

Community Forum: 2018 Budget

Tools Used to Determine Where To Focus:

- Citizen Survey
- Infrastructure Condition Assessments
- Performance Measures and Key Indicators
- Adopted Goals

Definitely Increase Emphasis (IS \geq 0.20)

Increase Current Emphasis (0.10 \leq IS<0.20)

Maintain Current Emphasis (IS<0.10)

2016 Importance-Satisfaction Rating

City of Roeland Park

Major Categories of City Services

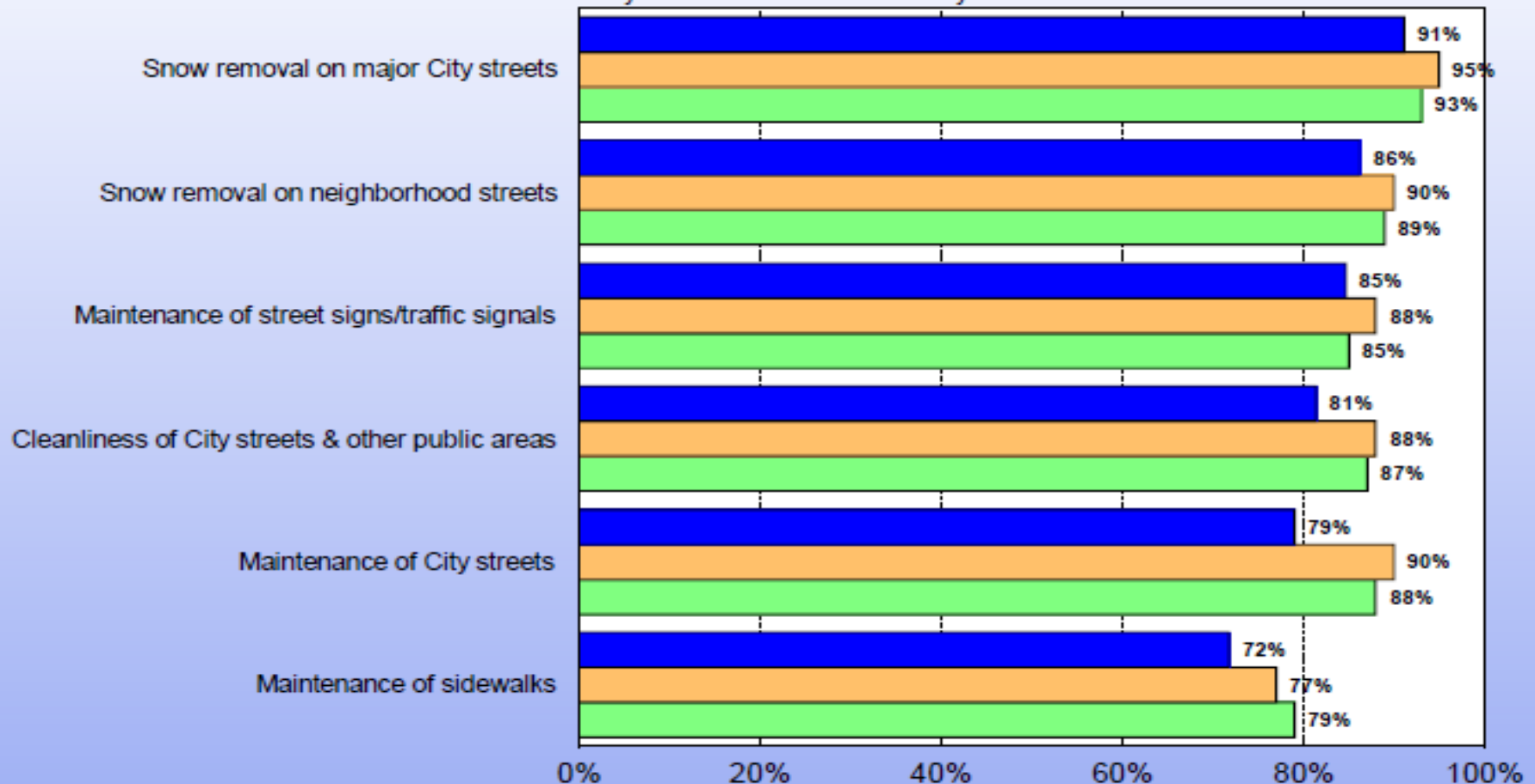
Category of Service	Most Important %	Most Important Rank	Satisfaction %	Satisfaction Rank	Importance-Satisfaction Rating	I-S Rating Rank
<u>High Priority (IS .10-.20)</u>						
Maintenance of streets, buildings & facilities	54%	1	75%	6	0.1355	1
Parks & recreation programs & facilities	46%	2	71%	9	0.1328	2
Enforcement of codes & ordinances	26%	5	57%	11	0.1135	3
Solid waste services	26%	6	60%	10	0.1044	4
<u>Medium Priority (IS <.10)</u>						
Traffic flow & congestion management	27%	4	72%	8	0.0761	5
Effectiveness of communication	17%	7	76%	5	0.0406	6
Police services	29%	3	89%	1	0.0317	7
Stormwater runoff/stormwater management	12%	8	81%	2	0.0228	8
Customer service from City employees	5%	9	80%	4	0.0105	9
Fire services	5%	10	80%	3	0.0100	10
Ambulance services	3%	11	75%	7	0.0081	11

Satisfaction Trends

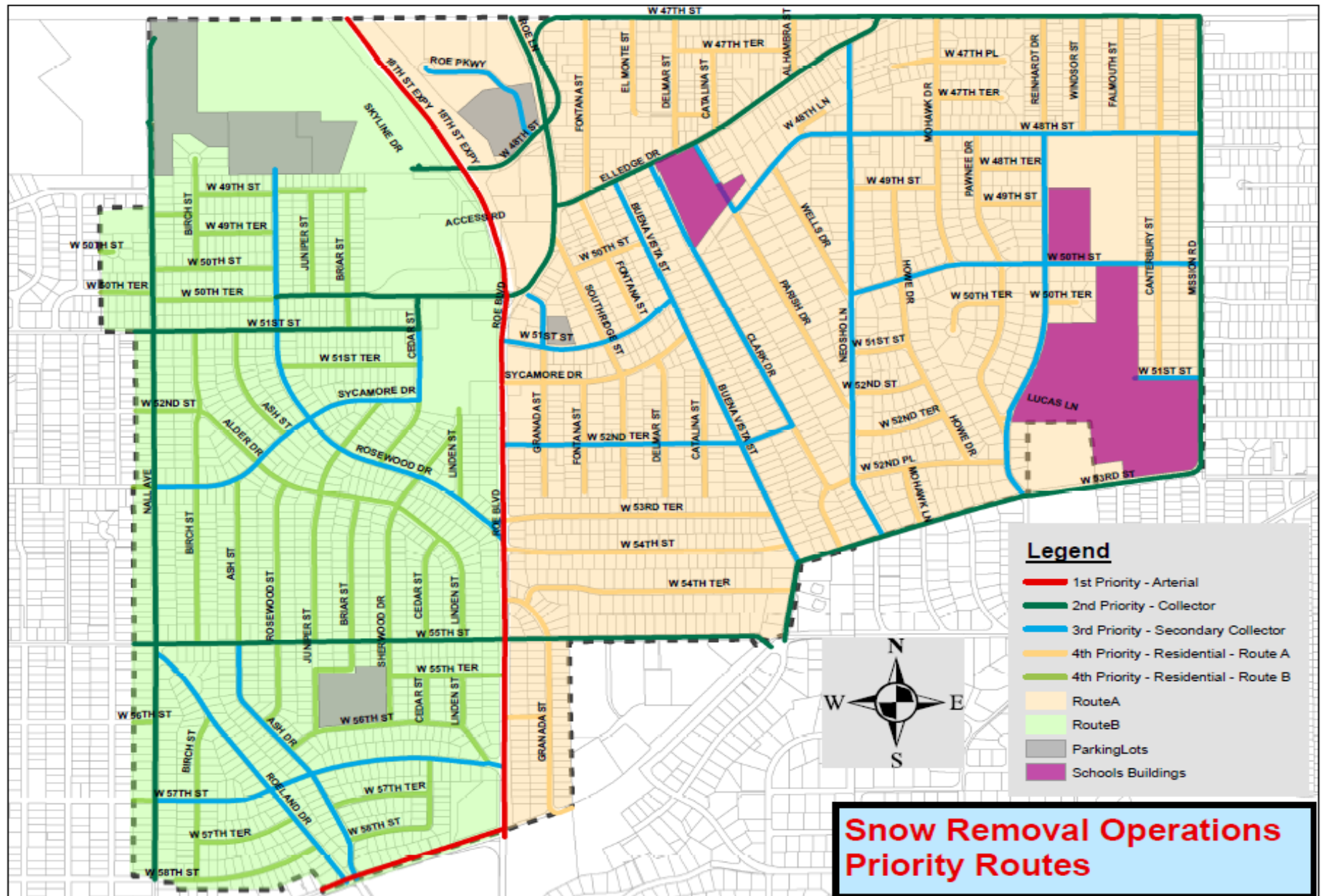
Overall Satisfaction with Maintenance Services

TRENDS: 2016 vs. 2013 vs. 2008

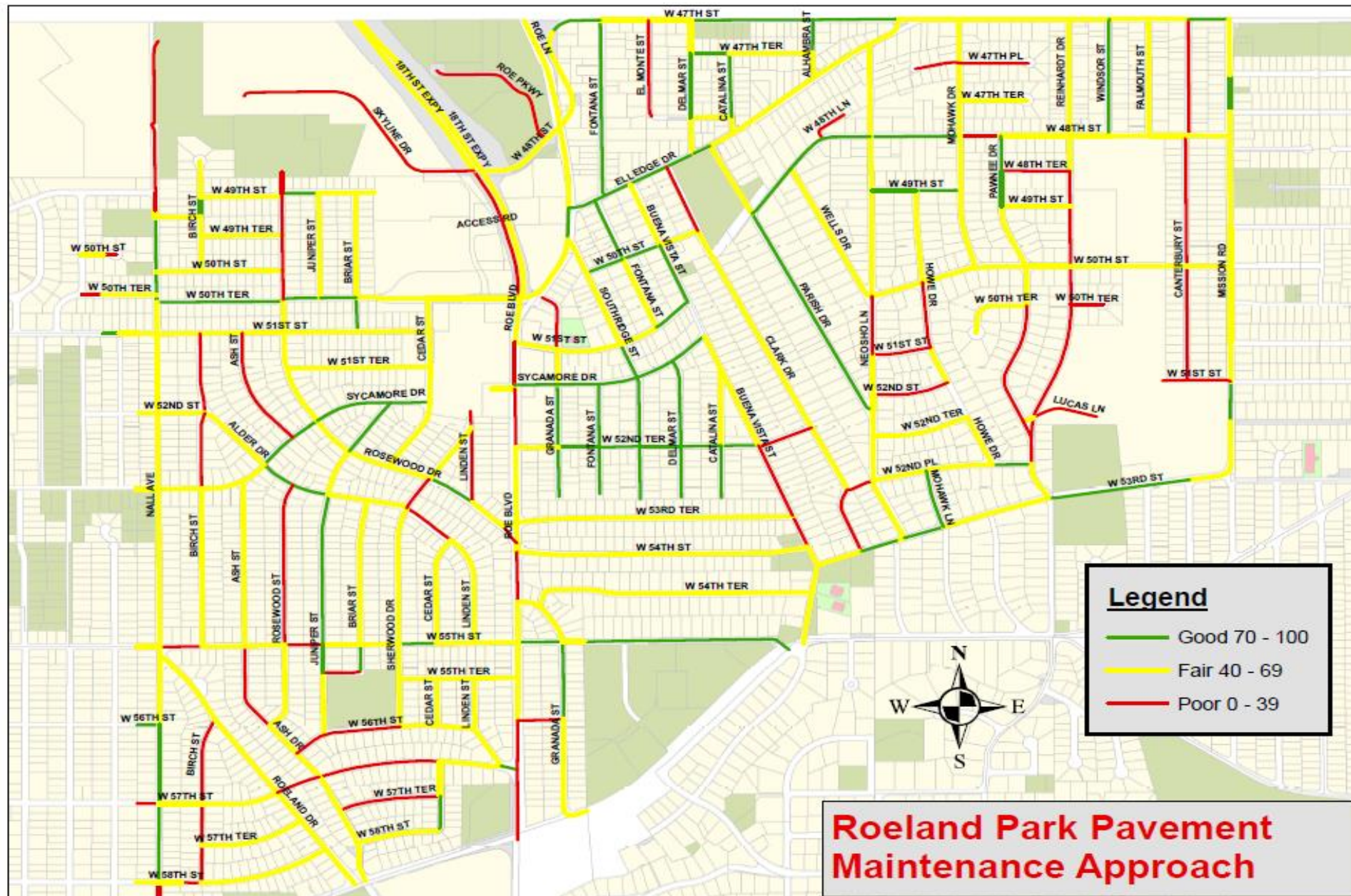
by percentage of respondents who rated the item 4 or 5 on a 5-point scale
where 5 was "very satisfied" and 1 was "very dissatisfied"



