

****AMENDED****
COUNCIL MEETING AGENDA
CITY OF PRAIRIE VILLAGE
Monday, October 20, 2003
7:30 p.m.

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PUBLIC PARTICIPATION**
- IV. CONSENT AGENDA**

All items listed below are considered to be routine by the Governing Body and will be enacted by one motion (Roll Call Vote). There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the regular agenda.

By Staff:

- 1. Approve Regular Council Meeting Minutes – October 3, 2003
- 2. Approve Claims Ordinances #2459 through #2462
- 3. Approval of a short-term special use permit to Commerce Bank for a temporary 3' x 6' "Now Open" banner at 4006 W 83rd St November 12th through December 12, 2003.
- 4. Approve the purchase of a 2004 Dodge Intrepid Special Service/Police Group Four-door Sedan from Bud Brown Dodge for a price of \$17,950 from 2003 funds budgeted in line item No. 1-3-26-7440.
- 5. Approve removal of the following items from the City's fixed asset inventory
 - 01523 Compaq Desktop PC 9810BPM5D509
 - 01409 Compaq Desktop PC 6706BBC3T729
 - 00648 HP Laser Jet Printer USFB134742
- 6. **Approve a short-term special use permit to Mission Bank at 8201 Mission Road for a United Way fundraiser to be held outside of the bank on Friday October 24th from 10 a.m. to 3 p.m.**

By Committee:

- 7. Approve retaining the Larkin Group, under the City Engineer Agreement, to complete the mapping of the City's storm drain system with funding from the 2003 Public Works Operating Budget. (Policy/Services Committee, October 6, 2003)
- 8. Adopt Policy #450 – Drug Forfeiture and Seizure Accounts (Legislative/Finance Committee, October 6, 2003)

- V. COMMITTEE REPORTS**

Policy/Services Committee – Steve Noll

POL2003-09 - Consider Project 190714: 2004 Storm Drainage Repair Program Engineering Change Order #1 with The Larkin Group

Legislative/Finance Committee – Ruth Hopkins/Diana Ewy Sharp

LEG2003-16 – Consider amendment of Council Policy #124 and deletion of #120,121,130,131 and 132

LEG2003-19 – Consider an agreement with KPMG to audit the City's 2003 Financial Statements

- VI. OLD BUSINESS**
- VII. NEW BUSINESS**
- VIII. ANNOUNCEMENTS**
- IX. ADJOURNMENT**

If any individual requires special accommodations -- for example, qualified interpreter, large print, reader, hearing assistance -- in order to attend the meeting, please notify the City Clerk at 381-6464, Extension 4616, no later than 48 hours prior to the beginning of the meeting.

If you are unable to attend this meeting, comments may be received by e-mail at cityclerk@PVKANSAS.COM

**COUNCIL
CITY OF PRAIRIE VILLAGE
October 20, 2003
-Minutes-**

The City Council of Prairie Village, Kansas, met in regular session on Monday, October 20, 2003 at 7:30 p.m. in the Council Chambers of the Municipal Building.

ROLL CALL

Mayor Ron Shaffer called the meeting to order with the following Council members responding to roll call: Al Herrera, Bill Griffith, Ruth Hopkins, Steve Noll, Greg Colston, Roy True, Laura Wassmer, Jerry Kelso, Jeff Anthony, Kay Wolf, Diana Ewy Sharp and Patty Markley.

Also present were: Barbara Vernon, City Administrator; Lt. Wes Jordan; Doug Luther, Assistant City Administrator; Jamie Shell, Finance Director and Joyce Hagen Mundy, City Clerk.

PUBLIC PARTICIPATION

Mark Birnbaum, 7578 High Drive, stated that he had recently spoken with the management of the Prairie Village Shops and suggested holding a monthly flea market at the shopping center. He was told that the City would not allow this and addressed the Council urging them to positively consider this option. Mayor Shaffer advised Mr. Birnbaum that they would discuss this during his meeting with Mr. Brady.

CONSENT AGENDA

Bill Griffith moved the approval of the amended Consent Agenda for Monday, October 20, 2003:

1. Approve Regular Council Meeting Minutes – October 6, 2003
2. Approve Claims Ordinances #2459 through #2462
3. Approve a short-term special use permit to Commerce Bank for a temporary 3' x 6' "Now Open" banner at 4006 West 83rd Street from November 12th through December 12th.
4. Approve the purchase of a 2004 Dodge Intrepid Special Service/Police Group four-door sedan from Bud Brown Dodge at a cost of \$17,950 with funding from the 2003 line item no. 01-03-26-7440
5. Approve the removal of the following items from the City's fixed asset inventory:

| | | |
|------|----------------------|--------------|
| 1523 | Compaq Desktop PC | 981-BPM5D509 |
| 1409 | Compaq Desktop PC | 6706BBC3T729 |
| 648 | HP Laser Jet Printer | USFB134742 |
6. Approve a short-term special use permit to The Mission Bank at 8201 Mission Road for a United Way fundraiser to be held outside the bank on Friday, October 24th from 10 a.m. to 3 p.m.

