

**Roeland Park City Council  
Finance Committee Meeting**

Agenda

6:00 PM

August 23, 2010

- |   |   |   |
|---|---|---|
| <ul style="list-style-type: none"><li>○ Megan England – Chair</li><li>○ Toni Hull, Co-Chair</li><li>○ John Carter, City Administrator</li><li>○ Debra Mootz, City Clerk/Finance</li></ul> | <ul style="list-style-type: none"><li>○ Adrienne, Foster Mayor</li><li>○ Scott Gregory, Council Member</li><li>○ Betsy Mellor, Council Member</li><li>○ Robert Meyers, Council Member</li></ul> | <ul style="list-style-type: none"><li>○ Bill Art, Council Member</li><li>○ Marek Gliniecki Council Member</li><li>○ Mark Kohles, Council Member</li></ul> |
|---|---|---|

I. CALL TO ORDER/APPROVAL OF MINUTES

II. OLD BUSINESS

A.

III. NEW BUSINESS

A. 2012-2014 Budget Process:

1. How Do We Begin Building Tomorrow's Budget Today?
2. Best Management Practices
  - a. Budget Process- Long-Term Projections, Calendar/Timeline
  - b. Goal Setting
  - c. Private Funding for Public Use- Programs, Events, Infrastructure, etc
  - d. Street Maintenance
3. Financial Policy
  - a. Land Acquisition
  - b. Reserves- Amount/ Use
  - c. Economic Development Tools- TIF, TDD, Tax Abatements, etc.
4. Employees- Current Staff Level, Salaries/Benefits Compared to Market
5. Current Programs- Efficiency, Value, Evolution
  - a. Newsletter
  - b. Leaf Pick Up
  - c. Community Center (separate workshop – Scheduled 8/31/2010)
  - d. Municipal Pool (separate workshop)
6. Other Important Considerations
7. Cost to Live in Metro (\$150,000 home)
8. Layout/Readability of Budget
9. Expenses Cut from 2011 Budget
10. Commercial Property Tax Revenue
11. Use of Sales Tax Revenue

IV. TREASURER'S REPORT

- A. 2<sup>nd</sup> Qtr Report to be presented at August Committee Meeting

V. CITY CLERK/FINANCE REPORT

VI. OTHER MATTERS

VII. ADJOURN

FUTURE MEETING TOPICS: Council/Mayoral travel policy

# ***The City of Roeland Park, Kansas***

## **CITY ADMINISTRATOR PROPOSED ANNUAL BUDGET TIMELINE 2012 BUDGET**

<b><u>DEADLINE</u></b>	<b><u>TASK</u></b>
October 31, 2010 .....	Review 3 <sup>rd</sup> Qtr 2010 Expenditures compare to Budget 2010 Projections
January 31, 2011 .....	Review 2010 year-end cash to 2011 Budget projections
January 31, 2011 .....	Council completes goal setting
March 31 .....	Distribution of YTD expenses thru March 31 to Dept. Heads.
April .....	Audited year-end cash balances
April 16 .....	Current year revenue/expense projections completed by City Administrator.
April 23 .....	Department requests due back to City Administrator; Budget year revenue projections completed by City Administrator.
May .....	Council Goals completed and presented to Finance Committee
May 28 .....	Draft budget completed by City Administrator and presented to Mayor and Finance Committee.
June .....	Estimated Special Highway distribution figure
July .....	Johnson County distributes final Assessed Valuation (prior to appeals)
July ?? .....	Town Hall Meeting
By or before August 5 .....	Publication of Budget Hearing
By or before August 15 .....	Hold Budget Hearing
By August 25 .....	Send certified copy of Budget to Johnson County Clerk

