

CITY OF SPRING HILL  
CITY COUNCIL MEETING

**MINUTES**

June 22, 2020

6:15 P.M.

**Mayor Steve Ellis**

**Councilmembers in Attendance:** Chris Leaton  
Steve Owen  
Tyler Graves  
Chad Eckert  
Andrea Hughes

**Staff in Attendance:** Jim Hendershot, City Administrator  
Melanie Landis, Assistant City Administrator  
Ashley Wood, Deputy City Clerk

**Consultants in Attendance:** Frank Jenkins, City Attorney

(Spring Hill City Council Meeting Called to Order at 6:15 p.m.)

**CALL TO ORDER**

**MAYOR ELLIS:** Good evening. It is 6:15 p.m. We'll go ahead and call our meeting to order.

**PLEDGE OF ALLEGIANCE**

**MAYOR ELLIS:** Our first order of business will be our Pledge of Allegiance. We ask that you stand and join us.

(Pledge of Allegiance)

**ROLL CALL**

**MAYOR ELLIS:** Madam Deputy, would you call the roll, please?

**MS. WOOD:** Yes. Mr. Owen.

**MR. OWEN:** Here.

**MS. WOOD:** Mr. Graves.

**MR. GRAVES:** Here.

**MS. WOOD:** Mrs. Hughes.

**MRS. HUGHES:** Here.

**MS. WOOD:** Mr. Leaton. Mr. Eckert.

**MR. ECKERT:** Here.

**MAYOR ELLIS:** And Mr. Leaton has arrived.

#### **APPROVAL OF AGENDA**

**MAYOR ELLIS:** All right. Prior to the approval of the agenda will be two things. One, we'll be adding to the agenda approval thereof, and the other will be a recommendation to remove Announcements and Reports as this is a special meeting. We don't typically have Announcements Reports. And that also helps us to prevent interjecting new items onto the agenda.

With that, are there any requested Council deletions? Counting none, I would entertain a motion to approve the Agenda as revised.

**MR. LEATON:** So moved.

**MR. ECKERT:** Second.

**MAYOR ELLIS:** All right. Motion by Leaton, second by Eckert. All those in favor?

**COUNCILMEMBERS:** Aye.

**MAYOR ELLIS:** Motion carries 5-0-0.

*[Therefore, the motion was made by Councilmember Leaton and seconded by Councilmember Eckert to approve the Agenda as amended. The motion carried 5-0-0.]*

#### **CITIZEN PARTICIPATION**

**MAYOR ELLIS:** The next item is Citizen Participation. This is an opportunity in the meeting for residents to address the Council on items not already on the agenda. Anyone wishing to do so, we'd just ask that you step up to the lectern, state your name and address for the record, and then you will have the Council's attention.

**MR. OWEN:** Weren't we going to remove that?

**MAYOR ELLIS:** Not Citizen Participation, Announcements and Reports.

**MR. OWEN:** Oh.

**MAYOR ELLIS:** Hearing none, we'll go ahead and close that portion of the program.

#### **PRESENTATION**

##### **1. Outside Agency Presentations for 2021-2022 Operating Budget**

**MAYOR ELLIS:** This takes us to our presentation of outside agency requests for the 2021-2022 operating budget. Ms. Landis, would you like to kick this off?

**MS. LANDIS:** Sure. Thank you. We have six agencies with us here tonight to give a short presentation to you about what they do in our community and the way that they use the dollars that they requested from the City of Spring Hill. And this is our second year for doing this and bringing them in. And I'm glad we actually, even though we're a little bit later than normal, glad we were able to get them here and we're thankful that they were able to come and share some time with you.

And so this would be your opportunity to ask them questions as well about how they serve our community and what their, you know, target audience is and what they're going to use their funds for as well.

So, with that, Mayor has the list and we'll go in order of what's on the screen.

**MAYOR ELLIS:** All right. Very good. First up is the Spring Hill Chamber of Commerce. And we have the Chamber CEO Sharon Mitchell with us tonight. Ms. Mitchell, welcome.

**MS. MITCHELL:** Hi. Thanks for having me everybody. And I appreciate Melanie being flexible. I have a double-duty tonight to get to a school board meeting at 7:00, so I appreciate you letting me go first.

**MAYOR ELLIS:** Certainly.

**MS. MITCHELL:** So, before you are a couple of things. The kind of additional information on the agency request form, I think I may have sent one from last year. So, this is just kind of an updated similar things, but we'll update it on things that we've done in the last year. And then the agency request presentation is what I'm going to go through and just highlight real quickly. So, I'm not going to waste a lot of time. I think most of you know that what the Chamber of Commerce does and we're basically a collaborative. We bring business, community, and government together. And we do that in many ways that are listed on the sheet of paper there besides legislative things and working with elected officials at all levels of government and including the City and school district. We also work to help with some economic development things, retail growth, and then marketing the City and the community to a wider audience.

And we've added a few new things this year. So, if you just want to look at the representation real quick, I did a little history of the funding. If you see that there has been a little variance over the years but really the total amount has been the same. This year we're asking again for what we had last year, which is really a thousand dollars less than we've had in the recent past. And then I just wanted to kind of include some numbers of how the Chamber has grown over the last five or six years. And this year it's a little volatile, but luckily every year we've been putting back cash reserves. So, we are planning on if we have to dip into some of those for a crisis like this that we will do that. So, I want to include that information to you.

Just some quick achievements since 2015. We've had revenue increases every year. We've kept up with at least a 94 percent retention rate of membership. That may slip just a little bit, but I think a lot of -- we have a few memberships that are still outstanding, but I think they're mainly due to the COVID crisis and we'll probably still be able to collect most of those. We've redesigned our website. We actually added new information about kind of a community resource guide on there right before the -- right around the COVID situation, so there's a lot more resources on there.

We added a business and a resident relocation tab. And then we've moved to a tiered membership or an investment membership structure. So, we're actually getting -- this year we have, besides the City being at our highest level, our next highest level, we -- Community Champion, which is kind of a buy-in to support the community. We actually have six businesses at that membership level this year. So, we started out with just one a couple years ago and we found that more people are buying into the Chamber and our mission and our goals.

And then this year another thing that we did was we launched our Leadership Spring Hill program, which I'm just really proud of. It's something that our City has never had. And we had 14 people participate in that. And we finished on Zoom and we are -- have some things that we're going to do to kind of fill in the gaps of what they missed in their experience. And hopefully in August we'll start looking to do that next year.

And then we're also looking -- working on an association healthcare plan, which is something new that we can do because of state legislation.

There is just the milestones in 2019-2020 is, as I said, the association health plan we're working on, Leadership Spring Hill. We also launched a kind of unifying campaign called Together Spring Hill, which the City and the school district have participated with as well. So, I'm sure you've seen the signs and the banners and everything.

So, just a lot of really good things. We represent the City on a lot of levels. And if you have any questions, I'd be glad to answer them.

**MAYOR ELLIS:** Questions for Ms. Mitchell? All right. Well, Sharon, it's an excellent conduit between the businesses and elected officials. I know on a number of occasions that if your predecessor would reach out to me, we could engage county officials, state officials, federal officials if need be. And I think that we see more and more members availing themselves of that. So, excellent work with the Chamber again and thank you.

**MS. MITCHELL:** Thank you. I appreciate all your support.

**MAYOR ELLIS:** All right. Next is Johnson County Utility Assistance. We have Brandy Hodge and Joanne, is it Haworth?

**MS. HAWORTH:** Haworth.

**MAYOR ELLIS:** Haworth. All right. Well, welcome and come on up.

**MS. HODGE:** Hello. Thank you, guys, for having us today. My name is Brandy Hodge. I'm the Community Relations Manager for Johnson County Human Services. And this is Joanne Haworth. And she's our Outreach Services Manager. I'm here for the presentation-wise, and then she's also -- she's the brain with all the questions. So, when you guys come at me for questions, she's the person that can answer all those for us.

Last year, we did a similar presentation. We just have updated numbers. So, if you guys have questions you can stop me as we go along or at the end. The Johnson County Utility Assistance program, let's see, there we go, has been in existence for over 30 years with Johnson County Government. And it was initially started as a utility assistance and emergency assistance program. Each year, as you guys know, the demand for assistance is going to continue to grow. And with COVID, we do expect the results of people needing assistance is going to last into 2021, if not into 2022. A lot of people come to us for different reasons. When we have surveyed people, the top five answers have basically been like bills too high, they're not able to work, housing cost increased, or unemployed, looking for work and low wages. However, due to COVID, we have seen a large increase of people who are furloughed or have had a job loss. And that even boils down to even county employees have come to us for assistance. So, we know that as, you know, people return back to work or as utility companies begin disconnecting that we're going to see a larger number of people come in for assistance.

The Utility Assistance Program does provide financial assistance to qualifying individuals for past due utilities. The utilities we provide assistance for are electric, water, propane, gas, and wastewater. We partner with 14 cities in Johnson County. We have a partnership with the Church of Resurrection. We also have a small non-profit called Community and Family Support Services and five local utility companies also provide additional funding for our program. In total, we had over \$500,000 in funding for 2019.

To receive utility assistance, and for the Spring Hill residents' side, you must be a Johnson County resident and reside in Spring Hill to receive both Johnson County and Spring Hill funds, so the maximum amount of

funds available. However, we do serve Miami County residents. So, they would be eligible just for Spring Hill county funds only. Residents must be at or below 200 percent of poverty level. One of the things that we do with our program is we look at the last 30 days of income. So, that is how we're able to serve additional people needing assistance during COVID-19. So, some people who may be over income normally can come to us right now while they're out of work. Residents also must be past due on their utilities and have a history showing that they've made a recent payment.