Planning for & Communicating Priorities



Planning for & Communicating Priorities



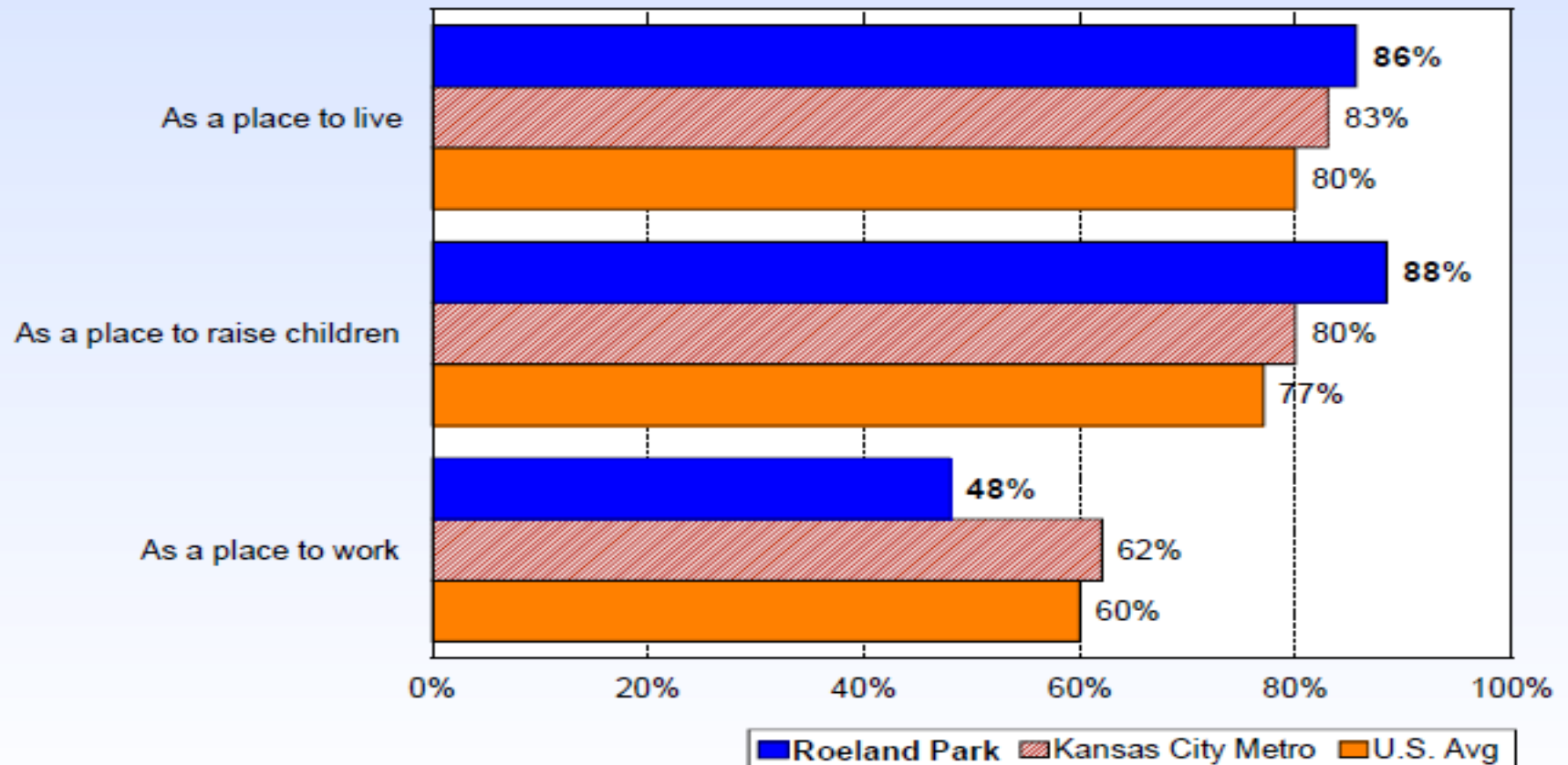
Planning for & Communicating Priorities



Specific Items Below Benchmarks

Rating of the Community Where Residents Live: Roeland Park vs. Kansas City Metro vs. U.S.

by percentage of respondents who rated the item as a 4 or 5 on a 5-point scale
where 5 was "excellent"



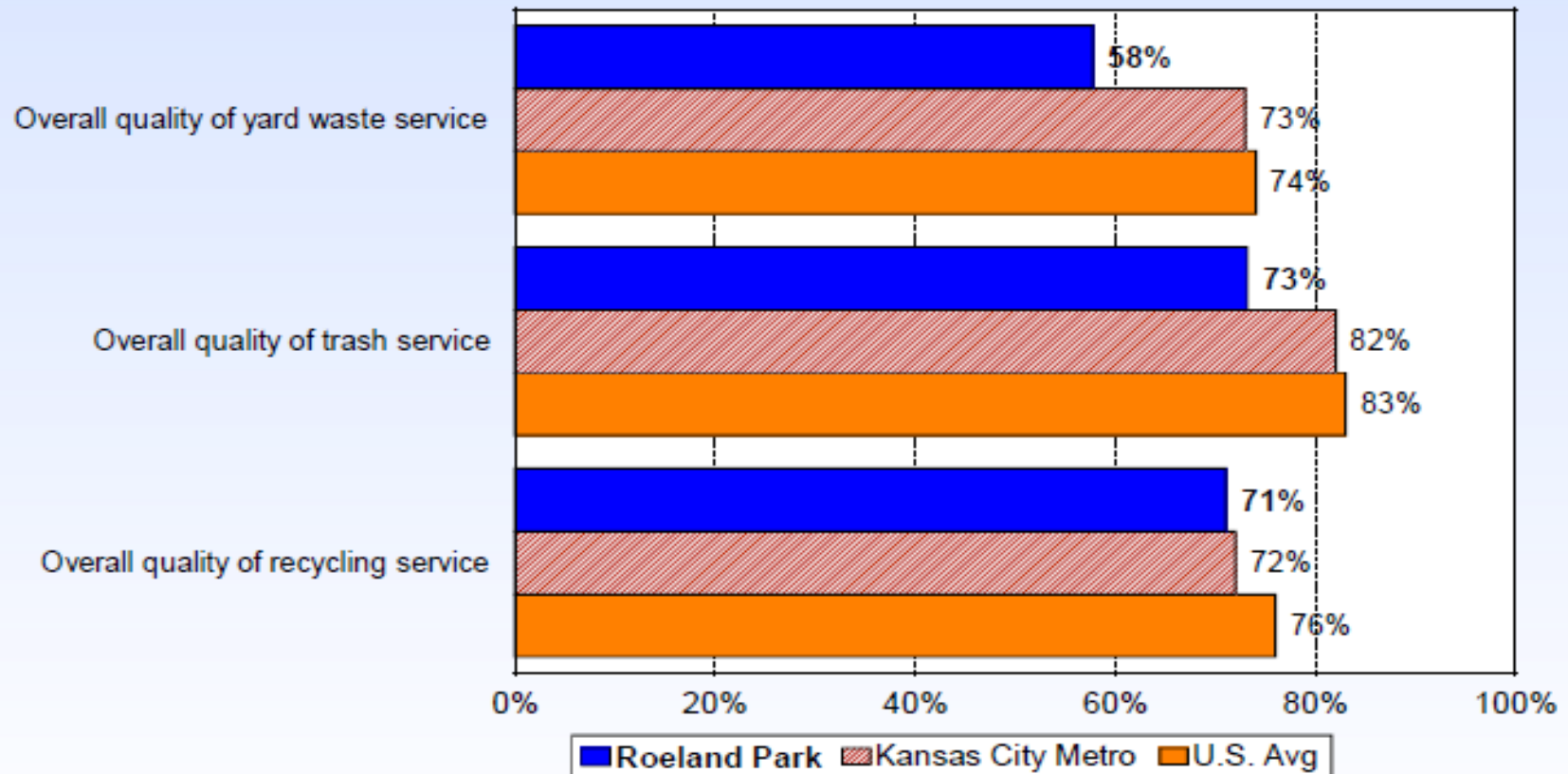
Source: ETC Institute (2016)

National Benchmarking Data - All Communities

Specific Items Below Benchmarks

Overall Satisfaction with Trash Services: City of Roeland Park vs. Kansas City Metro vs. U.S.

by percentage of respondents who rated the item 4 or 5 on a 5-point scale
where 5 was "very satisfied" and 1 was "very dissatisfied"

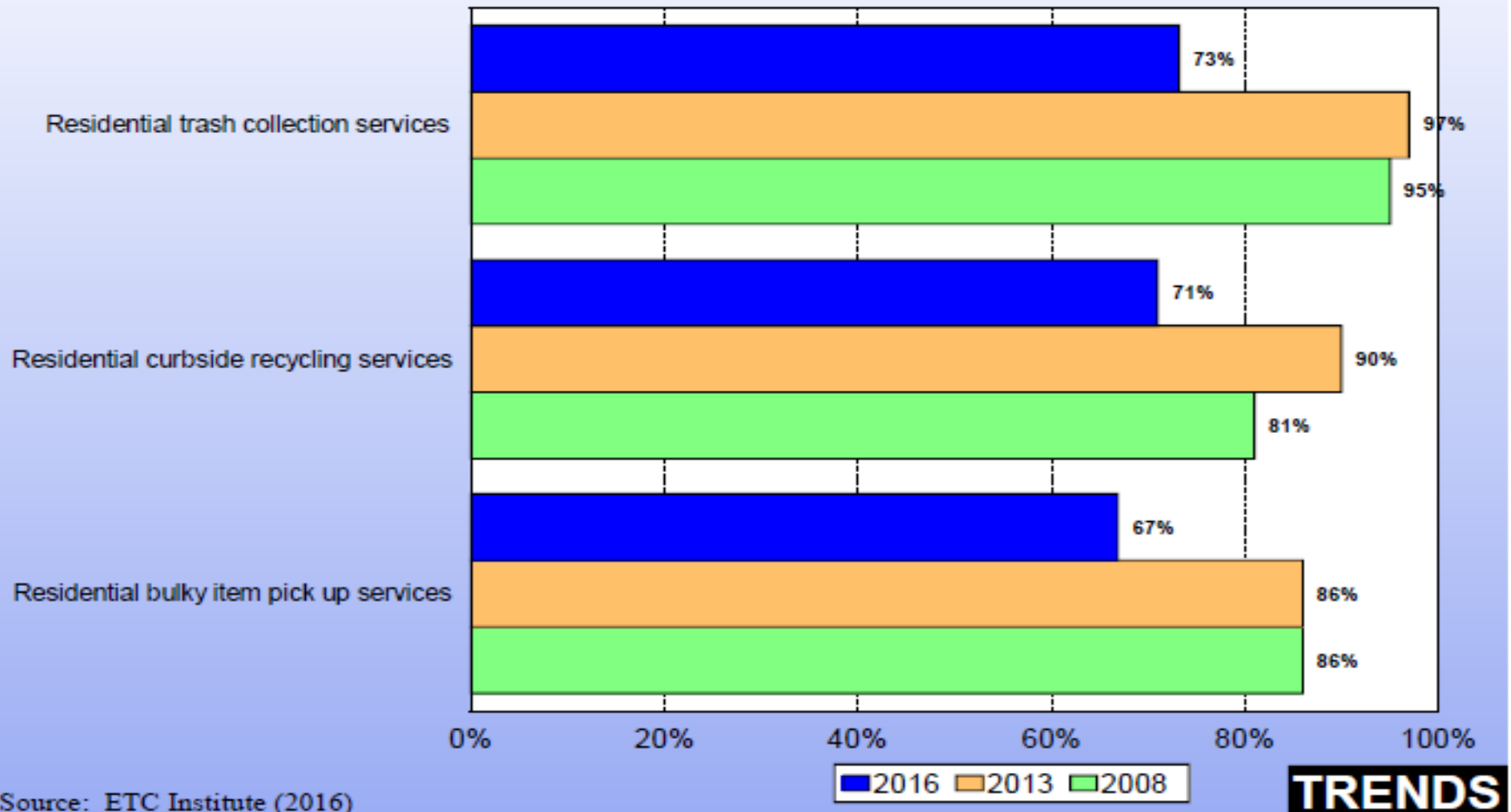


Satisfaction Trends

Overall Satisfaction with Trash Issues

TRENDS: 2016 vs. 2013 vs. 2008

by percentage of respondents who rated the item 4 or 5 on a 5-point scale
where 5 was "very satisfied" and 1 was "very dissatisfied"



Definitely Increase Emphasis (IS \geq 0.20)

Increase Current Emphasis (0.10 \leq IS<0.20)

Maintain Current Emphasis (IS<0.10)

