



CITY OF MISSION, KANSAS
FINANCE & ADMINISTRATION COMMITTEE

WEDNESDAY, OCTOBER 12, 2022 at 7:30 p.m.
(or immediately following 6:30 p.m. Community Development Committee)

POWELL COMMUNITY CENTER
6200 MARTWAY

Meeting In Person and Virtually via Zoom

This meeting will be held in person at the time and date shown above. In consideration of the COVID-19 social distancing recommendations, this meeting will also be available virtually via Zoom (<https://zoom.us/join>). Information will be posted, prior to the meeting, on how to join at <https://www.missionks.org/calendar.aspx>. Please contact the Administrative Offices, 913.676.8350, with any questions or concerns.

PUBLIC HEARINGS / PUBLIC COMMENTS

1. 2022 Audit - SAS Letter - Brian Scott/BT&CO, P.A. ([page 3](#))

BT&Co will conduct the audit for the fiscal year ending December 31, 2022. Emily Sheldon will meet with the Finance and Administration Committee to discuss the upcoming audit. In particular, she will outline the auditor's responsibilities with regard to the financial audit, planned scope and timing of the audit, and any significant issues prior to beginning the audit.

PUBLIC PRESENTATIONS / INFORMATIONAL ONLY

ACTION ITEMS

2. Acceptance of the September 7, 2022 Finance & Administration Committee Minutes – Robyn Fulks ([page 21](#))

Draft minutes of the September 7, 2022 Finance and Administration Committee meeting are included for review and acceptance.

3. Ordinance Imposing $\frac{3}{8}$ -Percent Citywide Retailers Sales Tax – Laura Smith ([page 32](#))

Mission voters approved renewal of the dedicated street sales tax at the increased rate of $\frac{3}{8}$ -percent at a September 20, 2022 mail ballot election. The final step in the process is for Council to consider an ordinance imposing the special $\frac{3}{8}$ -percent citywide

retailers' sales tax to finance parks and recreation improvements and providing notice to the State Director of Taxation requesting the sales tax commence on April 1, 2023 and expire on March 30, 2033.

4. Legislative Advocacy Services 2023 – Laura Smith ([page 40](#))

Since 2020, Mission has contracted with Little Government Relations (LGR), LLC for government affairs and advocacy services. The weekly updates, assistance with crafting testimony and the overall education and information provided about relevant legislative issues and the legislative climate have added value, helping to support and inform staff and Council on a timely basis, particularly during the legislative session. Staff recommends renewal of an agreement with LGR in an annual amount not to exceed \$10,000 for government affairs and advocacy services for 2023.

5. Surplus Resolution – Brian Scott ([page 44](#))

City Council Policy No. 111 defines the process and procedure for the sale and disposal of real and personal property by the City of Mission, which is also outlined in K.S.A. 12-101. The City Council will be asked to consider a resolution identifying surplus items that include a walk behind mower, a vehicle seized by the Police Department and other miscellaneous items.

DISCUSSION ITEMS

OTHER

6. Vape Shop Regulations – Laura Smith ([page 48](#))

Councilmember Davis has requested that the Council consider revising the City of Mission Municipal Code to require certain distance requirements from churches, schools or other locations where youth may gather for any vape shop seeking to locate in the City of Mission.

7. Debt Financing Scenarios – Laura Smith ([page 50](#))

Staff will review potential debt financing scenarios for street and park improvements.

8. Department Updates – Laura Smith

Trent Boultinghouse, Chairperson
Debbie Kring, Vice-Chairperson
Mission City Hall, 6090 Woodson St
913.676.8350

City of Mission	Item Number:	1.
INFORMATIONAL ITEM	Date:	October 12, 2022
ADMINISTRATION	From:	Brian Scott

Informational items are intended to provide updates on items where limited or no discussion is anticipated by the Committee.

RE: 2022 Financial Pre-Audit Communication

DETAILS: Kansas statutes require an annual audit of the City's financial statements. As the City's fiscal year comes to an end, staff begins preparing for closing out the fiscal year and starting the audit. The City has engaged BCo P.A., Certified Public Accountants to conduct an audit of the City's financial statements for the fiscal year ending December 31, 2022. The audit for this fiscal year will cost approximately \$29,000.

One of the first steps in preparing for the upcoming audit is a pre-audit communication with elected officials and management. The American Institute of Certified Public Accountants (AICPA) establishes standards and guidelines for proper and effective auditing of financial records through the issuance of Statements on Auditing Standards (SAS). SAS 114, *The Auditor's Communication With Those Charged With Governance*, addresses the auditor's communications with the governance (the actual governing body and senior management) of the entity that is being audited. Matters to be communicated include:

- The auditor's responsibilities with regard to the financial audit statement
- Planned scope and timing of the audit
- Significant findings or issues from the audit

The auditor's responsibilities with regard to the audit of the financial statements are often included in the representation letter that is presented with the audit. The letter communicates:

- The auditor is responsible for performing the audit in accordance with Generally Accepted Auditing Standards (GAAS) and that the audit is designed to obtain reasonable, rather than absolute, assurance about whether the financial statements as a whole are free from material misstatement.
- An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting.
- The auditor is responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. When applicable, the auditor is also responsible for

Related Statute/City Ordinance:	K.S.A. 75-1122
Line Item Code/Description:	N/A
Available Budget:	N/A

City of Mission	Item Number:	1.
INFORMATIONAL ITEM	Date:	October 12, 2022
ADMINISTRATION	From:	Brian Scott

Informational items are intended to provide updates on items where limited or no discussion is anticipated by the Committee.

communicating particular matters required by law or regulation, by agreement with the entity, or by additional requirements applicable to the engagement.

Emile Sheldon with BT&Co will meet with the Finance and Administration Committee to discuss the upcoming audit. In addition to the areas listed above, this discussion will entail the planned scope and timing of the audit itself.

This would be an opportunity for the auditor and Committee to engage in a discussion on such matters as:

- The allocation of responsibilities between the City Council and management in regards to fiscal oversight;
- Any significant communications with regulators or other outside parties;
- The auditor's approach to internal control relevant to the audit including, when applicable, whether the auditor will express an opinion on the effectiveness of internal control over financial reporting;
- How the auditor proposes to address the significant risks of material misstatement, whether due to fraud or error;
- The City's objectives and strategies and the related risks that may result in material misstatements; and
- A better understanding of the consequences of the auditor's work and to identify any areas in which the auditor may be requested to undertake additional procedures.

Although communication with those charged with governance may assist the auditor to plan the scope and timing of the audit, it does not change the auditor's sole responsibility to establish the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient and appropriate audit evidence.

CFAA CONSIDERATIONS/IMPACTS: N/A

Related Statute/City Ordinance:	K.S.A. 75-1122
Line Item Code/Description:	N/A
Available Budget:	N/A



August 29, 2022

City Council
City of Mission, Kansas
6090 Woodson Road
Mission, Kansas 66202

Attention: Members of the City Council

Auditing standards generally accepted in the United States of America and Government Auditing Standards (GAS) require us to specifically communicate with the auditee, the individual(s) contracting for or requesting the audit services, and the audit committee information regarding the nature and extent of planned testing and reporting on compliance with laws and regulations and internal control over financial reporting.

To meet this communication requirement, we have provided you with the attached copy of our arrangement letter which was signed by Laura Smith on August 25, 2022.

If you have any questions concerning the attached, please contact me at 785-234-3427.

Very truly yours,

BT&CO., P.A.

A handwritten signature in black ink that reads "Stacey Hammond". The signature is written in a cursive, flowing style.

Stacey A. Hammond
Director

SAH:kkw

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.



RECEIVED

AUG 29 2022

BT & CO

4301 SW Huntoon Street, Topeka, KS 66604 | t: 785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandcccpa.com

August 16, 2022

Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
6090 Woodson Road
Mission, Kansas 66202

The Objective and Scope of the Audit of the Financial Statements

You have requested that we audit the City of Mission, Kansas's (the City) governmental activities, each major fund, aggregate remaining fund information and the budgetary comparisons for each major fund as of and for the year ended December 31, 2022 which collectively comprise the basic financial statements. We will also apply certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America and will report on whether supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States (GAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

You have also requested that BT&Co., P.A. perform the audit of the City as of December 31, 2022 to satisfy the audit requirements imposed by the Single Audit Act and Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance).

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 2

The Responsibilities of the Auditor

We will conduct our audit in accordance with GAAS, the “Kansas Municipal Audit and Accounting Guide”; GAS, the Uniform Guidance, and the U.S. Office of Management and Budget’s (OMB) Compliance Supplement. Those standards, regulations, supplements or guides require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS, GAS, and the Uniform Guidance, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and GAS. Because the determination of waste or abuse is subjective, GAS does not require auditors to perform specific procedures to detect waste or abuse in financial statement audits.

We will communicate to the City Council (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

We are responsible for the compliance audit of major programs under the Uniform Guidance, including the determination of major programs, the consideration of internal control over compliance, and reporting responsibilities.

