



AMENDED AGENDA
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
BUDGET MEETING
CITY HALL
AUGUST 30, 2016
6:00 PM

- 1. Call to Order & Attendance**
 - A. Present**
- 2. Budget Items**
 - A. Fiscal Year 2017 General Fund Budget Requested**
- 3. Adjourn to Executive Session -- Personnel (RSMo. 610.021 (3))**
- 4. Adjourn From Budget Session**

Posted on City Hall Bulletin Board this 26th day of August 2016

Kim Hubbard, City Clerk

**The Board of Aldermen Budget Meeting is open to the public,
but is not a meeting of the public.**



STAFF REPORT

TO: Board of Aldermen
FROM: Marcella McCoy, Director
DATE: August 25, 2016
SUBJECT: Fiscal Year 2017 General Fund Budget Requested Part II

Type of Item: *Budget*

GENERAL FUND FISCAL YEAR 2017 REQUESTED BUDGET

This evening will be the planned conclusion of the 2017 requested General Fund budget. Divisions presented this evening include Community Development, Streets, Airport, and Engineering. Capital items for these divisions were included in the staff report for Monday evening. Also included in Monday's meeting packet was the Detail Budget Report. Like Monday, the division director, Interim Administrator Tholen and myself will present the requested budget.

Included in Monday's packet was information about the history of revenue and expenditures for streets.

This information is provided for discussion and direction to adopt the Fiscal Year 2017 budget.

A. Discussion Item (ID # 2308)

Fiscal Year 2017 General Fund Budget Requested

Attachments:

160830 - Community Development Powerpoint 2017 budget (PDF)
 Street Department updated 2017 Budget Presentation (PDF)
 Community Development - Building Inspector Objective (PDF)
 Community Development - HPC Consultant Objective (PDF)
 Community Development - HPC Objective 2017 (PDF)
 Community Development - South Commercial ROW - Objective 2017 (PDF)

Community Development

- **City Planning:** Long Range Planning, Current Planning Development Applications.
- **Building Codes:** Commercial, Residential, Industrial
- **Property Maintenance**
- **Economic Development**
- **Historic Preservation:** Planning, Policy and Certificates of Appropriateness.

TO: Board of Alderman

FROM: Rodney Jacobs, Superintendent of Streets

DATE: August 23, 2016

SUBJECT: Street Department 2017 Budget Presentation

Account	Description	2016 Budget	2017 Budget	Change to Budget
Personnel Services				
01-6-0707-0101	Personnel	\$517,300	\$532,317	Budgeted increase \$15,017
thru 01-6-0707-0110				
Contractual Services				
01-6-0707-0201	Utilities	\$12,580	\$11,830	Budget decrease of \$750
Street Department building, Traffic lights, Communication access				
01-6-07070-0205	Postage Balance	\$0	\$0	Budget increase \$0
01-6-07070207	Travel & Training	\$3,200	\$4,700	Budget increase \$1,500
Seminars, travel, training, continuing education class, Haz-Mat license back ground check				Increase is to send two staff to Public Works Training
01-60707-0211	Equipment Maintenance	\$34,000	\$23,000	Budget decrease of \$11,000
Equipment repair by vendor, welding				Grader repair instead of purchasing completed in 2016
Upgrade snow plow and truck to reverse directional plowing Cost \$5,000				
01-6-0707-0213	Uniform Maintenance	\$4,496	\$4,496	No Change to Budget
Uniforms for Street Department employees				
01-6-0707-0215	Radio Maintenance	\$500	\$500	No Change to Budget
01-6-0707-0216	Other Contractual Maintenance	\$8,680	\$9,700	Increase of \$1,020 to Budget
signal light repair, advertising, trash dumpster, high water contract, storm drain videoing				An increase due to increased services
Commodities				
01-6-0707-0302	Gas, Oil, Grease	\$29,259	\$27,605	Decrease to Budget \$1,654

Based on Diesel price \$3.15/gal Unleaded gas \$2.75/gal, hyd, oil, motor oil, grease	Adjusting fuel prices down.
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01-6-07070-0304	Uniform Balance	\$0	\$0	No Change to Budget
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01-6-0707-0307	Equipment Maintenance	\$9,875	\$9,875	No Change to Budget
Parts for equipment on maintenance of equipment, sweeper brooms, tires, act.				