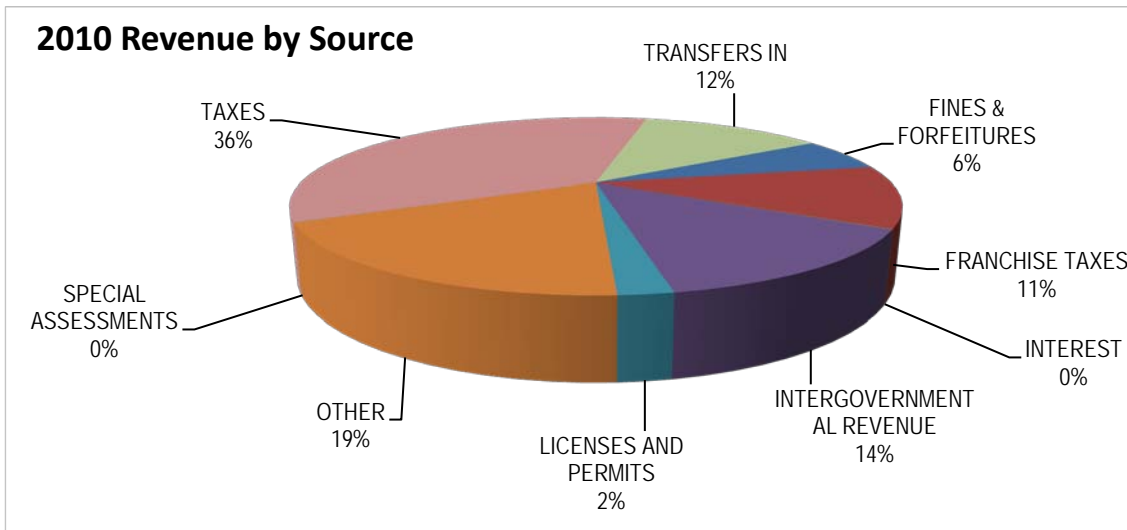
# City Treasurer 2nd Qtr Report 2010

Prepared 8/2010

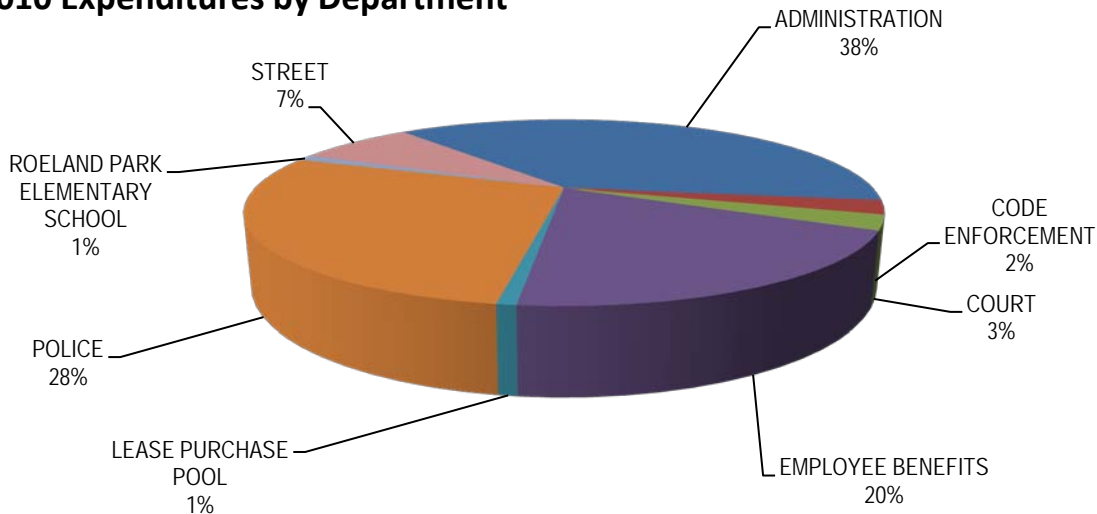
## GENERAL FUND

**General Fund Financial Condition.** In general the continued poor economic conditions has had some additional effects on the 2nd Qtr.2010. As a reminder of the 2010 budget, both revenues and expenditures are projected to be lower for 2010, \$75,682 and \$235,817 respectively. Through the 2nd Qtr.2010 revenues are up \$154,763 and expenses are down \$136,776 YTD from 2009

General Fund Balances	2010 Original Bud.	2010 YTD Actual	% of Budget
Revenues	4,173,809	2,778,107	66.56%
Expenditures	5,189,317	1,921,881	37.04%