Our reports on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 3

control consistent with requirements of the standards and regulations identified above. Our reports on compliance matters will address material errors, fraud, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards and regulations identified above.

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants and GAS.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the City complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;
2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the City involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers or others.

Management is responsible for the preparation of the required supplementary information which accounting principles generally accepted in the United States of America (U.S. GAAP) require to be presented to supplement the basic financial statements. Management is also responsible for the preparation of the supplementary information presented in relation to the financial statements as a whole in accordance with U.S. GAAP. Management agrees to include the auditor's report on the supplementary information in any document that contains the supplementary information and indicates that the auditor has reported on such supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

The City Council is responsible for informing us of its views about the risks of fraud, waste or abuse within the City, and its knowledge of any fraud, waste or abuse or suspected fraud, waste or abuse affecting the City.

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 4

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP);
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
4. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
5. For report distribution; and
6. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;
 - b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of the audit in accordance with the proposed timeline;
 - c. Additional information that we may request from management for the purpose of the audit; and
 - d. Unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Arrangement Letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 5

Because the audit will be performed in accordance with the Single Audit Act and the Uniform Guidance, management is responsible for (a) identifying all federal awards received and expended; (b) preparing and the fair presentation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with Uniform Guidance requirements; (c) internal control over compliance; (d) compliance with federal statutes, regulations, and the terms and conditions of federal awards; (e) making us aware of significant vendor relationships where the vendor is responsible for program compliance; (f) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings and a corrective action plan; (g) timely and accurate completion of the data collection form and (h) submitting the reporting package and data collection form.

Reporting

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to the City Council of the City. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

If circumstances arise relating to the condition of the City's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including, but not limited to, declining to express an opinion or issue a report, or withdrawing from the engagement.

In addition to our report on the City's financial statements, we will also issue the following reports:

1. A report on the fairness of the presentation of the City's schedule of expenditures of federal awards for the year ending December 31, 2022;
2. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with GAS;
3. Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance;
4. An accompanying schedule of findings and questioned costs.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the City's books and records. The City will determine that all such data, if necessary, will be so reflected. Accordingly, the City will not expect us to maintain copies of such records in our possession.



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 6

The assistance to be supplied by City personnel, including the preparation of schedules and analyses of accounts, will be discussed and coordinated with Brian Scott, Deputy City Administrator/Finance Director. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Nonaudit Services

In connection with our audit, you have requested us to perform certain nonaudit services:

- 1) Preparing the financial statements and note disclosures.
- 2) Assistance with the Federal Audit Clearinghouse submission.
- 3) Preparing journal entries.

GAS independence standards require that the auditor maintain independence so that opinions, findings, conclusions, judgments and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a non-audit service to the City, we determine whether providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other non-audit services provided. A critical component of our determination is consideration of management's ability to effectively oversee the non-audit services to be performed. The City has agreed that Brian Scott, Deputy City Administrator/Finance Director, possesses suitable skill, knowledge or experience and that the individual understands the non-audit services to be performed sufficiently to oversee them. Accordingly, the management of City agrees to the following:

1. The City has designated Brian Scott, Deputy City Administrator/Finance Director, as a senior member of management who possesses suitable skill, knowledge and experience to oversee the services;
2. Brian Scott, Deputy City Administrator/Finance Director, will assume all management responsibilities for subject matter and scope of the non-audit services listed above;
3. The City will evaluate the adequacy and results of the services performed; and
4. The City accepts responsibility for the results and ultimate use of the services.

GAS further requires that we establish an understanding with the City's management and those charged with governance of the objectives of the non-audit services, the services to be performed, the City's acceptance of its responsibilities, the auditors' responsibilities and any limitations of the non-audit services. We believe this Arrangement Letter documents that understanding.

Other Relevant Information

In accordance with GAS, a copy of our most recent peer review report is enclosed for your information.



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 7

Fees and Costs

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement plus directly billed expenses. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from City personnel
2. Timely responses to our inquiries
3. Timely completion and delivery of client assistance requests
4. Timely communication of all significant accounting and financial reporting matters
5. The assumption that unexpected circumstances will not be encountered during the engagement

If any of the aforementioned criteria are not met, then fees may increase. We propose that our fee for this audit engagement, which includes out-of-pocket expenses, will be \$ 31,000. This fee does not include additional work to be performed if a single audit is required as a result of federal expenditures exceeding \$ 750,000 in any one year. If a single audit is required, there will be an additional \$ 4,000 fee per major program for compliance testing and reporting. The quoted fee for the year ended December 31, 2022 will be the maximum for the work described in this letter unless the scope of the engagement is changed, the assistance which the City has agreed to furnish is not provided, or unexpected conditions are encountered. No changes will be made in the maximum agreed to amount without discussion with you regarding the proposed change. All other provisions of this letter will survive any fee adjustment. No changes will be made to the fee without discussion with you regarding the proposed change. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission.

In accordance with our policy, a finance charge of 1% per month will be applied to balances that are over 60 days old. Payments will be applied first to the accrued finance charges and then to outstanding invoices.

You have informed us that you intend to prepare an annual comprehensive financial report (Annual Report) and submit it for evaluation by the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program. Our association with the annual comprehensive financial report is to consist of assistance with preparation of the annual comprehensive financial report and review the annual comprehensive financial report to ensure its readiness for submission.

Use of Subcontractors and Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use qualified third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Personal Information or Confidential Information (as both terms are defined below) to them. You hereby consent to us sharing your information, including Confidential Information and Personal Information, with these third-party service providers on the same basis as we would be permitted to share information with one of our employees; provided that such recipients are bound by written obligations of confidentiality that are as protective



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 8

of your Confidential Information as the confidentiality terms set forth herein. You acknowledge and agree that our use of a third-party service providers may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, "Third-Party Products"). You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product's infrastructure and not ours, and that the terms of use and service set forth in the end-user license, subscription, or other agreement with the licensor of such Third-Party Product, including, but not limited to, applicable laws, will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership; Access to Audit Documentation

The Audit Documentation for this engagement is the property of BT&Co., P.A. For the purposes of this Arrangement Letter, the term "Audit Documentation" shall mean the confidential and proprietary records of BT&Co., P.A.'s audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by BT&Co., P.A. for the City under this Arrangement Letter, or any documents belonging to the City or furnished to BT&Co., P.A. by the City.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable BT&Co., P.A. policies, and will be agreed to, accounted for and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access & Release Letter substantially in BT&Co., P.A.'s form. BT&Co., P.A. reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the City, the City will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 9

You acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the Audit Documentation upon their request and that we shall maintain the Audit Documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to the requested Audit Documentation will be provided under the supervision of BT&Co., P.A. audit personnel and at a location designated by our firm.

Indemnification, Limitation of Liability, and Claim Resolution

Because BT&Co., P.A. will rely on the City and its management and City Council to discharge the foregoing responsibilities, the City agrees to indemnify, hold harmless and release BT&Co., P.A. and its partners, principals, officers, directors, employees, affiliates, subsidiaries, contractors, Subcontractors, agents, representatives, successors, or assigns from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the City's management.

The City and BT&Co., P.A. agree that no claim arising out of services rendered pursuant to this arrangement letter shall be filed more than the earlier of two years after the date of the audit report issued by BT&Co., P.A. or the date of this arrangement letter if no report has been issued. In no event shall either party be liable to the other for claims of punitive, consequential, special, or indirect damages. BT&Co., P.A.'s liability for all claims, damages and costs of the City arising from this engagement is limited to the amount of fees paid by the City to BT&Co., P.A. for the services rendered under this arrangement letter.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

The City and BT&Co., P.A. both agree that any dispute over fees charged by BT&Co., P.A. to the City will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by BT&Co., P.A., each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

Confidentiality

BT&Co., P.A. and the City may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, BT&Co., P.A. and the City agree as the recipient of such Confidential Information (the "Receiving Party") to keep strictly confidential all Confidential Information provided to it by the disclosing party (the "Disclosing Party") and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Arrangement Letter and for no other purpose or use. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 10

hereunder. To avoid any doubt, BT&Co., P.A. is permitted to disclose the City's Confidential Information to BT&Co., P.A.'s personnel, agents, and representatives for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Personal Information

As used herein, the term "Personal Information" means any personal information that directly or indirectly identifies a natural person as may be defined by applicable privacy, data protection or cybersecurity laws, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, driver's license numbers or state-issued identification card numbers, credit or debit card numbers with or without any required security code, number or passwords, health information, and other personal information as defined by applicable laws, whether of the City or the City's customers or other third parties.