01-6-0707-0308	Sign Maintenance	\$5,200	\$5,200	No Change to Budget
Signs, posts, supplies				

01-6-0707-0309	Maintenance	\$200,000	\$200,000	No Change to Budget
Road oil, gravel, salt, sand, concrete, asphalt, other supplies for road maintenance				

01-6-0707-0310	Supplies	\$10,710	\$10,710	No Change to Budget
Degreaser, flasher batteries, hand tools, chainsaw, weed eater, shop supplies, etc..				

01-6-0707-0322	paint & Striping Supplies	\$1,500	\$1,500	No Change to Budget
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Other Charges

01-6-0707-0400	Insurance Claim Expenses	\$0	\$0	\$0
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01-6-0707-0401	Insurance	\$11,897	\$13,130	
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01-6-0707-0403	Dues and Subscriptions	\$150	\$150	No Change to Budget
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Capital Outlay

01-6-0707-0501	Land	\$0	\$0	No Change to Budget
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01-6-0707-0502	Building	\$0	\$0	No Change to Budget
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01-6-0707-0504	Machinery & Equipment	\$34,000	\$1,825	Decrease to Budget of \$32,175
Replacement for 2005 Ford 250 pickup and snow plow removed from budget.				
Replace a desk top computer for the Street Supervisor				

TOTALS	2016 w/o adjustments 2017 Budget*	\$883,347	\$856,538	Decrease to Budget of \$26,809
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OBJECTIVE: Hire a qualified building inspector. This would allow for an additional individual that would be qualified to inspect structures, review plans and answer questions from the public.

Justification:

Since 2012, one person has covered the duties that were previously assigned to two people. The remainder of the Community Development Department Staff has been helping out where we can. However, much of what a building inspector does requires specific knowledge and/or certifications that no other City employee possesses. This ultimately results in decreased service and poor production for the remainder of the Department Staff in our own areas of responsibility. Some examples of poor service are as follows.

- Approximately 33% of the time, the only person qualified to respond to questions regarding the building code is either on inspection or out of the office. Therefore, approximately 33% of the time when people come into City Hall for a building codes question, they have to return at a time when the Building Official returns.
- When the Building Official is out of the office for an extended period of time, inspections and plan reviews that only he is qualified to do, are not performed until he returns. This is also true for individuals with questions regarding the building codes.
- If there is an emergency inspection, such as a small electrical fire in a commercial building, the Fire Department informs the Building Official what has occurred. The Building Official's/Building Inspector's job is to inspect the site and advise as to the occupancy of the building. (This had actually occurred at an office on North Commercial. Kip was out of the office that day. I performed that inspection. I am not qualified to do so.)

Harrisonville has not had only one employee in the inspections/property maintenance positions since the 1980s and perhaps even into the 1970's. If there was only one person with those duties we were actively looking to fill the vacancy.

ISO is an independent statistical, rating, and advisory organization that serves the property/casualty insurance industry. ISO collects information on a community's building-code adoption and enforcement services, analyzes the data, and then assigns a Building Code Effectiveness Classification from 1 to 10. The concept behind BCEGS is that municipalities with well-enforced, up-to-date codes demonstrate better loss experience, and their citizens' insurance rates can reflect that. The prospect of minimizing catastrophe-related damage and ultimately lowering insurance costs gives communities an incentive to enforce their building codes. The survey conducted for the City of Harrisonville in April, 2009, has resulted in a BCEGS Class of 3 for one and two family residential property and a class 3 for commercial and industrial property. *The 2009 report was the last full report that the City of Harrisonville had received.*

The Insurance Services Office, Inc. (ISO) is an insurer-supported organization with the primary mission of providing advisory underwriting and rating information to insurers. Insurers may have adopted, or may be in the process of adopting, an ISO insurance rating program that will provide

rating credits to individual property insurance policies in recognition of community efforts to mitigate property damage due to natural disasters. These insurers may use the Building Code Effectiveness Grading Classification (BCEGC) recently developed for the City of Harrisonville as a basis for the credits used. **One of the criteria they use when rating a City is to look at staffing levels and workload. It is important to note that the following analysis (The last full analysis conducted) is from 2009...a time when construction was slower and Harrisonville had two full-time employees capable of doing inspections on staff. We currently have one person designated to do the workload of two.**

