

Mayor Nanette K. Johnston opened the work session at 6:01 p.m. on November 7, 2017, at City Hall located at 8880 Clark Avenue, Parkville. In attendance were aldermen Greg Plumb, Douglas Wylie, Brian Whitley, Kevin Heaton, Tina Welch, Dave Rittman, Robert Lock and Marc Sportsman.

The following staff was also present:

Joe Parente, City Administrator
Kevin Chrisman, Police Chief
Alysen Abel, Public Works Director
Stephen Lachky, Community Development Director
Melissa McChesney, City Clerk
Matthew Chapman, Finance/Human Resources Director
Anna Mitchell, Assistant to the City Administrator
Chris Williams, City Attorney

1. GENERAL AGENDA

A. 2018 City of Parkville Operating and Capital Budget

City Administrator Joe Parente provided an overview of the Transportation Fund revenues and expenses; presentation attached as Exhibit A. Discussion focused on the fund balance rollover projected that would be used to start paying the debt service for the street maintenance financing in 2017.

Parente provided an overview of the Capital Improvement Program and noted that staff proposed a scaled back street maintenance budget in 2018 due to the debt service payments for the street maintenance financing. Discussion focused on the effect of a reduced street maintenance budget on the City's street ratings and including the trade-in value for the dump truck for the Public Works Department.

Public Works Director Alysen Abel stated that there was approximately \$50,000 remaining in the 2017 budget that would be carried over to the 2018 budget, a majority of the streets were rated at around 3.5 and the street ratings would be re-evaluated annually. She noted that a few streets were rated between a five and ten and the 2017 ratings included the new streets in the new developments.

Abel discussed funding that included continuing to budget annually so the roads ratings did not continue to decline and paying the debt service payments for five years while continuing to budget for additional road maintenance.

Discussion focused on the future of River Road with the extension of the Thousand Oaks development into Parkville; the dollar amount to get the remaining roads to a rating of three or better; ensuring there was enough budgeted for stormwater improvements; and how the City street ratings compared to other municipalities. The consensus of the Board was for staff to determine the street rating goal and the budget needed to reach the goal.

The work session ended at 6:58 p.m.

The work session minutes for November 7, 2017, having been read and considered by the Board of Aldermen, and having been found to be correct as written, were approved on this the twenty-first day of November 2017.

Submitted by:


City Clerk Melissa McChesney



City of Parkville 2017 Budget

Third Budget Work Session

November 7, 2017

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Budgeted Funds

- **General Fund**
- Emergency Reserve Fund
- **Transportation Fund**
- **Sewer Fund**
- Other Special Revenue Funds
 - Economic Development Fund
 - Equipment Fund
 - Fewson Project Fund
 - Nature Sanctuary Fund
 - Park Donations
 - Capital Projects Fund
- Debt Service
 - Brink Meyer NID
 - Brush Creek NID
 - River Park NID
 - Sewer Service
 - COPS

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Third Budget Work Session Topics

- Transportation Fund
- General Fund Update
- Preview for Final Work Session

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Transportation Fund Revenues

	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Parkville Special Road District	134,675	134,000	140,072	142,874
City Transportation Sales Tax	454,601	472,000	472,000	472,000
Motor Fuel Tax	149,253	145,000	145,000	145,000
County Transportation Sales Tax	239,661	240,000	240,000	240,000
Project Cost Share	11,525	5,304	5,304	5,304
Leased Properties	5,880			
Sale of Transportation Fund Equipment	-	25,500	25,500	
Bond Proceeds	-	2,279,112	1,304,266	974,846
Refunds	-			
Transfers from Other Funds	-			
Total	995,595	3,300,916	2,332,143	1,980,023

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Transportation Fund Expenses

	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Streets - Capital	508,302	\$ 2,536,112	\$ 1,449,416	1,365,552
Streets - Operating	329,928	\$ 383,000	\$ 432,500	432,000
Transfers (including debt service)	190,000	225,000	225,000	440,465
Total	1,028,230	3,144,112	2,106,916	2,238,017

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Revenues and Expenses (excludes projects financed)