### 2010 Expenditures by Department



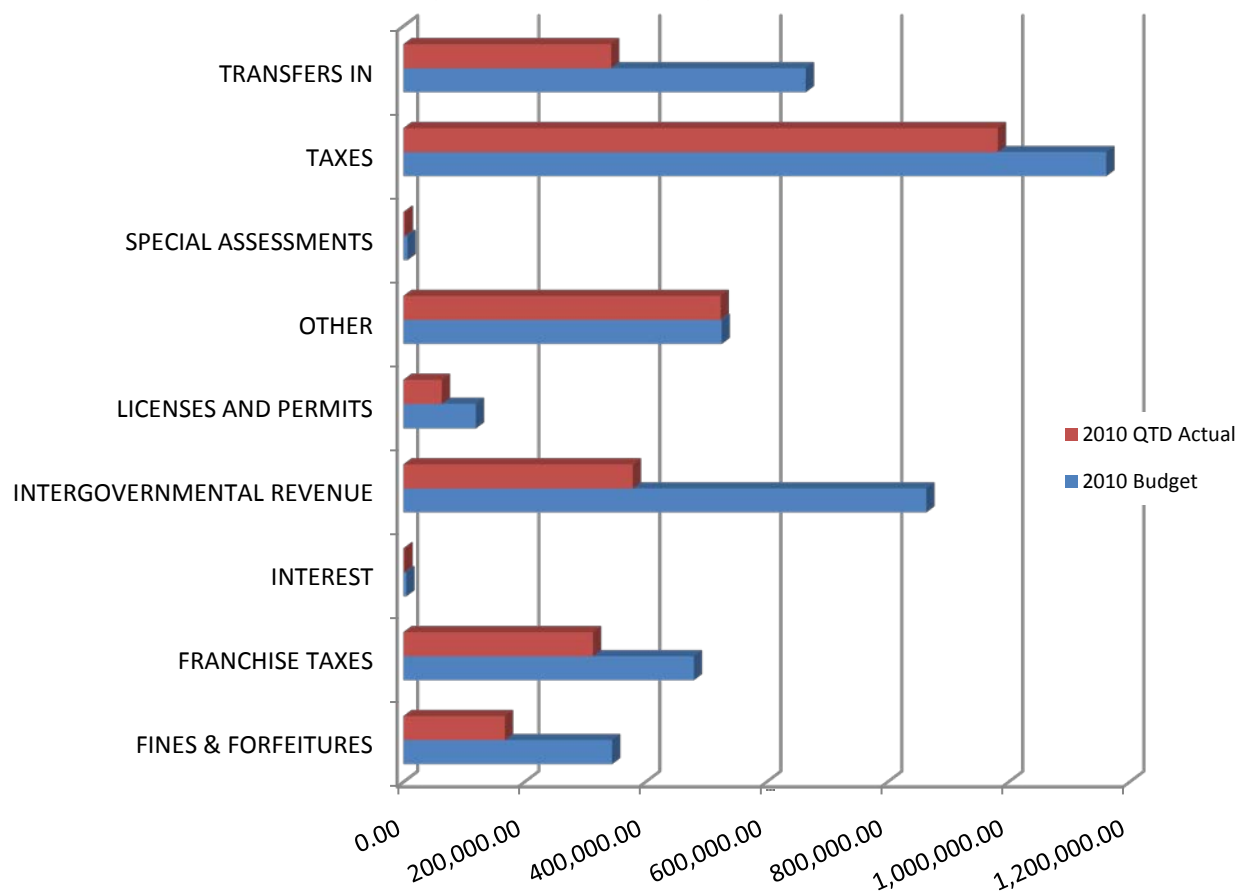
## Revenues

For the Period: 01/01/2010 to 06/30/2010

Revenue Sources:	2010 Original Bud.	2010 YTD Actual	% Bud
FINES & FORFEITURES	345,000	167,903	48.67
FRANCHISE TAXES	480,000	313,415	65.29
INTEREST	5,000	1,720	34.41
INTERGOVERNMENTAL REVENUE	864,280	379,206	43.88
LICENSES AND PERMITS	119,750	63,506	53.03
OTHER	526,022	524,315	99.68
SPECIAL ASSESSMENTS	7,000	2,300	32.86
TAXES	1,161,757	982,441	84.57
TRANSFERS IN	665,000	343,300	51.62
<b>Total Revenues</b>	<b>\$ 4,173,809</b>	<b>\$ 2,778,107</b>	<b>66.6%</b>

Revenues received - Year to date 2010 Revenues received are 66.56% of budget, up 7.00% compared to 2009 at 62.20%.

### 2010 Budget to Actual Comparison (Revenues)



## Major Revenues received YTD Review

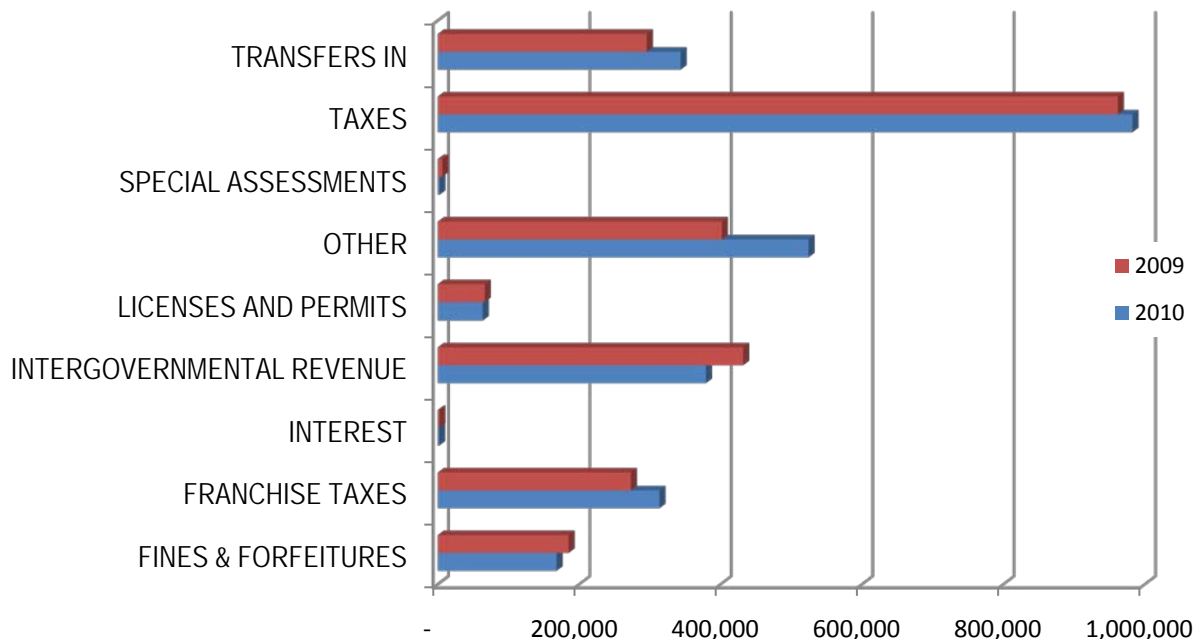
Franchise Taxes - Change is a timing difference in 2010

