

Minutes

The Budget and Finance Committee of the City of Leawood, Kansas, met for a Special Call Meeting at City Hall, 4800 Town Center Drive, at 5:30 P.M., on Monday, June 11, 2018. Mayor Peggy Dunn presided.

Councilmembers Present: Jim Rawlings, Julie Cain, Andrew Osman, Debra Filla, Mary Larson, James Azeltine, Lisa Harrison and Chuck Sipple

Councilmembers Absent: None

Staff Present: Scott Lambers, City Administrator	Patty Bennett, City Attorney
Richard Coleman, Comm. Dev. Director	Dawn Long, Finance Director
Kathy Byard, Budget Manager	Chief Dave Williams, Fire Dept.
Chief Troy Rettig, Police Department	Chris Claxton, Parks & Rec. Director
Ross Kurz, Information Services Director	David Ley, Public Works Director
Nic Sanders, Human Resources Director	and City Engineer
Deb Harper, City Clerk	Cindy Jacobus, Assistant City Clerk

Budget & Finance Committee Members Present: Jim Morris
Linda Hanson
Anab Abdulahi

Others Present: None

2019 ANNUAL BUDGET PRESENTATION

Welcome by the Mayor

Mayor Dunn called the meeting to order at 6:00 P.M. and introductions were made by those present, with special recognition of the attendance and years of volunteer service of the appointed citizen members of Budget & Finance Committee.

She expressed appreciation to Ms. Long and Ms. Byard for their excellent budget work, which would likely win an award. Ms. Byard distributed an updated budget overview letter to attendees.

Mr. Lambers stated his comments would be the same as those he has made every year for 16 years. The operating budget is dynamic and ongoing; 90% of what was done last year, would be done this year and next year, so changes since last year are highlighted. The Capital Improvement Program [C.I.P.] is the most challenging and has the greatest impact. The Governing Body has reviewed the C.I.P. so the hardest task is completed. The C.I.P. and tonight's document constitute the City's budget. Ms. Byard will present an overview of the 2019 Annual Budget and Ms. Long will present the 2019 Budget for the General Operations and Administration Departments.

2019 Annual Budget – Budget Manager Kathy Byard

Ms. Byard referred to Tab 12 of the 2019 Annual Budget Manual containing the overall budget and department presentations. She reviewed policy highlights of the three main components of the City's mission.

Sustaining Financial Stability

- Reserves for all operating funds are budgeted at 39% of expenditures, above the 11% policy minimum.
- Debt service levels remain at 35% or above throughout the financial planning period.
- The 2019 Budget includes a Mill Levy of 24.517.
- Assessed valuation growth of 4.18%. Assessed valuation growth of 3.18% has been used starting in 2020 through the years of the financial planning model.
- Sales tax growth of 2.95% for all areas.
- Continuation of the City's Aaa bond rating.

Sustaining Service Levels

- Maintain equitable and competitive employee compensation.
- Mandates and operating costs of capital are funded.
- Provide 1.8 commissioned officers per 1,000 citizens.
- Coverage of 614 residents per 1 firefighter.
- Maintain City streets at an average Pavement Condition Index [PCI] of 79.9, a change from last year's PCI of 77.7.

Sustaining Efficient Delivery Services

- Continuation of employee training and certifications.
- Performance measures are linked to resources needed to meet expected performance levels and Council goals.
- Improved productivity and service levels with technology, fiber and communications systems.

2018/2019 Budget Changes

- No Mill Levy increase is planned for 2019; remains at 24.517.
- The 2019 Budget reflects a total of 294.98 FTEs; 1 new Firefighter position will be added in the Fire Department.
- The City's financial advisors are reviewing the current debt to determine if a debt refunding is feasible in 2018.
- In 2018, approximately \$4 Million in General Obligation debt will be issued for the 2017 Residential Streets and the replacement of the College Boulevard wall. No new General Obligation debt issuance is planned for 2019. The next issuance is planned for 2020.
- Inclusion of \$1,080,000 in 2018, a bit higher due to roll-over of incomplete 2017 projects, and \$1,250,000 in 2019 for park improvements/poolhouse project, the majority funded with the Special Parks/Recreation fund, the Park Impact Fee fund, and the balance with General Fund transfers.

- A 5% market adjustment along with a maximum 3.9% merit increase is included in 2019 for all benefit-eligible employees. Total wages will increase by 5.1% in 2019, or \$1,074,900, across all departments. Total benefits, which includes contributions to the Kansas Public Employee Retirement System [KPERs], will increase 13.8%, or \$1,136,700, from 2018.
- A total of \$202,400 in Decision Packages have been added to 2019: Police policy manual/bulletin program and software for \$22,000, a stormwater easement machine for \$65,000, south recreational bicycle loop signage for \$55,000, entry door locks at Fire Station No. 2 and No. 3 for \$30,000, and LED lighting at the Ironwoods Lodge for \$30,000.
- Transfer to the Economic Development fund in 2018 [Transient Guest Tax and Sales Tax Revenue].

Ms. Long confirmed the City's financial advisors have determined the 2010 debt series will be refunded. Ms. Byard stated the refunding would occur at the same time \$4 Million in new General Obligation debt is issued.

Ms. Byard stated the difference between the 5% market adjustment and the 5.1% increase in total wages was because 2018 salaries were slightly higher than budgeted.

Mr. Ley stated the stormwater easement machine would be used to clean out backyard storm sewer pipes. Currently this is done by backing in of a truck and crews unloading hoses that can only clean about 200 ft. at one time. The easement machine is only 3 ft. wide, can be driven to back yards and its hoses can clean 400 ft. at one time.

Mr. Lambers confirmed to Councilmember Sipple that eligible employees would receive both market adjustment on January 1, 2019 and any merit increase. Mr. Lambers stated the 5% market adjustment for an entire pay range, called compression or internal equity, would place the City in the middle of market ranges and help ensure employee satisfaction. The City is currently at the lower end of market ranges and is behind. Previous practice of adjusting range once entry level employees advanced was hit-or-miss. Adjustments made to only the bottom and top of the salary ranges, push people with less experience closer in pay to those more experienced, and this only works for so long. The City, along with other Kansas area metro cities, are in a "circular firing squad." There is significant competition to fill entry and mid-level positions. Johnson County City Managers met last week and many cities have completed or are in the process of comprehensive compensation reviews. Salary studies are typically not done to reduce compensation. Some cities are providing adjustments and others are doing stop-gap measures such as additional Cost-of-Living Adjustments [COLAs] and bonuses. Prairie Village is bringing all employees up to minimum new ranges and over the next several years all employees will be brought up to mid-point of the new ranges. Lenexa spent \$1.7 Million last year for merit and market increases. Results from area cities study should be available by the end of 2020. Thereafter, the City would extrapolate data, and conduct salary surveys for all positions or for just a few positions if needed. He would come back before the Council. If the City needs to perform a full-blown study, the impact of that study would not be felt until 2021.