Jurisdiction: Harrisonville
Survey Date: 4/28/2009

County: Cass

State: MO

Chart B5-3 Plan Review Staffing Comparison of Communities Serving Similar Populations

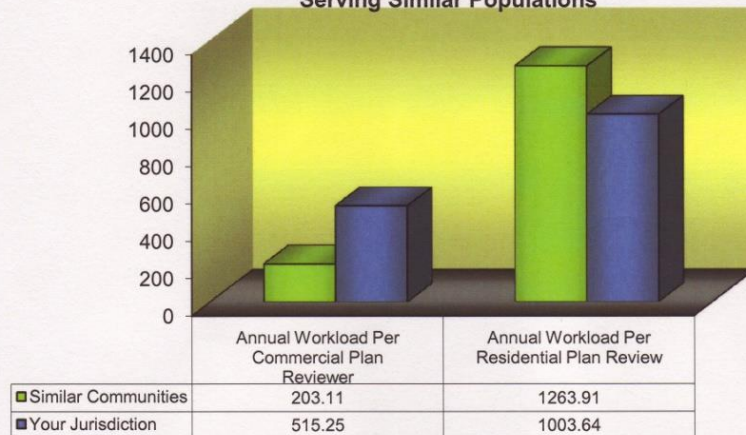
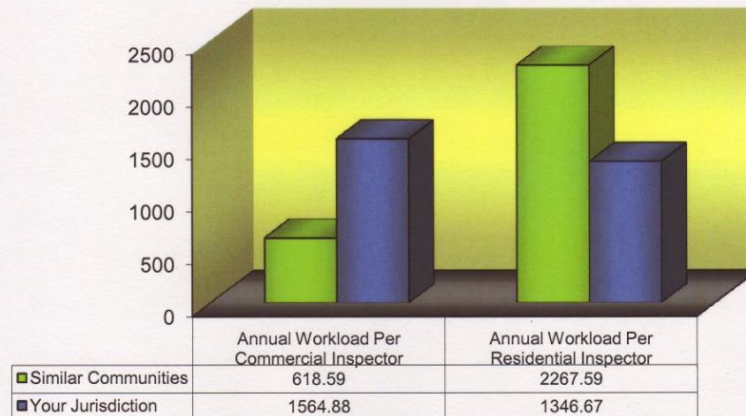


Chart B5-4 Inspection Staffing Comparison of Communities Serving Similar Populations



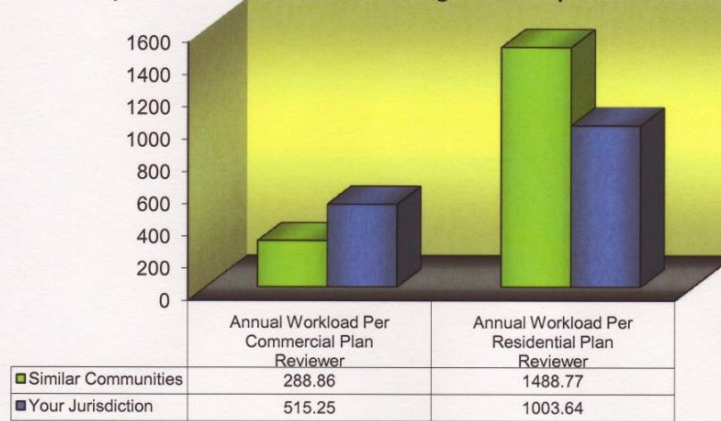
In 2009 BCEGC analysis demonstrated that Harrisonville's annual workload for both plan review and inspections staff exceeded that of communities serving similar populations. Although our workload is typically lighter for residential...it is typically heavier for the more complex commercial/industrial projects.