For dollar matching, Spring Hill contributes up to \$100 per qualifying household. In 2021, we would like to raise the City allocations up to \$150 per qualifying household. We're doing this across the board with all the cities in Johnson County. And this was actually in the works in 2019 before COVID. But now I'm sure you can see why it's even more important to raise the allocation because of COVID. In 2020, in January, we raised the county allocation per household of \$200 per qualifying resident. So, currently if someone has a past due utility, they can come to us if they're a Johnson County resident and reside in Spring Hill. They can get up to \$300 of utility assistance. Next year, we would like to raise that to \$350, \$200 being county dollars, \$150 being Spring Hill dollars. We also use additional funding when we have additional funds available depending if they live like in the WaterOne district or Atmos district, we can use those utilities as well and dip into those funds. Church of the Resurrection provides funding for the whole county. They don't care. You know, you don't have to go to their church or anything like that. So, if we have the funds available, we can dip into those. And then also our small non-profit also has funding available if we don't have additional funds.

In 2019, we served 51 households here in Spring Hill. The total amount of assistance that we provided to the residents was \$13,052. If you look at the pie chart here you see that Johnson County provides the biggest part of the funding source. So, we're providing 40 percent. Next is Spring Hill at 28 percent of the funding, 21 percent is our small profit, CFSS, and other, the 11 percent, is from the utility companies and donations such as Church of the Resurrection.

Using all available funding, you see that the biggest reason that people come to us for utility assistance is electric. That's kind of across the board in the county regardless. Next, people actually in Spring Hill need water assistance. That's not across the board in the county, but that's here for Spring Hill. And gas and propane as well. So, gas is at 11 percent and then propane at 2 percent. We also serve a very small portion in Spring Hill who need propane. And so it's 0.002 percent or something, so it doesn't show up on the pie graph, but we did spend funding on propane and wastewater last year as well. Utilizing Spring Hill funds, again, it shows that the majority of your funding is going towards electric, then followed by water, gas, and sewer.

When we look at the five-year history, this shows the number of households we've served in Spring Hill as well as the total amount of assistance that we provided the City. So, you can see that we have raised significantly the number of households from 2018 to 2019, and then the funding has went up as well.

For the pledge history, from 2016 to 2018, Spring Hill pledged \$1,150 plus one-fourth of the Mayor's Christmas Tree. Due to funding being depleted each year, we did ask for a funding request in 2019 to \$3,000 plus one-fourth of the Mayor's Christmas Tree Fund. And so that's what we got in 2019 and 2020.

When we're looking at the projections to bringing allocations per household to \$150, we think that \$4,500 plus a portion of the Mayor Christmas Tree Fund will balance us out to be able to serve all the residents who need assistance in Spring Hill for 2021 and 2022.

For access to service in 2019, we began monthly on-site visits here at the Spring Hill Civic Center for residents in need of utility assistance. These visits have been suspended obviously due to COVID. Currently we're doing all of our utility assistance appointments by phone and by email. People are only coming to our center out at the Southwest Multi-Service Center in Gardner just for food, and we're providing

that for curbside unless they have to drop off their documentation because they don't have an email address.

If you have residents that need assistance, you can always direct them to us. We have business cards that have our information on them and then we also have a flyer that I can provide if you guys have a rack for those as well.

For raising awareness, we were just talking about raising awareness with all the cities right now. We're actually -- people would probably not believe it, but our calls are actually down for assistance. They're even down compared to last year, not even, you know, because of COVID, they're even down. And so we want to raise awareness just letting people know that we're open. So, I have spoke with your communications person at the City of Spring Hill and we've -- you guys have it on your website, which is great. We would also like to see if we could put that like in a newsletter and maybe the Spring Hill Chamber newsletter, which they have been great at putting things in the newsletter for us as well as reaching out on Facebook, Twitter and NextDoor just targeting people and letting them know that we're open. I think some people may think we're closed because of COVID, but we never closed during COVID.

Every year the need for assistance is going to continue to rise, especially during COVID. And so that's why we kindly ask for the increase in donations or for funding for \$4,500 for 2021 and 2022.

Do you guys have any questions for us?

**MAYOR ELLIS:** No. Actually, Ms. Landis, a question for you. What is the possibility of us commencing a donation program on water and sewer bills? We have about over 2,000 homes that that goes to. If each home gave a dollar once in the course of a year that's more than the amount that's being requested. I'd like to take that out of tax dollars and see if we can't get a little bit more interest in the community support.

**MS. HUGHES:** Especially on the online. Maybe we could round up or something on there.

**MAYOR ELLIS:** So, that would be I think a very easy way to make up that additional request and then go above it. Because those dollars that are coming from Spring Hill stay in Spring Hill.

**MS. LANDIS:** We can certainly do something.

**MAYOR ELLIS:** Okay. All right. Thank you both very much. We appreciate it. Did anyone have any questions?

**MR. ECKERT:** I do. Do you have a number of families served or individuals served?

**MS. HODGE:** I believe last year, was it 51 that we served for households.

**MR. ECKERT:** Okay. Okay.

**MS. HAWORTH:** That's not broken down by number of people, just households.

**MS. HODGE:** Yeah. It's not broken down, but if you needed that we could see about that.

**MR. ECKERT:** No.

**MR. LEATON:** It's households not homes, right?

**MS. HODGE:** Correct.

**MR. LEATON:** People in apartments would qualify also, right?

**MS. HODGE:** Correct. Households is defined, yeah, if they live an apartment.

**MR. LEATON:** Because we do have some on the [inaudible].

**MS. HODGE:** I mean we can break our funding down into different things of, you know, depending on how you guys want to dwell into it.

**MR. LEATON:** I just want to make sure that people understood it's not just houses, it was also apartment -- people that can be in apartments even.

**MAYOR ELLIS:** All right. Anything? Thank you both very much.

**MS. HODGE:** All right.

**MAYOR ELLIS:** We appreciate it. We appreciate the hard work that you do as well.

**MS. HODGE:** Thank you.

**MS. HAWORTH:** Thank you.

**MAYOR ELLIS:** The next group is our own Parks Advisory Board. Tommy Holland is here. Mr. Holland.

**MR. HOLLAND:** Hello.

**MAYOR ELLIS:** Thank you for joining us.

**MR. HOLLAND:** Thank you.

**MAYOR ELLIS:** I typically only see you on Veterans' Day.

**MR. HOLLAND:** Normally that is correct. Normally. So, I'm here as a representative for the Parks Advisory Board. We're requesting the standard \$2,000 that we have over past years. Currently we use our funds for community outreach and educational events. And in the case of this year, since Daffodil Days was canceled, we're probably going to look to repurpose those funds to new brochures. That way it covers Veterans' Park once we get that open and get some good pictures taken of that. We need to update our brochures for the new park.

We also are looking at, you know, the City Council requested information about the Memorial Park. That's one of the projects we're looking to do in the future.

But currently, we look to use our funding for Daffodil Days, Fall Festival, and the Hometown Holidays event every year. We also do a membership for new members. We have a current -- we currently have one vacancy on our board, so we do purchase shirts, such as this one, for the members of our board. So, hopefully once we get that position filled, we can get someone in there and get them a new shirt too, so we all look a little more consistent when we're out in public and representing the City. Does anyone have any questions or concerns for me? Awesome. Thank you very much, sir.

**MAYOR ELLIS:** Thank you very much. We appreciate you coming to visit with us tonight.

**MR. HOLLAND:** Yes, sir. Thank you.

**MAYOR ELLIS:** All right. Next up is United Community Services and we have their Executive Director Julie Brewer. Ms. Brewer, welcome.

**MS. BREWER:** Thank you. And thank you so much for having me this evening. And I'd certainly like to give my presentation. One, just a housekeeping. You would have received the year-end report for the Human Service Fund for the most recent completed year, 2019, as well as the recommendations report for 2020 at the time that we put the budget request in. So, I thought I'd save you all that paper again.

Certainly want to thank Spring Hill for 30 years of partnership on the Human Service Fund. And thank Mayor Ellis for having previously served on the UCS board.

So, as Mayor Ellis has shared, I'm Julie Brewer. I'm the Executive Director of the United Community Services of Johnson County. And the Human Service Fund, if you are not familiar with it, it is a voluntary fund with 14 of our cities in the county contributing to the fund. And at partnership UCS provides the grant review, evaluation, and grant recommendation services. So, it's a pooled fund.

We believe that the Human Services Fund is a critical city-county partnership that pools dollars to support non-profit programs which provide essential health and human services in our community through a competitive grant process. Funded programs support local residents in healthy living, safe, and productive lives. And the Human Service Fund provides a direct benefit to local governments and taxpayers by reducing the need for more costly interventions at the public's expense such as law enforcement, courts, and code enforcement.

Contributions in 2019 to the Human Service Fund from our city and county partners totaled approximately \$365,000 and will total more than \$375,000 in 2020 and 2021.

As we know this is not a typical year for any of us. UCS requests that Spring Hill match its 2020 contribution of \$2,000 to the Human Service Fund in 2021. And we ask that you provide a modest increase of \$150 in 2022. We understand that much like non-profits cities are grappling with the impacts of COVID-19. So, we're not asking for an increase in 2021. On the other hand, these dollars are more important than ever as our human service providers work to provide safety net services for local residents.

A little information about services provided to Spring Hill in 2019. We know that in 2019 approximately 61,000 Johnson County residents benefitted from the Human Service Fund through 14 different non-profit service providers providing healthcare and dental services, emergency assistance, financial counseling, food assistance, child abuse prevention, Head Start programming, job training and more. In Spring Hill, your contribution in 2019 of \$1,800 to the Human Service Fund and our grantees, including Catholic Charities, El Centro, Harvesters, Health Partnership Clinic, Sunflower House provided services when we look at both residents on the Johnson County side of Spring Hill and the Miami County side of Spring Hill to more than 1,250 residents in Spring Hill. Many of these residents such as recipients of healthcare or family support through Health Partnership Clinic and Sunflower House received assistance on multiple occasions. In 2020, Spring Hill contributed \$2,000 to the Human Service Fund, and we expect that by leveraging these pooled funds Spring Hill will see a similar value for its contributions. UCS is requesting the same commitment of \$2,000 in 2021 and a slight increase of \$150 to \$2,150 in 2022.