Councilmember Osman reminded that at a prior Council meeting he had pointed out the pay discrepancy for Fire and Police recruits and had questioned the impact on hiring. He has talked with other municipalities and found new hire trainees are leaving for employment in other cities after about 1.5 years. He inquired if the City is seeing the same retention issues as Lenexa and Olathe. Mr. Lambers stated the City currently has 20 vacancies and 270 employees, so would estimate about 30 to 35 vacancies, 8%, at the end of the year. Departure reasons vary and may be different from those encountered in the private sector. Since most municipal positions do not have a residency requirement, relocating is not an issue. A starting pay \$3,000 to \$5,000 higher can make a difference. Leawood is unique in offering a "Time in Service" 5% lump sum bonus every three years, and this may help retain employees.

Ms. Byard confirmed to Councilmember Harrison that Mill Levy increases are planned for 2021, 2023 and 2025. Councilmember Harrison asked how this plan compares to those of other area cities. Mr. Lambers stated charts in the C.I.P. provide a financial forecast if the City would discontinue the C.I.P. moving forward. The C.I.P., not Operations, drives Mill Levy. As debt is eliminated, reserves increase. In 2004 and 2005 when the City first changed residential street reconstruction to a major capital effort, the City predicted a Mill Levy increase starting in 2009. Mill Levy increase keeps getting deferred. Leawood is not a growing city where taxes lag behind the need services such as police and fire. As the City pays off more debt than the amount of debt accumulated, around 2030 the Mill Levy would need to fund the General Fund and the budget would remain the same or go up; bond interest savings might be able to off-set.

Councilmember Cain stated as shown on Page 8 of the overview presentation, Leawood has an impressive second lowest Mill Levy rate as compared to other area cities. Mr. Lambers pointed out that Prairie Village's City Mill Levy does not include the Mill Levy for the Johnson County Consolidated Fire District #2. Overland Park's Mill Levy is the lowest Mill Levy shown. Ms. Byard stated that six of the 10 lowest city tax rates are levied by cities in Johnson County.

Mr. Morris asked for clarification of the transfers to the Economic Development fund and if the City has only one hotel. Mr. Lambers stated Transient Guest "hotel" tax monies can be used for broadly-defined tourism activities. For Park Place, 100% of the City's obligation went to parking construction. This obligation has been met and the Economic Development fund was created to hold collected funds for future use. Some cities use these monies to fund their Chamber of Commerce. He gave the example of the Town Center Crossing Transportation Development District [TDD] which was finished in April and since funding could only be used for that purpose, collection has ceased. Ms. Byard stated about \$600,000 in Transient Guest Tax is collected annually from the one hotel the City currently has.

Councilmember Azeltine noted the Economic Development fund was not listed on Page 26 of the 2019 Annual Budget document. Ms. Long stated the Economic Development fund is non-budgeted and would not appear on that list, but would appear in the CAFRA [Comprehensive Annual Financial Report Audit]. Ms. Byard stated the Economic Development fund is a non-budgeted capital fund; it is not a line-item in the budget. The Transient Guest Tax is a budgeted fund; tax money comes in from the State and must be accounted for. The other monies are capital funds and are not required to be budgeted, with their use determined by the City Administrator, Mayor and Council. Ms. Long stated the Economic Development fund is auditable and therefore reportable to the State.

Ms. Byard confirmed to Councilmember Sipple the Economic Development fund had a balance of \$1 Million at the beginning of the year, about \$800,000 is added annually from the ¼-cent Sales Tax and interest income.

Mr. Morris referred to Page 27 of the 2019 Annual Budget document and inquired if the total expenditures of \$70,033,700 and transfers in/out were out of balance. Ms. Byard stated Page 27 provides the 2019 transfers out. Economic Development and Sales Tax monies come into the General Fund, and then \$3,495,400 transfers out [Expenditures, By Character, General Fund column, last row]. Economic Development and Sales Tax monies are not shown coming into the General Fund, but just as an expense coming out of the General Fund.

Ms. Long confirmed to Councilmember Azeltine this process, in regard to finances, is not an exception to generally-accepted finance principles.

Ms. Byard stated one item not shown is the 2018/2019 budget increased by \$25,000, from \$50,000 to \$75,000 for trail repairs funding by Special Parks.

2019 Budgeted Revenue

Revenue of \$61.9 Million for all budgeted funds fairly evenly distributed in a “three-leg stool” similar to last year, with Property Taxes 38%, All Other [Governmental] 32% and Sales & Use Taxes 30%. All Other revenue includes franchise fees, licenses, permits, and charges for services.

Revenues for all budgeted funds in the 2019 Budget are projected to increase by 1.3% from the 2018 Estimated Budget. Only two areas projecting decreases are Grants, due to less Johnson County Stormwater Management Agency Council [SMAC] funded projects and shared costs from other area jurisdictions for the Arterial street program, and Special Assessments, due to decreasing debt balance from no assumption of new debt. The All Other category reflects the largest increase primarily due to growth in interest income.

Mr. Lambers stated the City is extremely fortunate and financially healthy to have an even revenue source balance, which helped the City weather the 2008 economic downturn.

Revenue by Source

Largest change is in Grants and All Other, for reasons previously stated.

Revenue Increase (Decrease)

The projected 4.18% increase in Assessed Valuation would result in about \$937,851 more revenue from property taxes. A \$521,625 decrease in reimbursements from Johnson County and other entities for capital projects planned for completion in 2018, and a decrease in Special Assessment principal debt in All Other. Sales Tax revenue for all categories reflects a 2.95% increase, or about \$539,600. The City bases sales tax revenue projections on its financial planning model rather than County figures.

Councilmember Osman asked for an update on potential legislative change to grocery/retail sales tax and the possibility of an internet retail sales tax, and impact on the City's budget. Mr. Lambers stated a Senator from Overland Park had wanted to eliminate the sales tax on food, which would be nonsensical because there must be some State sales tax on food to enable cities and counties to add their taxes. Whatever is done at the state level will not have an impact on the City budget. There has been some gubernatorial candidate talk about expanding the sales tax lid and capping assessed valuation similar to Proposition 13 in California, which the Supreme Court has upheld as constitutional. There might be an internet tax, but this is a hot political item and the Federal Government may prohibit.