2016 Importance-Satisfaction Rating

City of Roeland Park

Public Safety Services

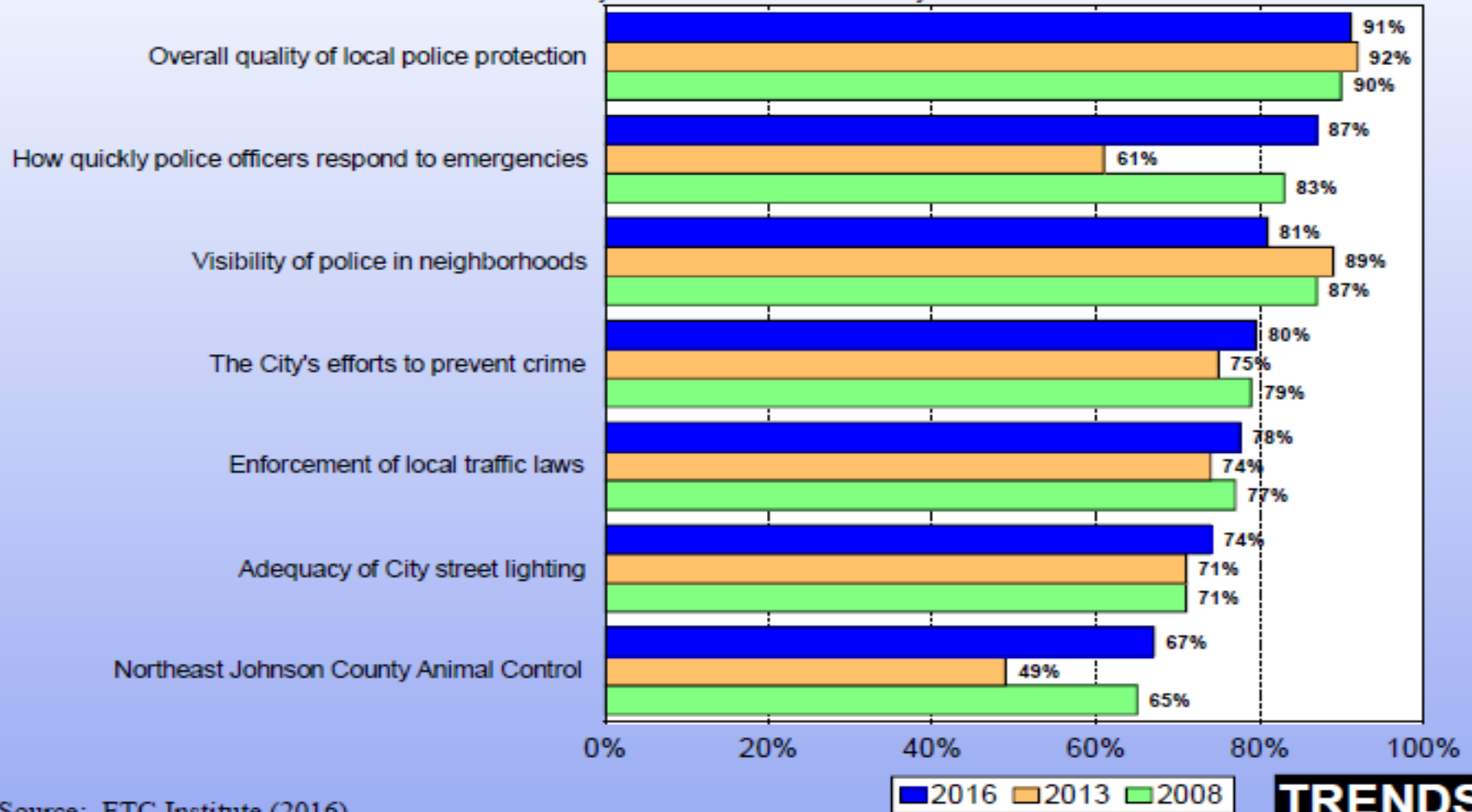
Category of Service	Most Important %	Most Important Rank	Satisfaction %	Satisfaction Rank	Importance- Satisfaction Rating	I-S Rating Rank
<u>High Priority (IS .10-.20)</u>						
The City's efforts to prevent crime	51%	1	80%	4	0.1047	1
<u>Medium Priority (IS <.10)</u>						
Adequacy of City street lighting	38%	4	74%	6	0.0982	2
The visibility of police in neighborhoods	46%	2	81%	3	0.0882	3
Northeast Johnson County Animal Control	16%	7	67%	7	0.0530	4
Enforcement of local traffic laws	18%	6	78%	5	0.0392	5
Overall quality of local police protection	38%	3	91%	1	0.0338	6
How quickly police officers respond to emergencies	24%	5	87%	2	0.0317	7

Satisfaction Trends

Overall Satisfaction with Public Safety Services

TRENDS: 2016 vs. 2013 vs. 2008

by percentage of respondents who rated the item 4 or 5 on a 5-point scale
where 5 was "very satisfied" and 1 was "very dissatisfied"



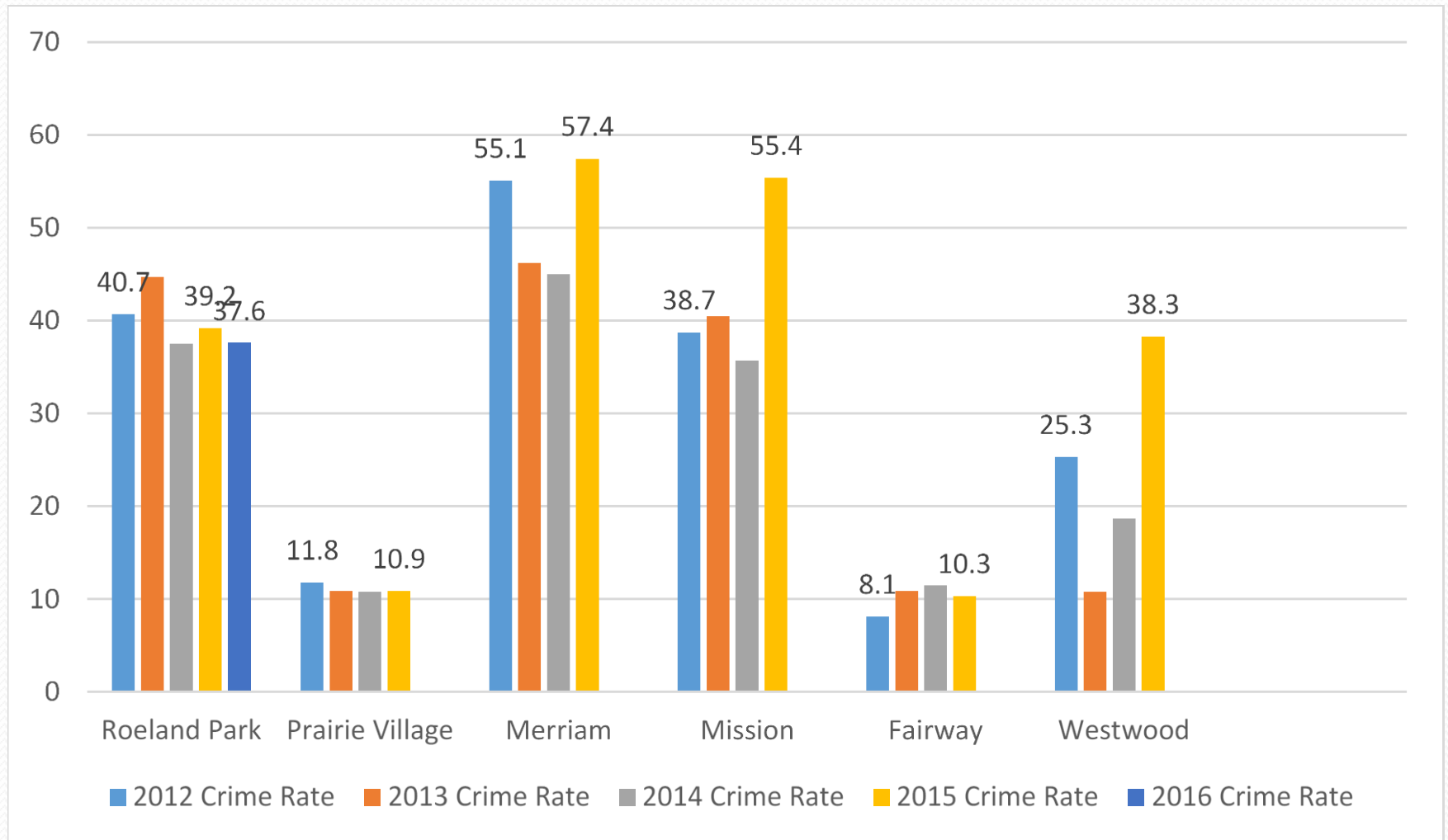
Comparison of Kansas Cities

Information provided by each Police Chief and KBI reports

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Comparing to Peers

CRIME INDEX COMPARISON CHART



Police Measures / 1000 (Under 25k Population)- 2015



Definitely Increase Emphasis (IS \geq 0.20)

Increase Current Emphasis (0.10 \leq IS $<$ 0.20)

Maintain Current Emphasis (IS $<$ 0.10)

2016 Importance-Satisfaction Rating

City of Roeland Park

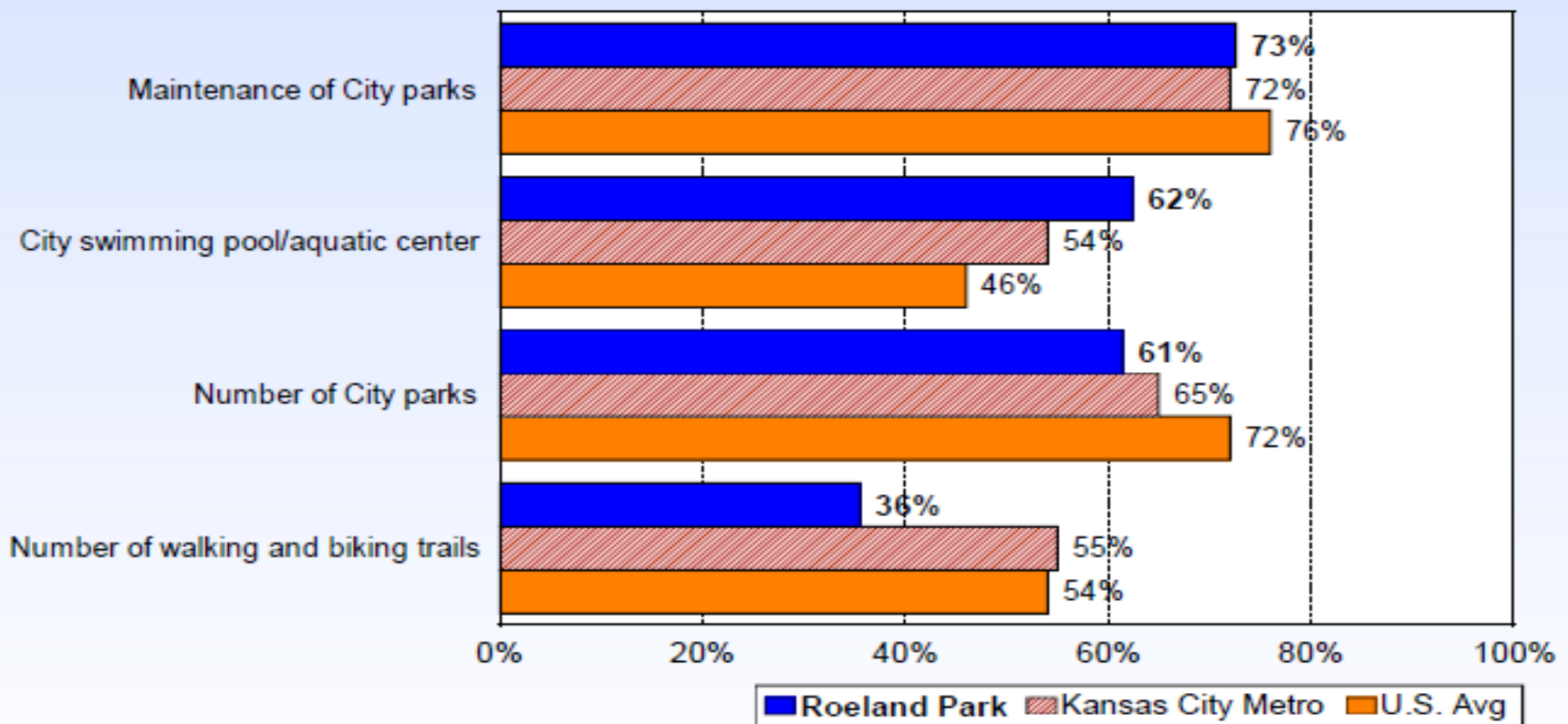
Parks and Recreation

Category of Service	Most Important %	Most Important Rank	Satisfaction %	Satisfaction Rank	Importance-Satisfaction Rating	I-S Rating Rank
<u>Very High Priority (IS $>$.20)</u>						
Number of walking & biking trails	40%	1	36%	12	0.2548	1
<u>High Priority (IS .10-.20)</u>						
Quality of the Community Center	26%	4	53%	11	0.1222	2
Maintenance of City parks	39%	2	73%	1	0.1066	3
<u>Medium Priority (IS $<$.10)</u>						
Overall appearance of City parks	32%	3	70%	3	0.0948	4
Quality of the Aquatics Center	18%	5	62%	6	0.0681	5
Number of City parks	17%	6	61%	7	0.0656	6
Quality of Art in public places	15%	7	59%	9	0.0630	7
Fees charged for memberships, recreation programs and facility rentals	13%	9	56%	10	0.0556	8
City-sponsored special events	12%	10	61%	8	0.0453	9
Quality of playground equipment	14%	8	69%	4	0.0428	10
How close neighborhood parks are to your home	6%	11	71%	2	0.0159	11
Ease of registering for programs	4%	12	65%	5	0.0122	12

Specific Items Below Benchmarks

Overall Satisfaction with Parks and Recreation Services: City of Roeland Park vs. Kansas City Metro vs. U.S