In speaking with our Human Service providers, we anticipate recovery from COVID-19 will take several years and that our Human Service providers will need more -- will need an increase in funding to support the needs of our residents.

And I am certainly available for any questions that you may have.

**MAYOR ELLIS:** Questions for Ms. Brewer? All right. Well, certainly appreciate the hard work of United Community Services and a number of touchpoints that you have throughout the county. Julie, thank you so much.

**MS. BREWER:** Thank you.

**MAYOR ELLIS:** Next up is our own Cemetery Board. Christine Hecke and Larry Sumner, welcome.

**MR. SUMNER:** Hello everyone. It's good to be back again. We appreciate what we've done in the past and the partnership that we've gotten from you in helping to manage the cemetery. And I want to thank the Police Department for the drive-bys and helping us with locking it up and then unlocking it in the morning. Because with what's going on nowadays, it's very important to protect what we do have up there and we appreciate that.

So, last year, we came to the board and got our funding. For the next couple years we really don't see an increase needed. You hate to say it, but sales are up.

**MS. HECKE:** They're starting back up.

**MR. SUMNER:** Yeah. They're starting back up.

**MS. HECKE:** We had a slow down earlier.

**MR. SUMNER:** Last year, it was very good.

**MS. HECKE:** Yeah. [inaudible] was really good last year.

**MAYOR ELLIS:** Okay.

**MR. SUMNER:** But they slowed down because of the economy.

**MS. HECKE:** With COVID.

**MR. SUMNER:** And I think they'll bounce back. So, anyhow, it's kind of a dry thing to say that sales are up, but it is.

We do benefit from the funds that we do receive from the City to help in the mowing. And if you've ever -- have you all been through the cemetery? The boys that we have now are doing a very good job, very pleased with them. They mow at least once a week when needed. They skipped last Saturday. They always check in with Christie to see if there's any services going on. And they'll check with me to make sure does it actually need it or not. We're going to just say, yeah, go mow, and they don't need to. So, we skipped this last Saturday.

If you've been up through during Flag Day or Memorial weekend, we had our flags up. We do have some funding for several more to go on our road to the north. And working with the Legion, the American Legion here in town, they are providing us with flags, the American Flag and the different branches of the services that we're going to be putting on that west fence that will be seen from the highway.

People drive by so fast they don't see Spring Hill anymore. And I think this is one way they'll say there must be a town here, you know.

**MR. HECKE:** [Inaudible.]

**MR. SUMNER:** Yeah. But with the COVID going on, we kind of put things on hold of getting them up there to help dig the holes. But we do have the flags and stuff ready to go. Looking forward to getting that finished up.

Come up in the evenings and see all the people that walk through the cemetery. A lot of people in the community, we'll see them pushing a stroller or you'll see bicycles with kids, families coming through. It's kind of -- it's a neat place to -- a safe place at least they feel like they can come through.

**MS. HECKE:** And we've been pretty excited to hear some positive comments from people saying the cemetery looks nice, you know, it looks really good. So, that makes us feel really, really good.

**MAYOR ELLIS:** I get a number of those comments. And, Mr. Sumner, to your point when you talk about sales, I think we all understanding from a planning perspective it's important to know how many lots are being sold, how many lots are available and when we may need to actually move forward with some expansion out there. So, I think we all understand that you were saying.

**MR. SUMNER:** Right. We've been looking ahead at the ten acres and try to develop it where it would be more friendly of getting vehicles in and out of it, and by utilizing all of it.

Some of the drawings they did last time, there was some 8-foot and 10-foot. You don't need 10-feet. That's wasted space. It wasn't done what was needed we don't think. So, we're going to work with -- looking forward to working with the architect or design engineer to get that correct.

But, yeah. There's -- we do have some of the old alleys that we're talking about selling some of it that we do know that nobody is in there, you know, besides a couple of the areas where we don't know. But we can only do with what we --

**MAYOR ELLIS:** Sure.

**MR. SUMNER:** -- what we know. In the past, I've told you about computerizing our cemetery, digitizing the whole thing where you can do searches online and it helps us with our sales and knowing what is available, what is owned by someone else that we can't sell. And I'm through the N's. My wife, I've corralled her into helping me. And we have about 4,800 entries of lots out there. And going back, we've got some that were born 1772, I think is the oldest one that was born at that time. So, there is -- it's kind of enjoyable going through the old books. Some of it is kind of frustrating. I'll call Christine on some and just - we try to figure out who is actually there.

**MAYOR ELLIS:** Right there is just a tremendous amount of history out there that not everyone knows about. I presume we're still -- are they still doing the Halloween talking tombstones?

**MS. HECKE:** I'm not in school anymore so I didn't know.

**MAYOR ELLIS:** I know. I didn't know if anybody had picked that mantle up.

**MS. HECKE:** No. I don't think -- I'm not sure if they did. I know they didn't do it last year.

**MAYOR ELLIS:** Oh, that's too bad. That's too bad. All right. Questions for --

**MR. SUMNER:** Any questions at all?

**MAYOR ELLIS:** -- Ms. Hecke or Mr. Sumner?

**MR. LEATON:** What's the current lot price out there?

**MS. HECKE:** \$500.

**MR. SUMNER:** \$500 with half of that going to perpetual care.

**MR. LEATON:** And then how many lots do we have remaining?

**MS. HECKE:** I knew you were going to ask that. You know, without sitting down and counting that, I just cannot tell you --

**MR. SUMNER:** It's hard to tell what is actually available what's there.

**MR. LEATON:** Broad guess. You don't have to be exact but broad. What do you think 200? 300? 500? 800?

**MS. HECKE:** Oh, no.

**MR. LEATON:** What are we talking about?

**MS. HECKE:** I'd say maybe between a hundred --

**MR. SUMNER:** Yeah. Less than --

**MS. HECKE:** 150 maybe.

**MR. SUMNER:** Less than 200.

**MR. LEATON:** Less than 200. And how many are we selling per year?

**MS. HECKE:** Well, last year was a big year. I sold probably lots than usual. This year has been really slow. Some years, you know, you might sell, you know, 20 --

**MR. SUMNER:** What was that last year?

**MS. HECKE:** I had more lots sold than normal. And like I said, this year has been slow. But we, you know, I know it's picking up because I'm getting about six, seven calls a week now people wanting to look at lots. I have sold a lot today. I sold one Saturday. So, I know that people are thinking about that again since they can get out now.

**MR. LEATON:** On average, how many are we selling a year though? 20, 30, 40?

**MS. HECKE:** I don't know. Probably. I'd say average 25, maybe. Last year, I don't know. I'd have to count those numbers to see.

**MR. LEATON:** So, we've got about five to eight years before we need to get that expansion kind of put out there.

**MS. HECKE:** Maybe.

**MR. SUMNER:** Yeah. I don't know how long the -- I don't know how long the expansion will take to develop.

**MS. HECKE:** Yeah.

**MR. SUMNER:** And we've talked about doing it in sections. We hate to just open it all up and having some people want to buy property down at the bottoms and some at the top and it'll help with maintenance if we started at the one end and did it in sections at a time. I think that would be smart. And with what we pay for mowing it's going to go up if -- when we do go over there.

**MS. HECKE:** And the roads and all that sort of thing.

**MAYOR ELLIS:** All right. Any other questions? All right.

**MR. SUMNER:** Very good. Thank you.

**MAYOR ELLIS:** Thank you both very much and for your service to the Cemetery Board. Last up we have the Miami County Conservation District. Lesley, and I cannot pronounce your last name.

**MS. RIGNEY:** Rigney.

**MAYOR ELLIS:** Rigney. Okay.

**MS. RIGNEY:** Just like it's spelled.

**MAYOR ELLIS:** Very good. Well, welcome. We're glad to have you here this year.

**MS. RIGNEY:** Yeah. Thank you. I go to lots of the cities in the watershed and I don't know that I've ever come here to talk to you guys, so.

So, the little blurb on the request, well, I've never had to really make a formal request. Always they just send me a check. So, here I am formally asking.

So, our work is based on a study that was done in 2014 called -- with KDHE and EPA, which determined the daily loading that the lake can process of certain pollutants. And it determined that the lake is far in exceedance in nitrogen and phosphorus and less concerning is sediment, but we still address that as a pollutant in the lake. So, at that time that the report called for us to achieve a 67 percent reduction in order to come in line with that daily load of what it can actually handle, a 67 percent reduction in phosphorus and a 57 percent reduction in nitrogen. So, we do very specific practices. In the past, I think it was kind of a scattershot watershed wide approach to dealing with this. But now with federal and state funds being so -- in such short supply we target very small areas in the watershed. So, we target three-quarters of a mile in each side of the three main tributaries and three-quarter miles of the lake. And during the first three-year grant, which you guys were contributing \$2,500 a year from the City, but also an amount I don't know what it is through the Hillsdale Water Cooperative as a water supplier. Because basically we hit up the water suppliers and the watershed cities, and the cities' data benefit from the water quality in the lake. So, that's the past.

The current grant that we have just started, we're a year into, is an additional amount. So, the grant amount is \$300,000. So, we actually have to raise \$201,000 over the three years. So, that's why we're -- actually I don't think we're asking you for any more, but somebody had expressed that you wanted, and several cities have done this to stop contributing through hoc and just go all the way through. Easier to track to just have it all come from the City directly. So, the other sources of match are all the watershed cities. So, Edgerton, Gardner. Johnson County is a very -- is a large contributor. Miami County is our largest contributor. Even Paola and Louisburg contribute as well as the water cooperative, so the water suppliers. So, those are the main ways that we raise our match.

