

EL DORADO

K A N S A S

TO: City Commission
FROM: David Dillner, City Manager
SUBJ: Weekly Report
DATE: June 17, 2022

Items of Note:

- The City's assessed valuation increased 9.2% from \$97.1 million to \$106.0 million. Because of this increased valuation, the Butler County Clerk informed the City that its "revenue neutral rate" for the 2023 budget is 53.288 mills. The mill levy for this budget year was 58.194, which generated \$5.6 million in ad valorem property taxes. The revenue neutral rate will generate the same amount of property taxes as this year, although this amount of taxes will lose purchasing power when compared to last year given the inflationary environment. Accepting the full value of the valuation growth will generate approximately \$520,135 in new revenue.
- Department directors submitted scenarios for their "ideal" budget for an initial review of the overall budget as we prepare the first round of budget discussions. These ideal scenarios will also be instrumental in assisting the City Commission in determining where to set the mill levy during the upcoming budget deliberations.
- Staff also began to prepare capital improvement projects for inclusion into the Capital Improvement Plan. The plan will focus on the next five years, although it will also include a "planning horizon" where projects not planned for implementation in the next five years or that lack a funding source may be tracked.
- The municipal pool will open June 21 at 1:00 pm. The grounding issues have been resolved to the satisfaction of all involved. The City will not charge an admission fee on the first day, and the regular daily admission fee of \$2 will decrease to \$1 as a way of showing our appreciation to the public for their patience during this delayed opening.
- Staff participated in a conversation with Baker Tilly, the City's financial advisor, concerning the development of a cash management/investment strategy. Developing a strategy is especially important given the increasing interest rates and potential for a higher rate of return on cash assets. Baker Tilly will develop a ladder approach to investing in certificates of deposit. This approach allows the City to invest in CDs with maturities that provide flexibility while providing opportunities to capitalize on higher rates. For example, the City will invest a portion of "free cash" into CDs with maturities of three, six, and twelve months. Generally, CDs with longer time horizons pay a higher interest rate.
- The federal Bipartisan Infrastructure Law (BIL) is providing historic investments in United States infrastructure. With BIL, Kansas will receive \$3.8 billion in infrastructure funding over the next five years with additional grant opportunities as well. The State of Kansas created the Kansas Infrastructure Hub to coordinate the deployment of funds and

to maximize the state's opportunities in transportation, water and sewer, energy, and broadband technology and resiliency. The state will host an Infrastructure Summit on July 13 and 14 in Wichita to provide an opportunity for local governments to learn more about these opportunities, to discuss strategies for preparing grant applications, and to discuss input on infrastructure priorities. The City will have representation at this event to participate in these conversations.

- Staff has decided to hold off on the golf cart ordinance until the Standard Traffic Ordinance is ready for the City Commission's consideration sometime in July or August.

In the News:

- The Environmental Protection Agency stunned scientists and local officials across the country on Wednesday by releasing new health advisories for toxic "forever chemicals" known to be in thousands of U.S. drinking water systems, impacting potentially millions of people. The new advisories cut the safe level of chemical PFOA by more than 17,000 times what the agency had previously said was protective of public health, to now just four "parts per quadrillion." The safe level of a sister chemical, PFOS, was reduced by a factor of 3,500. The chemicals are part of a class of chemicals called per- and polyfluoroalkyl substances (PFAS), also known as forever chemicals due to their extreme resistance to disintegration. These chemicals have been linked to different types of cancer, low birthweights, thyroid disease and other health ailments. *Source: USA Today*

Personnel Update:

- *Vacant and advertised positions:* Public Works Maintenance Worker (5) and Wastewater Superintendent.
- The Public Works Department hired Mark Newman as a Building Maintenance Worker.
- The Utilities Department hired Logan Pringle and Rylie Austin as a Wastewater Operators-in-Training. They currently work for the City as part-time employees in the cemetery. Their first day in the new position will be June 27.
- The Police Department hired Devin Haines and Jason Humbargar to fill open Police Officer positions. Both of these individuals come to the City as certified officers, and will not need to attend the Kansas Law Enforcement Training Center (KLETC). They will start on June 27. With these recent hires, the Police Department will have all positions filled for the first time since 2014.
- The Fire Department selected Shane McCoy to fill the open Fire Captain position. The promotion will be effective July 9. The promotion will open a Fire Lieutenant position, which will be opened to internal candidates.

Commission Calendar:

- *Upcoming City Commission Items (subject to change):*
 - **June 20 Regular Meeting** – Year-end Transfers; Vac Truck Purchase Authorization; Downtown Electric Project; Commission Meeting Time Change Ordinance

- *Pending Items (Items to be scheduled for upcoming meeting once completed):* Street Cut Ordinance; Food Vendor Ordinance; Transient Vendor Ordinance; Business Park Re-platting and Rezoning