7. Approve retaining The Larkin Group, under the City Engineer Agreement, to complete the mapping of the City's storm drainage system with funding from the 003 Public Works Operating Budget
8. Adopt amended Council Policy #450 entitled "Drug Forfeiture and Seizure Accounts"

A roll call vote was taken with the following members voting "aye": Herrera, Griffith, Hopkins, Noll, Colston, True, Wassmer, Kelso, Anthony, Wolf, Ewy Sharp and Markley.

COMMITTEE REPORTS

Policy/Services Committee

POL2003-09 Consider Project 190714: 2004 Storm Drainage Repair Program Engineering Change Order #1 with The Larkin Group

The 2003 Storm Drainage Repair Project was budgeted at \$490,000; however, the accepted low bid for construction was \$326,000, leaving a balance of \$160,000 for construction and \$24,000 for engineering design. Staff has recommended that these funds be reallocated to Project 190714: 2004 Storm Drainage Repair Program with repair of the low water crossing at 74th Street added to that project.

An engineering change order is requested for additional design engineering improvements including field surveying, hydraulic analysis, design and bid assistance for a cost of \$36,300. Funds are available in the Capital Infrastructure Program by reallocating funds from Project 190713: 2003 Storm Drainage Repair Program to Project 190714: 2004 Storm Drainage Repair Program.

Steve Noll moved the City Council approve Engineering Change Order #1 to the existing agreement with The Larkin Group, Inc. for an increase of \$36,300 for design improvements to the low water crossing at 74th Street with funding from the 2004 Capital Infrastructure Program. The motion was seconded by Patty Markley and passed unanimously.

Legislative/Finance Committee

LEG2003-16 Consider amendment of Council Policy #124 and the deletion of policies #120, #121, #130, #131 and #132

Ruth Hopkins explained this action consolidates six currently existing financial management policies into one Council Policy. The significant differences between the current and proposed policy include the following:

- Including the Finance Director as one of the individuals responsible for the implementation and enforcement of the policy.
- Clarifying the process for the ongoing monitoring of department budgets.

- Clarify that, when practical, indirect costs will be considered when setting user fees.
- Establish 18% of budgeted revenue as a minimum General Fund Balance level.
- Require City Council approval for the disposal of any fixed assets.
- Establish the following guidelines for the issuance of new debt:
 - Eliminate references to overlapping debt as a consideration when determining whether or not the City should incur debt
 - Limit outstanding debt to 3% of the City's estimated market value
 - Limit debt service expenditures to 5% of total operating expenditures
- Establish Treasury policies which would allow the issuance of payroll checks and payments for utility bills, insurance premiums or payments on other annual agreements that would incur late fees if not paid promptly prior to the adoption of a claims ordinance by the City Council.

Ruth Hopkins indicated that, after much discussion, the Legislative/Finance Committee is recommending a change to the policy from the staff's recommendation. In Section 3.1 staff recommended a fund balance of 18 percent, the committee has changed this to 5 percent.

Ruth Hopkins moved the City Council adopt the amended Council Policy #124 entitled "Financial Management Policies" and approve the deletion of Council Policies #120, #121, #130, #131 and #132. Bill Griffith seconded the motion.

Diana Ewy Sharp stated she had voted against the amended policy in committee because she felt it was important to establish a long-range standard for fund balance and that it would be helpful to future Councils. She understands the concern expressed in committee, but still would like to see a firm range established.

Bill Griffith stated that if this is established in policy and the City falls below this amount it would reflect negatively on the City when being reviewed for bond ratings. He prefers the current method of listing this information in the financial reports as a goal or objective. He does not feel it is advantageous to the City to set such a high standard in Council Policy.

Jamie Shell, Finance Director, stated that the staff recommendation was formulated based on the Standard and Poor's criteria of a minimum of 15% and the criteria of 18% established in the City's Long Range Financial Plan. He noted that fund balance, although a primary factor in establishing financial ratings, is not the only consideration.

A strong fund balance is essential for municipalities. If funds are not available in the fund balance for emergency situations, the city has no other options than to increase taxes. Mr. Shell feels it is in the City's best interest to set the higher level in a policy.

Laura Wassmer asked if it could be set as a minimum of 15% instead of staff's recommended 18%. Mr. Shell responded that this could be done.

Jeff Anthony expressed concern that a negative impression would be given if the City were not able to meet this high rate.

Roy True asked for the current fund balance rate. Mr. Shell responded that the projected year-end fund balance is 28%.

Ruth Hopkins stated she would like to see this set out in the annual report rather than in policy.