We do a really great job of leveraging funds. So, we can also count what landowners contribute to a project. So, say a farmer is going to fence out a stream, keep the cattle out of the stream, which is one of our best phosphorus reduction practices, we can take their contribution and use that as a match as well. And so we've been able to use that match to leverage additional grants. So, for instance, we're in the very final phases of being able to hire an urban conservationist. So, some places in the country, NRCS, that's the federal Natural Resources Conservation Service. They have urban conservationists that work with cities and landowners, residents, and communities to do conservation practices, especially around water quality. So, we're probably going to be able to leverage an additional \$75,000 a year of a grant through -- to fund that for up to three years. So, that could be a very big benefit to cities like Spring Hill.

Let's see. There's a lot I could tell you. A lot of what we do with our match is, say, we have a really high impact project, but we cannot get somebody to come along. It's too expensive, the project is too expensive. We can use our match funds to drive up -- to spend up to 90 percent of what it costs to get a project done. So, we need to get a stream fenced out that we know is contributing a huge amount of phosphorus to the lake. We can actually go up to 90 percent with the match that you -- that everybody contributes.

We also do a lot of outreach and education. So, during our first three years we reached 1,700 watershed residents including 894 students and 250 of those were Spring Hill middle school 8<sup>th</sup> graders who took part in a whole weeklong water quality program and spent a whole day out in the streams of Rock Creek and Little Bull Creek learning how to monitor stream quality.

So, what questions do you guys have?

**MR. OWEN:** I have one. On the page here we're going from 2,500 to 5,000. And I notice the other cities are not going to increase. So, where does our increase come from?

**MS. RIGNEY:** So, they are increasing. The City of Edgerton also has gone to 5,000.

**MR. OWEN:** Uh-huh.

**MS. RIGNEY:** Miami County is actually going to 20,000. See, I'm kind of right in the middle of doing all this, so I kind of had to estimate those. And I also expect Gardner. So, what I expect is that all the Johnson County cities will contribute 5,000.

**MR. OWEN:** Okay.

**MS. RIGNEY:** Each of the counties will do 15,000. Hopefully, Miami County 20. And then the outside of the watershed cities will give 2,500.

**MR. OWEN:** Okay. I was just looking at the paperwork here. It shows that we're going up and nobody else is.

**MS. RIGNEY:** Yes.

**MR. OWEN:** That was concerning.

**MS. RIGNEY:** But no. It should be even. It should be even. It should also be easier to track since you're not contributing through hoc anymore, which I'm sure you were giving at least \$2,500 to hoc a year. I don't know that.

**MAYOR ELLIS:** I believe that's correct, Jim.

**MS. RIGNEY:** So, I think in the overall big picture --

**MR. OWEN:** They were just trading the money -- I'm sorry.

**MS. RIGNEY:** Yeah. It's the same amount.

**MS. LANDIS:** I can look. I want to say yes.

**MAYOR ELLIS:** Yeah. I think that's -- I think that's correct. Yeah.

**MR. HENDERSHOT:** I don't remember the hoc, but -- so, I don't want to speak out of turn.

**MAYOR ELLIS:** Any other questions? All right. Well, thank you very much. We appreciate your time.

**MS. RIGNEY:** All right. Thank you. And I'm happy to come back anytime, or if anybody here wants to attend some of our meetings and just, you know, figure out what's going on that would be great.

**MR. LEATON:** Just real quick. I did think of something. Do you work with the county about best management practices for stormwater to keep from having issues with that, the best management --

**MS. RIGNEY:** So, for instance --

**MR. LEATON:** You know what I'm talking about, stormwater best management practices?

**MS. RIGNEY:** Yes. Yes. Yes.

**MR. LEATON:** BMPs?

**MS. RIGNEY:** Yes, I do know that. So, the answer is, I actually used to work for Mid-America Regional Council on that BMP manual development years ago.

**MR. LEATON:** Okay.

**MS. RIGNEY:** So, I don't know that -- does Spring Hill use that, use the BMP manual?

**MR. LEATON:** Uh-huh.

**MS. RIGNEY:** Okay. So, one of the things that we can offer is training, is develop training for your developers on erosion and sediment control. Stormwater BMPs, yes. We can -- we offer that and we do that in other places. So, that's something we could offer Spring Hill. Green site design. So, development, developing sites without doing so much damage even beyond erosion and sediment control. Yeah. There's a lot we can offer with regard to that.

**MR. LEATON:** Okay. Does Miami County require any stormwater BMPs?

**MS. RIGNEY:** No. So, they're not requiring post-construction stormwater BMPs, which I think is what you're talking about. Everybody requires stormwater detention and erosion and sediment control on certain sizes of projects. Everybody has to do that. Once you get to a certain size, then you have to do what's called post-construction, which means that your site has to treat water that's flowing -- that it's discharging basically. Miami County doesn't have any cities of the size that have to do that. So, no, they're not doing that.

**MR. LEATON:** Okay.

**MS. RIGNEY:** Those kinds of green infrastructure practices, yes. We like to work with people on those. And we actually have funds available specifically for those. So, if Spring Hill has a project as a city or you have a developer who wants to do something a little greener, we can help.

**MR. LEATON:** Okay.

**MAYOR ELLIS:** All right. Anything else? All right. Again, thank you so much for your time. We appreciate you coming.

**MS. RIGNEY:** Yeah. Thank you very much. Appreciate it.

## FORMAL COUNCIL ACTION

### 1. Consider Acceptance of Bid for Auditing Services

**MAYOR ELLIS:** All right. That takes care of the last of our outside agency request presentations and takes us to the first and only of our Formal Council Action items, which will be consideration of acceptance of bid for auditing services.

Ms. Landis, you have the floor.

**MS. LANDIS:** Thank you for allowing me to put this Formal Action Item on this evening for a special meeting. In order to keep us moving along, it's important that we can get this in front of you and get your feedback before we can put an engagement letter and agreement in front of you.

So, each year the City engages in audit services with a certified public accounting firm for the purpose of auditing and preparing the City's financial statements. The objective of the audit is an expression of an opinion as to whether the basic financial statements are fairly presented in conformity with the U.S. Generally Accepted Account Principles and to report on the fairness of the supplemental information.

The City of Spring Hill has engaged auditing with Mize Houser & Company, previously Lowenthal Webb & Odermann, since 2001. At the end of 2019, Mize Houser discontinued their governmental auditing services, and as a result, the Finance Department issued a Request for Proposals for audit services. The City received six RFP responses. Three of the firms that responded have a regional presence and three of the firms have a national presence, so we were pleased with that response.

Staff had conversations with all six firms, either during the course -- over the course of the time that the RFP was opened and/or after we had received the responses, after our initial screening and follow-up questions were sent to three of those six firms. We held additional telephone conferences and the references were checked for those three firms as well.

While the City can receive value from the broad range of knowledge and services offered by a national organization, it was determined that the value of a large firm may not prove cost-effective for our City. Thus, the two highest bids were eliminated. The lowest bid was eliminated due to the inability to perform all services that were required under the RFP such as preparation of all of the documents that are required under the Comprehensive Annual Financial Statements.

In our analysis, we found Gordon CPA has a significant client base of governmental audit accounts similar in size and function to Spring Hill. The references we received were positive with regard to performance, responsiveness and meeting deadlines. Sean Gordon, the principal of Gordon CPA, had previously worked on the City audit through Mize Houser several years ago and is familiar with Spring Hill. The proposal from Gordon CPA was the lowest bid price of the firms from which we requested additional information. So, the lowest of the three that we interviewed.

A review committee, which included the City's financial advisor from Baker Tilly and two City staff members recommend the audit services of Gordon CPA. In the packet was the bid tab for the audit service responses. We did include in the RFP; we do need to complete the audit for the 2019 financials. We will in very short order be coming up on needing to do an audit for the 2020 financials. And so we asked in the RFP that they hold their fee steady for both of those years for audits and then ask them to give to us the percentage increase that they might ask for in the two upcoming years just to give us some planning perspective.

So, the closest -- the two bids that we -- were really close that we considered was Gordon CPA and Clifton Larson Allen. And Clifton Larson Allen is a much larger firm. They do have a lot of support in other areas, maybe tax and outside of the auditing perspective that we may be able to rely on them on, and we considered that heavily. But when we looked at the difference in cost over four years, it was about \$35,000 difference in cost. So, Gordon CPA had really great references. The cost is in the price range of what we've paid for the last several years for our audit. And they're perfectly capable of doing it. We considered that if we needed some outside additional advisory services from an accounting firm, we could even do some sort of a master agreement with Clifton Larson Allen, or any of those other firms that are out there if Gordon CPA weren't able to advise outside of normal auditing services. But we feel comfortable that they're able to do what they need to do to audit our financials.

So, we presented to you tonight an acceptance of bid for audit services from Gordon CPA, or the option to deny and refer it back to staff to conduct further research or move in a different direction. Our funding review is that the recommendation is presented in accordance with the Spring Hill purchasing policy. The expenditure is split between the General Fund, the Water Fund, and the Sewer Fund. And the 2019 audit fee does not result in an increase from the 2018 audit fee. Further, the 2020 audit fee would remain the same as the 2019 and a 3 percent increase for '21 and '22.

So, our recommendation is that the City Council consider approval of the acceptance of bid for audit services from Gordon CPA.

**MR. LEATON:** So moved.

**MR. ECKERT:** Second.

**MAYOR ELLIS:** We have a motion and a second. Is there any discussion?

**MR. OWEN:** I have a couple questions. On our audit we're going to get, it's going to be -- are we going to have a report on best practices used when the audit is done, so we'll see a report on the possibility of best practices that either we need to change or we're doing good on?

**MS. LANDIS:** Yes. Yes. Typically they'll do two different letters back to the City Council. One for management practices where you could use some improvement either on internal control or suggestions and policy changes and procedures and another is if there were any deficiencies overall, so they separate those two. But we, yes, we would receive that back.

**MR. OWEN:** One other thing. The Cemetery Board, since it is a trust and it has, you know, taxpayer money on it. is that part of that audit?