Ms. Long confirmed to Councilmember Harrison the balance of the Special Law Enforcement Fund was \$26,000 at the end of 2017. Mr. Lambers stated the fund has minimal additions. Chief Rettig stated the few additions come from seizures and forfeitures.

2017 Mill Levy Comparisons

Leawood maintained its Mill Levy ranking as the 2nd lowest tax rate of the 27 cities of the First Class in the Kansas, with Overland Park having the lowest. Six of the ten lowest city tax rates in Kansas are in Johnson County.

Assessed Valuation & Mill Levy

Leawood's projections for assessed valuation and Mill Levy are very conservative. Assessed Valuation growth for 2019 is 4.18%. The 3-year average growth is 2.3%, the 5-year average growth is 5.1% and the 10-year average growth is 2.6%. The City's financial planning model uses 3.1%.

Average Appraised Value

The average Leawood home has an appraised market value of \$523,167, higher by 5.2% from the 2017 appraised market value of \$497,131.

Ms. Byard confirmed to Ms. Hanson the average price of a Leawood home had increased. Property taxes are determined by taking the assessed valuation multiplied by 11.5%, multiplied by the Mill Levy and divided by 1,000. Mayor Dunn stated prices are up due to shortage of available homes. Johnson County Appraiser Paul Welcome reviews the selling price of homes in an area to determine assessed valuation. Councilmember Harrison stated assessed valuation may increase in an area near a new million dollar subdivision.

Where Your Property Tax Dollars Go

The average Leawood resident, living in the Blue Valley School District, pays \$19 of \$100, or 19%, in property tax payments to the City of Leawood. Of the remainder, \$51 goes to the Blue Valley School District, \$1 goes to the State, \$7 goes to Johnson County Community College, \$2 goes to Blue Valley Parks & Recreation, and \$20 goes to Johnson County. If a resident lives in the Shawnee Mission School District, amounts are slightly lower.

Mr. Lambers confirmed to Councilmember Filla the School District portion of property tax payments is sent to the State, not directly to the School District. The State has withheld payments stating reason was for accounting purposes. Mayor Dunn stated this is how the State takes credit for funding schools.

Councilmember Filla inquired if the State returns the full amount of money collected to the City. Mr. Lambers stated the formula is being argued in the Supreme Court. Mayor Dunn stated the ad valorem tax the State reimburses the City has lessened. There had been a machinery tax in the past. The amount the City has been reimbursed has fluctuated over the years.

Monthly Property Tax

The average Leawood resident living in Blue Valley School District pays approximately \$1,475 per year, or \$122.92 per month, in property taxes to the City.

Budgeted Expenditures

The \$65.8 Million expenditure for all budgeted funds in the 2019 Budget is a projected decrease of \$10,857,300, or 14.2%, from the 2018 Estimated Budget. The biggest reason for decreased expenditure of \$10 Million is the decrease in General Operations due to the transfer to the Economic Development and Public Safety Funds. Decreases were also the result of completion of fiber in 2018, higher shared costs of Public Works projects in 2018, and completed replacement of flooded vehicles/equipment in Parks Maintenance in 2018. There is an increase in expenditure for the addition of one Firefighter position. The remainder of expenditures stayed fairly consistent.

Councilmember Sipple inquired how Leawood compares to other cities, acknowledging some cities are growing and some are mature. Mr. Lambers stated he did not know, but he and Ms. Byard would obtain the requested information. Mayor Dunn stated Overland Park is recommending the addition of 19 Fire/Public Safety positions. Councilmember Sipple suggested this increase may be due to the additional fire station/expansion in south Overland Park.

Councilmember Filla asked for an update on FEMA [Federal Emergency Management Agency] reimbursement. Mr. Lambers stated he does not have good news in this regard and would provide a report at a later time. The City does have data on the difference between insurance reimbursements and out-of-pocket costs for asset replacements. The City will not make money, regardless of FEMA reimbursement.

Expenditures by Department/Function

Reasons for increases/decreases from 2018 Estimated Budget to the 2019 Budget are provided by department and function. Expenditure for Personnel increased due to a 5% wage market adjustment and assumed benefit increases, along with the addition of a new full-time Firefighter position. The City will have a small General Obligation debt issuance in 2018. Capital decreased by \$12 Million in 2019 due to transfers to the Economic Development and Public Safety Funds, completed replacement of flooded Parks vehicles/equipment, higher shared costs for Arterial street repairs, and the complete of the fiber technology project, all occurring in 2018.

2019 Personnel

The City has 258 full-time employees planned for 2019 and 294.98 FTEs [full-time equivalent]. One full-time Firefighter position will be added in 2019. The financial planning model adds one employee every other year. The number of employees-to-citizens has remained steady.

2019 PAYG Capital Budget

2019 PAYG [Pay-As-You-Go] Capital Budget funds are provided by department and category, as well as by funding source and capital expense for the 2018 Budget Estimate and 2019 Budget. The 2019 Capital Budget of \$12 Million includes 33.1% for streets, 15.8% for stormwater, 11.7% for vehicles, and 12% for parks maintenance, which includes \$1,250,000 for the pool house project. Funding sources are the General Fund, Grants, Gasoline Tax, Sales Tax, Alcohol Tax and All Other, and cover all PAYG expenses. The 2018 data for vehicles will be higher due to replacement of flooded vehicles.

Reserves – Operating Funds

Operating funds as a percent of expenditures projected at 39% for 2019. City policy is to keep a reserve of 11% as a cushion against any cash flow issues.

Reserves – Debt-Service Fund

Debt-service reserve in the 2019 Budget is 99% of debt-service expenditure. Per City policy, minimum reserve is 35%, which is forecast through 2023.

2019 Budget Calendar

- June 15, 2018: County Clerk releases valuation information used in the levy limit calculation.
- June 19, 2018: Resolution calling for a public hearing on August 6, 2018.
- June 27, 2018: Publication of the August 6, 2018 public hearing notice.
- July 1, 2018: Deadline to notify the County Clerk if an election is desired.
- August 6, 2018: Public hearing on the 2019 Budget; and 2019 Budget approval.
- August 25, 2018: Deadline to file the 2019 Budget with the County Clerk, if no election is needed.
- September 20, 2018: Date of Mail Ballot Election, if an election is needed.
- October 1, 2018: 2019 Budget due to County Clerk, if an election is needed.

Ms. Byard stated the City should not need an election. Ms. Long shared in regard to County Clerk valuation information on the City's approximate 11,000 residential properties, the County had received 400 residential assessment appeals, of which 233 received adjustments, 160 had no change to their assessment, seven did not appear at the appeal hearing and three appeal hearings were cancelled. For commercial assessments, 115 appeals were filed, of which 31 received adjustments and the remainder did not. The dollar amount of the adjustments is unknown.