Intergovernmental Rev - County Sales Tax is off YTD 12%. Projecting a total 2010 decline of 17%

Other - Trash rate is higher-3rd Floor Lease pmt increased -Misc Leaf pmt increased -

Revenues - Actual QTD Comparison	2010	2009	Change
FINES & FORFEITURES	167,903	184,849	(16,946)
FRANCHISE TAXES	313,415	272,992	40,423
INTEREST	1,720	2,172	(451)
INTERGOVERNMENTAL REVENUE	379,206	431,772	(52,566)
LICENSES AND PERMITS	63,506	66,264	(2,758)
OTHER	524,315	401,663	122,651
SPECIAL ASSESSMENTS	2,300	6,319	(4,019)
TAXES	982,441	961,805	20,636
TRANSFERS IN	343,300	295,508	47,793
<b>Total Revenues \$</b>	<b>2,778,107</b>	<b>\$ 2,623,343</b>	<b>154,763</b>
		<i>Percent of Change</i>	<b>5.90%</b>

## 2009/10 Actual QTD Comparison (Revenues)



### Highlights:

Taxes - Ad Valorem - Has collected nearly 85% of budget

Fines & Forfeitures - Continue to decline by nearly 10% Year To Date

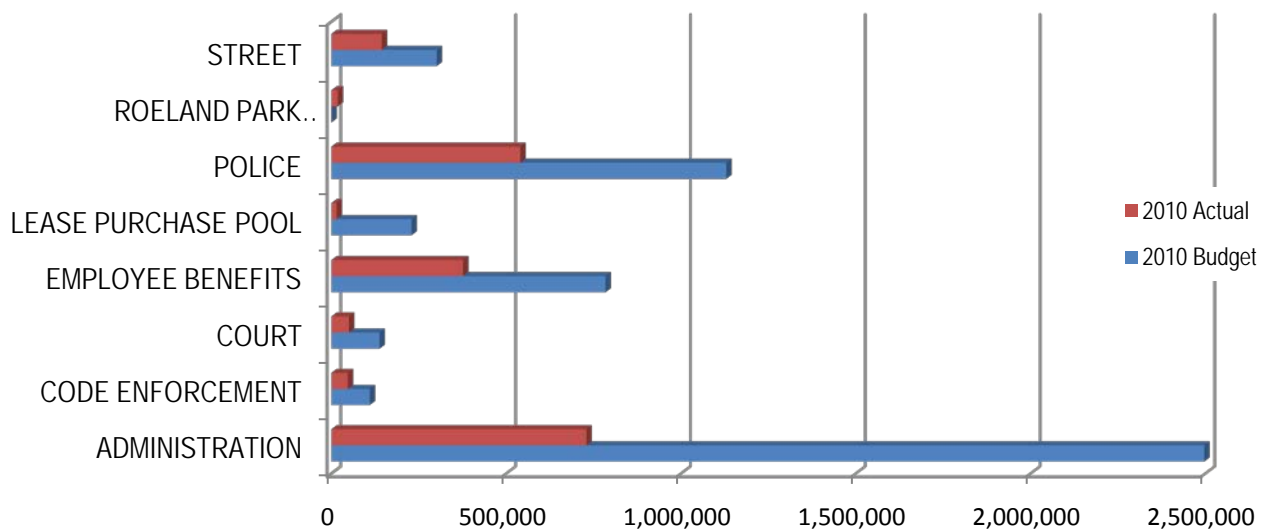
Interest Income also continues to suffer due to historical low interest rates

## Expenses

For the Period: 01/01/2010 to 06/30/2010

Department Expenses:	2010 Original Bud.	2010 YTD Actual	% Bud
ADMINISTRATION	2,497,354	729,857	29.225
CODE ENFORCEMENT	109,675	47,019	42.872
COURT	137,600	50,095	36.407
EMPLOYEE BENEFITS	784,265	376,717	48.034
LEASE PURCHASE POOL	229,337	14,940	6.514
POLICE	1,129,740	540,525	47.916
ROELAND PARK ELEMENTARY SCHOOL	0	18,421	0.000
STREET	301,346	144,306	47.887
<b>Total Expenditures</b>	<b>5,189,317</b>	<b>1,921,881</b>	<b>37.04%</b>