Each party agrees that it will not transmit to the other, in any manner, (i) Personal Information that is not needed to render the services hereunder, and (ii) Personal Information that has not been encrypted. In the event you transmit



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 11

to us Personal Information in an unencrypted format or via unencrypted means, you agree that we have no obligation to notify you of the foregoing.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use and disclosure to us or our Subcontractors of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

We will use all such City-provided Personal Information, if at all, only for the purposes described in this Arrangement Letter. The parties agree that as part of the performance of the services as described in this Arrangement Letter, and as part of the direct business relationship between the parties, we may, at our election, use the Personal Information to improve the services and for other similar internal and business purposes. We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of City-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

Retention of Records

We will return to you all original records you provide to us in connection with this engagement. Further, in addition to providing you with those deliverables set forth in this Arrangement Letter, we will provide to you a copy of any records we prepare or accumulate in connection with such deliverables which are not otherwise reflected in your books and records without which your books and records would be incomplete. You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and nonfinancial records related to this engagement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records of yours necessary for us to comply with applicable law and/or professional standards. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 12

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at our sole discretion, terminate this Arrangement Letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will require additional procedures not contemplated in this Arrangement Letter. Accordingly, the scope, timing and fee arrangement discussed in this Arrangement Letter will no longer apply. In order for us to recommence work, the execution of a new Arrangement Letter will be required.

We may terminate this Arrangement Letter upon written notice if we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Miscellaneous

We may mention your name and provide a general description of the engagement in our client lists and marketing materials.

You have informed us that you may issue public debt in the future and that you may include our report on your financial statements in the offering statement. You have further informed us that you do not intend for us to be associated with the proposed offering.

We agree that our association with any proposed offering is not necessary, providing the City agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The City agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

BT&Co., P.A., our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. BT&Co., P.A. also has not performed any procedures relating to this [official statement] [memorandum].

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, you agree to compensate us for any additional costs incurred as a result of your employment of one of our partners, principals or employees.



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 13

RSM US LLP will be available to support BT&Co., P.A. by rendering services related to the performance of the engagement. If a situation occurs in connection with the proposed engagement for which we would request the services of RSM US LLP, we will notify you and obtain permission from you before giving access to your records. We will maintain supervision, control and ultimate responsibility for the performance of this engagement.

BT&Co., P.A. is independently owned and operated and assumes full responsibility for the quality of service delivered to our clients. We are responsible for our own client fee arrangements and maintenance of our client relationships.

RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM US LLP and RSM International. RSM, the RSM logo and RSM US ALLIANCE are trademarks of RSM International Association or RSM US. The services and products provided by RSM US Alliance are proprietary to RSM US LLP.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between BT&Co., P.A. and the City, and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Arrangement Letter.

If any term or provision of this Arrangement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this Agreement Letter or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (a) to be "written" or "in writing," (b) to have been signed and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (a) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (b) an electronic copy of a traditional signature affixed to a document, (c) a signature incorporated into a document utilizing touchscreen capabilities or (d) a digital signature. This Arrangement Letter may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records



Mr. Brian Scott
Deputy City Administrator/Finance Director
City of Mission, Kansas
Page 14

created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.


Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

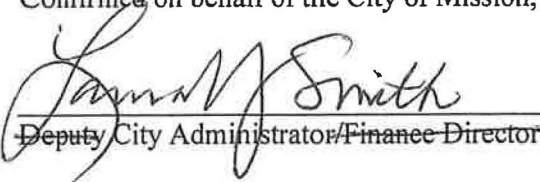
Very truly yours,

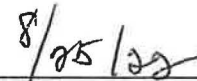
BT&CO., P.A.


Stacey A. Hammond
Director

SAH:tls
Enclosures

Confirmed on behalf of the City of Mission, Kansas:


Deputy City Administrator/Finance Director


Date

A signed copy of this arrangement letter will be forwarded to the following pursuant to *Government Auditing Standards* Amendment No. 2, "Auditor Communication."

City Council
Laura Smith, City Administrator



THE FIRM FOR GROWTH.™

Report on the Firm's System of Quality Control

November 17, 2020

To the Directors of
BT&Co., P.A.
and the Peer Review Committee of the Kansas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of BT&Co., P.A. (the firm) in effect for the year ended June 30, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under Government Auditing Standards, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BT&Co., P.A. in effect for the year ended June 30, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. BT&Co., P.A. has received a peer review rating of *pass*.

Brown Smith Wallace, LLP

Brown Smith Wallace, LLP

City of Mission	Item Number:	2.
ACTION ITEM SUMMARY	Date:	October 12, 2022
Administration	From:	Robyn Fulks

Action items require a vote to recommend the item to full City Council for further action.

RE: September 7, 2022 Finance & Administration Committee Minutes.

RECOMMENDATION: Review and accept the September 7, 2022 minutes of the Finance & Administration Committee.

DETAILS: Minutes of the September 7, 2022 Finance & Administration Committee meeting are presented for review and acceptance. At the committee meeting, if there are no objections or recommended corrections, the minutes will be considered accepted as presented.

Draft minutes are linked to the City Council agenda packet so that the public may review the discussion from the committee meeting in advance of the Council action on any particular item.

CFAA CONSIDERATIONS/IMPACTS: N/A

Related Statute/City Ordinance:	NA
Line Item Code/Description:	NA
Available Budget:	NA



**MINUTES OF THE MISSION FINANCE & ADMINISTRATION
COMMITTEE**

September 7, 2022

The Mission Finance & Administration Committee met at the Powell Community Center and virtually via ZOOM on Wednesday, September 7, 2022. The following Committee members were present: Ken Davis, Trent Boultinghouse, Hillary Thomas, Debbie Kring, Mary Ryherd, Lea Loudon, Kristin Inman, Mayor Flora and Ben Chociej. Councilmember Boultinghouse called the meeting to order at 6:32 p.m.

The following staff were present: City Administrator Laura Smith, Deputy City Administrator Brian Scott, Assistant City Administrator Emily Randel, City Clerk Robyn Fulks, Public Works Director Celia Duran, Public Works Superintendent Brent Morton, Parks and Recreation Director Penn Almoney and Chief Dan Madden

Public Comments

Councilmember Boultinghouse reminded the public they can participate via the chat feature on Zoom. All comments would be visible to the group.

There were no public comments.

Public Presentations/Informational Items

There were no public presentations or informational items.

Action Items

Acceptance of the August 3 Community Development Committee Minutes

Minutes of the August 3, 2022 Finance & Administration Committee were provided to the Committee for review.

Councilmember Davis referenced a typing error in the Minutes, which City Clerk Robyn Fulks reviewed and had corrected.

Councilmember Davis recommended this item be forwarded to the City Council for approval. All on the committee agreed, and this item will be on the consent agenda.

STO/UPOC Adoption

Chief Dan Madden presented the League of Kansas Municipalities' updated versions of the Standard Traffic Ordinance (STO) and Uniform Public Offense Code (UPOC), allowing the City to enforce the laws at the State level by Ordinance.

Chief reviewed with the Committee the changes and additions made to the 2022 version of the STO, which included:

- Section 30, *Driving Under the Influence of Intoxicating Liquor or Drugs; Penalties*. This section was amended to allow for waiving any portion of a fine issued if the guilty person completes court-ordered education or treatment. This does not apply to the required \$250 fine that is submitted to the State of Kansas. This provision is also amended in the DUI ordinance related to persons with Commercial Driver's Licenses (Section 30.1).
- Section 30.5, *Commercial Driver's Licenses; Diversion Agreements Not Allowed*. This section prohibits prosecutors from diverting, or otherwise masking a conviction from appearing on a CDL holder's driving record. This does not apply to parking, weight violations, and other vehicle defect violations.
- Section 135, *Electric-Assisted Bicycles, Traffic Law Application*. This section was amended to clarify that electric-assisted bicycles are allowed on streets and highways. In addition, riders of electric-assisted bicycles are not required to have a driver's license or maintain vehicle liability insurance. Provisions exist in this section to allow cities to restrict use of electric-assisted bicycles on streets, highways, roadways, sidewalks, bicycle paths, and multi-use paths and trails.

He also highlighted several sections in the 2022 version of the UPOC which were amended, noting that most changes were minor definition updates to match State Statutes. Of particular interest are:

- Section 3.2.1, *Sexual Battery*. The league added an editor's note to this section to remind cities that the Kansas Supreme Court ruled that the Kansas Offender Registration Act applies to persons convicted of sexual battery.
- Section 11.8, *Gambling*. This section was updated to exclude sports wagering from the definition of a bet.

Chief Madden reminded the Committee that the City has historically chosen to not adopt the following sections of the STO and UPOC due to having existing ordinances that better fit Mission's needs:

In the *Standard Traffic Ordinance* those include:

- Article 7, Section 33 relating to maximum speed limits is deleted. Maximum speed limits are regulated by the Mission Municipal Code Section 310.010
- Article 20, section 204(b) relating to fines in school zones is deleted. School zone fines are regulated by Mission Municipal Code Section 300.035.

In the *Uniform Public Offense Code* those include:

- Article 10, Sections 10.24, 10.25, and 10.26 relating to smoking prohibitions are deleted. Smoking restrictions are regulated by Mission Municipal Code Chapter 225, Article III.
- Article 11, Section 11.11 relating to animal cruelty is deleted. Animal cruelty is regulated by Mission Municipal Code Chapter 210, Section 210.160.