Councilmember Harrison asked for an update on the "Dark Store Theory" regarding commercial valuation in the County, and if the City needed to budget potential paybacks. Mr. Lambers stated legal appeals would probably result from whatever transpires in this regard. He is not concerned about impact to the 2019 Budget. The situation will be monitored and no action taken at this time. Mayor Dunn stated cities that have large "big box" commercial stores such as Target, Home Depot and Lowes are more concerned. Leawood does have Walgreens and CVS Pharmacies which are part of the legal action.

Ms. Hanson referred to Page 4 of a Property Tax Analysis Report distributed by Ms. Byard in April 2018. Ms. Hanson was surprised the average sales price of a single family home in Johnson County increased 11.79% from the previous year, but Leawood, Edgerton, Fairway and Spring Hill had not increased. Ms. Byard stated this data was based on MLS [Multiple Listing Service] real estate listing price, not appraised valuations. The appraised value of a home in Leawood increased 4.72%. Mayor Dunn stated Leawood does not have many homes for sale in the \$350,000 or less price range. The City's average home price is \$523,000.

Ms. Byard confirmed to Councilmember Harrison that business openings and relocations, and information on major employers for Leawood found on Pages 21 and 22 of the 2019 Annual Budget document was provided by the Leawood Chamber of Commerce. Page 21 states that Freezing Moo opened in Town Center Plaza in 2017 and Page 22 lists Unified School District #229 [Blue Valley] as a major employer. Ms. Byard will confirm the data with Mr. Kevin Jeffries, Chamber President and Chief Executive Officer. Mayor Dunn stated Unified School District #229 has been included in the list of major employers for quite some time.

Councilmember Harrison inquired if the City would have additional hotels, noting that some projects do not come to fruition. Mayor Dunn stated The Element Hotel on 135th Street near Gaslight Grill had been approved and preliminary approval given for another hotel at Park Place.

General Operations and Administration Departments – Finance Director Dawn Long Budgeted Expenditures

Ms. Long stated her presentation would move quickly, as many questions had already been answered.

2019 Budgeted Expenditures

General Operations is 9%, or \$5,860,581, and Administration is 10%, or \$6,459,600, of the total 2019 Budgeted expenditures of \$65.8 Million.

General Operations

Funding sources for the \$5.9 Million in General Operations 2019 Budgeted Expenditures include the Special Alcohol fund, the Transient Guest Tax fund, the Debt Service fund and the General fund. General Operations pays for liability insurance, provides grants/services to the Leawood Chamber of Commerce and Sister Cities, and election costs.

Ms. Harper clarified to Councilmember Filla the amount of all-inclusive election costs to the City are dependent on the type of election. A presidential election may cost up to \$60,000. Mr. Lambers stated a mail ballot election is always more expensive as ballots must be returned. Mayor Dunn stated many cities are using mail ballots, thinking this type of voting increases the chance of passage. Mr. Morris stated San Francisco, California, is in the midst of a mail-in vote for their mayor, requiring hand-count of returned ballots that will take at least one month.

Administration

The Administration Department is comprised of City Administration having 4.50 positions, Finance having 7 positions, Information Services with 4 positions, Human Resources having 3.75 positions, Legal Services having 3 positions, Community Development having 14 positions and Municipal Court having 7.43 positions.

Mr. Coleman confirmed to Councilmember Filla the Community Development Department is fully staffed.

Program Accomplishments

Some accomplishments are development of an information system disaster recovery site, the addition of retirement savings options and financial wellness training, implementation of an electronic ticketing system by the Police and Municipal Court and completed update of the 135th Street Implementation Plan.

Councilmember Sipple asked for additional information regarding the Codes/Neighborhood Services resolution of a safety issue through the Johnson County District Court. Mr. Coleman stated the City does not have many major unresolved property issues and typically legal action is not needed, but the case involved an ongoing problem with a yard safety issue involving an empty pool.

Council Priorities

All priorities are ranked green for continued positive measure.

- 17.4% ratio of administrative employees to direct service employees (overhead).
- Aaa bond rating and GFOA awards.
- \$3.0 Million total revenue from Administration programs.
- 100% of inspections performed on time.
- Approximately 14,000 neighborhood and code inspections per year.

Ms. Long confirmed to Councilmember Azeltine the \$3.0 Million total revenue from Administration programs includes fees from permits, liquor licenses and pet tags.

Ratio of Administrative Employees to Direct Service Employees

The ratio of administrative employees to direct service employees has remained steady for the last eight or nine years.

Councilmember Azeltine requested employee-to-service level information from other comparable cities be provided. Ms. Long pointed out a comment had been added to the presentation that Leawood is on the lower end of a typical overhead range of 15% to 25%. Mayor Dunn stated the City is doing more with fewer employees, and residents remain satisfied. Mr. Lambers stated two positions that other cities have, but Leawood does not, are an assistant to the City Administrator and a Public Information Officer.

Administration Departments by Program / Administration Departments By Function

Changes from the 2018 Estimated Budget to the 2019 Budget are presented by program and function. Most programs/funds have an increase. The biggest decrease was primarily due to the completion of the fiber technology project.

Police Department – Chief Troy Rettig

Budgeted Expenditures

Police is 17%, or \$11,369,600, of the 2019 Budget.

Police

The Police Department has 84.23 positions and a budget of \$11.4 Million, the bulk of which is used for Patrol and Traffic Unit, which is a sizeable portion of the personnel-driven department.

Councilmember Sipple asked for the number of open positions in the department. Chief Rettig stated there were four vacancies. Active background checks are in progress, but these may reveal non-disclosed information such drug issues or theft. The City is not alone in this regard.

Program Accomplishments

- Maintained crime rates well below national and state levels.
- Received the AAA Platinum Safety Award for the 5th consecutive year.
- Named a “Safest City in Kansas” by the National Council for Home Safety/Security.
- Decreased emergency response time to 3:16; 5th consecutive year.
- Four lifesaving events occurred with officers receiving awards.
- A Patrol Officer received the Kansas Association of Police Chiefs Silver Award for Valor & Kansas City Metro Chiefs/Sheriffs Association Silver Award for Valor.
- Developed and introduced a law enforcement drone program.
- Implementation of digital ticketing and a new cashiering system; computer-aided dispatch upgrade; and installed new telephone and radio recording system.
- Solved two local bank robbery cases and assisted with capture of two other robbery suspects; apprehended suspects in a national theft group; identified suspect in metro-wide AMT skimmer crime; and assisted with four separate officer-involved shooting investigations.
- Increase in community outreach events: six “Coffee with a Cop”, four Bike Rodeos, and four ALICE [Alert, Lockdown, Inform, Counter, Evacuate] Active Shooter Presentations.
- Hosted an Animal Decontamination class for agencies and volunteer groups.

