancy can be placed on the ballot at no cost to the City. When City elections are changed to November of odd-numbered years, in most cases there is not a county-wide election as they are held in November of even-numbered years.

There was Council discussion of the timing of special elections, filing deadlines for vacancy and the possible appointment of positions.

City Attorney Shortlidge will work on Section 5(e) and (f) further and will be discussed again at the July 5th Governing Body Workshop.

5. Review of Agreement with CBC for Old Pool Site Marketing

Staff was worked with CBC and both sets of attorneys on the marketing agreement and have agreed on terms. It has been reviewed by staff and the ad hoc committee. Payment to CBC will be based on performance, in that, the more CBC does to market the site to bring in quality tenants, the more they get paid. Expenses in excess of \$300 must be approved by the City. The agreement ends when the service is complete and the City has the right to sever the service or agreement.

There was a consensus to place this item on the Consent Agenda of the June 20th City Council meeting.

6. Continued Budget Discussion

As follow-up to the budget discussion at the public forum, staff is seeking direction from the Council whether is support for bond financing as laid out in the CIP. It was noted that some Councilmembers wanted to see items in the CIP such as sidewalk repair and maintenance and having a line item for that. Sidewalk extension (new sidewalks) and repair would start 2021. Storm sewer repair and replacement program are slated for 2024. Both items are listed as bond financed as there is currently not enough available funds in the budget as it is projected today.

CMBR Kelly said this proactive approach shows the City as being good stewards of its assets.

CMBR Fast said she is fine with the 2017 CIP. She is, however, not sold on the wing plow pre-wet system. She also said she would like to residents better informed to have their cars off the street so the snow plows can come through. She said she would also like to see better communication with the residents as there was no mailing to notify of the spring leaf program or for snow removal.

Public Works Director Leon spoke to the wing plow in that they eliminate the need for multiple passes down a street. Currently it is necessary to make two passes down one side of the street (four in total) to clear curb to curb. A wing plow not only saves staff time, but also saves money, makes them more efficient and uses less fuel. The National APWA has encouraged cities' use of the wing plow.

CMBR Kelly agreed it is important to get the message to people about getting cars off the street before plowing is important, but that is an issue to be discussed at another time.

Public Works Director Leon said he has put it in the newsletter to remind people when it snows to get vehicles off the street and he will continue to work on being more proactive. He also said it is not practical to send a mailing every time they think it might snow.

Ms. Jones-Lacy reiterated she was seeking support for the CIP as written and the Council always has the option for adding items in the future.

CMBR Fast said she is okay with approving the 2017 CIP, but wants to wait another year to see the direction the county is going with the tax lid and taxes.

CMBR Kelly said the CIP is only a tool they have to use to move forward and shows a support in the investment, but is not a concrete commitment to bonds.

Ms. Jones-Lacy said this is just a proposed plan and the bond proceed schedule does not start until 2018. In 2017, there is no suggestion to issue bonds to pay for any of the CIP projects.

CMBR Fast suggested a later discussion should include bathroom renovations at the pool and she would like to see that added to the CIP.

Ms. Jones-Lacy said she felt those renovations should be discussed with the Parks and Rec Aquatics manager for Johnson County.

There was extensive discussion on the need and procedure for inspecting the stormwater infrastructure. Public Works Director Leon said it is important to know the status of what's going on underground before improvements are made above ground. By knowing if there are flooding issues and if the infrastructure is deteriorated, it helps to push those issues up in the county and allows the City to submit a much stronger project Discussion of inspecting existing infrastructure - stormwater. Mr. Leon said it is very important to inspect, inventory and map out the infrastructure as this will be extremely helpful to contractors coming into the City to do work and will eliminate unnecessary problems. He also said if this program had been in place they could have identified the deteriorated CMP infrastructure and would have identified those issues and been able to plan ahead before its collapse.

CMBR Thompson noted Councilmember Rhoades joined the meeting.

Public Works Director Leon went to say if something is discovered it can be earmarked for an emergency repairs. He reiterated that it's just bad policy to build a new infrastructure, whether it be a park, a building, a street, or a sidewalk, and not take into consideration the stormwater issue because it's not seen.

Ms. Jones-Lacy asked for individual opinion regarding the proposed CIP.

CMBR Fast said she was for moving forward with the 2017 CIP without the wing plow, pre-wet system, and to delay that purchase to the following year. She said she is not willing to commit to a ten-year plan for bonds, but would consider taking bonds for street projects, certain park and rec projects and infrastructure.

CMBR McNeil said she felt the same as Ms. Fast and could support a limited use of bonds.

CMBR Janssen also supported Ms. Fast's position. He said he would like to see harder numbers moving into '17, and possibly moving sidewalks to a higher priority. He, too, would support some use of bonds.

CMBR Rhoades said he would like to review the recording of the meeting before he arrived, but would like to see hard bids before he could commit to bond funding.

CMBR Kellerman said he was in favor of passing the 2017 CIP without bond funding.

CMBR Thompson said she was in favor of 2017 with bond funding.

CMBR Kelly expressed support of the 2017 CIP with bond funding.

CMBR Poppa was also in favor of the 2017 CIP with bond funding.

Ms. Jones-Lacy said this is not a commitment to bonds, but just a plan that to take or not take bonds can be changed at any time. She recapped that the capital budget has the bond financing with some few variations such as taking out the wing plow. She added that when she does print the CIP document, it will show bond financing. The Council is not approving the issuance of bonds at this point, but just that they're allowing for the possibility should they decide they need them. As always, there is an opportunity to change their mind.

CMBR Thompson said she was in agreement, in theory, to bond issuances in 2018 and 2021.

CMBR Thompson noted that CMBR Kellerman had stepped out of the meeting, but that none of the other Councilmembers indicated that they would support it with no bonds.

Ms. Jones-Lacy will provide an outline at the next June 20th Workshop.

7. Fireworks Agreement

Public Works Director Leon said this is the annual agreement for the Roeland Park Fireworks Display in conjunction with the City of Fairway. Rain date will be July 8th.

There was a consensus to move this item to the June 20th City Council meeting Consent Agenda.

8. Review Skid Steer Bids

Public Works Director Leon said this is a budgeted equipment replacement item that went through an RFP process to replace the current 1994 Case 1845c with a planer. He said it is a very outdated piece of equipment with old technology.

Consensus was reached to place this on the June 20th City Council meeting Consent Agenda.

(Items 9-11 will be moved to the June 20, 2016 Governing Body Workshop)

9. Branding Committee Ward Representatives

10. Branding Committee Interviewees Selected by Elected Officials

CMBR Janssen said staff is looking for names of Councilmembers' selections and suggested they e-mail them in.

11. Update on Special Use Permit 47th and Mission

III. ADJOURN

CMBR Thompson adjourned the meeting.