**2010 Budget to Actual (Expenses)**



### Major Expenses paid in 2nd Quarter:

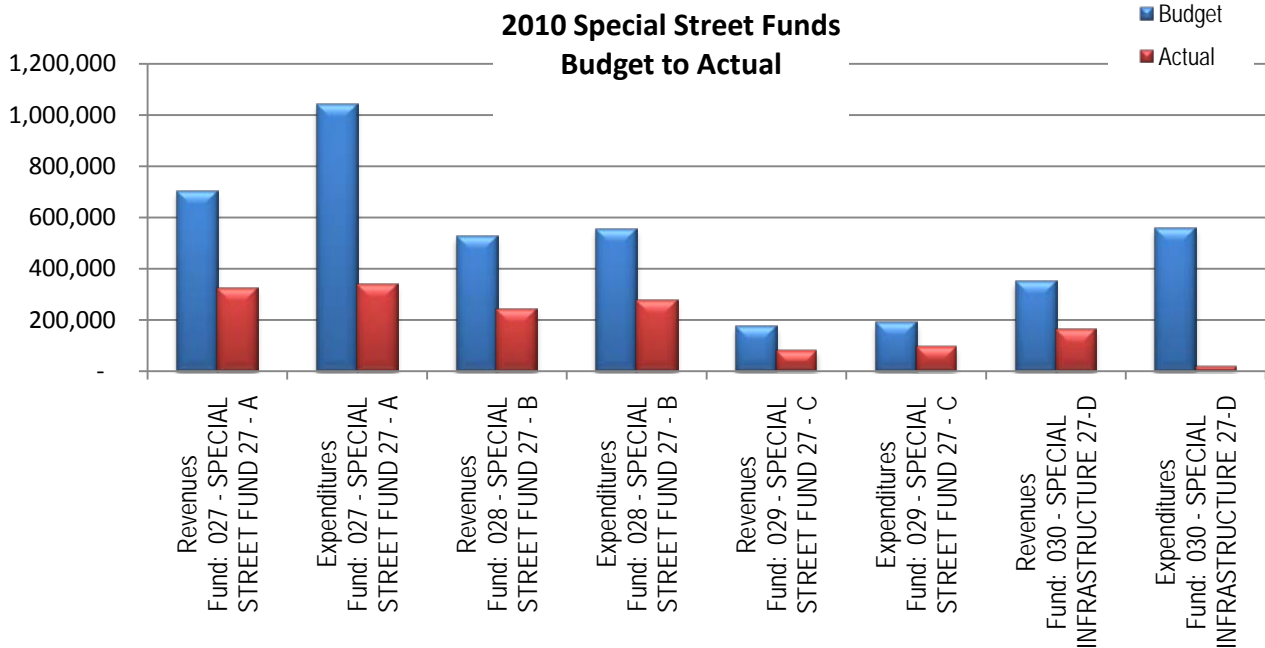
Several Departments are both under budget and under the 2009 expenses YTD. Showing that the efforts to reduce overall expenses is being communicated throughout the whole city organization. Expenses in 2010 are down \$136,776 YTD, down over 6.5% from 2009.

The lease on the Pool Purchase has been refinanced in 2010, lower interest rates results in lower PMT. See the Debt Service Payment Schedule for additional details.

Admin - Has had some increase in expenses YTD is Street Lights, Salaries, Electricity and cost of the Solid Waste Contract

## Special Street Funds

Special Street Funds		2010 Original Bud.	2010 YTD Actual	% Bud
Fund: 027 - SPECIAL STREET FUND 27 - A	Revenues	700,000	325,294	46.47
Fund: 027 - SPECIAL STREET FUND 27 - A	Expenditures	1,039,719	336,673	32.38
Fund: 028 - SPECIAL STREET FUND 27 - B	Revenues	525,000	242,971	46.28
Fund: 028 - SPECIAL STREET FUND 27 - B	Expenditures	555,090	274,800	49.51
Fund: 029 - SPECIAL STREET FUND 27 - C	Revenues	175,000	80,324	45.90
Fund: 029 - SPECIAL STREET FUND 27 - C	Expenditures	189,079	96,590	51.08
Fund: 030 - SPECIAL INFRASTRUCTURE 27-D	Revenues	350,000	162,647	46.47
Fund: 030 - SPECIAL INFRASTRUCTURE 27-D	Expenditures	558,595	20,750	3.71



### Fund: 027 - SPECIAL STREET FUND 27 - A

Revenues for all special street fund are estimated through the end of the 2nd Qtr. Projections are conservative based on previous months/years earnings. This fund will be supplementing the Public Works Salaries budget by \$55,000. Completed transfers of \$27,000 YTD, on pace with the 2010 projections.

### Fund: 028 - SPECIAL STREET FUND 27 - B

Revenues for all special street fund are estimated through the end of the 2nd Qtr. Projections are conservative based on previous months/years earnings. Funds from this fund are transferred to supplement the general fund, Transfer projections for 2010 are estimated at \$525,000, Transfers are budgeted at \$550,000 due to decreased sales tax revenue estimates. Completed transfers of \$275,000 are on pace with 2010 projection.