**MS. LANDIS:** It is part of the audit.

**MR. OWEN:** So, it will be audited at the same time during the --

**MS. LANDIS:** Yes.

**MR. OWEN:** Okay.

**MS. LANDIS:** If you look in our financials it does have its own column in there.

**MR. OWEN:** Right. Uh-huh.

**MS. LANDIS:** And it is considered part of the total governmental funds.

**MR. OWEN:** Okay. Okay.

**MS. LANDIS:** But, yes. They do audit the financials for that -- for the Cemetery Board.

**MR. OWEN:** All right. I think the only other thing I have is I notice that this Gordon has history with the City of Spring Hill for lack of a better word.

**MS. LANDIS:** Yes.

**MR. OWEN:** I don't know. I guess if we're going to change auditors, would it not be better to go to a completely new company, get fresh eyes on it, not somebody that has a history with us? I guess I look at things if somebody knows, does something, they may skip something or miss something.

**MS. LANDIS:** Uh-huh.

**MR. OWEN:** Don't guarantee they will.

**MS. LANDIS:** Sure.

**MR. OWEN:** But that maybe fresh eyes from somebody that has no experience with the City of Spring Hill walks in and they have to dig in themselves.

**MS. LANDIS:** We considered that and we asked him the question. So, Mr. Gordon himself has not been on our City audit for four or five years.

**MR. OWEN:** Okay.

**MS. LANDIS:** So, he has been working with other cities. And so he even had some ideas on how he'd like to change up the process for our City audit. So, that gave us some comfort because we're looking for the same thing. We're always looking for feedback. How can we better our internal controls? Where do we need, you know, do we have any gaps? We have a small staff. How do we make sure that everything is covered with just a few people? So, we did consider that. And even our municipal advisor from Baker Tilly, he has done lots of RFPs for audit services for lots of cities and --

**MR. OWEN:** Right.

**MS. LANDIS:** -- so that he agrees that should not be a concern. We considered it up front and then we asked some questions. So, it's really in your court to decide whether or not you can get that back from them. But we certainly asked the questions and felt comfortable in the end.

**MR. OWEN:** Okay.

**MAYOR ELLIS:** Any other questions? If not, all those in favor --

**COUNCILMEMBERS:** Aye.

**MAYOR ELLIS:** Opposed?

**MR. OWEN:** No.

**MAYOR ELLIS:** Motion carries 4-1-0. Thank you very much.

**MS. LANDIS:** Thank you.

*[Therefore, the motion was made by Councilmember Leaton and seconded by Councilmember Eckert to approve Ordinance No. 2020-39. The motion carried 4-1-0 with Councilmember Owen voting no.]*

## DISCUSSION

### 2. 2021-2022 Budget and CIP

**MAYOR ELLIS:** This takes us to our one and only discussion item, the 2021-2022 Budget and CIP. Ms. Landis or Mr. Hendershot, who's kicking off?

**MS. LANDIS:** Mr. Hendershot.

**MR. HENDERSHOT:** Good evening, Mayor and Council. A little bit from the packet before I get into some slides. This is a little -- in background, in preparation of the draft operating budgets for 2021 and 2022, staff has prepared and analyzed service operations, projects included in the Capital Improvement Program, and requests from outside agencies. Staff responsible for preparation included City Management, Department of Finance, and each of the departments and/or divisions within the City. Revenues and expenditures for all major funds were used to prepare a draft of the state budget document determining the total tax dollars needed to accomplish adequate service levels.

Additionally, the Council has been presented with a request for funding considerations for future capital projects. City Council was asked to prioritize these items listed to them and the results are attached within an average ranking based in the low, medium, and high response. And what we did when we got those rankings was put those in a one, two, and a three category, and then determine the averages.

Also included in the packet of information is a draft budget worksheet that includes the draft 2021 and 2022 line item budgets as well as information from prior year actuals. These reports will be updated with balanced budgets after the Council discussion on in June 22, or tonight.

The City operating budget consists of four major funds. It received property tax revenues to support service and operational expenditures, these being the General Fund, Debt Service Fund, Fire Fund, and Cemetery Fund. Revenues are derived from property tax, sales tax, franchise fees, sales and services, development fees, special assessments and transfers from the enterprise and capital projects fund.

With that, I'll go through just a few slides real quick, Mayor. And at any point if you have questions, feel free. And Ms. Landis is also available here for backup on some questions.

Again, just as a little bit on backup. We're in a two-year process, or a two-year budget, a biennial budget, this being the first year. So, after the formal adoption of the budget for the 2021 year and then the conditionally approval of the 2022 budget, which next year then would be revised to look for adjustments due to adjust for revenue estimates and reflect changes in programs.

As we've shown in other budget meetings, this is a four-phase process. We're now entering Phase 3, which is the review through the months of June and July, all of which these slides are to achieve the City goals.

Next slide, there we go. Of transparency and communication, budget and financial planning, infrastructure development, organizational development, and performance, and quality of life and community improvement.

The purpose of tonight is to review or assess valuation for 2020. We're also going to look at the prioritization of -- from the Council on budget request and those CIP projects. We'll review a draft state budget document with the property taxes needed to support the budget and what that means to the mill levy -- as a mill levy impact. We'll also ask for feedback in order to publish the public hearing notice, which I believe, Ms. Landis, needs to be published by July the 3<sup>rd</sup>. Okay.

From a valuation standpoint you can see that in 2020, the total Spring Hill valuation increased 10.21 percent to a total of \$105,734,199. And then we have that -- that's again broken down from the Johnson County Fire District and no fire district as well as Miami County. So, you can see there's a little over 5 percent increase in valuation for the fire district, a greater increase in the no fire, the 13.68, and then 9 percent roughly in Miami County, for an overall average of 10.21 percent over 2019.

Projections for revenue and expenditures in 2021. You can go through the beginning fund balance, projected revenues of 5.76 million roughly. It gives us the total funds available, property tax dollars expected to be collected. There's your base revenue budget of \$10,458,000. Expenditures then through personnel, commodities, contractual capital outlay, debt payment, transfers, and reserve funds gives total expenditures of \$10,278 -- or 2 million -- \$10,278,710.

Looking at what that means when you have -- when you know your revenues and you know what your bills are, the difference is those unallocated funds that are available for 2021 requests. In the case for 2021, that amount is \$180,000. That is when considering a mill levy consistent in 2021, a mill levy consistent with that for 2020. In 2021, we have service enhancement or internal improvement requests that the Council ranked at 2.0 or higher and total value of 143,000. We estimate salary and benefit and employee merit increases approximately 181,000. So, what that means is we have -- with looking at requests of 2.0 ranking or higher on a 1, 2, and 3 scale, low, medium, and high, plus some benefit and merit increases, total expenditure requests of \$362,760.

Obviously, there were more requests than that, but we're concentrating and zeroing in on those that are 2.0 or higher.

As we look at the budget request impact in the order of ranking that those came in from the Council. New police, new position for the police, street department vehicle maintenance line item increase, police building cameras, the converter and encoder. Temporary labor the Street Department. Street Department Equipment Maintenance line item increase. Police Department wireless upload car cameras, aquatic facility updates, and end user security training.

So, the theme here quickly became obvious of police and streets. When you look, and those totaled a \$143,000. When you look at the details for the benefit and employee. The merit increases health adjustment is our annual increase in those fees. Salary and merit, merit adjustments, that's based on a 3 percent maximum. We do have some folks who are eligible for retirement. Whether they take that or not, but we always try to account for that in the budget process as well as payroll taxes at KPERS and KP&F contributions.

From a sample budget summary, the estimated mill levy, you can see that current year estimate for 2020 mill levy was at 39.599. I'm in the bottom column there of the center of that page. The proposed budget for 2021 is at 39.812, and those are estimates with the exact rates to be determined.

Looking at 2022 revenue and expenditures, unfortunately the outlook becomes a little more glim. Revenues again, going through those items as we did in 2021, equals 10.398 million. Expenditures equals 10.352 million. And if we look at the difference there that's where we come up with the unallocated or funds available for 2022 request have now shrunk to \$46,000. And again, that's estimated with a mill levy consistent with 2021.

These estimates are subject to review. As we review the sales tax information, et cetera, these may move. But I think these are very fair estimates, very fair projections of where we may be. As we come out of the, well, I hesitate to say come out, but as we progress through the COVID reopening phase, I think we'll see in September/October, we'll have a much clearer picture of exactly where we are with relations to sales tax and also a little bit maybe in the property tax room.

**MAYOR ELLIS:** Well, I think just one of the benefits of the two-year budget is, is that it forces us to look ahead a little bit. And this year being the first year that we've done a biennial budget, what a better year to be forced to look at what --

**MR. HENDERSHOT:** Whew, yeah.

**MAYOR ELLIS:** -- a two-year out may offer us this [inaudible].

**MR. HENDERSHOT:** Exactly.

**MAYOR ELLIS:** So, it's not all bad news. It's at this stage just news.

**MR. HENDERSHOT:** Correct.

**MAYOR ELLIS:** So, there's a lot of work that we can do --

**MR. HENDERSHOT:** Correct.

**MAYOR ELLIS:** -- between now and a year from now when we're preparing for that '22 budget.

**MR. HENDERSHOT:** Uh-huh. And I think, Mayor, to validate your statement there that becomes even more clear when we look at the requests for 2022, including the employee merit increases there of a total of \$662,160. And those are the ones that ranked, again, the 2.0 or higher.

Those 2022 requests do include, that were ranked at 2.0 or higher, do include the new position for police officer that was pushed back from '21, a maintenance line item for streets, equipment maintenance line item from streets. The Police Department K-9 officer, that would be the replacement dog. City website redesign, courtroom computer equipment, and then three additional police positions in 2022. And then the breakdown is the same as 2021 as far as that benefit and employee merit request totaling \$200,520 there.