- Article 11, Section 11.15 relating to dangerous animals at large is deleted. Dangerous animals at large are regulated by Mission Code, Chapter 210, Section 210.150.

There were no questions or further discussion from the Committee and Councilmember Davis recommended this item be forwarded to the City Council for approval. All on the committee agreed, and this item will be on the consent agenda.

Massage Therapy Licensing

Assistant City Administrator Emily Randel presented updates to the City's massage therapy licensing Code to allow for in-home massage therapy and to modernize the language. Ms. Randel and the City were approached by Stephen and Amanda Jacoby earlier in the summer and Staff presented ideas for updates and modernization to the existing codes as a discussion item in August. At that time, the Council was interested in moving forward with updates and revisions which were incorporated into the draft ordinance revisions being presented tonight.

Ms. Randel outlined the updates including allowing in-home massage, streamlining the application and approval process to remove it from a Council approval to an administrative approval process as the City Clerk is already working closely with massage establishments. She also reviewed language updates, some borrowed from neighboring cities, with regards to expansion of criminal violations and additional language regarding felonies and sexual misconduct. Code language updates and modernization include removal of language regarding hem lengths and the addition of gender inclusive language.

Ms. Randel reviewed feedback that came in after the revisions were circulated last week. The biggest was that the edits weren't clearly communicating the addition of allowing in-home or on-site massage therapy in the City. She gave examples including related to providing massage therapy in an office setting.

Councilmember Davis commended Staff and the Jacobys for bringing the issue forward, and he is very pleased with the recommendations. He also appreciates the clarifications Ms. Randel offered tonight.

Ms. Randel also clarified that the effective date of the updates to the ordinance, if approved, will be September 28 following publication of the ordinance in the Legal Record on September 27.

Councilmember Davis recommended this item be forwarded to the City Council for approval. All on the committee agreed, and this item will be on the regular agenda.

Election of Voting Delegates LKM and NLC

City Administrator Laura Smith presented the need for the Council to select voting delegates to represent the City at the National League of Cities (NLC) Conference, being held here in Kansas City this year, and the League of Kansas Municipalities (LKM) conference. The NLC selection is for one delegate and one alternate. Councilmember Kring asked to be the assigned delegate, with

Councilmember Loudon as the alternate. For the LKM, the three delegates will be Councilmember Loudon, Councilmember Thomas and Mayor Flora. Ms. Smith noted that the elections will be finalized during the September 21, 2022 City Council meeting.

Mission Gateway

Ms. Smith share some calendar reminders for upcoming meetings on the Mission Gateway project for the consideration of the developer's requests for a new TIF Project Plan and a new CID petition. There will be a public hearing meeting on September 28 at 7:00 p.m. She also reminded the Council about the work session planned for September 14 at 6:30 p.m. She shared that the focus tonight is a presentation via ZOOM from Bruce Kimmel of Ehlers, Inc. the City's municipal advisor, who has been involved with the Gateway project from the outset. Pete Heaven, land use attorney, and Kevin Wempe with Gilmore and Bell, the City's bond counsel, are also present and available to answer any questions. Mr. Kimmel will share information on his analysis of the developer's pro forma and answer questions related to the "but for" test regarding incentives and the likelihood that the project could proceed without them.

Mr. Kimmel was delayed in joining the meeting, during which time Ms. Smith reminded the Committee that there would be an opportunity tonight for both the public and Committee members to ask questions of Mr. Kimmel and others present. There is no specific action item that will advance from this meeting, but rather it is just the start of the review and discussion as we move toward the September 28, 2022 public hearings process.

While Mr. Kimmel got set up, Councilmember Boultinghouse and Ms. Smith invited department heads up to give their department updates.

Department Updates

Ms. Randel gave an update about the implementation of the new municipal court software, a project a long time in the making. The City's two court clerks have been working hard to transfer over all data in advance of the changeover Monday.

Councilmember Davis mentioned that he received his Parks & Recreation Sales Tax Renewal ballot. Ms. Smith updated that ballots have hit mailboxes and the City's social media has been updated with where and how to return ballots.

Councilmember Kring mentioned that she went to the post office to return her ballot and found that the mailbox was overflowing, which was a concern.

Ms. Smith will continue to remind people to use the drop box at the NE Johnson County offices at 6000 Lamar, which is a good option for residents to return their mail ballots.

Public Works Superintendent Brent Morton updated the Committee on the Johnson Drive reconfiguration project. Striping started this week, and will continue through Friday, and possibly Saturday as the contractor finishes up lane striping. Public Works has had one complaint about the transition at Johnson Drive for eastbound traffic, but it will take some time for drivers to adjust to the

new configurations. The contractor is using a new product, MMA, for crosswalk and parking stalls. That striping will take place on September 24.

Councilmember Thomas wondered if the crosswalk at Woodson Street and Johnson Drive would be redone.

Mr. Morton answered that yes, that intersection will be cleaned up and those markings will be redone.

Councilmember Davis asked for an update on the Reeds, Outlook and 62nd street area.

Mr. Morton spoke with the Contractor today and will update the website tomorrow. All three streets will be paved by the end of next weekend. He is hopeful that by the end of September sod will be laid and the 2022 Street Preservation Program will be complete, weather dependent of course.

Councilmember Davis asked about the grates in the street on Johnson Drive east of Roeland Drive.

Mr. Morton stated those are in the process of being adjusted. They can't be adjusted until the concrete can be cut out as a separate job. He believes they will be completed in the next two weeks.

Councilmember Inman asked if the process on 62nd Street will be the same on Reeds north of 51st Street and Mr. Morton responded that it would be.

Mayor Flora asked when WaterOne will patch Lamar?

Mr. Morton believes that will happen this week per WaterOne. They just paved the intersection but forgot to add a valve so they had to take out the fresh patch to add that valve and will re-patch.

Mission Gateway (continued)

Mr. Kimmel apologized for his delay tonight. He is excited to share his analysis this evening and answer the Committee's questions.

Mr. Kimmel's began his PowerPoint presentation with a recap of the fundamental points of the proposal as it stands currently. Phase I includes multi-family housing, retail, a Cinergy entertainment complex and a parking structure. Phase II is comprised of a hotel and office building. The current project budget for the complete development is \$259 million dollars.

Mr. Kimmel's next reviewed the Phase I capital funding stack, including a construction loan of \$65.3 million, a mezzanine loan of \$46.0 million, development equity of \$29.6 million and TIF/CID bond proceeds of \$22.5 million for a total of \$163.4 million. Mr. Kimmel made sure to point out that the estimated bond proceeds are just under 14% of the Phase I funding stack, which, in his experience is on the low side of incentive funding for a project of this nature.

Mr. Kimmel then highlighted information from the development team with current term sheets including lender information, which is consistent with the estimated funding stack. Additionally, Mr.

Kimmel reviewed the bond runs from DA Davidson, the bond underwriters selected for the project, noting that their projections are consistent with information the developer has projected for Phase I funding. The Developer has also discussed the possibility of Phase I costs increasing due to higher construction costs or rising interest rates. The Developer has had discussions about increasing loan and equity amounts if Phase I costs for the project or borrowing increase. The TIF and CID bonds can't generate any more than anticipated as they are based on the estimated revenues that will be generated from the project. The Developer is not asking the City to contribute additional incentives if construction or borrowing costs increase, and is exploring options to increase funding if needed.

Mr. Kimmel acknowledged there was a strong sense the City wanted guarantees regarding the Developer starting and completing the project in its entirety. However, he noted that based on the funding currently negotiated by the developer, the focus is more tightly related to looking at a Phase I project only at this time and potential City participation relating to Phase I. Specifically, without funding in place for Phase II, the City's team could only recommend considering issuance of Phase I bonds rather than one bond issuance where monies related to Phase II would be escrowed.

Mr. Kimmel also noted that this Council cannot obligate a future Council to issuing bonds for Phase II. A gameplan can be put into place, however when the project is ready for Phase II a future Council would separately consider a second bond issuance. No agreement has been reached on that kind of mechanism to date, but the City's team is exploring options with the developer's team.

Mr. Kimmel reviewed detailed analysis from the Gateway and GFI groups who provided detailed budgets, funding projections and operating pro formas for the whole project, and for some specific elements in each phase. Even with all revenue streams considered, the Developer's projected rate of return is on the low end of market expectations. Mr. Kimmel's analysis would suggest that another developer would likely not pursue the project as proposed due to the relatively low rate of return. This Developer's circumstances are unique, and they are committed to completing the project which includes them accepting a lower rate of return. His analysis also sees no circumstance that would allow for a larger rate of return on the project.

Mr. Kimmel shared his opinion that the project clearly meets the "but for" standards in evaluating the use of incentives. The question remains regarding what the Council wants to participate in the project and under what terms.