Chief Rettig recognized the City’s citizens are an important part of the below average crime rates. He stated the Alarm Coordinator will be retiring in April. Duties of the position include use of “Cry Wolf” software, electronic ticketing and automated time system, all of which will be absorbed by Police Records.

Councilmember Filla inquired how the drone has been used. Chief Rettig stated use is limited; the drone has a limited range and does not have night vision. The drone has been used at major crash sites and was demonstrated at the recent “Stride ‘N Ride” event. Mayor Dunn stated a drone was flown overhead during the groundbreaking for the Johnson County Water Treatment Expansion Project. Chief Rettig stated this drone did not belong to the City.

Councilmember Filla inquired how many persons participated in the “Coffee with a Cop” events. Chief Rettig stated the Starbucks at 135th Street is typically a busy location, so the number of specific contacts is unknown. A good amount of interaction occurred.

Chief Rettig confirmed to Councilmember Cain that details of the animal decontamination class were unknown. Ms. Bennett suggested one of the Animal Control Officers is involved and highly recognized for animal aid efforts on a national level, and this could be related. Councilmember Harrison suggested animal decontamination might cover animal relocation.

Council Priority

- 3:16 minute average response times for emergency calls.
- Crime rate – 27.6 per 1,000 residents.
- 92.7% of survey respondents feel safe in their neighborhood.
- 12,848 traffic citations issued.
- 96% of survey respondents rating dispatch services good or better.
- 211 active cases cleared.
- 80% of respondents satisfied with police service.
- 76% of DARE [Drug Abuse Resistance Education] funded by the Alcohol Tax.
- 2,064 children benefited from the DARE program; 255 children completed the program in 2017.
- Overtime is 8% of salaries.
- 9% cost recovery on boarding stray animals.
- 1,175 Animal Control calls.

Mayor Dunn noted for the minutes the number of citations issued is not a Council priority, but an accomplishment. Chief Rettig stated he advises officers to trust their judgment and “turn on lights” for warnings and citations, if needed.

Chief Rettig stated surveys are linked to the website; there are not many respondents and results can be easily skewed. The department plans to use the NextDoor software application in the future for more reliable survey results.

Chief Rettig stated overtime is consistent with last year. Cost recovery for both boarding stray and lost animals is expected to decrease next year. State Line Animal Hospital, the current service provider, has increased rates with short notice. Although the services will be put out for bid soon, it is expected that cost to the City will increase and other providers in the City may not be interested. Mayor Dunn stated fees charged by the City are not set so high that owners do not retrieve their animals.

Mayor Dunn expressed the desire that DARE be funded 100% as there have been sufficient dollars available in the Alcohol Tax fund. Mr. Lambers stated DARE Officers have other duties during the summer when schools are not in session, so DARE cannot be funded 100% by the Alcohol Tax fund. Councilmember Filla suggested rewording the item to stated “funded 100% during the school year.” Ms. Byard stated the Alcohol Tax fund is audited and so in good faith a percentage of officer salaries is funded with these dollars. Ms. Hanson and Councilmember Filla suggested that dollars could be used for alcohol-related diseases, such as depression. Mr. Lambers pointed out that DARE is for drug abuse resistance education.

Mr. Lambers confirmed to Councilmember Harrison the City provides funding to Proms/Project Graduations. Schools receive a flat fee and per-student dollar amount, which increases every three years.

Chief Rettig confirmed with Ms. Abdulahi the Blue Valley School District does not participate in the DARE program. In the Shawnee Mission School District, Corinth, Brookwood, Curé of Ars, Nativity and St. Michael schools do not have a School Resource Officer, only a DARE Officer. In South Leawood, a School Officer performs both Resource and DARE duties.

Average Response Time / Average Response Time Comparison

The department continues to attempt to maintain a low average response time, with a 10-year average of 3:35 minutes. Patrol Officers are driving the roads all the time and the Justice Center is centrally located in the City. Although north Leawood residents may not see the police as much as when the station was located in that area of the City, emergency response time to that area remains the same. There is ample space at the Justice Center. Trailers were needed for space when the department was stationed on Lee Boulevard.

Mayor Dunn and Councilmember Filla stated appreciation for the impressive response time.

Police Department by Program / Police Department by Function

As a personnel-driven department, personnel cost of 83% of budgeted funds is the largest expenditure by function. Patrol and Traffic Unit employs the greatest number of people in the department and accounts for 49% of expenditures by program. Expenditure increase is mainly due to increased benefit costs. Decrease in Investigation is due to retirements and lessened benefit funding. The department budgets for full employment.

Fire Department – Chief Dave Williams

Budgeted Expenditures

The Fire Department comprises 13%, or \$8,297,607, of the 2019 total City budget.

Fire

The department has 54.49 positions and a total budget of \$8.3 Million, with Administration having 3.8 positions; Prevention and Investigation having 2 positions; and Operations having 48.69 positions. Operations is the majority of the department and they answer 9-1-1 calls. Prevention and Investigation works closely with the Community Development Department in regard to City Codes.

Councilmember Sipple inquired how often commercial properties are inspected. Chief Williams stated Fire Operation Captains try to walk through every business, every year, as a courtesy. As part of the continuous improvement requirement of accreditation, the department has been working for the past four years to complete computerized “pre-plans” of commercial buildings. The pre-plans show important details such as electrical and gas line shut-offs. Other area Fire Departments are not as far along in doing this as Leawood.

Chief Williams stated the French Firefighter Intern assisted with the pre-plan effort during his recent visit, along with attending calls and live burn training. Pallets are burned at the Southern Platte Fire Protection District and the department gets about 6 hours of this training per year, but 24 hours per year would be best. Burn training is conducted in May, when outdoor temperatures are typically cooler.

Program Accomplishments

- Conducted Live Burn training at Southern Platte Fire Protection District.
- Completed annual reporting for accreditation to the Commission on Fire Accreditation.
- Hosted a French Firefighter Intern student for the 7th time.
- Co-hosted the annual Police and Fire Open House, and attended the Home Owners Association [HOA] Sustainability Summit.
- Three Paramedics received certification and began service delivery.
- Took delivery and placed into service a new 100 ft. Aerial Platform apparatus.
- Installed 129 car seats and conducted 348 public education/relation events.
- Reviewed 107 construction plans, issued 13 special permits, assisted with 41 residential smoke alarms, and performed 1,124 building inspections.
- Coordinated/delivered fire safety training to over 2,092 elementary children, and trained 420 students with cardiopulmonary resuscitation [CPR], or CPR/Automated External Defibrillator [AED]/First Aid
- Determined cause and origin on three large-loss fires and assisted Overland Park.