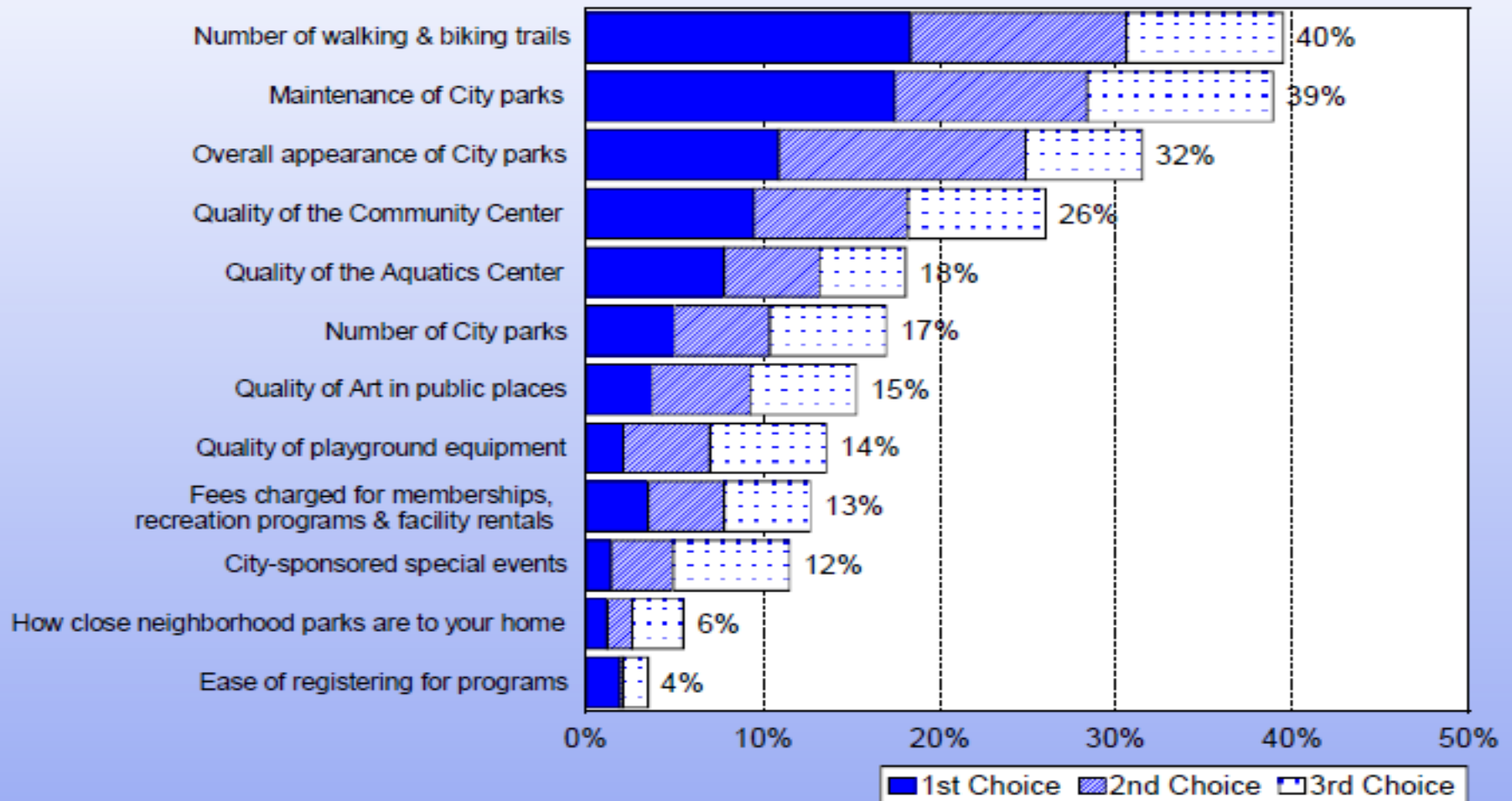
by percentage of respondents who rated the item 4 or 5 on a 5-point scale
where 5 was "very satisfied" and 1 was "very dissatisfied"



Items to Emphasize

Q10. Which Three Parks and Recreation Issues Should Receive the Most Emphasis Over the Next Two Years

by percentage of respondents who selected the item as one of their top three choices

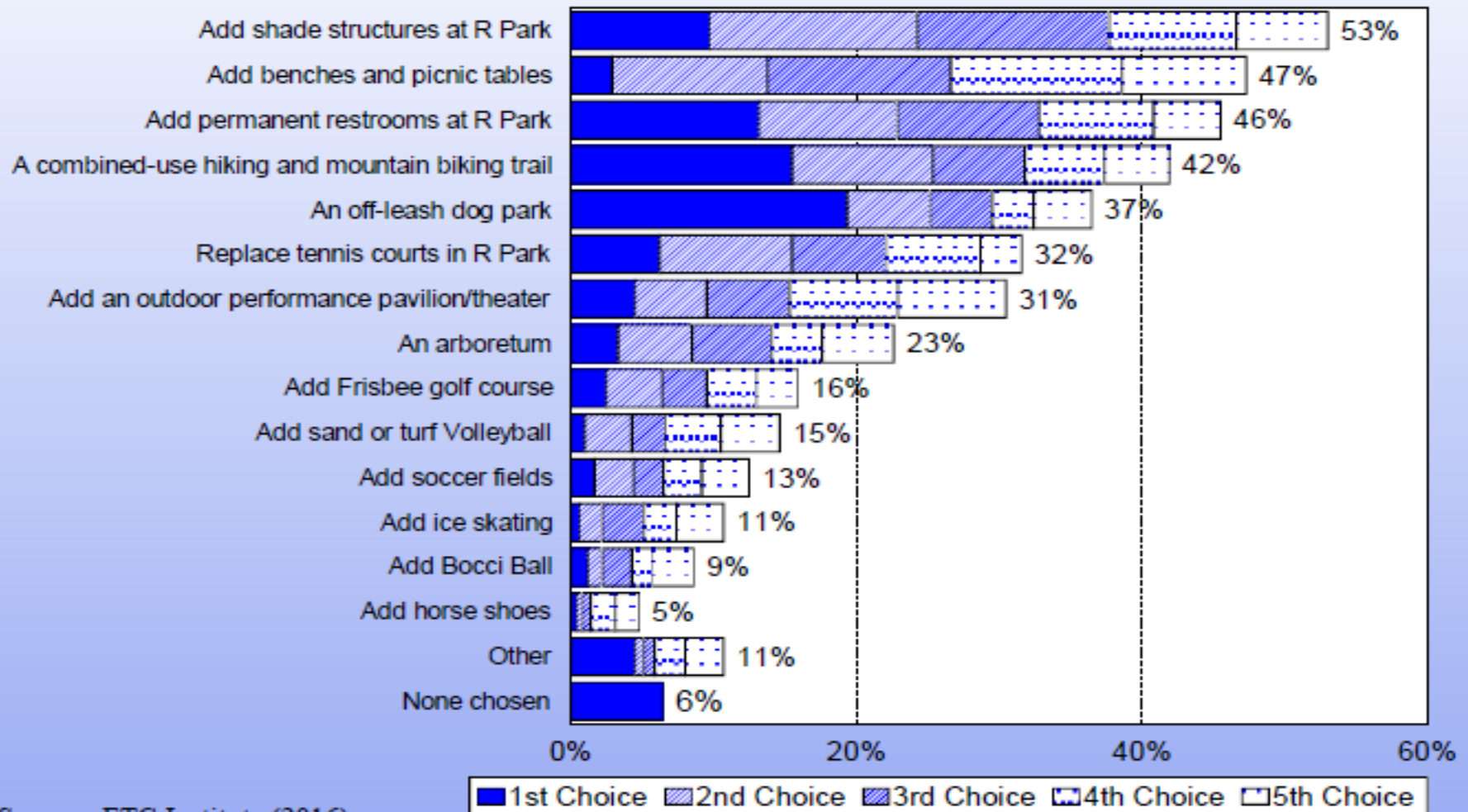


Source: ETC Institute (2016)

Items to Emphasize

Q11. Top Five Most Important Improvements You Would Like to See Made to City Parks

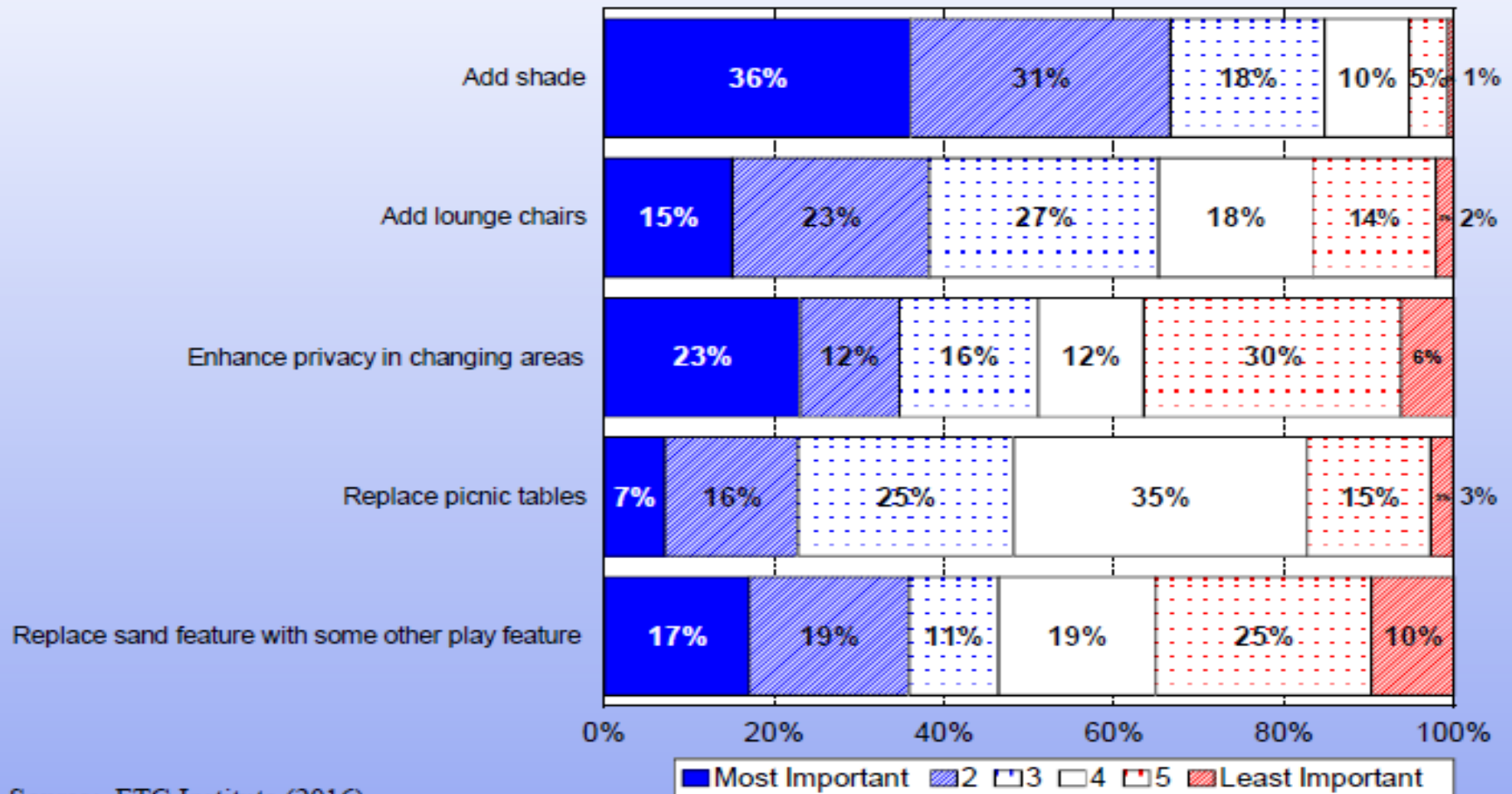
by percentage of respondents who selected the item as one of their top five choices



Items to Emphasize

Q12. Importance of Potential Improvements at the Aquatics Center

by percentage of respondents who rated the item as a 1 to 6 on a 6-point scale
where 1 is most important and 6 is least important

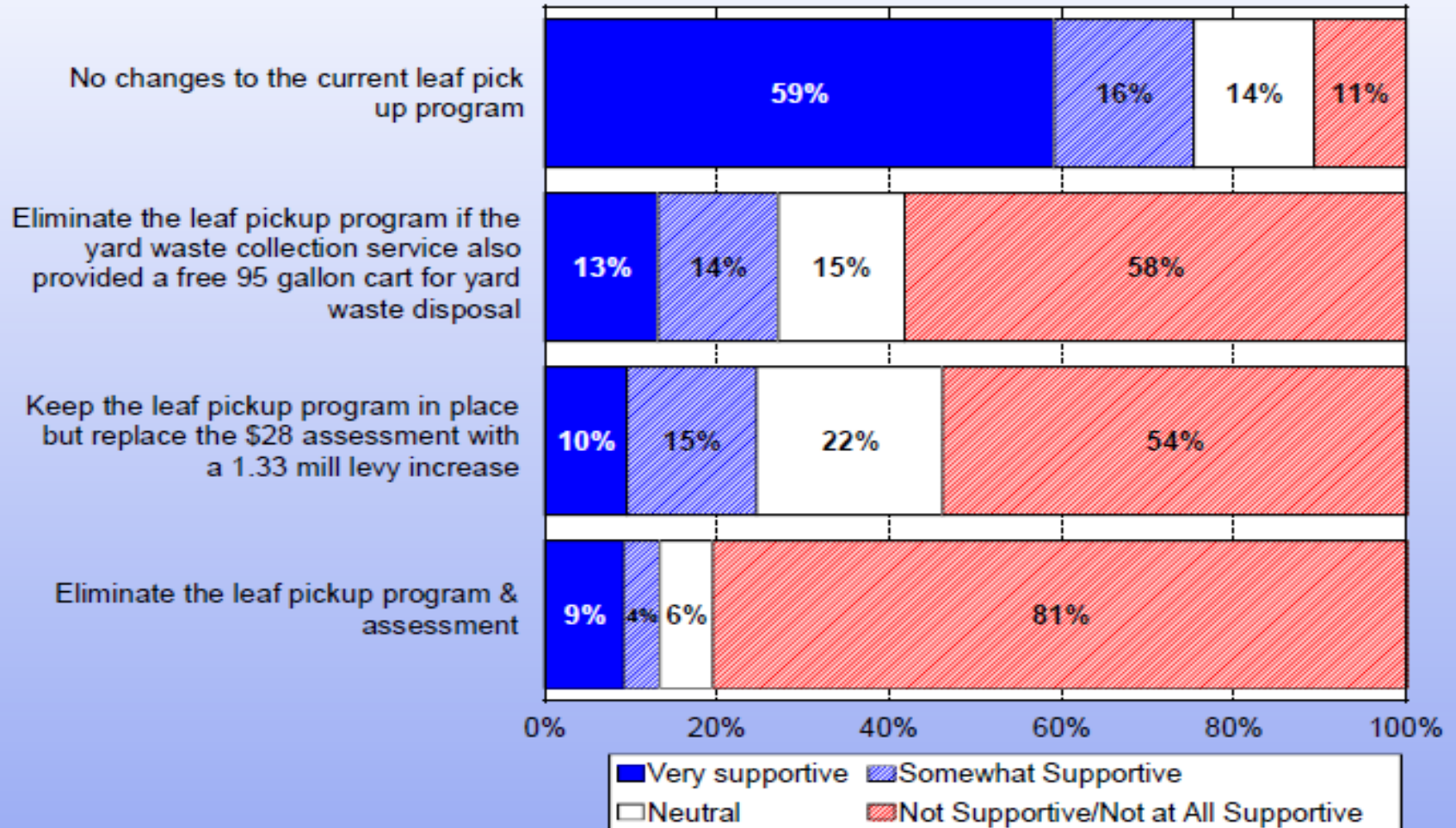


Source: ETC Institute (2016)