Revenue	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Parkville Special Road District	134,675	134,000	140,072	142,874
City Transportation Sales Tax	454,601	472,000	472,000	472,000
Motor Fuel Tax	149,253	145,000	145,000	145,000
County Transportation Sales Tax	239,661	240,000	240,000	240,000
Project Cost Share	11,525	5,304	5,304	5,304
Leased Properties	5,880			
Sale of Transportation Fund Equipment	-	25,500	25,500	
Total	995,595	1,021,804	1,027,877	1,005,177

Expenses	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Streets - Capital	508,302	524,360	512,510	290,000
Streets - Operating	329,928	\$ 383,000	\$ 432,500	432,000
Transfers (including debt service)	190,000	225,000	225,000	440,465
Total	1,028,230	1,132,360	1,170,010	1,162,465

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2018 Transportation Fund CIP

Fund	Project	GF Impact
Transportation	Crack Sealing	\$15,000
Transportation	Asphalt Mill & Overlay	\$200,000
Transportation	Street Striping	\$15,000
Transportation	Curb and Sidewalk Repair	\$50,000
Transportation	Route 9 Corridor – Route 45 to Clark	\$ 1,025,552

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2018 CIP - Transportation Fund Equipment

Project/Equipment	2018 Budget
Dump Truck, 1-ton, 4-wheel Drive,	\$60,000
TOTAL	\$60,000

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2017 Street Repair – Debt Financing

- \$1,000,000 debt financing package. This program would repair 33 streets and provide 41,686 linear feet of street repair (17.5% of the street system).
- The annual street maintenance program would be reduced to \$230,000 beginning in 2018.
- Debt financing payments begin with \$215,465 in 2018.

Parkville street rating and funding per year	
Year	2017
Avg. street rating per linear foot	2.84
Funds Spent	\$1,130,000

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Street Ratings

Rating	Description
1	Newly constructed
2	Slight imperfections
3	Some deterioration; minor maintenance
4	Noticeable deterioration; mill and overlay needed
5	Considerable cracking, potholes, fatigue
6	Serious deficiency; edge milling and overlay needed
7	Severe deficiency; various repairs needed
8	Major failure; some good street is left within a total replacement street
9	Nearly total replacement required; limited salvage
10	Total replacement is required

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Past Street Maintenance Conditions

Parkville street rating and funding per year				
Year	2014	2015	2016	2017
Avg. street rating per linear foot*	2.87	2.92	2.92	2.51
Funds Spent	\$32,250	\$350,938	\$387,078	\$1,073,150

*Ratings are from 1 to 10. A rating of 1 is a new road, a rating of 1.5 is a road that has been newly milled and paved, and a rating of 10 is a road that needs to be entirely replaced.

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Street Maintenance Conditions

Rating	2014	2015	2016	2017
	# of Streets	# of Streets	# of Streets	# of Streets
10	5	5	2	1
6	1	1	2	1
5	7	16	15	1
4.5	0	14	7	3
4	27	5	4	4
3.5	1	3	14	13
3	22	33	27	22
2.5	19	20	38	34
2	89	79	63	54
1.5	32	30	36	77
1	6	4	2	10

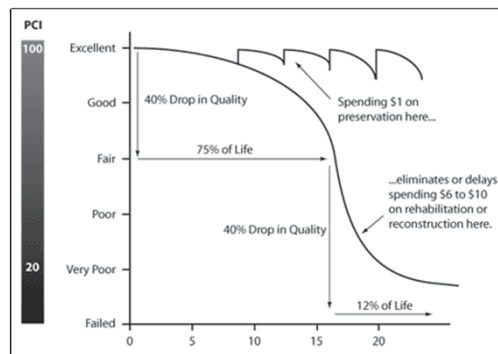
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Street Maintenance Conditions Streets Rated 3.5 and Above

	Linear Feet	# of Streets	Percent above 3.5
2014	61,404	41	29.20%
2015	53,404	44	25.33%
2016	69,846	44	33.13%
2017	43,842	23	20.39%

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Street Deterioration Curve



- Illustrates the deterioration curve
- Preventive and reactive treatments are smart investments.