Jurisdiction: Harrisonville
Survey Date: 4/28/2009

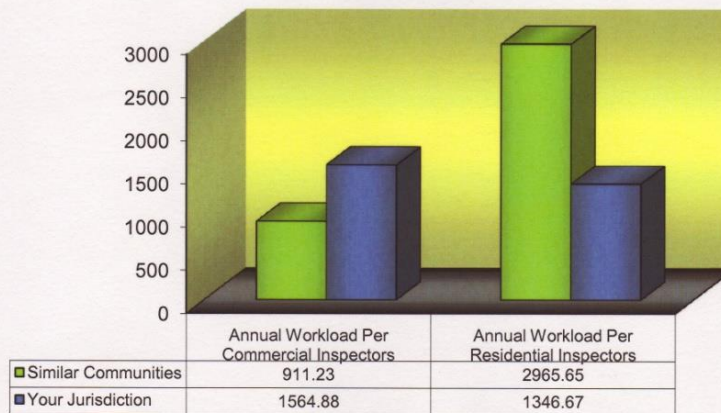
County: Cass

State: MO

**Chart B5-5 Plan Review Staffing
Comparison of Communities Serving Similar Square Miles**



**Chart B5-6 Inspection Staffing Comparison of
Communities Serving Similar Square Miles**



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SECTION 5

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In 2009 BCEGC analysis demonstrated that Harrisonville's annual workload for both plan review and inspections staff were just below that of communities (oftentimes counties) serving similar geographic sizes of jurisdictions.

Jurisdiction: Harrisonville
Survey Date: 4/28/2009

County: Cass

State: MO

Chart B5-7 Plan Review Staffing Comparison of Communities Issuing Similar Number of Permits

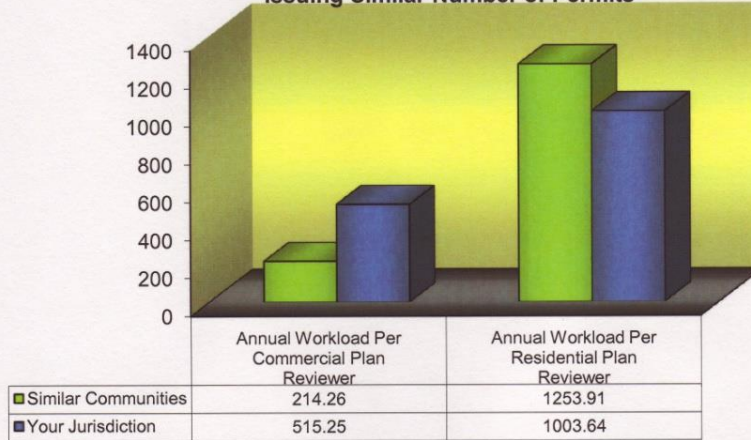
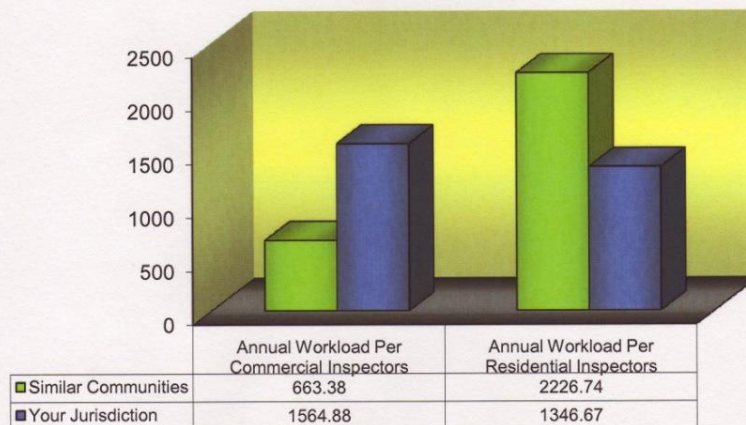


Chart B5-8 Inspection Staffing Comparison of Communities Issuing Similar Number of Permits



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SECTION 5

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In 2009 BCEGC analysis demonstrated that Harrisonville's annual workload for both plan review and inspections staff exceeded that of communities issuing similar number of permits. Again, although our workload is typically lighter for residential...it is typically heavier for the more complex commercial/industrial projects.