Barbara Vernon stressed that raters look at both fund balance and revenue. They call and ask questions regarding changes. Jamie Shell noted that they called to question the large reduction in fund balance caused by the pool repairs this past spring.

Jerry Kelso confirmed that the evaluation of the City's financial status looks at its financial standing over a long period of time and asked when ratings were done.

Barbara Vernon responded that ratings are done annually with a more in depth analysis taking place when the city issues bonds.

The motion to approve the revised Council Policy #124 as amended was voted on and passed by a majority vote of 9 to 3.

LEG2003-19 Consider an agreement with KPMG to audit the City's 2003 Financial Statements

KPMG has done the City's annual audit for the past eight years. With the implementation of the new accounting procedures due to GASB 34, staff recommended that, because of their knowledge of the City's finances, they be secured to do the 2003 audit with the City bidding the 2004 audit.

Diana Ewy Sharp moved the City Council approve an agreement with KPMG to audit the City's 2003 financial statements at a cost not to exceed \$29,500 with funding from the 2003 Administrative Services Operating Budget. Ruth Hopkins seconded the motion.

Roy True confirmed that the audit was not sent out to bid.

Steve Noll asked if the agreement called for a specific completion time for the performance of the audit, noting that although the year ends December 31st last year's audit was not received by the Council until August.

Barbara Vernon stated that the audit is usually completed by mid-June. Jamie Shell noted that the completion of the single audit on the FEMA funds received for ice storm damage delayed the completion of the 2002 audit. The fieldwork on the audit is generally completed by mid-June.

Bill Griffith supported not bidding the audit for 2003 due to the implementation of GASB 34 with the 2004 audit being bid.

Jeff Anthony asked if there were a lot of changes. Mr. Shell responded that he has been working very closely with KPMG for the past year and a half preparing and implementing the new accounting requirements. There were limited comments on the 2002 audit and, with the continued assistance of KPMG should be none in 2003.

Roy True stated that he would be voting against the motion because he felt it should have been bid, noting that the City could have selected KPMG as the best bid.

The motion was voted on and passed a majority vote of 11 to 1.

OLD BUSINESS

There was no Old Business to come before the Council.

NEW BUSINESS

Third Quarter Financial Report

Jamie Shell reported that sales tax revenue continues to come in lower than projected. The recent opening of two restaurants has provided some increase in revenue. Investment/Interest Return is very low at 1.07%. He is hopeful this will improve. City expenditures are on target. The fund balance looks like it will come in higher than projected.

Laura Wassmer asked the Council to consider setting up a land acquisition/development fund with excess funds. She feels this is important for the city to be able to take action on possible purchase of properties in the future.

Diana Ewy Sharp commended the City's Police Department on their recent successful resolution of the 1974 Wilson murder. Lt. Wes Jordan noted that the department had been working on this since January of 2001. The investigation involved several public safety agencies as well as current and past city police personnel.

Recognition of Patty Markley

Mayor Shaffer recognized outgoing Council representative Patty Markley for her past four years of service on the City Council and several city committees. Patty stated that it has been a privilege to serve on the Council and acknowledged the dedication of the other Council members and committee volunteers. She noted a recent conversation about Prairie Village where others identified among the strengths of the City its well-

maintained neighborhoods and parks, its excellent management and its community involvement. Patty stated that she is proud to have served on the City Council.

ANNOUNCEMENTS

Committee meetings scheduled for the next two weeks include:

| | | |
|--------------------------------|------------|-----------|
| Environment/Recycle Committee | 10/22/2003 | 7:00 p.m. |
| Council Committee of the Whole | 10/27/2003 | 6:00 p.m. |
| Skate Park Committee | 10/27/2003 | 7:00 p.m. |
| Policy/Services Committee | 11/03/2003 | 6:00 p.m. |
| Legislative/Finance Committee | 11/03/2003 | 6:00 p.m. |
| City Council | 11/03/2003 | 7:30 p.m. |

The Prairie Village Arts Council will feature an exhibit from the Mid-America Pastel Society during October in the R.G. Endres Gallery. In November an exhibit of watercolor by Susan Minter will be featured in the R.G. Endres Gallery. The reception for Susan Minter will be held on November 7, 2003.

The Council will meet as the Committee of the Whole on Monday, October 27 to continue its discussion on the City's vision and comprehensive plan.

Mark your calendars for the Employee Holiday Event at noon on Wednesday, December 17th. More information will follow.

Mark your calendars for the Employee Appreciation Event on Friday, February 27, 2004. RSVP's must be turned in by November 14th to secure your place.

Mayor Shaffer reminded Council members of the flu shots that are available for city employees and Council members on Monday, October 27th

The 50th Anniversary books, **Prairie Village Our Story**, are being sold to the public.

ADJOURNMENT

With no further business to come before the Council, the meeting was adjourned at 8:00 p.m.

Joyce Hagen Mundy
City Clerk