Chief Williams stated that 70% of calls are for emergency medical services [EMS]. In 2016, the department sent its Fire EMTs to paramedic training. Certification takes two years and includes 800 clinical hours, split 400 ambulance and 400 hospital, and about one year classroom work. EMS calls are expected to rapidly increase moving forward because of an aging population. He believes the best paramedics were Fire EMTs. He is strongly supporting employees to become certified, but understands commitment to the program impacts work and family life, especially for a young-aged fire department. Two additional firefighters have agreed to become certified paramedics. The department would like to add another two paramedics for a total of five. The goal would be to have four paramedics per shift, a total of 12 in the department, so each station and absences are covered.

Councilmember Azeltine inquired how paramedic and Med-Act ambulance staff interact at a scene. Chief Williams stated both follow the same protocols and directions of the same Medical Director, working well together without issue. There is always work for respondents to do. Overland Park is moving away from running ambulances and uses many paramedics.

Councilmember Harrison inquired if the City pays for the paramedic training and if there is a requirement to remain with the City after certification. Chief Williams confirmed the City does pay for training. It is required the paramedic remain employed by the City for three years after certification or a portion of training cost must be repaid. Paramedics are in demand and receive an additional 10% salary. There is a national paramedic registry and they can fill positions anywhere. Mayor Dunn pointed out the Police Department does not have a similar requirement in regard to Police Academy training.

Chief Williams confirmed to Councilmember Cain there are now 16 staff on a shift, with minimum of 13. This number facilitates absences, funeral, FMLA, military and paternal leave, and provides coverage for training. Department staff and paramedics must undergo continual training. This level of staffing may help reduce overtime.

Council Priority

- Each firefighter protects an average of 616 residents.
- Realized a turnout time on all calls [90th%] of 1:25 minutes.
- First unit on scene travel time [90th%] of 5:35 minutes.
- Effective response force time [90th%] of 10:19 minutes.
- 100% of the City sirens tests are in working condition.
- The 2018 budget expenditure per citizen for Fire/EMS protection is \$253.
- An average of 24 hours of training per firefighter, per month, occurred in 2017.
- 8% overtime as a percent of regular salaries.

Chief Williams summarized the first responders are on-site in five minutes and full response in 10 minutes. Fire Dispatch/CAD System/Call Matrix and the Operation Team are aware of his decisions in regard to the City's level of response, and they coordinate centralized aid among area departments. Twenty-hours of training per month is required and improves service. Overtime as a percent of salaries has remained about the same as in the past.

Mr. Morris pointed out the recent issue of shift-trading practices in Kansas City, Kansas, with one firefighter paying another firefighter for the trade, which resulted in some firefighters only working 20 days a year. Chief Williams stated the City pays employees to show up for shifts. Shifts have a minimum staffing level and coverage must be maintained during required training. Vacations are selected in October each year, with a maximum of two employees off at one time. Based on circumstances, trading is allowed. A maximum of 10 shifts can be traded by an employee in a year. Federal law addresses shift-trading because the practice is so common.

Chief Williams confirmed to Councilmember Sipple that the City purchases and maintains the 11 outdoor storm sirens in the City, which Johnson County activates. The sirens are only meant to be heard when outside, though they may be heard while inside. There are many ways to receive alerts when indoors, such as through weather radios, television and mobile phones.

Councilmember Harrison asked how many fires are lightning-related and if the City Code requires structures to have lightning rods. Chief Williams stated there are about 10 such fires per year. Mr. Coleman stated houses are required to be grounded, to direct energy into the ground. Extra measures can be costly. Mayor Dunn shared that homes in her neighborhood have been struck by lightning, and some multiple times.

Ms. Abdulahi questioned the status of a Country Manor home damaged by fire on December 24, 2017, as nothing appears to have been done. Mayor Dunn stated the owner had a legal non-conforming use before the fire and had presented plans to rebuild which were denied by the Board of Zoning Appeals. The insurance company has paid and negotiations to move forward are underway.

Travel Time [90th%], 1st Unit on Scene

Travel time for emergency incidents was 5:35 minutes, up from 5:25 last year.

Chief Williams has worked to slow down travel as fire trucks are very heavy and hard to stop. Studies show only a few seconds difference in traveling 50 miles per hour for one mile rather than traveling 60 miles per hour.

Councilmember Sipple inquired how the first unit on scene travel time of 5:35 minutes compared to neighboring cities. Chief Williams stated this time is about 5 minutes for all neighboring cities, and dependent on time of day and traffic. Leawood has 30% of service calls, many of those from Sunrise Assisted Living, originating within a one-square mile area of 119th and Roe, where there is no fire station.

Councilmember Sipple inquired if the planned improvement of Mission Road from 119th Street to 127th Street would impact travel time. Chief Williams stated there was a significant impact on travel time during work on 143rd Street from Nall to Windsor, requiring an alternate back route, and this is expected to be the case when the remainder of 143rd Street is improved. Mr. Ley stated for Mission Road, Public Works will work with the Fire Department, and during most times northbound traffic will remain open during construction.

Fire Department by Program / Fire Department by Function

Of note is the addition of one firefighter position.

Public Works Department – Director David Ley

Public Works comprises 35%, or \$23,416,244, which is the largest portion of the 2019 total City budget. Street Maintenance has 22 positions, the majority of the total 49.71 positions in the department.

Program Accomplishments

- Replaced 300 high-pressure sodium streetlights in mid-town area within LEDs.
- Swept 3,137 center line miles of street and removed 1,438 tons of debris.
- Placed 1,916 tons of asphalt, 3,637 tons of concrete and 21,600 pounds of crack sealant.
- Completed the concrete partial depth repair of ½ mile on 95th Street.
- Completed Roe, College, 119th reconstruction; Roe, Tomahawk-135th mill/overlay and 133rd, Briar-State Line mill/overlay with bike lanes.
- Completed the 2017 thin lift overlay preparation program and installed 278,905 sq. yards in residential areas.
- Placed 27 vehicles into service and performed 525 vehicle service requests.
- Televised 21,966 ft. of storm pipe and handled over 1,186 locate requests.
- Renovated City Hall courtyard and Ironhorse Clubhouse bathrooms; replaced Justice Center garage doors; and maintained 289,000 sq. ft. of City buildings.
- Staff support and involvement with FEMA, and oversight and maintenance of facilities from the 2017 floods.