## Special Street Funds (continued)

### Fund: 029 - SPECIAL STREET FUND 27 - C

Community Center

Revenues for all special street fund are estimated through the end of the 2nd Qtr. Projections are conservative based on previous months/years earnings. Funds from this fund are transferred to supplement the general fund, projections for 2010 are estimated at \$165,000. Transfers YTD are 59% of projections for 2010

### Fund: 030 - SPECIAL INFRASTRUCTURE 27-D

Revenues for all special street fund are estimated through the end of the 2nd Qtr. Projections are conservative based on previous months/years earnings. Projections for 2010 are estimated at \$333,000. This fund is supplementing the cost of the Former Roeland Park School for 2010 until the building is demolished mid-year. Actual costs of the school total \$35,484 for interest and utilities for 6 months and appx \$110,725 for demolition. This fund is also committed to help fund RC12-014 Storm water expenses estimated around \$233,000 to keep the per sq ft charges around \$.25. Total expense reserve needed for these two items total appx \$433,000 for 2011. Cash balance as of the 2nd Qtr 2010 is \$330,000.

*Comments on Special Street funds 027-030 prepared by City Clerk, Debra Mootz*

## Other Funds

Other Funds		2010 Original Bud.	2010 YTD Actual	% Bud
Fund: 020 - BOND AND INTEREST FUND	Revenues	210,467.00	186,515.04	88.62
Fund: 020 - BOND AND INTEREST FUND	Expenditures	364,199.00	1,567.18	0.43
Fund: 025 - SPECIAL HIGHWAY FUND	Revenues	190,000.00	75,635.80	37.05
Fund: 025 - SPECIAL HIGHWAY FUND	Expenditures	216,654.00	99,979.99	46.15
Fund: 036 - EQUIPMENT & BLDG.RESERVE FL	Revenues	43,500.00	30,000.00	68.97
Fund: 036 - EQUIPMENT & BLDG.RESERVE FL	Expenditures	208,251.00	26,000.00	12.48
Fund: 052 - ROELAND PARK PROP. OWNERS	Revenues	30,975.00	30,975.27	100.00
Fund: 052 - ROELAND PARK PROP. OWNERS	Expenditures	36,013.00	30,071.50	83.50

**Bond and Interest Fund** - Ad Valorem payments received to date from the County included approx 50% of the property tax payments for the year. This includes people that pay in full, therefore the next large distribution made in June will likely be around 45%. This is because there are people that will not pay their taxes.

**Special Highway** - Projected revenues are down appx 2% at quarter based upon actual receipts received in June. Actual Revenues through June 2010 was \$91,590, resulting in a 48.21% of budget.

**Equipment & Bldg. Reserve** - Transfers from the General Fund have been made in full. The final 13,500 was for the note repayment for the school if we would have sold it in 2009. Expenses for the radios budgeted in this fund came at appx \$75,000, appx \$25,000 under budget. Estimated as a 3rd Qtr. expense. The down payment for the street sweeper will be made from this fund in an appx amount of \$25,000. This is estimated in the 3rd Qtr. The down payments for the police cruiser and the code enforcement vehicles will be paid from this fund in the 2nd qtr. in the amount of \$26,000.

**Property Owners Association** - Payment to the Property Owners Association was made in full in January. No additional expenses are projected to be paid this year.

**Other Funds Continued**

TIF/TDD Funds		2010 Original Bud.	2010 QTD Actual	% Bud
Fund: 037 - TIF 1A/B - Bella Roe/WalMart	Revenues	655,500.00	520,776.73	79.45
Fund: 037 - TIF 1A/B - Bella Roe/WalMart	Expenditures	834,496.00	117,848.00	14.12
Fund: 045 - TIF 2A/D - McDonalds/City Hall	Revenues	235,000.00	215,592.36	91.74
Fund: 045 - TIF 2A/D - McDonalds/City Hall	Expenditures	312,237.00	59,062.94	18.92
Fund: 048 - TIF 2C - VALLEY STATE BANK	Revenues	91,500.00	54,287.67	59.33
Fund: 048 - TIF 2C - VALLEY STATE BANK	Expenditures	93,281.00	54,000.00	57.89
Fund: 049 - TIF 3A - BOULEVARD APTS	Revenues	82,500.00	71,919.99	87.18
Fund: 049 - TIF 3A - BOULEVARD APTS	Expenditures	82,778.00	35,000.00	42.28
Fund: 051 - TIF 3C - OLD POOL AREA	Revenues	44,000.00	45,725.20	103.92
Fund: 051 - TIF 3C - OLD POOL AREA	Expenditures	249,744.00	2,123.01	0.85
Fund: 040 - TDD#1-PRICE CHOPPER	Revenues	370,634.00	146,076.05	39.41
Fund: 040 - TDD#1-PRICE CHOPPER	Expenditures	377,488.00	114,403.19	30.31
Fund: 041 - TDD#2-LOWES	Revenues	140,000.00	43,644.58	31.17
Fund: 041 - TDD#2-LOWES	Expenditures	143,364.00	45,565.63	31.78

**TIF - What it is?**

Tax Increment Financing uses the increased property taxes that a new real estate development generates to finance costs of the development. The year that the TIF is created becomes the base year and each year thereafter, if there is an increase in property value, there is an increment that is paid to the city to help pay the debt of the development.