Feedback on Changes

Q21. Level of Support for Each Action the City Could Take Regarding the Leaf Pickup Program

by percentage of respondents who rated the item as a 1 to 5 on a 5-point scale (Excluding "Don't Know")

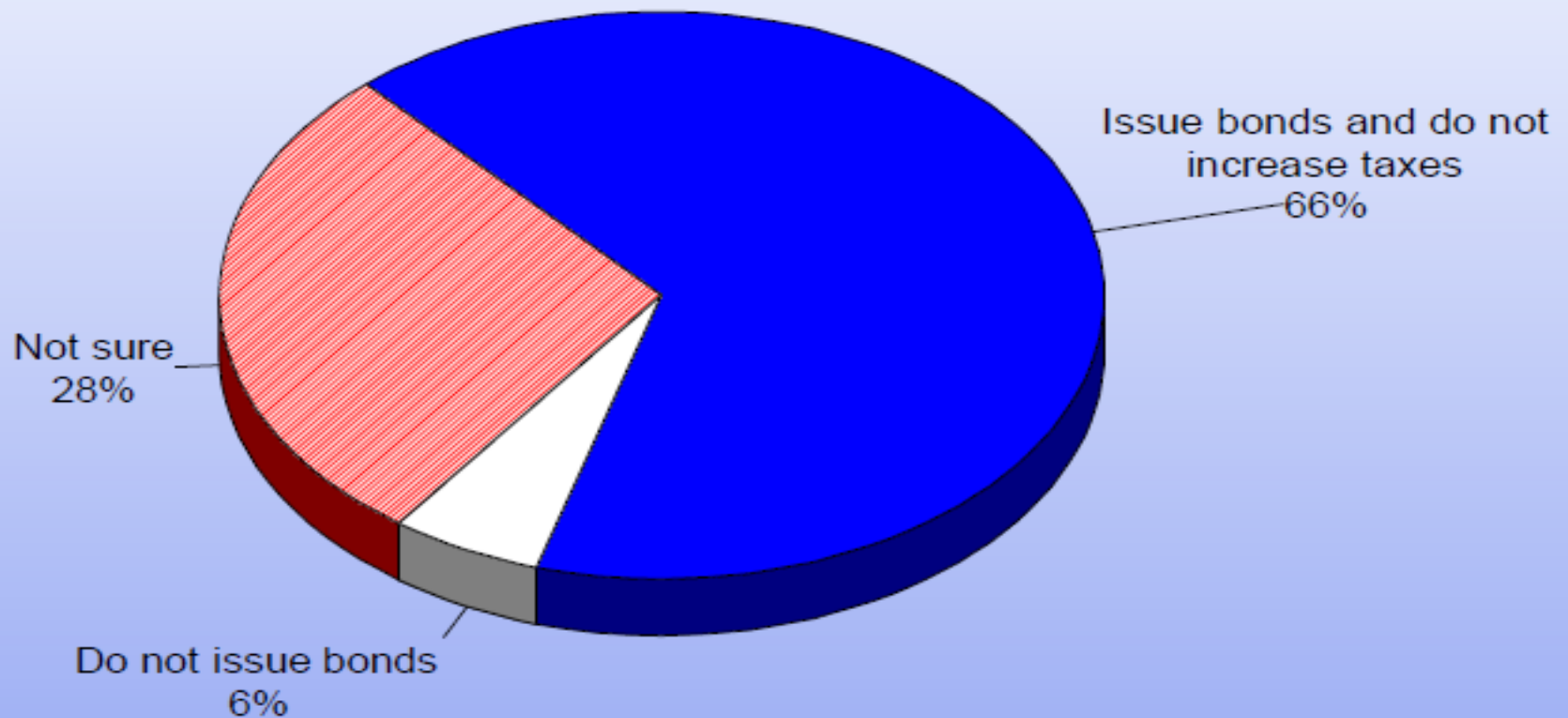


Source: ETC Institute (2016)

Feedback on Bonds

Q27. Knowing Issuing Bonds will Not Increase Taxes and Not Issuing Bonds Will Delay Capital Projects Three to Five Years, Which is Your Preference

by percentage of respondents

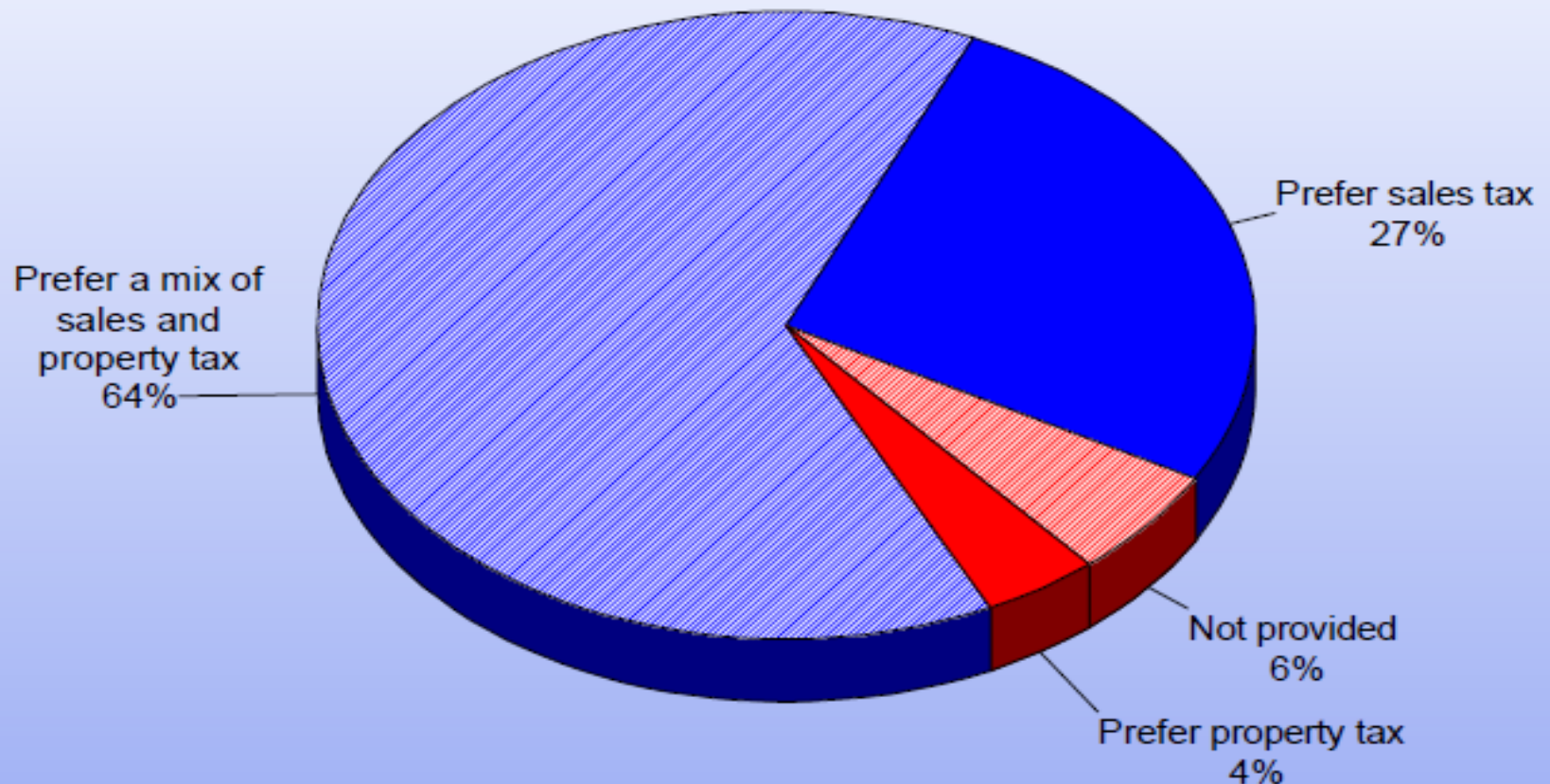


Source: ETC Institute (2016)

Feedback on Tax Structure

Q28-1. Preference for Sales Tax Versus Property Tax as a Way to Fund City Operations