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Street Maintenance Funding Levels

	Asphalt Overlay	Curbs and Sidewalk	Crack Seal	Pavement Marking	Total Street Maintenance
Preferred Level	\$300,000	\$150,000	\$15,000	\$20,000	\$485,000
	2.1 Miles	6,700 LF	varies	varies	
Moderate Level	\$200,000	\$100,000	\$15,000	\$15,000	\$330,000
	1.4 Miles	3,000 LF	varies	varies	
Base Level	\$150,000	\$50,000	\$15,000	\$15,000	\$230,000
	1.0 Miles	1,500 LF	varies	varies	

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Annual Street Maintenance Program

	Asphalt Overlay	Curbs and Sidewalk	Crack Seal	Pavement Marking	Total Street Maintenance
2017 Project	\$770,000	\$280,000	\$10,000	\$13,150	\$1,073,150
	5.6 Miles	9,450 LF	varies	varies	
2018 Project	\$200,000	\$50,000	\$15,000	\$15,000	\$280,000
	1.4 Miles	1,500 LF	varies	varies	
2019 to 2022	\$150,000	\$50,000	\$15,000	\$15,000	\$230,000
	1.0 Miles	1,500 LF	varies	varies	
2023 (debt paid off)	\$250,000	\$100,000	\$15,000	\$15,000	\$380,000
	1.7 Miles	3,200 LF	varies	varies	

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Route 9 Phase 3 to Lakeview

- Estimated Project Cost \$3,484,000
 - \$1,208,000 for Phase 1 and 2A
 - The grant award of \$965,000 will not be available until federal fiscal year 2020. Bridge loan obtained to construct project in 2018-19.
 - Local match is \$243,000 (CID Revenue projected at \$147,300 per year). Loan of \$323,100 will be paid back with CID Revenues through 2020)
 - \$2,276,000 for Phase 2B and 3
 - Staff applied for \$1,742,000 in 2018 MoDOT Cost Share Program funds
 - If awarded Cost Share funds, additional local match of \$534,000 is required
 - City would need to commit future 2021-2025 CID revenues
 - This amount would need to be financed to cover construction-related costs (e.g., certificate of participation, lease purchase agreement, Missouri Transportation Finance Corporation [MTFC] loan)

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Segments 7 and 8 (Priorities 4 and 5)

- Next projects up:
 - 7th Street to 5th Street (Segment 7)
 - 5th Street to 2nd Street (Segment 8)
- Foutch Brothers Improvements are part of Segment 7
- Estimated Project Cost \$920,408
 - Streetscape improvements anticipated on development side. No funds allocated for roadway improvements.
 - Need to consider options.

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Other Transportation Fund Notes

- Sales taxes are performing well – revenue outlook is good.
- No major operating adjustments from 2018 to 2019.

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Follow up from 2nd Work Session TBD

- Removed two projects from General Fund Capital Outlay
 - Friends Field
 - Phase II of Park Maintenance

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General Fund Expenses

	2017 Budget	2017 Projected	2018 Budget 2nd work session	2018 Budget revised
Administration	1,098,192	1,031,076	1,148,786	1,148,786
Police	1,242,136	1,151,214	1,285,992	1,285,992
Municipal Court	155,900	137,050	152,594	152,594
Public Works	226,756	243,290	241,219	241,219
Community Development	293,038	286,106	306,861	306,861
Streets	422,576	408,690	427,946	427,946
Parks	373,479	335,230	377,184	377,184
Nature Sanctuary	40,201	38,643	44,138	44,138
Information Technology	49,907	52,348	49,551	49,551
Public Information	13,260	14,460	14,610	15,510
Capital Outlay (CIP)	384,895	330,577	356,669	186,669
Transfers	317,500	317,500	317,500	317,500
Total	\$ 4,617,840	\$ 4,346,184	\$ 4,723,050	\$4,553,950

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Need Direction

- Transportation Fund
- Additional information needed for final work session on November 15 before budget adoption on December 19

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Fourth Work Session

- Sewer Fund
 - Operating budget
 - Capital outlay (CIP)
 - Rate increase (if needed)
- Projects Fund
- Any follow-up items desired by Mayor and Board of Aldermen