Councilmember Davis asked for a refresher about the prior agreement and if it was a phased agreement or continuous?

Ms. Smith indicated the initial development agreement from 2017 did anticipate a phased approach, however, the agreement was later amended contemplating the project would be completed in one continuous phase.

Mayor Flora asked for further clarification that the 2017 version was two phases, but both were included in one development agreement and Ms. Smith noted that was correct. She also spoke about caps that were included, including a cap on the amount of incentives for the Phase I project when there were multiple phases.

Mr. Kimmel clarified further that there can be a single development agreement but that the Committee should note that, if a phased bonding approach is taken, this Council cannot obligate a future Council to issue the Phase 2 bonds.

Councilmember Thomas wondered about a timeline for Phase II, and if there is any financing secured for Phase II at this time?

Mr. Kimmel answered he would like the Developers to answer as to their plans, however he does have knowledge that they have been working on Phase II, and he does know that discussions have been had regarding the lending for Phase II, however there are no specifics or term sheets like have been provided for Phase I at this time.

Mr. Kimmel's' concluded his presentation with information on his analysis of estimated City revenues that would be received collected during the proposed 22 year TIF/CID term. With consideration to reset the TIF clock by adopting a new TIF Project Plan, he conservatively estimates receipts of approximately \$26 million during the 20/22-year term if the entire project (Phases I and II) is completed. When evaluating similar benefits if only Phase I is completed, projected city revenues are approximately \$22 million. Upon expiration of the TIF and CID terms, those revenue will increase significantly. Mr Kimmel also indicated that Phase I will produce population and entertainment growth, along with sustainable design and operations, which are all priorities for the Council. He does not offer his opinion as a statement to approve the deal but rather to point out that many of this Council's goals are being addressed with Phase I.

Ms. Smith asked Mr. Kimmel for a reminder on the assumptions he used in Phase I and Phase II relative to the dedicated sales taxes. Specifically, do the revenues assume the Parks & Recreation Sales Tax is renewed at its current 3/8-cent rate? Mr. Kimmel confirmed that is correct. Ms. Smith went on to state that the 45% of the TIF general sales tax shared with the City is the largest driver of the revenue stream along with the additional revenues from the dedicated street and parks and recreation sales taxes.

Ms. Smith inquired about estimated bond proceed projections, with Phase I being about \$22.5 million and \$9.5 million for Phase II. Mr. Kimmel confirmed that is correct with fluctuations always possible once they go to the bond market.

Councilmember Chociej asked about the transient guest tax and wondered if there was a projection of how much would be generated from that during the TIF term?

Mr. Kimmel showed that City revenues from the transient guest tax were assumed to start at approximately \$61,000 and grow to about \$100,000.00 annually. Once the TIF term ends, the projections grow to about \$900,000.00 per year, all allocated to the City.

Mayor Flora asked what project completion timeline the revenue streams are tied to, the schedule presented in February or an updated schedule?

Mr. Kimmel answered the dates have been shifted back. The pace is the same, but the dates are contemplating the new TIF project plan start date, with the remaining development timeline going

from there.

Mayor Flora then asked for a reminder on special obligation bonds and how they protect the City compared to other bonds.

Mr. Kimmel gave an overview of special obligation bonds, which are bonds secured exclusively with project revenues and not backed by the full faith and credit of the City. If the project does not perform as anticipated, the bond holders assume the entire risk, and the City will never have responsibility for repayment of bonds at any point down the road.

Councilmember Davis asked for parking structure information and how it fits in Phase I, and also an update on outstanding issues that Council had previously asked the Developer to provide. He would like to know if anything still remained unfurnished at this time.

Mr. Kimmel stated he would defer the parking structure question to the development team to answer, although he did clarify that the City team's understanding is that the parking structure cannot really be phased and is necessary to be completed for Phase I due to the apartments, retail and Cinergy. He believes it will be completed in full as part of Phase I. As far as what is left to be provided, he has some questions after reviewing the bank financing term sheets. He plans to speak with the bankers and Developers for further information and how that piece of the financing package is coming along. He would also like to be more actively engaged in those financing conversations. That's not an absence of information in his opinion, just those next necessary steps so that at the point of final consideration and vote he can represent to the Council with more certainty that the Developer has demonstrated they are ready to go.

Mr. Kimmel did mention that the Council had expressed a desire for a performance escrow of some type, and that no agreement had yet been reached with the developer regarding this item. In addition, the City team continues to discuss appropriate controls for release of bond proceeds tied to various project completion milestones.

Councilmember Kring asked if the Developer would be making a presentation or deferring until next week. She wants to know how Mr. Kimmel's questions will be answered or how the answers he stated he would defer to the Developer on would be answered.

Ms. Smith offered to answer that question and stated that the City team had asked the Developer to hold their formal project presentation until September 14, but they are available to answer questions this evening.

Ms. Smith asked Mr. Kimmel to confirm her understanding, that with an estimated \$32 million in bond proceeds being committed to the project, she calculates the City's overall participation in the deal will be in the neighborhood of 12% of the total project budget.

Mr. Kimmel concurred with Ms. Smith's calculation noting that if project costs increased that number would go down. He often finds public participation in projects of similar scale to be around 25%, so this project is about half of that. He believes that's worth pointing out and is happy to provide more information on that at next week's work session, where he plans to attend in person.

Councilmember Boultinghouse asked for members of the public to speak, with a three-minute limitation.

John Anderson, Prairie Village, shared with the Committee that he has been a friend of Mr. Valenti's for 20 years and was involved in the development business. He found the most successful projects to be the ones with a Developer with a high character. He believes Mr. Valenti may not be known well by the current Council and Mayor, and he offered a testimonial about Mr. Valenti's character.

There were no additional public comments.

Councilmember Boultinghouse asked Ms. Smith to share the next meeting dates for the Gateway project.

Ms. Smith shared the following:

- Gateway work session, Wednesday September 14 at 6:30 p.m. Additional information will be available at that time from Mr. Kimmel, the City team and a formal presentation from the Developer's team.
- Gateway Special City Council Meeting Wednesday, September 28 at 6:30 pm. for the purpose of a public hearing on the TIF and CID, as well as considering ordinances which will be shared on September 14 as well.
- The project status section of the City's website has been updated and reflects updates and calendar. There is also a signup opportunity to be notified of Gateway meetings.

Matt Valenti of the Developer team addressed the Committee to answer the questions posed earlier. He first spoke about timing of Phase II of the development. He confirmed that financing is not currently in place for the hotel and office space. The developer believes that within 24 months of the start of Phase I, financing will be in place for Phase II. He also said Phase I term sheets are ready to go. He also addressed Councilmember Davis's question regarding the parking deck, confirming it is part of Phase I and will be completed in Phase I. He also shared that the parking deck has already been fabricated, it just will need to be erected on site.

Councilmember Davis asked Mr. Valenti to speak to the structures there now, and the ability to move forward without having to redo existing structures.

Mr. Valenti shared that engineers and architects have visited the site to analyze the existing structures. There will need to be a site visit again right before the start of construction, but the existing structures appear to be in good shape including the parking deck and small shop residential buildings. There is some exposed rebar that can be sandblasted off, but that will wait until construction is ready to begin.

Ms. Smith clarified that the City has confirmed with the Developer that there is a franchise agreement in place for a Marriott Element hotel. Additionally, she shared that the reports assessing the integrity of the partially completed structures currently on site was requested by the Council several months ago and the Developer has accommodated that.

Councilmember Kring asked if the Cinergy component of the development will include sit down restaurants?

Mr. Valenti stated that Cinergy can offer dine-in theaters, sit down restaurants and other entertainment components that can be switched out or updated easily and fairly often.

Ms. Smith stated that, in response to Cinergy, the Council had asked for confirmation that they were still intending to be part of the development and the developer has provided a letter from Cinergy representatives indicating their support of the project and encouraging the use of incentives to bring the project to fruition.

Ms. Kring mentioned her involvement as a Councilmember since the beginning of the Gateway deal and wanted confirmation from Mr. Valenti that this project can be built. Mr. Valenti confirmed that they can complete the project.

Discussion Items

There are no discussion items on the agenda.

OTHER

Meeting Close

There being no further business to come before the Committee, the meeting of the Community Development Committee adjourned at 7:35 p.m.

Respectfully submitted,

Robyn L. Fulks, City Clerk

City of Mission	Item Number:	3.
ACTION ITEM SUMMARY	Date:	October 12, 2022
Administration	From:	Laura Smith

Action items require a vote to recommend the item to the full City Council for further action.

RE: Ordinance Authorizing the Imposition of a Special $\frac{3}{8}$ -percent (0.375%) Citywide Retailers' Sales Tax to Finance Parks+ Recreation Related Improvements

RECOMMENDATION: Approve the ordinance imposing the special $\frac{3}{8}$ -percent citywide retailers' sales tax to finance parks and recreation related improvements and providing notice to the State Director of Taxation requesting the sales tax commence on April 1, 2023 and expire on March 30, 2033.