Looking at our capital improvements impact, and again, these are based on your rankings. On the left side of that column you can see where the rankings fell out. Number one, was that design of 223<sup>rd</sup> and Webster Street, followed by Webster Street, 199<sup>th</sup> turn lanes, followed by -- or not followed but -- and tied with 223<sup>rd</sup> and Webster Street construction. So, we have estimated target years for those top three of 2021 for the design of 223<sup>rd</sup> and Webster and construction of the Webster and 199<sup>th</sup> turn lanes with the contribution from CARS, and then also the intersection improvements at 223<sup>rd</sup> and Webster, that actual construction, we've assigned a target year of 2023 for that. Going on down those lists real quickly, then --

**MAYOR ELLIS:** Hold on just a second.

**MR. HENDERSHOT:** I'm sorry?

**MAYOR ELLIS:** I want to back up a little bit here --

**MR. HENDERSHOT:** Yes, sir.

**MAYOR ELLIS:** -- on the 223<sup>rd</sup> and Webster. I want to make sure that everybody remembers that we have about a million dollars in contributions from the 5 percent road bridge tax out of Miami County.

**MR. HENDERSHOT:** Yes, sir.

**MAYOR ELLIS:** So, we've got \$500,000 in year one, and then they'll bump us to the next year for \$500,000 that year for that -- I said 5 percent, 5 year.

**MR. HENDERSHOT:** Uh-huh.

**MAYOR ELLIS:** So, that way we have a total of million dollars currently, almost concurrently for those two projects. So, that does make that a little bit different picture for us.

**MR. HENDERSHOT:** A little more palatable.

**MAYOR ELLIS:** So, you know, for one year in particular that's almost enough to cover the design.

**MR. HENDERSHOT:** Uh-huh. We're also very encouraged about -- with the conversations we've had with KDOT as far as partnering there as well, so.

**MAYOR ELLIS:** Right.

**MR. HENDERSHOT:** Going on down our list of CIPs, then the lake dam improvement design followed Lone Elm to Theden, a new facility for the Justice Center, that design, and Justice Center contract is -- construction then perhaps as a target date of 2022. And these are subject to movement depending on your folks' desires and guidance as well as then the Victory Road, Webster Street to 223<sup>rd</sup> construction targeted in 2023.

Projects that fell into areas with a different source of funding perhaps from excise tax would be Webster Street from 207<sup>th</sup> to South Street. This is the UBAS treatment that we've been talking about in detail with Dan Miller and Mr. Burton with a target year of 2021. That is a CARS eligible project as well.

199<sup>th</sup> Street from the west City limits to US 169, that is the Johnson County project of which we have agreed -- the City has signed that agreement to participate in our portion of the City limits of that project coming from the west to 169.

And when Webster to Woodland Road would be a 2024 project, again, is CARS eligible with excise tax perhaps as those optional funding sources there.

The Federal Funds Exchange is a program that we enjoy every year. That has been funding the Lincoln Street improvement project. So, the 2021, target year for the next phase would be cash and perhaps the Lone Elm paving project from 207<sup>th</sup> north to US 169 in 2021 also with cash.

From a special sales tax City recreation standpoint, then the Aquatics Center slide replacement or reconstruction, we've targeted that at \$100,000 on a four-year temp note. But we're still digging deeply into the options that are available for that slide. But we are -- we have just recently had meetings with additional folks as to what that repair may look like to get that slide back in operation while we look at funding sources for a replacement or reconstruction.

And then a City facility fiber connection would be a ten-year GO bond and \$350,000. That's a target year of 2021.

Other projects, then and again we can see the rankings on the left-hand column there. It would be the cemetery construction that we just -- that you folks just briefly visited about. Trails construction, looking at a target year of 2021 with a four-year temp note there, assuming that's the direction that Council guides us to go. Mr. Boyer will talk about a stormwater project evaluation that's probably best done with cash. And then facility improvements out of the Capital Improvement Fund for the public workshop, replacing the salt and sand structure and improvements to the Community Center as well as the Public Works parking lot with target dates of 2021 and/or 2022.

And then through community funding, the Inspiration Park and Inspiration design and construction are still items that are in that mix.

Going through where we are to date, you can see that we've had -- this would be our sixth meeting on budget. And concluding this evening then, the hopeful guidance is for the publication of the mill levy.

And then looking at the next slide, please, is the remaining meetings that we have. On July 9<sup>th</sup>, we're scheduled to have the utility fund review as well as then the public hearing on July 23<sup>rd</sup> and the formal adoption for the budget on August the 13<sup>th</sup>.

I know that was a very quick overview. There is much, much, more detail in the packet of information that was sent to you and also put out for the public's review. And with that, Mr. Mayor, I'm happy to answer any questions. And Ms. Landis is here as well.

**MAYOR ELLIS:** Jim, I had challenged you last week to work inward to the organization and identify some efficiencies we might be able to gain. My understanding is you've requested of me to place an executive session on here so we could talk about that.

**MR. HENDERSHOT:** Yes, sir.

**MAYOR ELLIS:** So, that's a discussion that we will have as soon as we're done here. I am curious, you know, obviously we have a lot of needs. We have a lot of wants.

**MR. HENDERSHOT:** Uh-huh.

**MAYOR ELLIS:** I would like to, from a capital improvement perspective, I would like to talk a little bit about what the appetite is for the Webster project, the realignment of Webster, that 223<sup>rd</sup> Harris and Webster intersection and what that landscape looks like and what that could do from an economic development perspective as far as opening some properties up and make it a lot more inviting for investment.

**MR. HENDERSHOT:** Uh-huh.

**MAYOR ELLIS:** I'd also like to discuss briefly what the Council's appetite may be for a referendum for a Justice Center. I have always in my years as a Councilmember and as Mayor, if it has been discretionary funding want to go back to the boss and ask what the boss wants to do. We did that with the Aquatics Center. Technically, though we didn't have to do a referendum for this building, we heard loud and clear

from the boss through our project [inaudible] program that we had done with this building and a dog park were high, high items for the community. I'd like to know if the Council has an interest in investigating a referendum for the construction of a new Justice Center. It looks like that based upon what our mill levy is right now that would be about a 2½ mill increase for a 20-year period to pay for that. Debt service on \$4 million is \$200,000 a year principal only. Don't know what the interest rates look like. But 2½ to a maximum of three mills. What does the Council think about that?

**MR. ECKERT:** Would the Justice Center occupy the police station as well?

**MAYOR ELLIS:** That's the police station and the municipal court.

**MR. ECKERT:** Okay.

**MAYOR ELLIS:** I don't know that the \$4.1 million estimate included land acquisition. But obviously we would be looking at some of our corporate partners to see if anybody has any land they would be willing to contribute. And ideally, it would be enough land for some expansion for other municipal projects. But going back to the public to see if the public wants to spend its money on a new Justice Center is to me a good way to engage the community in that process, get people excited about a municipal project, and determine whether or not it's a priority to the public.

**MR. OWEN:** I think my concern right now would be for the next year, maybe year and a half is where we're at with our budget and taxes because of COVID-19, how much that affects us, so that would be a concern.

**MAYOR ELLIS:** Right. And by taking that up with the public, the public can make that decision.

**MR. OWEN:** Can make a decision.

**MAYOR ELLIS:** It would be next year before this hits a ballot anyway. So, we don't have time to do it this year. The election is already set, so.

**MR. LEATON:** The only thing we would -- might have to consider for the budget would be the design, the preliminary design for --

**MAYOR ELLIS:** Correct.

**MR. LEATON:** -- putting it on for a referendum. It doesn't have to be a full hundred percent design --

**MAYOR ELLIS:** Right.

**MR. LEATON:** -- but it needs to be enough to get an order or magnitude of the cost.

**MAYOR ELLIS:** Well, I think you estimated 50,000, is that right, for design?

**MS. LANDIS:** Yes.

**MAYOR ELLIS:** Okay. And obviously we could temp note that and roll it back into the final project if there is a final project. But yes, there is an issue of ensuring that we have the money available to do that.

General thoughts? I feel like if we don't take any action on it this year, we'll just continue to not take action on it, and then we'll be behind the eight ball. And in particular, the Prieb project was still a go. That's a 750-unit apartment complex. That's going to add over its years additional headcount to our population numbers, increased traffic, all of a sudden we may be looking at hiring three or four police officers and have absolutely no place to put them.

**MR. OWEN:** I guess I'm looking at the taxes right now, maybe if we slow it off for a year. But I understand what you're saying too. If we put it off, we can have it to put it off.

**MAYOR ELLIS:** Well, if you put off for a year you're putting it off for two years because you're not doing any of the design work.

**MR. OWEN:** Right.

**MAYOR ELLIS:** You're not doing any of the planning to get onto the calendar.

**MR. OWEN:** Right.

**MAYOR ELLIS:** And ideally, the referendum would hit in August of next year because that will put it in a primary. It keeps it off of the Council's election. That's also a mayoral election, and it's no surprise to anybody that I've said two terms is all I'm doing as mayor. So, I don't want that to become a political issue for whomever picks up that mantle to run. So, August of next year would be the ideal time to put this on a ballot. And then there's no significant cost to the taxpayers.

**MR. OWEN:** Right.

**MAYOR ELLIS:** If we do a mail-in ballot that's about 10 to \$15,000, is that right, Mr. Hendershot?

**MR. HENDERSHOT:** Yes, sir. I think it's about 15. And that decision for that mail-in ballot is quite early.

**MAYOR ELLIS:** Yes. So, we have a little bit more time. You know, we'd have to get a question put together and all of that, so.

**MR. HENDERSHOT:** Uh-huh.

**MAYOR ELLIS:** So, the general consensus of everybody, do you want to pursue that? Do you want to talk about that? Now, is the time for us to take some action there.

**MS. HUGHES:** I think letting the people decide if they want a Justice Center is a good idea.

**MAYOR ELLIS:** Okay.

**MS. HUGHES:** It's a large investment.

**MR. GRAVES:** I'm on board.

**MAYOR ELLIS:** Mr. Eckert.

**MR. ECKERT:** Concur.

**MAYOR ELLIS:** All right. Very good. Mr. Owen.

**MR. OWEN:** I'm still thinking I'd like to see us wait is all.

**MAYOR ELLIS:** Mr. Leaton.

**MR. LEATON:** I think we need to move forward with a referendum like we did on the --

**MAYOR ELLIS:** Okay.

**MR. LEATON:** -- on the pool. That was the same way. They got to choose.

**MAYOR ELLIS:** All right. So, let's start figuring out how that might look. No decisions are being made. But let's see what that might look like for us.