It is important to note that the above analysis was conducted in 2009 when we had 2 full time inspections staff. Hiring one additional full time building inspector will bring the plan review/inspections functions up to adequate staffing levels. The additional staffing will also help the City maintain our BCEGC rating during our next evaluation.

Summary

In 2009 Harrisonville had 245 residential building permits and 68 commercial permits. In 2016 we are on track for 266 residential permits and 87 commercial permits. This is an increase for both categories.

In 2009 the number of man-hours that was estimated for plan review and inspections for similar size communities per the BCEGC was 4,353 man-hours. In 2009 the number of man-hours that was estimated for plan review and inspections for Harrisonville per the BCEGC was 4,430 man-hours. A full time employee working 40 hours – five days a week – 52 weeks a year would have 2,080 hours available a year per full time employee (assuming they never took a holiday or vacation or were sick). This also does not take into consideration time for customer service or other administrative duties. In 2009, with two full time inspectors, Harrisonville was understaffed.

Given the increase in the number of building permits (both commercial and residential) and that there is only one full time employee performing plan review and inspections, we are in need of additional staffing.

Cost Estimate: (estimate midpoint 40K – 45K)

Account: 01-6-0608-0000 Community Development

Completion Date: May 1, 2017

Responsible Party: Director of Community Development

Submitted by: Rick DeLuca

OBJECTIVE: Hire a consultant to find and/or apply for grants/development tools for the Square District.

Justification:

This Historic Preservation Commission (HPC) has requested funds to hire a consultant to find and/or apply for grants/development tools for the Square District. The intent is to preserve and revitalize the Historic Square District.

Cost Estimate: \$10,000

Account: 01-6-0608-0216

Completion Date: September 31, 2017

Responsible Party: Director of Community Development/Historic Preservation Commission

Submitted by: Director of Community Development / Historic Preservation Commission

OBJECTIVE: Hire an intern to complete tasks for the Historic Preservation Commission and square association.

Justification:

This Historic Preservation Commission (HPC) has requested funds to hire an intern to complete/expand on a few projects. Projects that have been discussed include:

- Work on the objectives of the HPC Plan.
- Having a guest speaker(s) attend their meeting(s), conducting professional development, and/or make a special presentation to the HPC and the public.
- Assist with the requirements of the Certified Local Government Program.
- Work with the Love the Square group.

Cost Estimate: \$5,000 wages

Account: 01-6-0608-0102

Completion Date: July 1, 2017

Responsible Party: Director of Community Development

Submitted by: Director of Community Development / Historic Preservation Commission

OBJECTIVE: Complete the Preliminary Engineering Study for the roadway that would make the connection between South Commercial Street and 267th Street.

Justification:

Completion of the Preliminary Engineering Study of this roadway would be the first step to providing adequate access to west Harrisonville. This study is necessary to determine the location of the right-of-way for the roadway extension. The City of Harrisonville Comprehensive Plan designates the west side of I-49 (west of the South Commercial Interchange) for commercial development (immediately around the interchange). Industrial development is planned for the remainder of the area.

Economic Development: Background Information

Background. Harrisonville has numerous site visits from industries from around the world. These employers were proposing structures from 60,000 square feet to several million square feet. These employers would have paid well in excess of the County average salary of \$31,000 annually. A common concern for the visiting industries was the poor roadway infrastructure in Harrisonville's industrial area.

Harrisonville's Economic Situation.

Harrisonville's Median Household Income. The income of the citizens of Harrisonville has declined. In 2000 the Citizens enjoyed incomes in excess (+\$1,564) of the state of Missouri median household income. In 2012, the income of the citizens had fallen by \$3,300 annually, as compared to the state median income.

Household Income

Median Household Income, #291

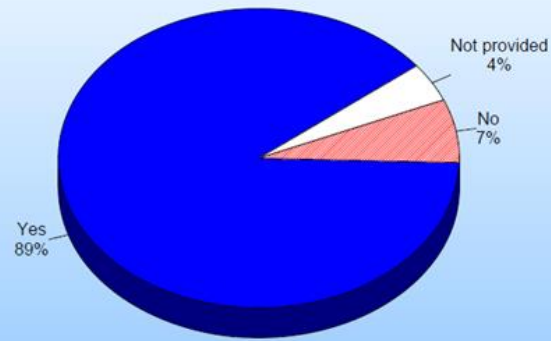


Median Household Income Growth Since 2000, #635



Citizen's Survey. 89% of those surveyed wanted the City to make efforts to attract employers that pay higher wages.