DETAILS: In anticipation of the expiration of the parks and recreation sales tax in March 2023, the City Council spent 18-24 months working through a series of conceptual park planning processes to develop a list of preferred outdoor park improvements. Based on the needs identified, and resident's willingness to support increased investment in parks and recreation maintenance, the Council elected to ask voters to consider renewing the special sales tax at a rate of $\frac{3}{8}$ -cent.

Mission voters were presented with the following question via a September 2022 mail ballot election:

“Shall the City of Mission, Kansas be authorized to: (1) renew the citywide retailers’ sales tax currently imposed at three-eighths percent (3/8%) (the “Sales Tax”), the proceeds of which shall be used only to finance the costs of the acquiring, constructing, improving and equipping parks and recreational facilities and related appurtenances thereto (the “Project”) and paying costs of operation and maintenance of the Project; the collection of such Sales Tax to commence on April 1, 2023, or as soon thereafter as may be permitted by law, and shall terminate ten years after the commencement; and (2) issue sales tax revenue and/or general obligation bonds to pay the costs of the Project and associated interest costs on such bonds during construction of the Project and payment of bond issuance costs; all pursuant to K.S.A. 10-101 et seq., K.S.A. 12-187 et seq., and K.S.A. 25-431 et seq., as amended?”

Voter turnout for the mail ballot election was 25.73%. The election results were certified on September 27, 2022 by the Johnson County Election Office as follows:

Total Votes Cast		1,820
Yes	1557	85.59%
No	262	14.39%
Blank Ballot	1	.002%

Related Statute/City Ordinance:	K.S.A 12-187 et seq.
Line Item Code/Description:	NA
Available Budget:	NA

City of Mission	Item Number:	3.
ACTION ITEM SUMMARY	Date:	October 12, 2022
Administration	From:	Laura Smith

Action items require a vote to recommend the item to the full City Council for further action.

The final step in the process requires the City Council to pass an ordinance to formally impose/levy the sales tax and provides for notice to be provided to the State Director of Taxation that the sales tax will become effective on April 1, 2023 and expire on March 30, 2033. The ordinance has been prepared by Gilmore & Bell for Council consideration.

CFAA CONSIDERATIONS/IMPACTS:

Related Statute/City Ordinance:	K.S.A 12-187 <i>et seq.</i>
Line Item Code/Description:	NA
Available Budget:	NA

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF MISSION, KANSAS
HELD ON OCTOBER 26, 2022**

The governing body met in regular session at 7:00 p.m. The Mayor presided and the following members of the governing body were present:

The following members of the governing body were absent:

* * * * *

(Other Proceedings)

An Ordinance was presented entitled:

AN ORDINANCE OF THE CITY OF MISSION, KANSAS, AUTHORIZING THE IMPOSITION OF A SPECIAL THREE-EIGHTHS PERCENT (3/8%) CITYWIDE RETAILERS' SALES TAX FOR A PERIOD OF TEN YEARS FOR THE PURPOSE OF FINANCING THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING PARK AND RECREATIONAL FACILITIES IN THE CITY AND PAYMENT OF OPERATING AND MAINTENANCE COSTS THEREOF.

Councilmember _____ moved that said Ordinance be passed. The motion was seconded by Councilmember _____. Said Ordinance was duly read and considered, and upon being put, the motion for the passage of said Ordinance was carried by the vote of the governing body, the vote being as follows:

Aye: _____

Nay: _____

The Mayor declared said Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. _____, was signed and approved by the Mayor and attested by the Clerk and was directed to be published one time in the official newspaper of the City. The City Clerk was further directed to forward a certified copy of the Ordinance to the State Director of Taxation.

* * * * *

(Other Proceedings)

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of City of Mission, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Robyn Fulks, City Clerk

(Published in *The Legal Record* on November 1, 2022)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MISSION, KANSAS, AUTHORIZING THE IMPOSITION OF A SPECIAL THREE-EIGHTHS PERCENT (3/8%) CITYWIDE RETAILERS' SALES TAX FOR A PERIOD OF TEN YEARS FOR THE PURPOSE OF FINANCING THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING PARK AND RECREATIONAL FACILITIES IN THE CITY AND PAYMENT OF OPERATING AND MAINTENANCE COSTS THEREOF.

WHEREAS, by Resolution No. 1109 adopted by the Governing Body of City of Mission, Kansas (the "City") on June 15, 2022, the Governing Body authorized and provided for a special question election in the City for the purpose of submitting to the qualified electors of the City the proposition to (1) renew the citywide retailers' sales tax currently imposed at three-eighths percent (3/8%) (the "Sales Tax"), the proceeds of which shall be used only to finance the costs of the acquiring, constructing, improving and equipping parks and recreational facilities and related appurtenances thereto (the "Project") and paying costs of operation and maintenance of the Project; the collection of such Sales Tax to commence on April 1, 2023, or as soon thereafter as may be permitted by law, and shall terminate ten years after the commencement; and (2) issue sales tax revenue and/or general obligation bonds to pay the costs of the Project and associated interest costs on such bonds during construction of the Project and payment of bond issuance costs; all pursuant to K.S.A. 10-101 *et seq.*, K.S.A. 12-187 *et seq.* (the "Sales Tax Act"), and K.S.A. 25-431 *et seq.*, as amended; and

WHEREAS, a mail ballot election was held in the City on September 20, 2022, at which time there was submitted to the qualified electors of the City the aforementioned proposition, and a majority of the qualified electors of the City voting on this proposition voted in favor thereof; and

WHEREAS, pursuant to the Sales Tax Act and the results of the aforementioned special question election, the Governing Body deems it necessary and advisable to authorize the imposition of the Sales Tax.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MISSION, KANSAS, AS FOLLOWS:

SECTION 1. The imposition of the Sales Tax is hereby authorized pursuant to the provisions of the Sales Tax Act.

SECTION 2. The City Clerk shall provide a certified copy of this Ordinance to the State Director of Taxation and request that the Sales Tax commence on April 1, 2023 and shall expire on March 30, 2033.

SECTION 3. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City, approval by the Mayor and publication in the official City newspaper.

PASSED by the governing body of the City on October 26, 2022 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

Solana Flora, Mayor

ATTEST:

Robyn Fulks, City Clerk

Official Final Results Report
September 20 2022 Mail Ballot Election
September 27, 2022

Statistics	TOTAL
Election Day Precincts Reporting	1 of 1
Precincts Complete	1 of 1
Precincts Partially Reported	0 of 1
Absentee/ Early Precincts Reporting	1 of 1
Registered Voters - Total	7,073
Ballots Cast - Total	1,820
Ballots Cast - Blank	1
Voter Turnout - Total	25.73%

Official Final Results Report
September 20 2022 Mail Ballot Election
September 27, 2022

City of Mission

Vote For 1

	TOTAL
Yes	1,557
No	262
Total Votes Cast	1,819
Overvotes	0
Undervotes	1
Contest Totals	1,820

City of Mission	Item Number:	4.
ACTION ITEM SUMMARY	Date:	October 12, 2022
ADMINISTRATION	From:	Laura Smith

Action items require a vote to recommend the item to full City Council for further action.

RE: LGR Legislative and Advocacy Services 2023

RECOMMENDATION: Approve the 2023 agreement for legislative advocacy services with Little Government Relations, LLC., in an amount not to exceed \$10,000.

DETAILS: In 2020, Mission, along with other cities in northeast Johnson County contracted with Stuart Little of Little Government Relations, LLC (LGR) based on an interest in participating in a voluntary coalition of cities for government affairs and advocacy services. While a true coalition was never formed, Mission – through its relationship with LGR – has worked both independently and collaboratively LGR in 2020, 2021 and 2022 for legislative affairs and advocacy services.

The weekly updates during the session (monthly outside of the session), assistance with crafting testimony and the overall education and information provided about relevant legislative issues and the legislative climate have added value, helping to support and inform staff and Council on a timely basis. Additionally, LGR has been available to participate in ongoing conferences, education and information sessions related to various pass-through funding via the CARES Act and the American Rescue Plan (ARPA) Act and to keep the City apprised of important updates and changes

Staff recommends renewing the agreement for 2023 to help support and inform both the staff and Council of important or relevant legislation on a timely basis. Annual fees are recommended to remain unchanged for 2023, and the \$10,000 annual contract would be paid in four quarterly installments.

CFAA CONSIDERATIONS/IMPACTS: N/A

Related Statute/City Ordinance:	N/A
Line Item Code/Description:	01-10-206-05
Available Budget:	\$10,000

Memorandum of Agreement

1. Parties to Agreement

This agreement for government relations and lobbying services is entered into between “LGR Government Relations, LLC” hereinafter referred to as “LGR” and the “City of Mission” hereinafter referred to as “Mission.”