**TIF Revenues** - The increments for the TIF areas have declined in the Bella Roe / Wal-Mart area due to the change in the way the County is to determine the assessed valuations. Commercial area assessed valuations as a whole declined by appx 27% in the past 2 years. Revenues will be adjusted to reflect the decline in property values.

**Assessed valuations**

TIF Area 1 - decreased average of 13%

TIF Area 2 - decreased average of 9%

TIF Area 3 - increase appx 6%

**TDD - What is it?**

Transportation Development Districts can impose a sales tax in increments of 1/8% up to one percent (1%). For work that include bridges, streets, roads, highways, access roads, interchanges, intersections, signing, signalization, parking lots, bus stops, stations, garages, terminals, hangars, shelters, rest areas, docks, wharfs, lake or river ports, airports, railroads, light rail, other mass transit and any similar or related improvement of infrastructure in a development district.

**TDD revenues** - TDD sales taxes are down due to declining sales.

*Comments on Special Street funds 027-030 prepared by City Clerk, Debra Mootz*

## Capital Project Funds

Capital Project Funds		Temp Notes	2010 QTD Actual
Fund: 058 - RC12-12 Stormwater/St Project	Revenues	3,333,185.93	33,894.27
Fund: 058 - RC12-12 Stormwater/St Project	Expenditures	██████████	26,329.05
Fund: 062 - RC 12-014 STORMWATER	Revenues	2,042,009.45	-3,285.58
Fund: 062 - RC 12-014 STORMWATER	Expenditures	██████████	752,025.70
Fund: 063 - RoeLane CARS	Revenues	263,606	0.00
Fund: 063 - RoeLane CARS	Expenditures	██████████	569.15
Fund: 064 - 2009 CARS - BV/53RD ST	Revenues	161,199	0.00
Fund: 064 - 2009 CARS - BV/53RD ST	Expenditures	██████████	22,661.39
		5,800,000	

## Cash In- Flow Schedule

<b>FINES &amp; FORFEITURES</b>	Monthly	
<b>FRANCHISE TAXES:</b>		
Cable	Semi Annual	June / Dec
Gas	Monthly	
Electric	Semi Annual	
Telephone	Monthly	
Video	Quarterly	Mar/Jun/Sept/Dec
<b>INTEREST</b>	Monthly	
<b>INTERGOVERNMENTAL REVENUE:</b>	Monthly	
Heavy Truck/Rec. Vehicle Tax		
City/County Sales & Use Tax		
County Jail Tax		
TDD#1 / TDD#2		
Safety Tax		
<b>LICENSES AND PERMITS</b>	Monthly	Largest Distribution in December (Dec 1 Occupation License Renewal)
<b>OTHER:</b> (PD Reports, Leases, etc.)	Monthly	
<b>SPECIAL ASSESSMENTS:</b>	Quarterly	
Solid Waste		Jan/Mar/Jun/Sept
Abatements		Jan/Mar/Jun/Sept
<b>TAXES:</b> Ad Valorem	Quarterly	Jan – Large distribution
M&E Slider		March – TIF/delinquents
TIF		June – Large distribution
		September – TIF/delinquents
<b>TRANSFERS IN</b>	Monthly	