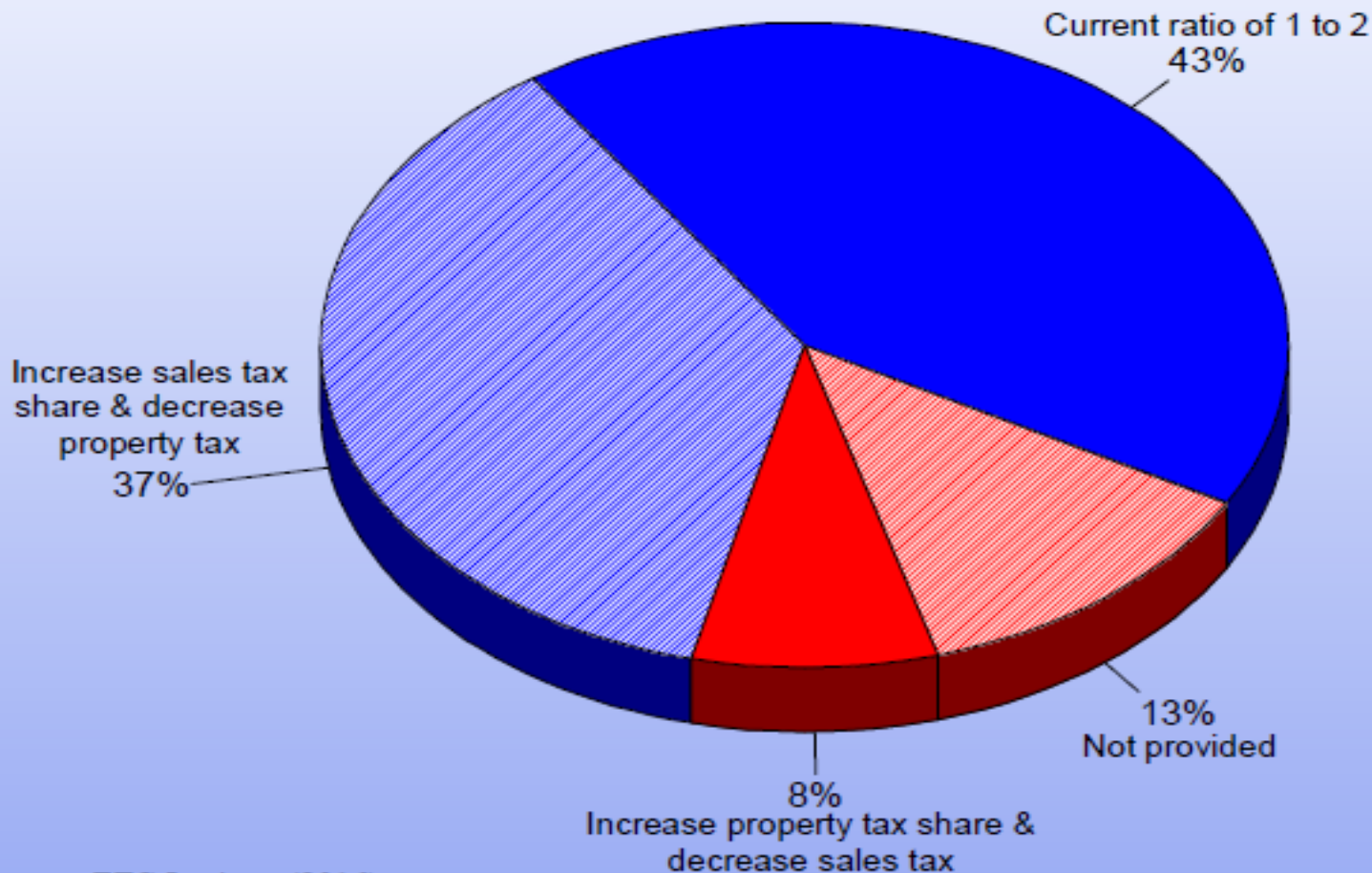
by percentage of respondents



Feedback on Tax Structure

Q28-2. What is Your Preferred Ratio of Sales Tax to Property Tax

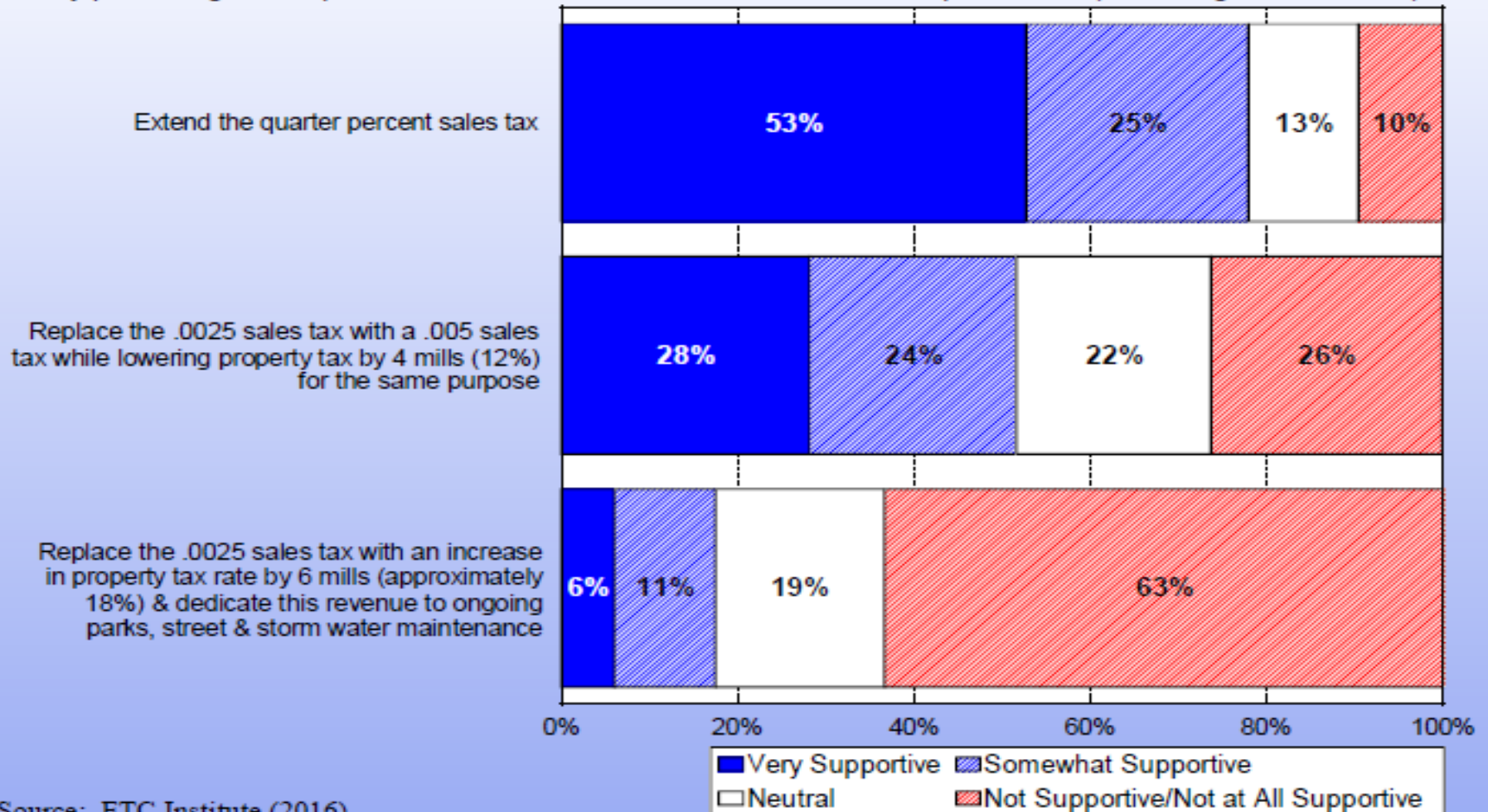
by percentage of respondents



Feedback on Future Funding

Q29. Level of Support For Each of the Potential Funding Initiatives

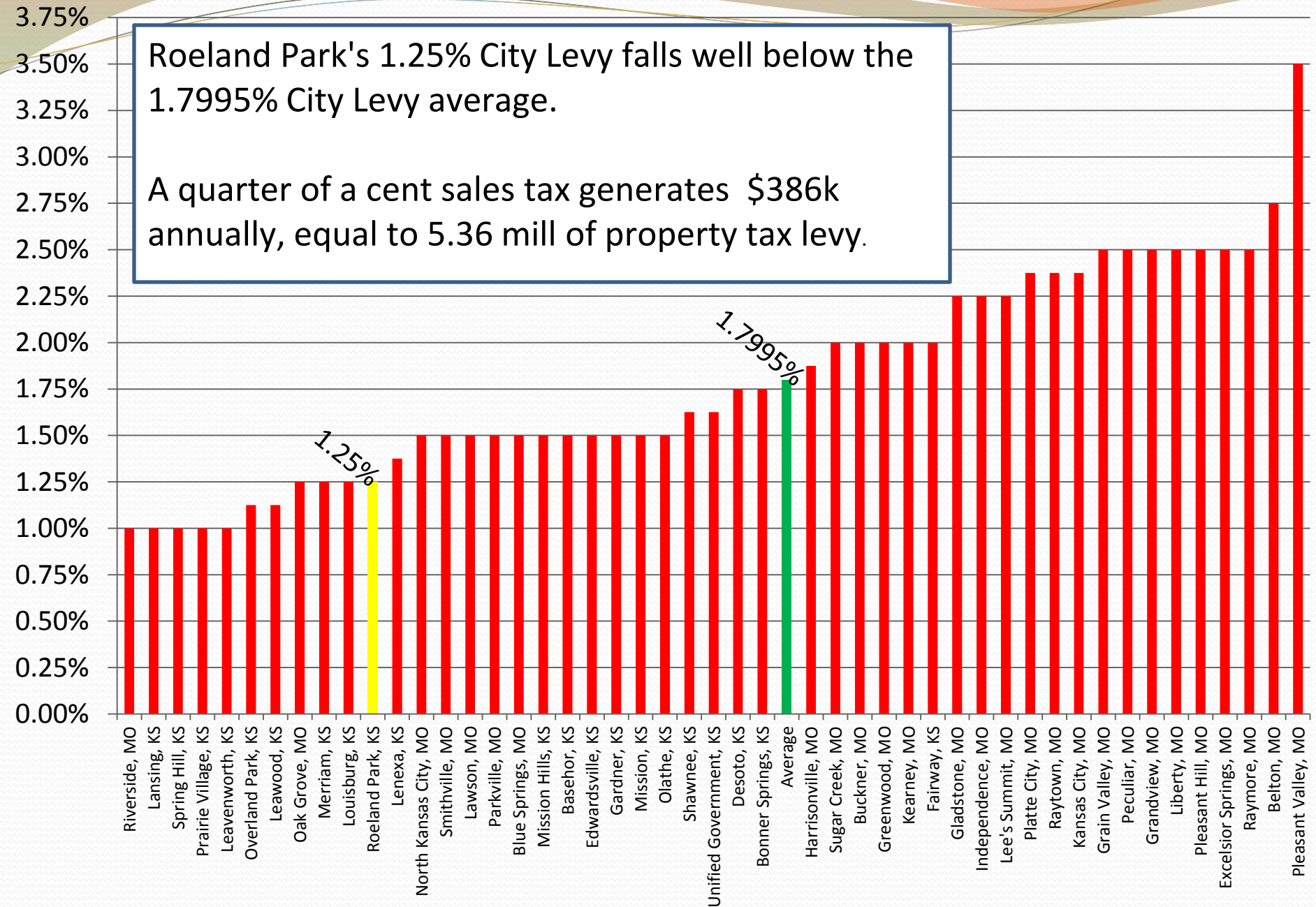
by percentage of respondents who rated the item as a 1 to 5 on a 5-point scale (Excluding "Don't Know")



City Only Sales Tax Rates- 2016

Roeland Park's 1.25% City Levy falls well below the 1.7995% City Levy average.

A quarter of a cent sales tax generates \$386k annually, equal to 5.36 mill of property tax levy.



Cost of Living Performance Measure

- **Roeland Park's property tax levy (mill levy) is often pointed to as being high and it is therefore assumed that the Cost of Living in Roeland Park is high. In order to assess Roeland Park's relative cost a comparison of all costs that a family is subject to should be made.**
- **The Single Family Cost of Living Comparison for the Kansas City metro Communities was first completed in 2009 by the City of Harrisonville in order to address the question of total cost vs picking just one cost which was a common practice.**

Single Family Cost Comparison by City

As of January 1, 2016

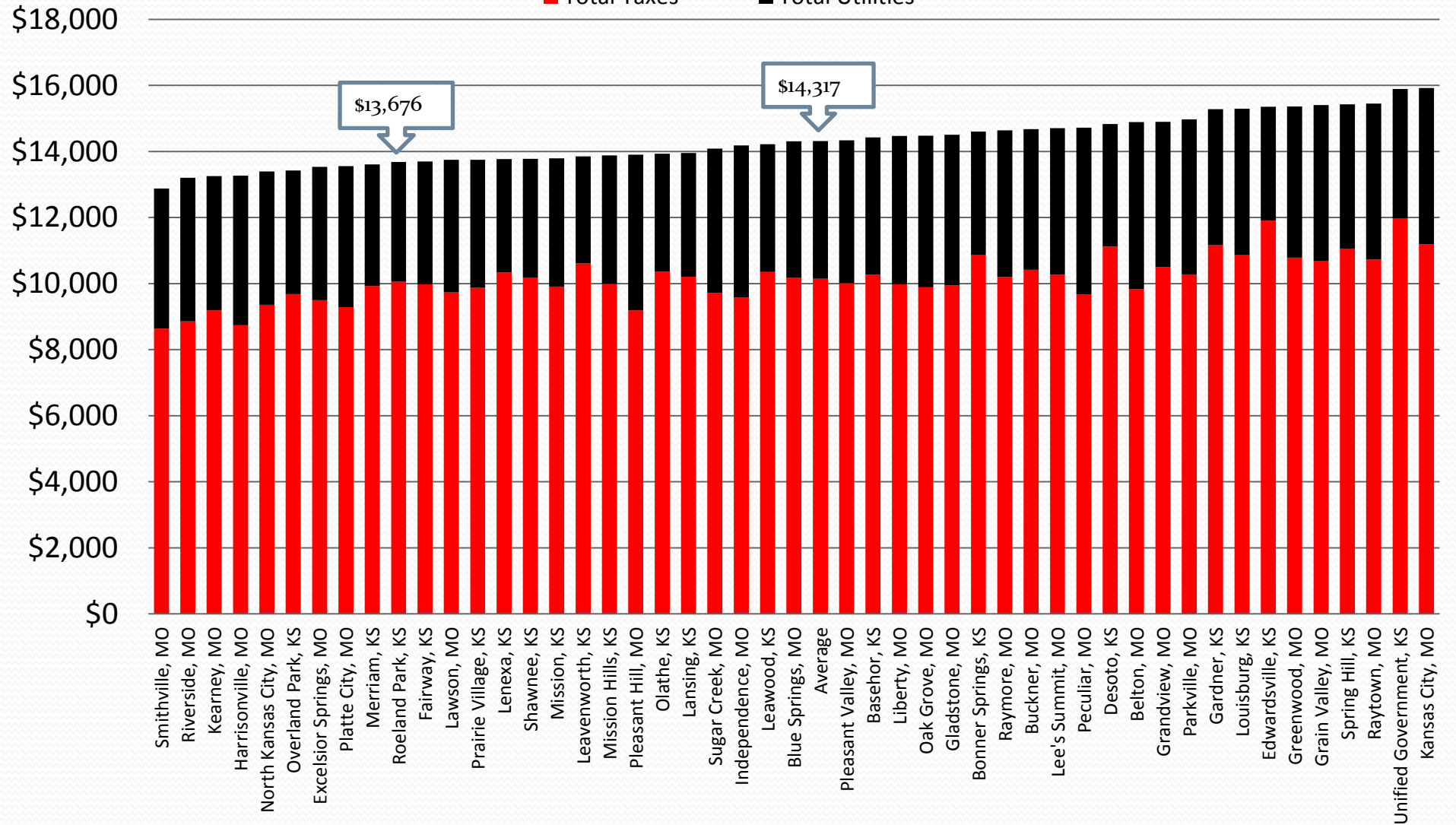
Assumptions:

Single Family Home (Market Value) =			\$	252,000
Annual Mortgage Payment for the Single Family Home above =				\$15,835.77
Percent of Value Borrowed =		80%		
Repayment Term =	20	years		
Interest Rate =		4.75%		\$9,576.00
Personal Property Owned (Market Value Subject to Property Tax) =				\$50,000.00
Annual Loan Payments for Personal Property listed above =				\$9,495.86
Percent of Value Borrowed =		80%		
Repayment Term =	5	years		
Interest Rate =		6.00%		\$2,400.00
Gross Single Family Income (Annual) =			\$	100,000
Savings/Retirement Per Year =	Percent of Gross	10%	\$	10,000
Adjusted Gross Income			\$	90,000
Federal Income Tax Rate (Effective Tax Rate)				6.225%
Missouri Income Tax Rates = 1.5% to 5.5% up to \$18k, 6% over \$18k				3.50%
Kansas Income Tax Rates = 2.7% up to \$30k, 4.8% over \$30k				2.70%
Amount of Gross Family Income Spent on items Subject to Sales Tax (Assuming 30% of gross income is available for purchases and 75% of the value of those purchases are assumed to be subject to sales tax, with all of those purchases occurring in the City of residence =			\$	22,500.0
Household Size =				4
Natural Gas Consumption Per Month (on average) in CCF (or 100 Cubic Feet) = (Assumes .04 CCF per square foot of finished space)				112
Electric Consumption Per Month (on average) in Kilowatt Hours = (Assumes .5 KWH per square foot of finished space)				1,400
Water Consumption Per Month (on average) in Gallons = (Assumes 1,500 gallons per person)				6,000
Sewer Generated Per Month (on average) in Gallons = (Assumes 1,500 gallons per person)				6,000