2. Services to be Provided

A. LGR shall provide pro-active lobbying, monitoring, and reporting services for Mission before Kansas legislative and administrative branches of government on matters related to city government. Little shall analyze and report on legislative bills and policy issues of interest and communicate such analysis to Mission on a regular and timely basis.

B. Little shall communicate and meet with the Governing Body, administration, and staff to discuss policy, budget, legislative activity, and administrative issues related to State public policy and budget activities, and LGR shall provide weekly reports during the legislative session, at least monthly during the interim period, and be available for meetings as requested.

D. LGR shall testify before legislative committees as directed by Mission and shall provide assistance to Mission in the production and presentation of legislative testimony.

E. LGR will be available to represent Mission before relevant policy organizations; League of Kansas Municipalities’ meetings and activities; collective Northeast Johnson County cities events, local and regional chambers, and city activities related to shared public policy issues.

F. LGR will facilitate meetings with the legislators and key stakeholders upon request.

G. LGR may perform other government affairs services for Mission as requested. Extraordinary expansion of duties may be subject to additional or other terms as agreed by the parties.

H. LGR shall provide advice and consultation with appropriate Mission elected officials and staff as requested.

3. Coalition.

Mission and other cities in Northeast Johnson County may join together in a voluntary coalition to accomplish shared public policy goals and objectives. The coalition may collectively and collaboratively receive the services articulated in Sec. 1. The coalition will be governed by the following terms and conditions.

- A. Each coalition city will designate one representative to represent and articulate city position, serve as primary point of contact, and serve as the voting member on any non-consensus decisions in the event of required vote.
- B. Coalition will communicate at least on a weekly basis during the legislative session and more often as necessary, including but not exclusively in written reports and conference calls or in person.
- C. LGR will be available to represent the coalition before relevant policy organizations; League of Kansas Municipalities' meetings and activities; collective Northeast Johnson County cities events, local and regional chambers, and city activities related to shared public policy issues.
- D. LGR will be available for city governing board meetings and city staff upon request.
- E. During non-session period, LGR will provide monthly written reports, represent the members at relevant meetings, and be available for governing body meetings upon request.
- F. Participation in the coalition of Northeast Johnson County cities does not supersede or preclude the right of a coalition member to express or advocate individually and independently for a position different from the coalition position. Coalition city members are not obligated to support a majority coalition position and may oppose, without prejudice.

3. Independent Contractor

It is understood by both parties that LGR is an independent contractor and its services are not exclusive to Mission. LGR is specifically allowed to represent other cities by mutual consent in a coalition of Northeast Johnson County cities and additional clients in non-competing areas.

4. Compliance with Applicable Statutes and Rules and Regulations

It is understood by both parties that LGR will register with the office of the Kansas Secretary of State as a lobbyist for Mission. Furthermore, LGR will comply with both the spirit and the intent of all reporting requirements as well as all statutes and rules and regulations pertaining to lobbying. Copies of any reports filed by or on behalf of LGR with various reporting agencies will be available for review by Mission upon request.

5. Terms of Agreement

This contract shall be in effect for the period beginning January 1, 2023 and ending December 31, 2023.

6. Compensation

LGR shall receive the sum of ten thousand dollars (\$10,000.00) for services provided under this agreement, payable in four quarterly payments in the amount of two thousand five hundred dollars (\$2,500.00), due after January 1, April 1, July 1 and October 1 upon receipt of an invoice from LGR. LGR may be reimbursed for documented expenses approved by the administrator or chief elected member in advance.

7. Liability Insurance

LGR shall possess professional liability and workers compensation insurance and shall make documentation of coverage available upon request.

8. Termination.

Either party may terminate this agreement upon thirty (30) days written notice.

This contract encompasses all written and oral agreements of the parties and is entered into this _____ day of October 2022.

Stuart J. Little, Ph.D.

Little Government Relations, LLC
800 SW Jackson, Suite 1000
Topeka, Kansas 66612-2205

Laura Smith

City of Mission
6090 Woodson St.
Mission, Kansas 66202

City of Mission	Item Number:	5.
ACTION ITEM SUMMARY	Date:	October 12, 2022
Administration	From:	Brian Scott

Action items require a vote to recommend the item to full City Council for further action.

RE: Declaration of Surplus Equipment

RECOMMENDATION: Approve the resolution providing for the sale/disposal of surplus equipment from various Departments.

DETAILS: City Council Policy No. 111 defines the process and procedure for the sale and disposal of real and personal property by the City of Mission, which is also outlined in K.S.A. 12-101. Property and equipment identified for surplus has been included as Attachment A to the Resolution.

Each Department, in consultation with the Finance Director, will be responsible for determining the best method for disposal in accordance with Council Policy and State law.

Items to be declared as surplus include a van that the Police Department acquired through a seizure a few years ago and used for undercover work, chairs from the community center and city hall, and computer equipment.

Related Statute/City Ordinance:	K.S.A. 12-101, City Council Policy 111
Line Item Code/Description:	NA
Available Budget:	NA

CITY OF MISSION, KANSAS

RESOLUTION NO. _____

A RESOLUTION DECLARING SURPLUS PROPERTY FOR SALE OR DISPOSAL

WHEREAS, City Council Policy No. 111 defines the process and procedure for the sale and disposal of real and personal property by the City of Mission, which is also outlined in K.S.A. 12-101; and

WHEREAS, the City, has identified those items listed on Attachment A as “Surplus Property;”

NOW, THEREFORE, be it resolved by the Governing Body of the City of Mission:

Section 1. The items included on Attachment A are hereby declared as surplus.

Section 2. The Deputy City Administrator/Finance Director, in consultation with each Department, will be responsible for determining the best method for disposal or sale of the items declared as surplus.

Section 3. In accordance with Council Policy 111, all City Officials and employees, both elected and appointed, are prohibited from participating in the purchase of real and personal property from the City.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MISSION on this 26th day of October 2022.

APPROVED BY THE MAYOR on this 26th day of October 2022.

Solana Flora, Mayor

ATTEST:

Robyn Fulks, City Clerk

Attachment A
Surplus Items - 10/26/22

Item	Description	Serial Number/Asset Tag	Department	Quantity	Potential Re-Sale Value
<u>Vehicles / Equipment</u>					
2000 Ford Econoline Van	Econoline van	1FMNE31L7YHB99994	Police	1	\$5,000.00
<u>Other Equipment</u>					
Wacker Neuson RD12	Double Drum Vibratory Roller	20097028	PW	1	\$9,000.00
Jet Table Saw	Table Saw		PW	1	\$400.00
Padded Chairs	Green/blue w/ gold frame		P+R	224	
Padded Chairs	Black/grey w/ black frame		P+R	186	
<u>Computer Equipment</u>					
computer monitors	misc computer monitors		City	18	\$1,080.00
desktop computer	DELL 7040	11401949414	PD	1	\$0
desktop computer	DELL 7040	36976958102	court	1	0
desktop computer	DELL 7040	36974855990	court	1	0
desktop computer	DELL 3080	30006156962	PD	1	0
desktop computer	DELL 3080	30004477346	pw	1	0
desktop computer	dell3420	20316708110	cc	1	0
SERVER	hp	2m25230267	PD	1	\$500.00
bar code printer	Zebra	TLP2824	PD	1	\$20
printer	HP desktop printer	DT1660	PD	1	0
tv	Samsung tc	Z6SQ3CPD401759E	PD	1	\$10
laptop	DELL Latitude 5590	B35KNV2	CC	1	\$200
MFAC Mgr Computer	DELL Opticplex 780	B9WGYQ1	P+R	1	0
MFAC Mgr Monitor	DELL (Mfg 2011)	s/n cn-0kjmt-74261-18q-0j2L	P+R	1	0
Cash Register	Casio TE-2400	5204007	P+R	1	0
Cash Register	Casio TE-2400	202309	P+R	1	0
scanner	Fujitsu fi-5530C2	5889	Admin	1	0

CITY OF MISSION
CITY COUNCIL POLICY MANUAL

POLICY NO. 111

SALE OF REAL PROPERTY & EQUIPMENT

- 1.01 This policy describes the process and procedure for the sale of real and personal property by the City which is also outlined in KSA 12-101.
- 1.02 All City Officials and employees both elected and appointed are prohibited from participating in the purchase of real and personal property from the City.
- 1.03 All real property of the City of Mission will be sold in accordance with applicable state law and requires the approval of the City Council.
- 1.04 The City will, on an as needed basis, establish a listing of unclaimed or obsolete personal property to be declared surplus. It will be the responsibility of the Department Head and Finance Director to determine the best means for disposing of or selling obsolete personal property, including the method of advertising.
- 1.05 The sale or disposal of real property will be determined on a case by case basis by the City Council.

APPROVED BY THE GOVERNING BODY ON DECEMBER 8, 2004

**REVISED AND APPROVED BY THE CITY COUNCIL ON APRIL 17,
2019**

City of Mission	Item Number:	6.
DISCUSSION ITEM SUMMARY	Date:	October 12, 2022
Administration	From:	Laura Smith

Discussion items allow the committee the opportunity to freely discuss the issue at hand.