# Second Quarter Treasurer Report

<u>FUND</u>	<u>BEGINNING CASH</u>	<u>CASH</u>	<u>CASH</u>	<u>ENDING CASH</u>
	<u>BALANCE</u>	<u>RECEIPTS</u>	<u>DISBURSEMEN</u> <u>TS</u>	<u>BALANCE</u>
GENERAL FUND	907,702.92	2,993,461.60	2,583,938.17	1,317,226.35
BOND AND INTEREST FUND	223,005.88	78,452.40	-	301,458.28
SPECIAL HIGHWAY FUND	4,906.52	44,135.80	44,002.16	5,040.16
SPECIAL STREET FUND 27 - A	237,112.94	161,266.64	308,680.49	89,699.09
SPECIAL STREET FUND 27 - B	20,767.00	120,113.73	137,400.00	3,480.73
SPECIAL STREET FUND 27 - C	1,559.01	58,537.91	59,878.16	218.76
SPECIAL INFRASTRUCTURE 27-D	253,607.43	80,075.82	3,687.60	329,995.65
EQUIPMENT & BLDG.RESERVE FU	278,875.64	-	26,000.00	252,875.64
TAX INCREMENT FUND-RD1	1,445,753.20	241,976.67	-	1,687,729.87
R.P.PUBLIC BUILDING COMMISSIC	-	-	-	-
TDD#1-PRICE CHOPPER	552,312.54	288,318.23	335,924.86	504,705.91
TDD#2-LOWES	137,311.77	104,064.91	123,399.56	117,977.12
TIF 2A/D - McDonalds/City Hall	280,719.86	79,226.08	58,953.74	300,992.20
TIF 2C - VALLEY STATE BANK	2,529.83	-	-	2,529.83
TIF 3A - BOULEVARD APTS	3,238.36	35,959.92	-	39,198.28
TIF 3C - OLD POOL AREA	221,860.41	16,310.15	2,123.01	236,047.55
ROELAND PARK PROP. OWNERS	5,916.98	0.12	-	5,917.10
RC12-12 STORMWATER/ST PROJE	262,746.86	33,894.27	202,141.46	94,499.67
ROELAND PARK SCHOOL C.O.P.	2,194.71	657,763.33	657,488.54	2,469.50
RC 12-014 STORMWATER	1,442,048.55	-	738,670.22	703,378.33
ROE LANE - CARS	13,531.68	13,735.75	13,735.75	13,531.68
BV/53 STREET - CARS	159,232.61	-	21,453.34	137,779.27
<b>TOTALS</b>	<b>6,456,934.70</b>	<b>5,007,293.33</b>	<b>5,317,477.06</b>	<b>6,146,750.97</b>

GO Bonds	\$	4,630,000
Temporary Notes	\$	5,085,000
Special Obligation TIF Revenue Bond	\$	4,809,977
TDD Sales Tax Revenue Bonds	\$	5,610,000
Accessory Debt	\$	1,775,693
<b>TOTAL DEBT</b>	<b>\$</b>	<b>21,910,670</b>

I, Debra Mootz, City Clerk of the City of Roeland Park, Kansas hereby certify that the above is true and correct.

Signed: \_\_\_\_\_ 07/21/2010  
Debra L. Mootz, City Clerk

Attest: \_\_\_\_\_  
Bart Accardo, City Treasurer

Temporary Notes													
Year	2009B- Combined Issue (paying down the RC12-012, Stormwater and	2010A - School Building	Series 2003-A Refunding Bond		Series 2004-A Refunding Bond (1993A, 1996, 1997)		Series 2008-A RC12-013 Streets, CARS)		Series 2010-A RC12-012, Roelane CARS, Clark Stmwtr		Grand Total		Grand Total
	Principal	Principal	Principal (12/1)	Interest (6/1, 12/1)	Principal	Interest	Principal	Interest	Principal (9/1)	Interest (3/1, 9/1)	Principal	Interest	Principal & Interest
2010	2,125,000		170,000	21,118	55,000	7,600	270,000	151,398	-	-	495,000	180,116	675,116
2011		666,343	180,000	16,698	60,000	4,080	280,000	140,598	130,000	76,617	650,000	237,993	887,993
2012			185,000	11,682			300,000	129,398	190,000	72,195	675,000	213,275	888,275
2013							315,000	118,298	380,000	69,345	695,000	187,643	882,643
2014							330,000	108,375	375,000	63,645	705,000	172,020	877,020
2015							345,000	96,990	385,000	58,020	730,000	155,010	885,010
2016							360,000	84,743	260,000	51,860	620,000	136,603	756,603
2017							385,000	71,603	265,000	46,660	650,000	118,263	768,263
2018							400,000	57,165	275,000	40,565	675,000	97,730	772,730
2019							180,000	41,565	280,000	33,415	460,000	74,980	534,980
2020							190,000	34,365	290,000	25,575	480,000	59,940	539,940
2021							195,000	26,575	100,000	17,020	295,000	43,595	338,595
2022							210,000	18,385	100,000	13,920	310,000	32,305	342,305
2023							220,000	9,460	100,000	10,720	320,000	20,180	340,180
2024									105,000	7,420	105,000	7,420	112,420
2025									110,000	3,850	110,000	3,850	113,850
	\$ 2,125,000	\$ 666,343	\$ 535,000	\$ 49,498	\$ 115,000	\$ 11,680	\$ 3,980,000	\$ 1,088,918	\$ 3,345,000	\$ 590,827	\$ 7,975,000	\$ 1,740,923	\$ 9,715,923

**PrncipalSummary**

Series 2003-A\Refunding Bond	\$ 535,000
Series 2004-A\Refunding Bond (1993A, 1996, 1997)	\$ 115,000
Series 2008-A\RC12-013 Streets, CARS)	\$ 3,980,000
Series 2010-A\RC12-012, Roelane CARS, Clark Stmwtr	\$ 3,345,000
<i>Total LT Debt</i>	<u>\$ 7,975,000</u>

2009B- Combined Issue (paying down the RC12-012, Stormwater and CARS por)	\$ 2,125,000
2010A - School Building	\$ 666,343
<i>Total ST Debt</i>	<u>\$ 2,791,343</u>

### Debt Service Graph