Mr. Ley stated LED replacement was made on 300 streetlights out of 4,500 streetlights in the City. To-date, 550 replacements, or about 12% of total streetlights have been replaced with LEDs, mostly along arterial streets. Replacement program costs about \$70,000 a year; fixtures alone are \$700 each. The LED fixtures have a 10-year warranty, but the fixtures are anticipated to last 15 years.

The City purchased streetlight poles from KCP&L for \$6,000 each for a direct feed with fixed rates. Light poles were removed in residential along one mile of 92nd Street and Mission/Wenonga as part of street reconstruction and a metered system installed. Mr. Ley confirmed to Councilmember Filla that LED replacement cost payback is estimated at six or seven years, if only the fixture heads are replaced.

The City had been using slurry seal at a cost of \$400,000 every year and spending \$1 Million for two inch mill and overlay. In 2017, the City switched to using thin lift overlay on streets, with the goal to get into subdivisions every 10 to 12 years. Mayor Dunn stated there was improved satisfaction with the new method.

Mr. Ley stated the 1,186 locate requests were only for storm sewers, but there are other types of locate requests such as utilities and right-of-way. The City is responsible for locates where the City is the owner. Digging in a right-of-way requires a \$75 permit. In the future, the department plans to review how other Johnson County cities handle locate requests. Possibly a contractor could be hired, which would free up staff time. Mr. Lambers stated some questions in this regard are control of destiny, whether people more familiar with location should handle the work and the City's ultimate responsibility.

Mr. Ley stated several staff members, along with the Fire Department, have been involved with FEMA in regard to flooding. Ms. Julie Stasi and Ms. Shelly Rexrode have spent approximately 75% of their time on this effort.

Council Priority

- \$7,184 annual maintenance expenditures per mile.
- 7.0 average annual street sweepings per street.
- Complete one inch mill and overlay on residential streets every 12 years; 12.7% of residential streets received one inch mill and overlay in 2017.
- Potholes repaired on average within 1 day of request.
- 453 lane miles rated at an average of 79.9 PCI [Pavement Condition Index].
- Average age of vehicles is 6 years.
- \$3,303 maintenance expense, per vehicle.
- 63% of eligible Public Works employees maintain professional certifications.
- \$0.50 utility cost per sq. ft. of buildings.

Overall Pavement Condition Index

Mr. Ley stated the PCI remains under 80 for all lane miles, but rating has increased since last year. Prior to 2010 the City used summer interns to review, but ratings were inconsistent even using the same reviewer. There was a significant drop in PCI in 2008 and 2009. In 2010, 2012 and 2014, the City hired a contractor who rated streets using van-based equipment. The ratings were not updated until 2015. Performing another rating is a goal for this year and it is hoped PCI will improve.

Software automatically depreciates PCI at the first of the year. Mayor Dunn pointed out the Council standard PCI minimum rating is 70.

Councilmember Sipple inquired if any streets have a PCI in the 50s or 60s. Mr. Ley stated the worst PCI rated streets are in the north and are scheduled for street reconstruction next year. Callers are given a 5-year forecast for streets and potholes are repaired within 24-hours. Mr. Lambers stated another reason for PCI decline is the City has not added many new streets in the last 10 years. Mr. Ley stated there will be some additional new subdivisions/streets added next year.

Public Works Department by Program / Public Works Department by Function.

Total funds of \$23.4 Million by program and function. Even years include metal pipe replacement. The City has just started metal pipe replacement; Overland Park and Shawnee have also started. The new directive of the Johnson County SMAC [Stormwater Management Advisory Council] might provide some assistance. SMAC directive will change from 75% for flood control, to 50% flood control and 50% maintenance control. The City has greatly benefited in this regard for pipes in flooded areas. Future SMAC projects will be ranked later this year.

Councilmember Cain stated it was good that SMAC's focus was shifting. Mr. Ley confirmed to Mayor Dunn that he will be part of SMAC's Blue River and Tomahawk Creek Watershed Committees. Councilmember Filla stated it is important for SMAC to install watershed identification signage.

Mr. Ley stated the 2018 Estimated Budget to 2019 Budget for Street Maintenance increased 26% mainly due to large equipment purchases. Decreases from the 2018 Estimated Budget to 2019 Budget for Street Improvements and Facilities Maintenance were due to lower City cost for Arterial Street program, and decreased cost for the Public Works Facility bay expansion, respectively.

Mr. Ley confirmed to Councilmember Sipple there are two openings in the department; City Engineer and Fleet Technician. The Facility "Custodial" Maintenance Worker position has been filled. The department has been hiring entry level maintenance worker positions.

Parks & Recreation Department – Director Chris Claxton

Department budget comprises 16%, or \$10,382,668, of the 2019 total City budget, which is 1% lower than last year.

Parks & Recreation

Divisions within the department had been reduced from 10 to seven. The reduction has been helpful in some ways, including interactions with other departments, and all divisions continue to report to the Department Director. The Programming Division includes recreation and Nature Center classes, day/specialty camps, and park shelter, Community Center, Lodge and cabin rentals. The Cultural Activities Division includes public art commissions, Leawood Stage Company productions, educational "historic" programs, and city-wide special public events.

Program Accomplishments

- Completed the all-inclusive playground at City Park and Ironhorse Vista 154 expansion, which held over 90 events in only six months open for business.
- Established tree planting initiative with Leawood Rotary Club at Ironwoods Park over a 3-year period.
- Received the Tree City USA award for the 22nd year.
- Provided recreation classes to 1,488 and Nature Center classes to 1,445.
- Hosted the 13th annual Doggie Dunk event.
- Hosted 225 participants in the First Tee Golf class at Ironhorse Golf.
- Served over 3,300 participants in the recreation soccer league and 589 participants in T-Ball/Coach Pitch program.
- Hosted over 40 special/cultural events with 20,000 attendees, all accomplished with generous volunteers donating over 31,325 hours of support.
- Ironhorse Golf reached 25,000 rounds for the first time in 10 years and increased driving range sales by \$16,000.
- Park Maintenance, Ironhorse Golf and the Aquatic Center, all impacted by the July 2017 flooding, successfully provided services within days of the events while managing flood replacements, working with FEMA, insurance agencies and City staff.

Ms. Claxton recognized the top accomplishments were the all-inclusive playground, Vista 154 expansion, 25,000 golf course rounds and increased driving range sales. The credit card reader has been very beneficial in regard to increase sales. Flooding has continued to be a challenge. She thanked the department and expressed pride in their work and attitude.