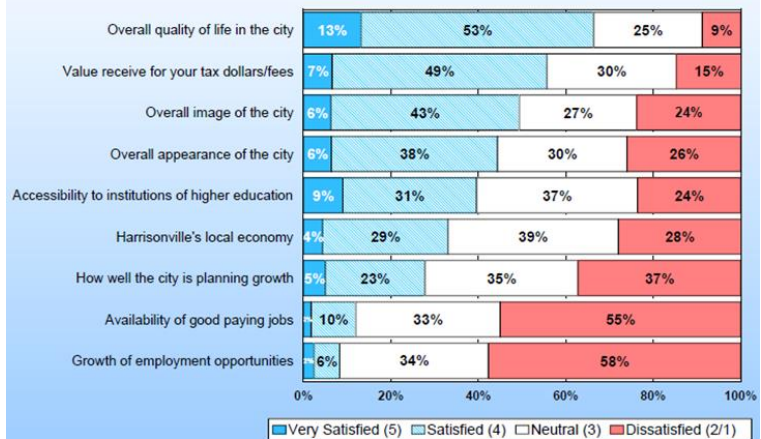
Q23. Should the City make efforts to attract companies that pay higher wage jobs in fields such as technology based companies and manufacturing?
by percentage of respondents



Source: ETC Institute (2014 - City of Harrisonville, MO)

Citizen Survey. 8% of those surveyed are satisfied with the Growth of Employment Opportunities in Harrisonville...while 58% are dissatisfied. 12% of those surveyed are satisfied with the availability of Good Paying Jobs....while 55% are dissatisfied.

Q3. Satisfaction with Items That Influence Perceptions of the City of Harrisonville
by percentage of respondents (excluding don't knows)



Source: ETC Institute (2014 - City of Harrisonville, MO)

Goals of the Board of Aldermen.

To achieve several of the Goals of the Board of Aldermen, additional revenues are needed. Attracting new business (especially industry) will increase City revenues, thereby helping the City reach its goals.

Improve Community Assets. (1) The City capital improvements budget has been shrinking and the trend has been that fewer capital projects are possible. (2) The City is falling behind on its street maintenance program. The trend is that the City will not be able to maintain what we have in the relatively near future.

Keep our Community Safe and Secure. The City has several structures around town that need to be demolished (examples: old hospital on Pearl Street, Linbergh Apartments, and numerous residential structures). These structures are dangerous and people regularly get into them.

Cultivate a Rewarding Work Environment. City employees take pride in providing good customer service. However, it is disappointing when we don't have the staff, or equipment, to provide the level of customer service that we have in the past.

Encourage Investment in Our Community. (1) The income of the citizens of Harrisonville has not been keeping up with the rest of the state and nation. It has been shown in the 2008 Housing Market Study that some of our property maintenance issues are due to the fact that our citizen's income is not allowing for the proper maintenance of their properties. (2) By not investing in our key infrastructure on the west side of I-49, we are not seeing success in attracting industry, employers and jobs. (3) When Harrisonville's citizens have less income, Harrisonville's retailers make less money. Consequently, fewer retailers exist because there is less money in the community and the remaining retailers make less...leaving less for property maintenance, decreasing the likelihood for expansion and increasing the vacancy rate for commercial buildings.

Conclusion.

If Harrisonville's citizens increase their income, the citizens have more money to spend. The more the citizens spend, the more taxes are generated. This allows the City (as well as the other taxing entities) additional revenue to help maintain - improve infrastructure and provide better customer service. Consequently, the citizens win with higher incomes, the businesses win with larger profits, and the City wins by providing better services without raising taxes.

Cost Estimate: \$25,000 **Account: 01-6-0608-0216**

Completion Date: December 31, 2017

Responsible Party: Director of Community Development

Submitted By: Director of Community Development