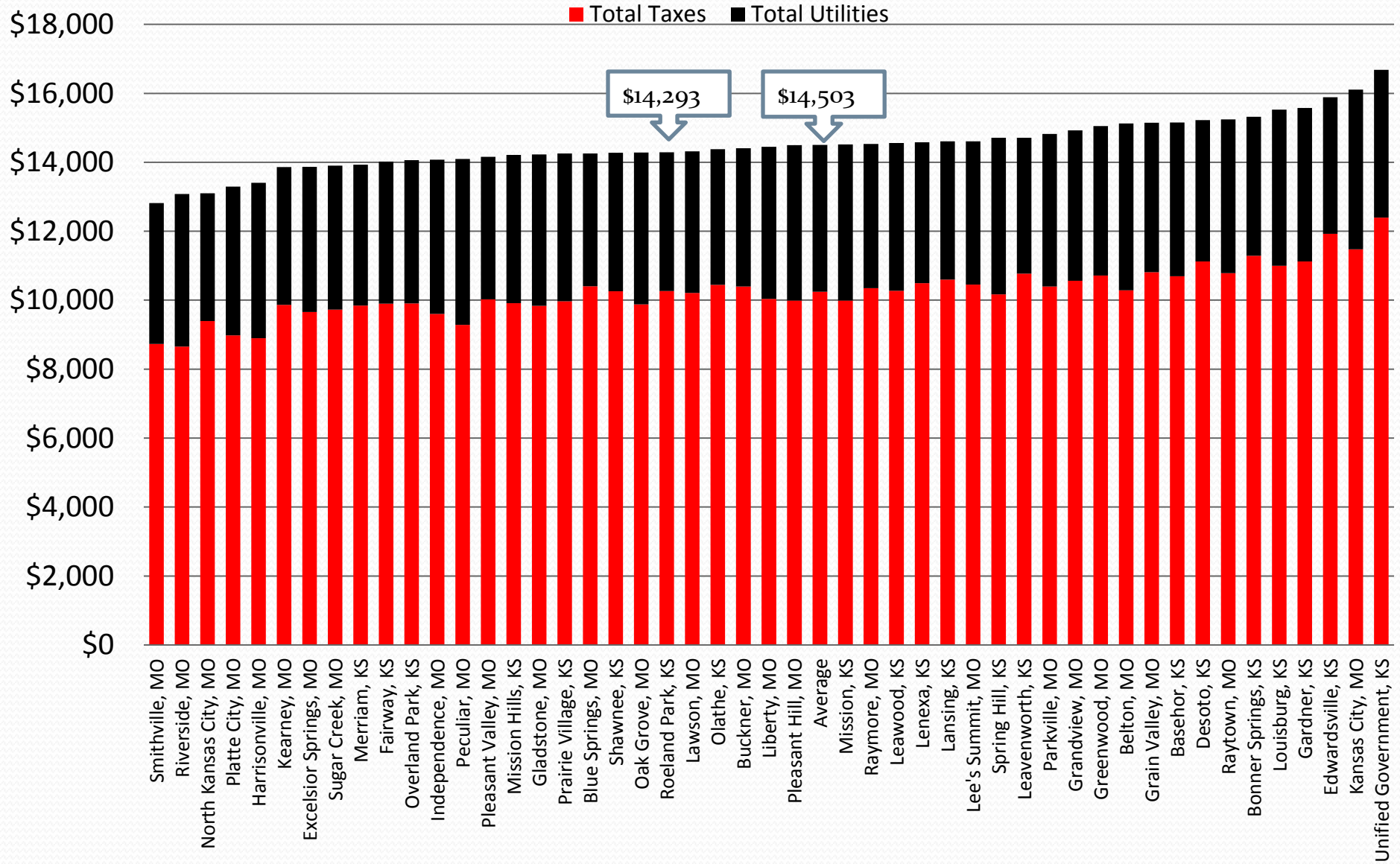
Total Single Family Cost 2011

■ Total Taxes

■ Total Utilities



Total Single Family Cost 2013

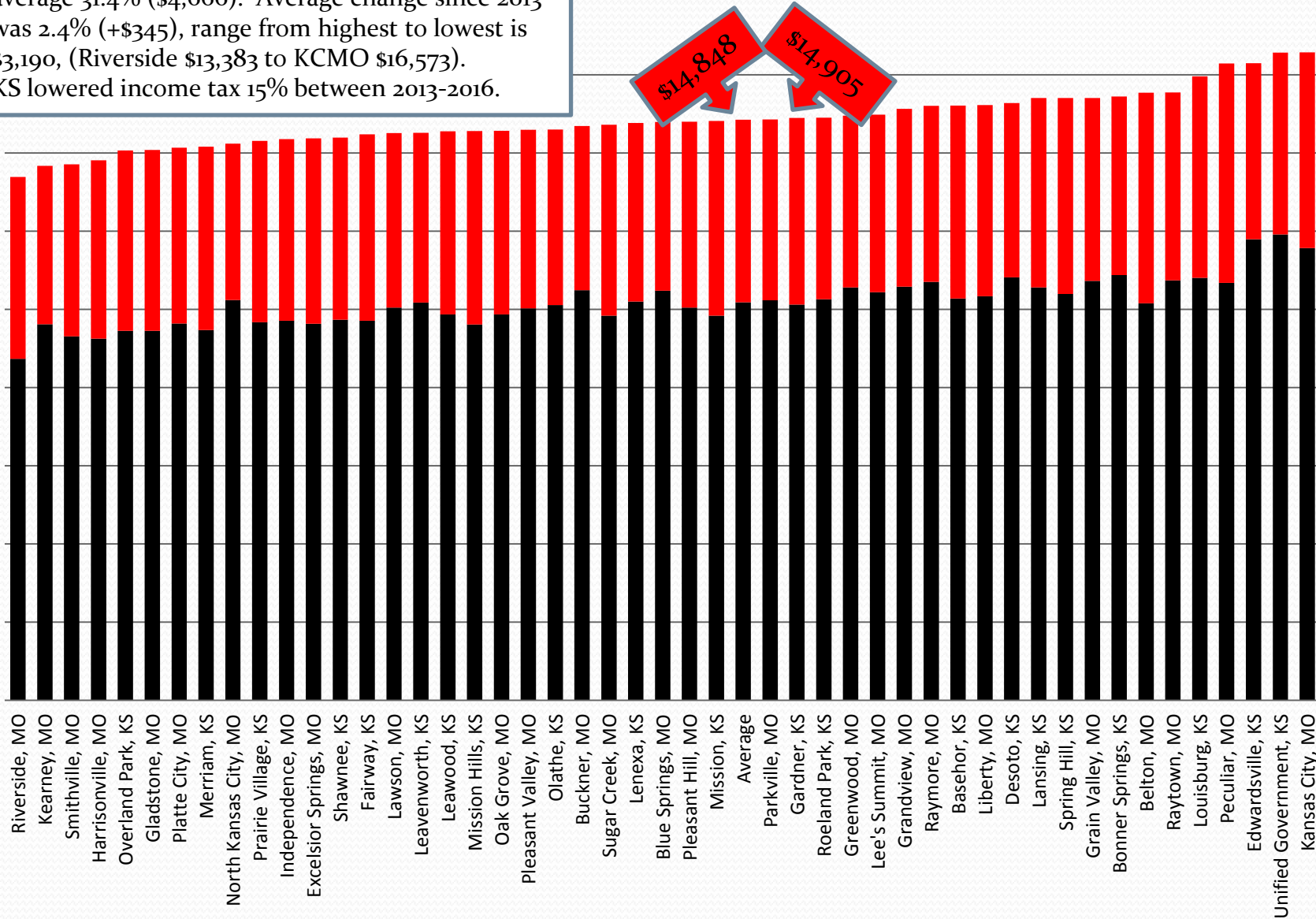


Total Single Family Cost 2016

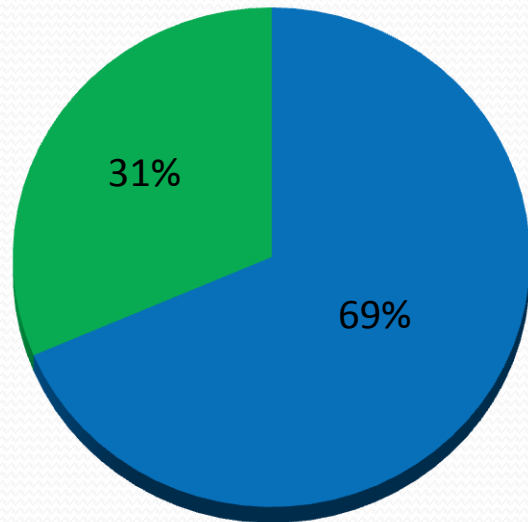
Taxes averaged 68.6% (\$10,181) of total, utilities average 31.4% (\$4,666). Average change since 2013 was 2.4% (+\$345), range from highest to lowest is \$3,190, (Riverside \$13,383 to KCMO \$16,573). KS lowered income tax 15% between 2013-2016.

■ Total Taxes

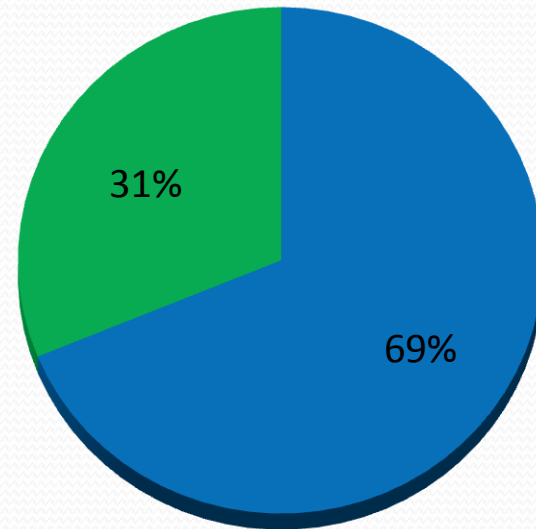
\$18,000
\$16,000
\$14,000
\$12,000
\$10,000
\$8,000
\$6,000
\$4,000
\$2,000
\$0



■ Metro Average Taxes
■ Metro Average Utilities



■ Roeland Park Taxes
■ Roeland Park Utilities



What Does The Cost of Living Comparison Tell Us?

- Roeland Park has seen a significant increase in cost from 2013 to 2016. This is in spite of the fact that KS decreased income taxes by 19% (>\$600 for this family) since 2013.
- The range from high to low (\$3,200) is relatively small, even smaller (\$2,600) if you take out the highs and the lows. The range has gotten smaller each time the comparison has been completed.
- Less than 20% (on average) of the total cost is under the authority of a community, only a handful of communities control over 30% (they operate most of the utilities).
- Being average is a good place to be as it is an indication that your community is operating at a sustainable level. Communities that are the least expensive may accomplish this a number of ways: unusually large revenue generator (casinos/tourist attractions), fast growing communities where revenue growth is masking the true cost of maintenance, and communities that are deferring maintenance
- Roeland Park's cost of living is Average, as a mature community this is a strong place to be, especially in light of the fact that a mill levy adjustment has been implemented to counter the impacts of anticipated sales tax declines and the community has just come through one of the worst recessions in history.

Where your Property Tax Dollars Go

City, 24.86%

State, 1.12%

County, 17.31%

JCCC, 7.11%

Shawnee Mission School
District, 41.41%

Fire District #2, 8.19%



Examples of Tax Lid Limit Impacts:

Example 1

- Assessed valuation grows 3%
- CPI growth is 1.3%
- CPI and exceptions limit City maximum increase to 1.3%
- **Mill levy must roll back**
- Mill levy would go from 33.463 in 2017 to 32.911 in 2018

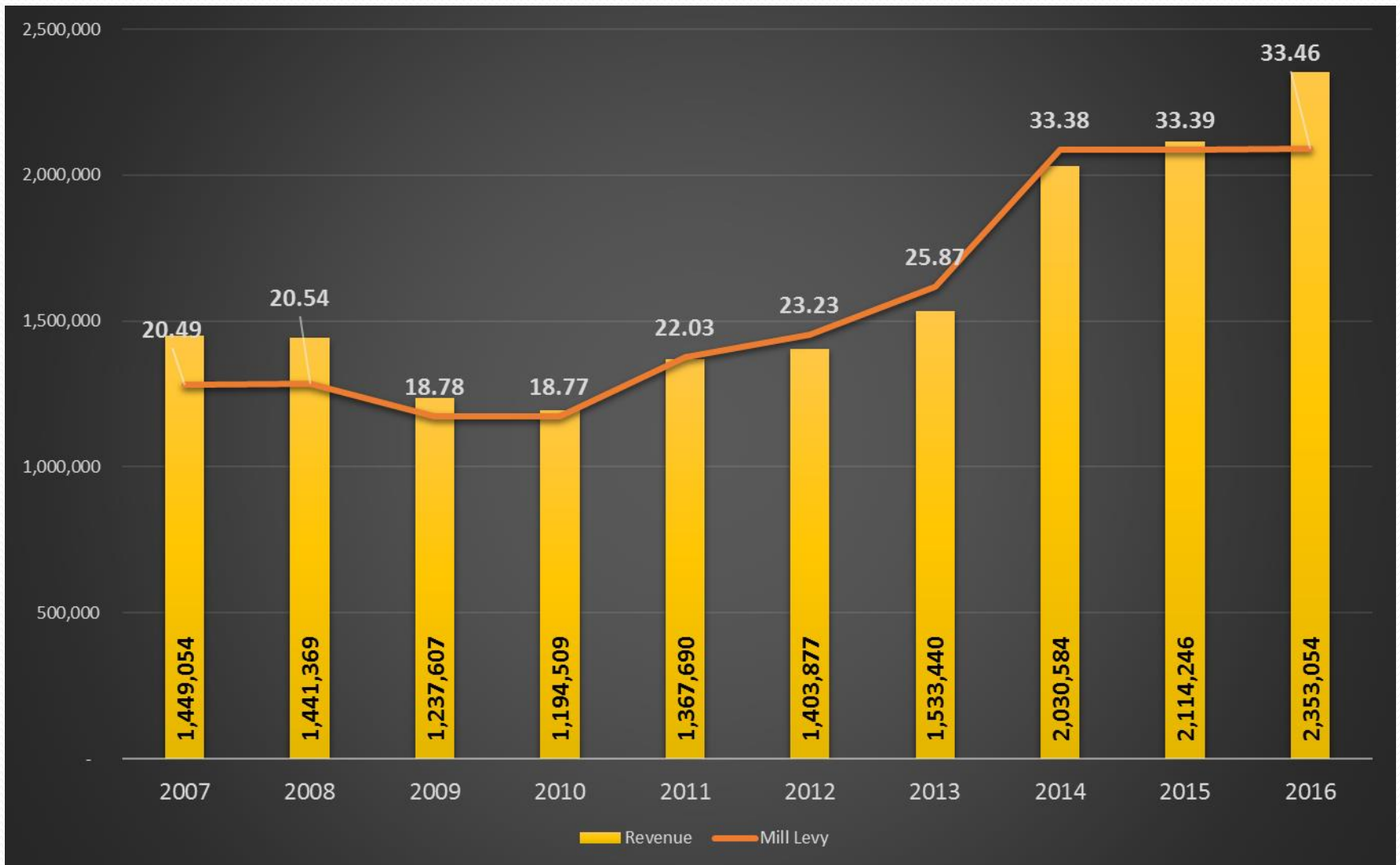
Example 2

- Assessed valuation decreases by 1%
- CPI and exceptions limit maximum increase to 1.3%
- **Mill levy could increase to capture 1.3% limit**
- Mill levy would go from 33.463 in 2017 to 34.240 in 2018