Council Priority

- 18.1 acres per each Park Maintenance employee.
- 7 days between park mowings.
- 98% customer satisfaction rating – Classes.
- 98% customer satisfaction rating – Aquatic Center.
- 95% program attendance rates – Sports.
- 98% customer satisfaction rate – Golf Course.
- 85% of classes offered meet minimum participation requirements.
- 40% to 80% facility utilization in 2017.
- 44.5% golf course utilization ratio in 2017.
- 101% cost recovery – Sports, an increase from 92% in 2016.
- 76% cost recovery – Aquatic Center, an increase from 72% in 2016.
- 68% cost recovery – Programming, no change from 2016.
- 77% cost recovery – Golf, an increase from 45% in 2016.

Ms. Claxton distributed the 2011 Cost Recovery Policy. There were significant increases in cost recovery. Many activities are weather-driven and all sports are recreational and entry-level based. Soccer, T-Ball and tennis were up this year and last year. Field usage is at 92% of capacity and planning will be done to address Fields 11 and 12 during the Johnson County Wastewater Treatment Plan expansion project.

Councilmember Harrison inquired if the new event space had attracted new golf events. Ms. Claxton stated the minutes from the May Ironhorse Advisory Board meeting will provide this event detail.

Councilmember Cain inquired if the City was ahead on the recovery of dollars spent for Vista 154. Ms. Claxton stated the space did not open until June 2017 and she hopes to determine the overall impact of the opening and specific impact on rentals, golf shop purchases and alcohol sales. No correlation has been seen between the utilization of the new space and the decline in Lodge rentals. The Kansas City downtown is the trendy hot venue at this time. There is a large amount of competition for events, including The Venue in Leawood. With the abrupt April closure of the Ritz Charles, Vista 154 picked up 5 events and the Lodge picked up 2 events. Callers are asked what other facilities they have contacted to host their event. Mayor Dunn stated The Venue at 135th Street and Roe Boulevard was also used for some of the cancelled Ritz Charles events.

Councilmember Sipple inquired if the department experienced trouble hiring part-time and full-time employees, and if the planned 2019 wage adjustment would be beneficial. Ms. Claxton confirmed it had been a struggle to hire seasonal, part-time and some full-time positions. There is competition with fast-food businesses offering a \$13 hourly wage. Also, Johnson County will open Meadowbrook and there are other parks looking for staff. There is a state-wide shortage of employees.

Mayor Dunn asked about the “tree base” on the trails. Ms. Claxton stated the City horticulturist’s crew is backlogged, the department is without a wood chipper and clearing flood debris from the trails continues. The City has only one seasonal employee assigned to trails instead of six or seven.

Councilmember Sipple asked if staff were working overtime. Ms. Claxton confirmed there had been some overtime, but backlog continues in some areas. Due to the hot/dry weather, watering has now become a priority. Councilmember Osman suggested temporary subcontracting of some work. Ms. Claxton stated after a study done eight or nine years ago, right-of-way and median work was contracted, and it was found the City could efficiently handle other work. She will speak with Superintendent of Parks, Mr. Brian Anderson, about the possibility to add to the contractor’s responsibilities. Mr. Lambers stated that two years ago, there were several part-time positions collapsed to full-time. There may not be enough work do in January and February, but doing this means employees are onboard for the Summer. This may need to continue to be done.

Mayor Dunn stated parks and trails are hallmarks of the City. Councilmember Azeltine noted that lack of seasonal staff should not be hardship on full-time employees.

Parks & Recreation Department by Program / Parks & Recreation Department by Function

LED light installation at the Lodge will result in significant cost savings, including maintenance. The current outdated, hot running light bulbs continually burst and must be changed using a mechanical lift. LEDs have a much longer life. The Lodge will receive a new audio-visual system with the help of the Information Services Department.

Ms. Claxton confirmed to Councilmember Sipple that installation of the “Walking Woman” art piece is planned for mid-Fall.

Mayor Dunn inquired if Mr. Morris liked the new art piece, “Dancers.” Mr. Morris stated although near his subdivision, he was not able to view the sculpture from his residence. He likes the art piece.

Mr. Morris questioned the 77% cost recovery for golf listed in “Council Priority”, since Page 127 of the 2019 Annual Budget document states 69%. Ms. Byard stated the 77% cost recovery excludes capital. Mr. Morris pointed out that capital factors heavily into golf courses; lawn mowers and golf carts require frequent replacement. Hallbrook is going to spend \$800,000 on equipment. Troon Management has done a great job creating a capital schedule. The City only plans to spend \$250,000 each year, and recovery of 80% of costs is unrealistic. Mr. Morris stated the new clubhouse addition is impressive, but his interest is the capital budget.

Ms. Hanson stated the City and Troon Management are doing a great job with the golf course. The package offered by Deercreek course has not had an impact on Ironhorse. Councilmember Larson stated the Ironhorse Advisory Board has discussed the irrigation system, which is a big-ticket capital item. Mr. Morris stated Troon Management needs to be part of the irrigation discussion. Ms. Claxton stated Ironhorse offers a Triple-Crown program for those 39 years and younger, and when they turn 40 this becomes their home course.

Mr. Morris stated there are 18 Pickleball players at City Park and on some mornings as many as 25 players. The City does not own or set-up/take-down the nets, so there can be no ad-hoc play. Ms. Claxton stated Continental is working on Court 5 and 6 design, so the City will have a total of eight courts. Currently, the City has two Pickleball courts painted on one tennis court. Meadowbrook will not offer tennis courts; only Pickleball courts as a result of their demographics. Mayor Dunn shared that Hallbrook offers Pickleball. Councilmember Harrison noted there is a Pickleball tournament to be played on the Town Center Plaza parking lot.

Cost Recovery/Fee-Based Programs

The overall cost recovery is 86%, which is good compared against the national average. Fees are collected for only some events.

Mayor Dunn thanked Ms. Claxton and her department for their wonderful work which includes many special events such as this year’s 70th Anniversary celebration, and the annual Lunar New Year dinner, 4th of July and HOA Summit.

Mayor Dunn thanked the Budget and Finance Committee members, City Administrator, Department Heads and Finance Staff for all of their hard work during the budget process and throughout the year.

Councilmembers Filla and Sipple complimented the well-done budget documentation for its readability.

Mr. Morris suggested documentation be supplied electronically. Mr. Kurz stated doing this would be possible.

Councilmember Azeltine stated the budget review process has been streamlined. He encouraged information about the Economic Development Fund be added to the summary letter.

Mayor Dunn stated the residents are the City's best asset and the City's professional staff is the City's second best asset. Councilmember Cain agreed, adding this is not by accident and occurs through thoughtful development and financial planning.

There being no further business, the meeting was adjourned at 8:57 P.M.

Debra Harper, CMC, City Clerk

Cindy Jacobus, Assistant City Clerk