RE: Consider revising Mission Municipal Code to impose certain distance requirements for retailers selling vaping products.

DETAILS: Councilmember Davis has requested that the City Council consider revising (adding) Mission’s zoning code regulations to impose certain distance requirements for retailers selling vaping/electronic cigarette products. On several occasions, he has expressed his desire to see reduce or eliminate access to tobacco and tobacco-related products, specifically vaping products which are often marketed to youth.

Staff has conducted some preliminary research, including a review of a similar code provision enacted several years ago in the City of Shawnee, and wanted to ensure that there is Council consensus to pursue this matter prior to investing additional resources in review and development of proposals for Council consideration.

Tobacco retailers are licensed through the State of Kansas, and there are currently nine (9) licensed tobacco retail outlets in Mission including:

- BP Gas Station (5500 Johnson Drive)
- Casey’s (5800 Johnson Drive) - not yet open
- CBD American Shaman (6027 Metcalf, Ste B)
- Crown Liquor & Tobacco (5044 Lamar)
- Dollar General (5312 Martway)
- Hy-Vee (6655 Martway – main store)
- Hy-Vee (6645 Martway – gas station)
- Grand Liquor (5410 Johnson Drive)
- Quiktrip (4700 Lamar)

A February 2022 report published by the Kansas Health Institute (KHI) and the Kansas Department of Health and Environment (KDHE) notes, “Youth tobacco product use especially has negative health consequences including addiction and lifelong chronic disease. Early use of tobacco products is a major factor in developing and sustaining addiction because the adolescent brain is still in development and is uniquely vulnerable to nicotine and its reinforcing effects.”

Shawnee’s code prohibits electronic cigarette retail outlets within two hundred (200) feet of property used or zoned for school, college, church, or commercial day care use, as well as property zoned or used for residential use.

Related Statute/City Ordinance:	Chapter 405 Mission Municipal Code
Line Item Code/Description:	NA
Available Budget:	NA

City of Mission	Item Number:	6.
DISCUSSION ITEM SUMMARY	Date:	October 12, 2022
Administration	From:	Laura Smith

Discussion items allow the committee the opportunity to freely discuss the issue at hand.

If there is consensus and direction provided during the October Finance & Administration Committee meeting, the next step would be for staff to prepare a more detailed discussion item for Council review at the December Finance & Administration Committee meeting (Councilmember Davis will be absent in November). Assuming there is agreement on proposed regulations, the issue would then be prepared for public hearing in front of the Planning Commission (required for zoning code changes) and then brought back to the City Council for final consideration.

CFAA IMPACTS/CONSIDERATIONS:

Related Statute/City Ordinance:	Chapter 405 Mission Municipal Code
Line Item Code/Description:	NA
Available Budget:	NA

City of Mission	Item Number:	7.
DISCUSSION ITEM SUMMARY	Date:	October 12, 2022
Administration	From:	Laura Smith

Discussion items allow the committee the opportunity to freely discuss the issue at hand.

RE: Debt Financing Scenarios – Streets and Outdoor Park Improvements

DETAILS: Over the last year, the Council has expressed an interest in reviewing potential debt financing scenarios for both streets and outdoor park improvements in order to accelerate certain planned projects. With both the street and parks and recreation sales taxes having been successfully renewed the appropriate repayment revenues streams are now available over the next ten years.

No materials are included in the packet at this time. During the Finance & Administration Committee meeting staff will review and discuss the projects which would be recommended by staff for inclusion in a potential debt issue to occur prior to the end of the current fiscal year. Scenarios will be provided for \$5 million, \$7.5 million and \$10 million in net bond proceeds, repaid over a 10-year term, with level debt service.

With renewal of the parks and recreation sales tax not occurring until late September, the timeline to issue debt in this calendar year is tight, but feasible, based on conversations that have been had with both the City’s financial advisor and bond counsel. Issuing debt in 2021 will ensure the City can take full advantage of Bank Qualified (BQ) rates.

A proposed calendar to accomplish the bond sale will also be reviewed during the Committee meeting.

CFAA IMPACTS/CONSIDERATIONS: Strategically using debt financing to accelerate infrastructure investments helps the City to catch up on deferred maintenance (streets) and make desired improvements (parks) to serve residents and visitors of all ages and abilities.

Related Statute/City Ordinance:	NA
Line Item Code/Description:	NA
Available Budget:	NA

Finance & Administration Committee

October 12, 2022

Debt Financing – Street and Park Improvements





Why now?

- Guaranteed repayment streams now confirmed
- Ability to take advantage of Bank Qualified (BQ) rates if issued before year end
- Cash flow needs for larger projects
- Council desire to demonstrate meaningful progress to community in both program areas



CURRENT STREET AND PARKS DEBT

CITY OF MISSION OUTSTANDING DEBT SUMMARY STREETS AND PARKS

Street Debt Summary

Issue	2022	2023
2012A	\$474,300	\$0
2013C (street portion)	\$267,363	\$271,625
Annual Totals	\$741,663	\$271,625

Parks + Recreation Debt Summary

Issue	2022	2023
2013B	\$530,450	\$530,450
Annual Totals	\$530,450	\$530,450

- All current street and park related debt retires by 2023
- 2012A was repaid from dedicated street sales tax
- 2013C was repaid from street sales tax and TUF/mills dedicated to streets
- 2013B was repaid from dedicated parks and recreation sales tax
- 10-year issues, consistent with debt policy
- Timed to expire with sunset of sales tax

Street Financing Recommendations - \$5.6M Total

Foxridge Drive Phase II

- Current engineer's estimate = \$5.57M (up \$500K based on most recent engineer's estimate)
- Secured \$1,649,000 in CARS Funding
- Project too large to cash flow in one fiscal year

Target bond proceeds: \$4.0 million



Residential Street Program

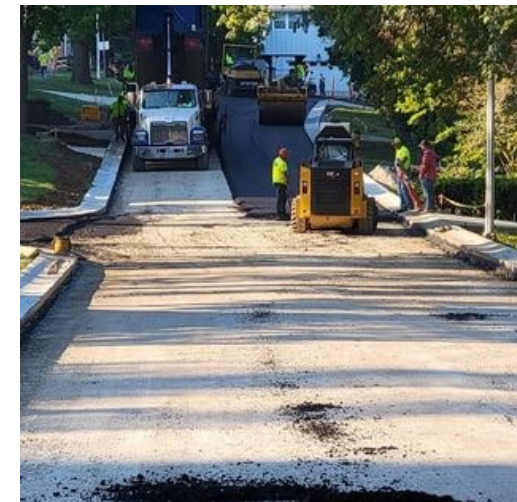
- Ensure completion of all 2023 streets in design: Beverly, Riggs, 50th Terr, 60th Street
- Complete 55th Street

Target bond proceeds: \$1.6 million



Other Considerations:

- Need to preserve bonding and repayment capacity to be applied to Jo Drive (Lamar to Metcalf) in 2026
- Staff capacity to manage projects
- Need to review updated PCI Inventory to determine if any reprioritization is necessary.



Park Financing Recommendations - \$4.4 M Total

Waterworks Park Improvements

- Current estimate = \$2.4M
- Goal to coordinate construction in concert with Rushton rebuild – new school, new park

Target bond proceeds: \$2.4 million



Mohawk Phase II

- Goal to continue construction from Phase I seamlessly
- Less disruption to park and to the neighborhood

Target bond proceeds: \$2.0 million



Other Considerations:

- Projects already in progress: Mohawk Phase I, Streamway Dog Park, Broadmoor Trail
- Staff capacity to manage projects
- Time to evaluate and pursue additional grant funding opportunities



Waterworks Park Improvements

- Current cost estimate = \$2.4M
- Opportunities for value engineering?
- Opportunities for grant funding?



Mohawk Phase II Improvements

- Phase I costs \$1.48M
- Phase II cost estimate = \$2.0M
- Opportunities for grant/crowd funding for playground or other components?



Streamway Park Phase I Improvements

- Phase I cost estimate = \$907,340
- LWCF Grant/GF matching dollars
- Total estimated cost: \$1.9M
- Opportunities for grant funding or sponsorships?



Broadmoor Park Improvements

- Total estimated cost: \$2.4M
- \$222,000 approved for trail reconstruction in 2023
- Opportunities for grant funding?



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Broadmoor Park - Concept
Mission, Kansas

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Review of Funding Scenarios

- Estimated interest rates of 3.9-4.3%
- 10-year repayment with level debt service
- Evaluated \$5M, \$7.5M and \$10M scenarios
- Challenges: Streets
 - Cost escalation
 - Competition between residential and arterial/collector streets
 - Pending status of grant applications
 - Gateway revenue uncertainty
- Challenges: Parks
 - Cost escalation
 - Funding needs for other amenities (PCC, MFAC)
 - Pending status of grant applications/future grant applications
 - Gateway revenue uncertainty

Questions/Discussion?