I would like, Mr. Hendershot, I would like to have a small task force on this Webster Harrison because it's not just Webster and Harrison, it's all of Webster ultimately and what that streetscape may look like. Mr. Leaton and Mr. Owen, could I ask the two of you to work together with City staff on that project and come back with some recommendations?

**MR. HENDERSHOT:** This is on the Webster and 223<sup>rd</sup> --

**MAYOR ELLIS:** Right.

**MR. HENDERSHOT:** -- that overall traffic, that transportation plan.

**MAYOR ELLIS:** [inaudible]

**MR. HENDERSHOT:** Uh-huh.

**MAYOR ELLIS:** And working with KDOT.

**MR. HENDERSHOT:** Sure.

**MAYOR ELLIS:** Understanding that what may do from an economic development perspective and, frankly, what that might do to help us to further open up the west side of the City. The K-7 corridor plan is a pipe dream.

**MR. OWEN:** Uh-huh.

**MAYOR ELLIS:** That was a billion dollar plan a decade ago. It hasn't gotten any cheaper and we're seeing zero progress down here. And I for one am not going to let that MOU stand in the way of progress. But that also -- absence of any meaningful progress on that plan, we have no diamond interchanges. We have no overpasses to really punch through to the west side. So, we're going to have to be more creative. I'm not absolutely sure that that Webster Harrison project may not help us get there.

**MR. HENDERSHOT:** It might.

**MAYOR ELLIS:** But we are going to have to sharpen our creativity and we're going to have to become more competitive through our amenities, more competitive through our development process, and our economic development programs because we're going to be fighting every other municipality out there for residents. Forty (40) million people, not all of them are still unemployed today, but a large portion of them are and I don't know what tomorrow looks like.

**MR. OWEN:** Right.

**MAYOR ELLIS:** And if this fall we see another huge increase in COVID cases what that does to economic confidence, to consumer confidence is pretty significant.

So, if the two of you wouldn't mind working with Mr. Hendershot on that.

**MR. HENDERSHOT:** That was Mr. Leaton and Mr. Owen, correct?

**MAYOR ELLIS:** Mr. Leaton and Mr. Owen.

**MR. LEATON:** And are you talking about also to press through for like on 223<sup>rd</sup> because the south sewer benefit district.

**MAYOR ELLIS:** Yes.

**MR. LEATON:** That predates either of us.

**MAYOR ELLIS:** Yes, it does.

**MR. LEATON:** And nothing has gone up on that.

**MAYOR ELLIS:** That is just a --

**MR. LEATON:** That is --

**MAYOR ELLIS:** That is just a drain on resources. So, I'd like to see how we can get some momentum there.

**MR. HENDERSHOT:** Okay.

**MAYOR ELLIS:** Because like on that one, and I've said this for years, is if you get economic development on that, then you also can reduce or maintain rates or lower them possibly on the sewer benefit districts, which then makes you more economical.

**MS. LANDIS:** Mayor, do you mind if I insert just a little bit on the financial part of all these projects?

**MAYOR ELLIS:** Uh-huh.

**MS. LANDIS:** Something that we didn't touch on. So, the way that I have them laid out in there as far as resources or sources for all of those projects are just -- was my way of trying to take some of your top priority things and pin them into the resources. But there's several resources there that could be combined to get one really large project done if you wanted to put some of the others on hold. So, maybe another thing that we could look towards is maybe gathering some of those resources and saying, okay, well, some of these are important, but they might not get done for a couple of years, where we want to use everything towards this project in order to get it done and get it moving. We can do that too on some of it. Not all of them because some of them because some of them are special revenues that can't be used for everything, but there are some --

**MAYOR ELLIS:** We have another hundred plus units opening up very soon at Blackbob. And we talked about 750 units just to the north on Webster. If we can get a Webster realignment project and open up development at the southern boundary, we'll pull those residents from the Prieb project.

**MR. HENDERSHOT:** Yes.

**MAYOR ELLIS:** We'll get them down there.

**MR. HENDERSHOT:** I agree.

**MAYOR ELLIS:** And when you can see more clearly what an improvement like that might do from an economic development perspective, you can start to see that increase in sales tax revenue which then dramatically reduces our reliance on property tax revenue. You get a great project in and that spreads out that property tax liability and we start to see a reduction in the mill levy through the school district as those bonds start to spread out a little bit as well.

So, I'd like us to take advantage of this opportunity to see really truly what the future might look like here. All right. Any other comments?

**MR. LEATON:** Yeah. But my question is, is we've looked at budget today. What is, I mean, staff has to work towards something on this based on what they saw, right?

**MAYOR ELLIS:** Well, I don't know that any of us really have an appetite for a mill levy increase.

(Inaudible; talking over one another)

**MAYOR ELLIS:** I haven't had one in 14 years.

**MR. OWEN:** It needs to be flat.

**MR. LEATON:** So, that doesn't mean that the revenue for the City won't be based off of what we have for valuations, it just means that we'll keep the mill levy flat. Your published budget will be a flat mill levy it appears.

**MR. HENDERSHOT:** Ms. Landis, your budget worksheet here indicates 39.812. Is that what the publication would be?

**MS. LANDIS:** Yes. Unless you have any other comments on things that need to be moved around that's where I would publish it. If you want it to exactly match the 39.599 from last year, the idea is -- really what we're approving is the dollar amount of property taxes.

**MR. HENDERSHOT:** Right.

**MS. LANDIS:** And when the final valuation comes in, they assign the mill levy. So, this is still an estimate based on what they handed out on June 15, but it can still change. Because last year, I think we approved something just slightly higher than that, 39.599. and after the valuation was when it came down just a tad bit. So, yes, that would be what we would publish unless there is some other change that you want to make.

**MAYOR ELLIS:** Ms. Hughes.

**MS. HUGHES:** Does the 39.812 include the outside agency requests in the budget?

**MS. LANDIS:** It includes a level request from last year. So, for all of those recurring type things, I included the amount that they received last year. If they asked for an increase, I did not include that yet.

**MS. HUGHES:** Okay. And the only group that looks like it requested the increase was the Utility Assistance Program.

**MAYOR ELLIS:** And the --

**MR. OWEN:** Water.

**MAYOR ELLIS:** The Hillsdale Watershed.

**MR. ECKERT:** Watershed.

**MS. HUGHES:** Uh-huh. That's right. But that's a switch, right? That's just pulling the -- that's just us pulling the --

**MAYOR ELLIS:** They're doubling. We typically have been at 2,500. They want to go to 5,000.

**MS. HUGHES:** But she said that we were paying the other 25 through another program, so we'd just be moving it over.

**MS. LANDIS:** We weren't. I looked it up. The last time we paid hoc was --

**MR. OWEN:** Yeah. It was --

**MS. HUGHES:** Oh, we weren't.

(Inaudible; talking over one another)

**MAYOR ELLIS:** I thought she was saying we were paying the 2,500, not the additional 2,500.

**MR. HENDERSHOT:** She thought we were paying 2,500 through hoc in addition to this. And I don't believe we've made a hoc payment in several years.

**MS. LANDIS:** Yeah. It was like prior to 2012 I believe since we paid hoc. So, it is currently \$2,500. They're asking for 5. And that is not a mill levy fund that's the Water Fund. So, that wouldn't impact the mill levy, the publication as much as it would --

**MS. HUGHES:** I have a lot of fund questions by the way for later.

**MAYOR ELLIS:** That will come back then -- that should be a part of our discussion on utility rates.

**MS. LANDIS:** Sure. Absolutely we can do that.

**MS. HUGHES:** Okay. And then I was noticing, I guess I had a question about the Cemetery Fund. But if we're not discussing that right now, I do agree with the flat mill levy. I'm looking at the General Fund expenditures not including the other funds because I do want to talk about those, like Special Highway and sales tax. And I do want to talk about the sales tax, you know, allocations that you believe as far as reduction and things like that. But as far as the debt service, general fire and cemetery that you've allocated and the flat mil levy I am --

**MAYOR ELLIS:** Okay.

**MS. HUGHES:** -- I'm liking those numbers.

**MR. LEATON:** I think my question is going back, I think there was a slide that showed it that we have a slight increase of valuation so there's going to be an increase, a slight increase in revenue potentially.

**MS. LANDIS:** Yes. And this takes that into consideration.

**MR. LEATON:** And that number is -- right.

**MAYOR ELLIS:** That was -- that was --

**MR. ECKERT:** A projection.

**MR. OWEN:** Right.

**MS. LANDIS:** Yeah. So, it's about -- we average it out without getting into all the details but just so you have a good understanding. The Fire Fund mill levy is actually calculated differently than all other three because it only gets the valuation from the fire contract area which is the core of Spring Hill in Miami County. So, it's about 55 million versus the 104 million that you're using for valuation calculations. So, 104 million would give you 104,000 per mill. But because we have to lower the Fire Fund, it's actually about 89,000 I think per mill in that range. So, that's about what we saw in increase was about \$89,000.

**MAYOR ELLIS:** But even with cash that's still wouldn't -- we wouldn't be -- we wouldn't attach it [inaudible] the same mill levy, so, right?

**MS. LANDIS:** Oh. Right. Right.

**MAYOR ELLIS:** Yeah. So, really, you know, 89.265 is where we are.

**MS. LANDIS:** Where we are, yes. Yeah.

**MAYOR ELLIS:** Okay. Other questions? Comments?

**MS. LANDIS:** Mrs. Hughes indicated she had other questions. If there's other questions, basically we're formulating the budget here. So, whatever we come back with it's going to be published and then I'm going to formulate the final budget to put in front of you shortly after that for that July meeting. So, if you have other comments or questions this would bel the time, not to lengthen the meeting. But I just want to make sure that you know that you have ample opportunities to ask.

**MAYOR ELLIS:** What I'd like to get into our Executive Session. And what I'd also like to do, Ms. Hughes, your questions about individual funds --

**MS. HUGHES:** Yeah.

**MAYOR ELLIS:** -- are those questions that you need to have answered here or can you meet with Ms. Landis?

**MS. HUGHES:** I would like some of the questions to be public just for the fact that these -- the funds have gone up \$8 million worth of expenditures on the budget. So, I really thought that was significant and I wanted to -- specifically the Wastewater Fund. I know we have that in the fund. I know it's been saved is my understanding. But I just want people to -- I want a little summary of that so people --

**MS. LANDIS:** Sure.

**MS. HUGHES:** -- feel comfortable with \$6 million being spent.

**MS. LANDIS:** Sure. So, the middle column that you see there that is the expected expenditures for this year. That does not include the reserve. And the far-right column does include the reserves in all those funds. So, we're not anticipating spending all of that. It is a difference in the amount that's budgeted. We budget all of the reserves in case you need them during that year, but we don't anticipate using them. So, yes. The reserve funds have grown over time, specifically because of this [inaudible] development [inaudible] come in in the sewer district area.

**MS. HUGHES:** Yep.

**MS. LANDIS:** So, for each one of those funds, those do include the reserve funds as well. And we're not anticipating spending all of those dollars on each one.

**MS. HUGHES:** So, I mean I guess what I'm looking at is I believe this is going to be your published budget right here. And down at the lower portion you have a proposed budget for 2021, your Special Highway expenditures are doubling. The parks are going up to 250,000 from 20, less than 20,000. The dedicated sales tax is, and if I'm reading that wrong please tell me, but those are all expenditure columns, right?

**MS. LANDIS:** They're expenditures but they include the reserve fund.

**MS. HUGHES:** Okay.

**MS. LANDIS:** So, they're not all going to be spent, not anticipated to being spent.

**MS. HUGHES:** I was having a hard time through all the materials that were sent is finding the actual reserve fund amounts for those. So, I just wanted to try to figure out how much do we have in Special Highway reserve.

**MS. LANDIS:** So, in the detailed line item budget that was sent out, the amount that's in there for carryover that is your reserve amount. Or you can see it in the contingency line item.

**MS. HUGHES:** Don't know what packet that came in.

**MS. LANDIS:** Sorry. I don't have --

**MS. HUGHES:** I had them for all except for the Special Highway. This little summary, maybe this is it. So, are we looking at currently in Special Highway 932,000?

**MS. LANDIS:** In Special Highway, I have a reserve of \$394,000. Special Highway has a reserve of 394,000. Because if you look at the '22 draft budget column or if you look at the reserve contingency amount at the bottom of '21.

**MS. HUGHES:** Okay.

**MS. LANDIS:** Excise tax has a reserve of --

**MAYOR ELLIS:** 45.9 was the last one I had.

**MS. LANDIS:** That was '20, yeah. So, 697 at the end of '21. And Special Parks has 227,000 at the end of '21. So, all of those are added into that total expenditure. You can see budget and the reserve as well. And so you can make the decision to use more than what your just normal projects are. So, should we get into the middle of the year and you say, hey, we want to reprioritize some of this and we need to do this project now, what do we have, we would say, yes, go ahead and do this one.

**MAYOR ELLIS:** That's what we did with Wastewater. We had a project that made sense to go ahead and advance portions of that project from next year into this year because it worked with our [inaudible]. You know, I would discourage that ever using the \$750,000 General Fund reserve because that's part of our overall rating, bond rating. But sometimes other funds where we've got like Wastewater, a high balance existing and improvements to be done.

**MS. LANDIS:** And in Wastewater we've been able to say, okay, we'll pay -- we'll be able to pay cash for some of those future improvements because you're not having to finance any interest as well, which is what we've always been working towards in every fund. Does that help to answer -- I'm sorry there's not -- I didn't provide just a summary of that, but I can certainly send something to you that shows that.

**MS. HUGHES:** No, that's fine.

**MAYOR ELLIS:** Why don't you go ahead and do that and let's make sure that that information gets posted online as well --

**MS. LANDIS:** Sure.

**MAYOR ELLIS:** -- so the folks understand. And also let's do some information about what those reserve funds are so the people understand that we're not just standing by padding the till somewhere that for, in particular, whether it be wastewater or water or equipment replacement, it's so that we can pay cash for certain work. So, we have to build up that savings account in order to be able to pay cash for it. But I'd like that to be clear.

**MR. LEATON:** Not only that. It helps us save money when we go out into the market for -- and a significant cost savings on the rating.

**MAYOR ELLIS:** Yeah. Absolutely.

**MR. LEATON:** We have found that out to be very true.

**MR. OWEN:** I do have one questions, Ms. Landis, and maybe you can explain it again to me, I am missing something here. Our flat mill levy that we're talking about doing, okay, but we're coming up with a higher number for next year, and I think you explained that, it just didn't sink in or something.

**MS. LANDIS:** The higher number being -- going from that 39.599 to the --

**MR. OWEN:** Yes.

**MS. LANDIS:** So, just based on what we had available that's just where the number came out, around 108,000 gets you 39.812 I think it is. You can make that less and we can try and target the 39.599. So, we could take 20,000 out of that and you could target that number, but that may not end up being the actual mill levy at the end of the day. So, we don't get the actual mill levy back from the county until October in their final valuation.

**MAYOR ELLIS:** So, we don't approve a mill levy.

**MR. OWEN:** Okay.

**MAYOR ELLIS:** We approve a dollar amount.

**MR. OWEN:** A dollar amount.

**MS. LANDIS:** Right.

**MAYOR ELLIS:** The county then when it finishes its final valuations and the appeals, et cetera, then it says, okay, Spring Hill, this is the dollar amount. Here is the mill levy that supports that. That's why it's subject to some fluctuations up and down a little bit.

**MR. OWEN:** Okay. I just, in looking through the budget, and I don't want to go line by line, we have some things in here that we don't seem to use throughout the years. One here is Professional Development and Information Technologies. It doesn't look like we've used it in four years. And I know it's, you know, \$1,100. Are those --

**MS. LANDIS:** This is the first budgeted year for that department, so it won't show anything for previous years because it didn't have a budget.

**MR. OWEN:** Okay.

**MAYOR ELLIS:** Right.

**MR. OWEN:** All right.

**MS. LANDIS:** And this year all of the professional development, all those things were delayed because we haven't been spending any of our normal budget. Because there are --

**MR. OWEN:** Yeah. So, some things I just look at and see things that haven't been used and it's concerning. Maybe those are things we can just remove to help keep us at our flat mill levy.

**MS. LANDIS:** And we can take a look at those. So, the tough part is you can remove them. But then if you need them, they're not there.

**MR. OWEN:** I understand.

**MS. LANDIS:** But if you budget for them and you don't end up using them, then you kind of allocate a budget authority for something you didn't need, and it could have gone elsewhere. So, it is [inaudible].

**MR. OWEN:** Okay. All right.

**MR. HENDERSHOT:** Anything else?

## **ANNOUNCEMENTS AND REPORTS**

*(No announcements were made or reports given.)*

## **EXECUTIVE SESSION**

**MAYOR ELLIS:** I'll entertain a motion to convene to executive session. Mr. Hendershot, how long do you need?

**MR. HENDERSHOT:** Ten minutes.

**MAYOR ELLIS:** Ten minutes. Very good.

**MR. LEATON:** Mayor, I move for recess into Executive Session for ten minutes to discuss employee status pursuant to the non-elected personnel exception K.S.A. 75-4319(b)(1) to the Kansas Open Meetings Act. The following persons are to be in attendance: Jim Hendershot, City Attorney[sic], Frank H. Jenkins, Jr., City Attorney. Do we want to take a short break or not or do we want to go right into it?

**MAYOR ELLIS:** Let's just dive right in.

**MR. LEATON:** Dive right in.

**MAYOR ELLIS:** And it's for a minor correction. Jim Hendershot, City Administrator.

**MR. LEATON:** What did I say?

**MAYOR ELLIS:** You demoted him to City Attorney. We have two attorneys now.

**MR. LEATON:** So, motion modified accordingly to begin at 7:50.

**MR. ECKERT:** Second.

**MAYOR ELLIS:** We have a motion and second. Is there any discussion? If not, all those in favor?

**COUNCILMEMBERS:** Aye.

**MAYOR ELLIS:** It carries 5-0-0. We'll carry on in Executive Session. There will be formal action.

*[Therefore, the motion was made by Councilmember Leaton and seconded by Councilmember Eckert to recess into Executive Session for 10 minutes. The motion carried 5-0-0.]*

(Spring Hill City Council in Executive Session from 7:50 p.m. to 8:00 p.m.)

**MAYOR ELLIS:** Just in the nick of time. We are back in open session. The discussion was limited to the topic stated. No decisions were made; no votes were taken.

I'll entertain a motion to adjourn.

**MR. GRAVES:** So moved.

**MR. OWEN:** Second.

**MR. OWEN:** Second.

**MAYOR ELLIS:** All those in favor.

**COUNCILMEMBERS:** Aye.

**MAYOR ELLIS:** Ayes carry 5-0-0. And heaven knows what we would do if the motion didn't carry, I guess we'd all just leave and see.

**MR. GRAVES:** We'd have to look back into what *Robert's Rules of Order* would say.

**MAYOR ELLIS:** Exactly. Thank you everyone.

*[Therefore, the motion was made by Councilmember Graves and seconded by Councilmember Owen to adjourn. The motion carried 5-0-0.]*

(Spring Hill City Council Meeting Adjourned)

CERTIFICATE

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

/das \_\_\_\_\_ September 10, 2020

Deborah A. Sweeney, WriteAway Transcription

APPROVED BY the Governing Body on September 24, 2020.

/gg \_\_\_\_\_

Glenda Gerrity, City Clerk