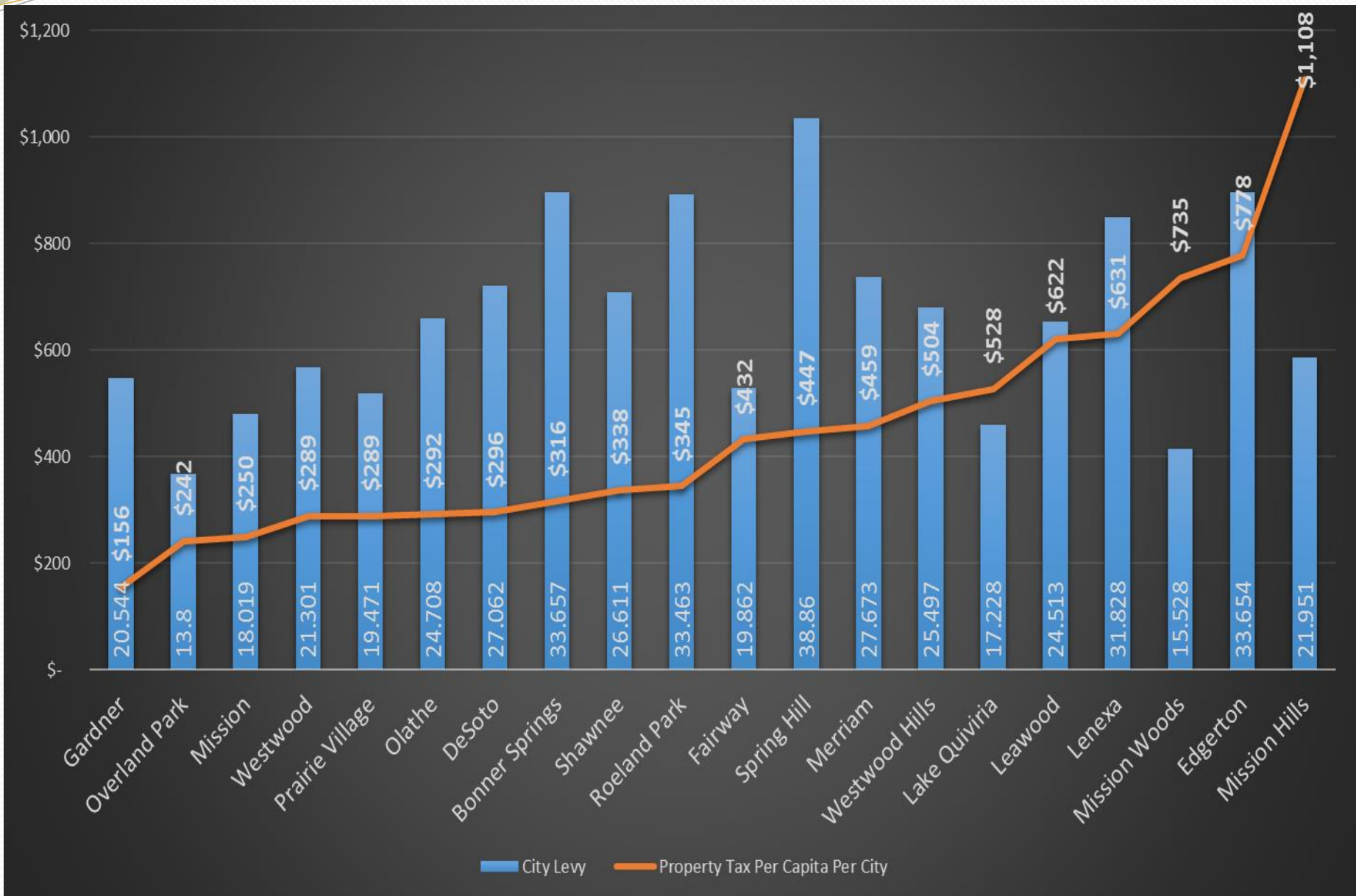
Example of the Property Tax Benefits of Commercial/Industrial Uses

	Appraised Value	Assessment %	Property Tax	
Commercial Investment	\$ 1,000,000	25.0%	\$ 8,365	Property tax in Roeland Park on a Commercial Property
Residential Investment	\$ 1,000,000	11.5%	\$ 3,848	Property tax in Roeland Park on a Residential Property
			\$ 4,517	More in Property Taxes Paid on The Commercial Investment or
				More Tax Than the Residential Investment

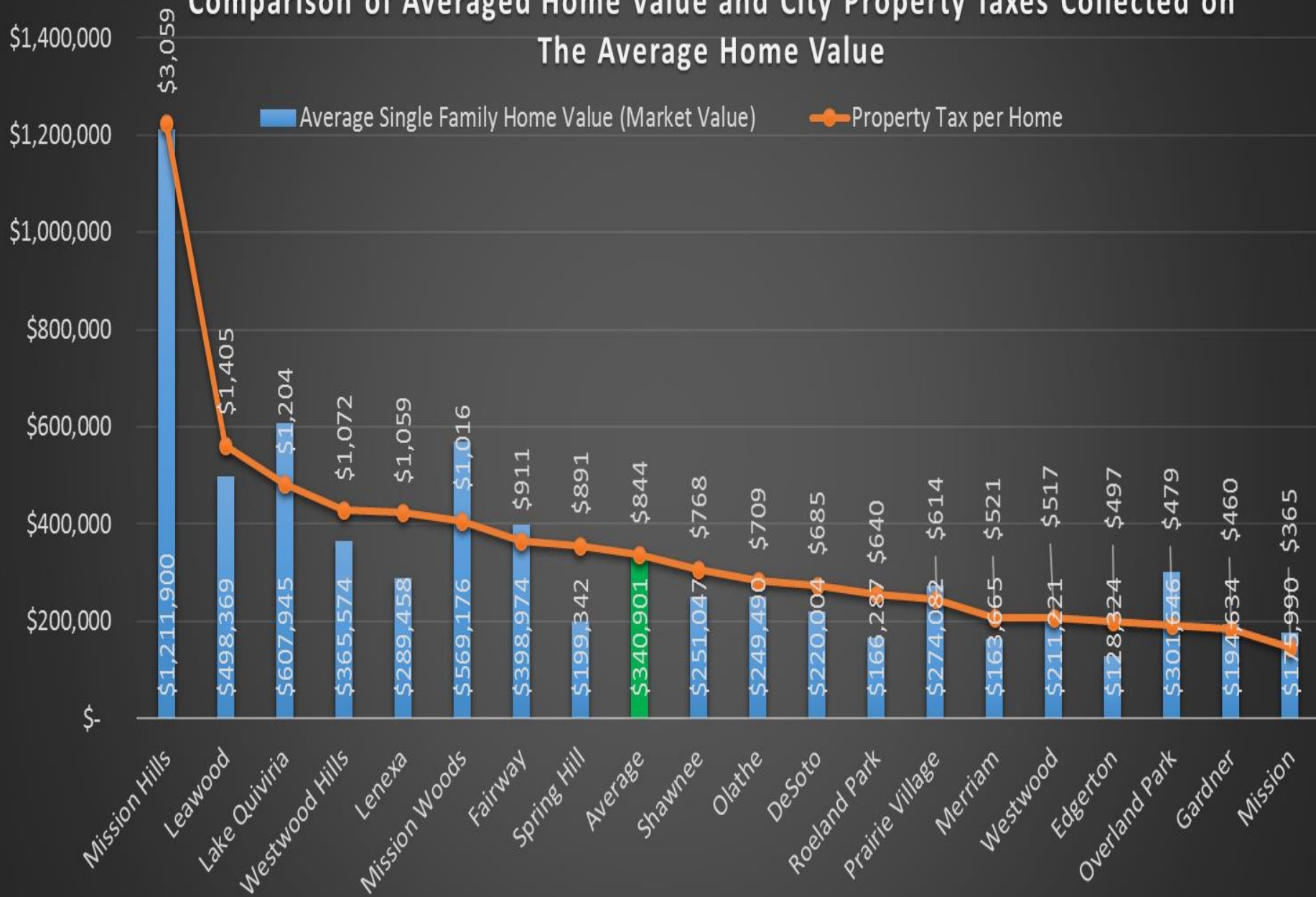
Mill Levy and City Property Tax Revenue Generated



Comparison of Mill Levy and Property Tax Generated Per Capita



Comparison of Averaged Home Value and City Property Taxes Collected on The Average Home Value



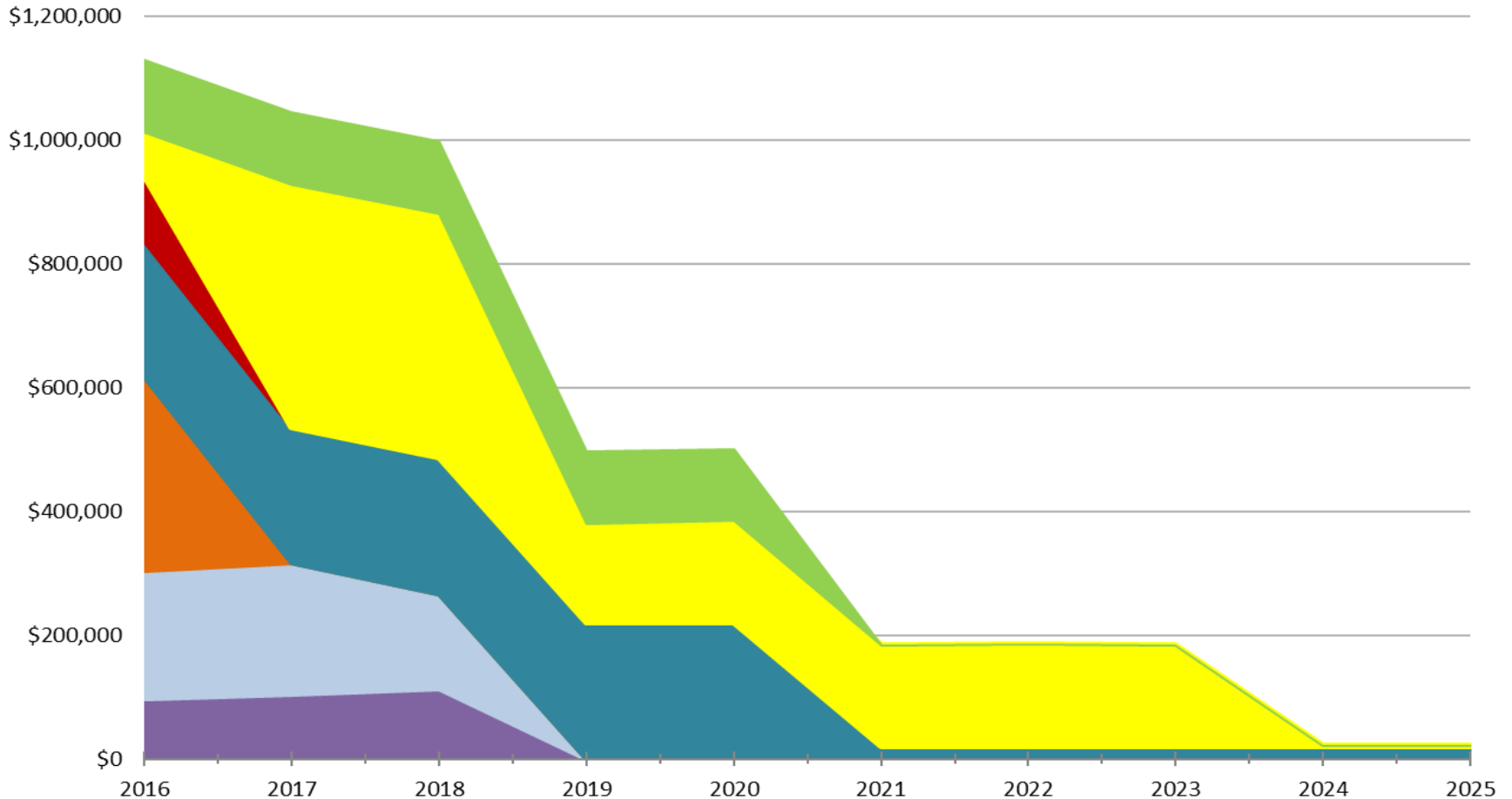
Goals and Objectives for 2018

- Goals and Objectives for 2018 Budget
- Objectives are focused on areas where the Citizen Survey shows we are below benchmarks as well as on areas that residents view as the greatest return on investment

10 Year Capital Improvement Plan

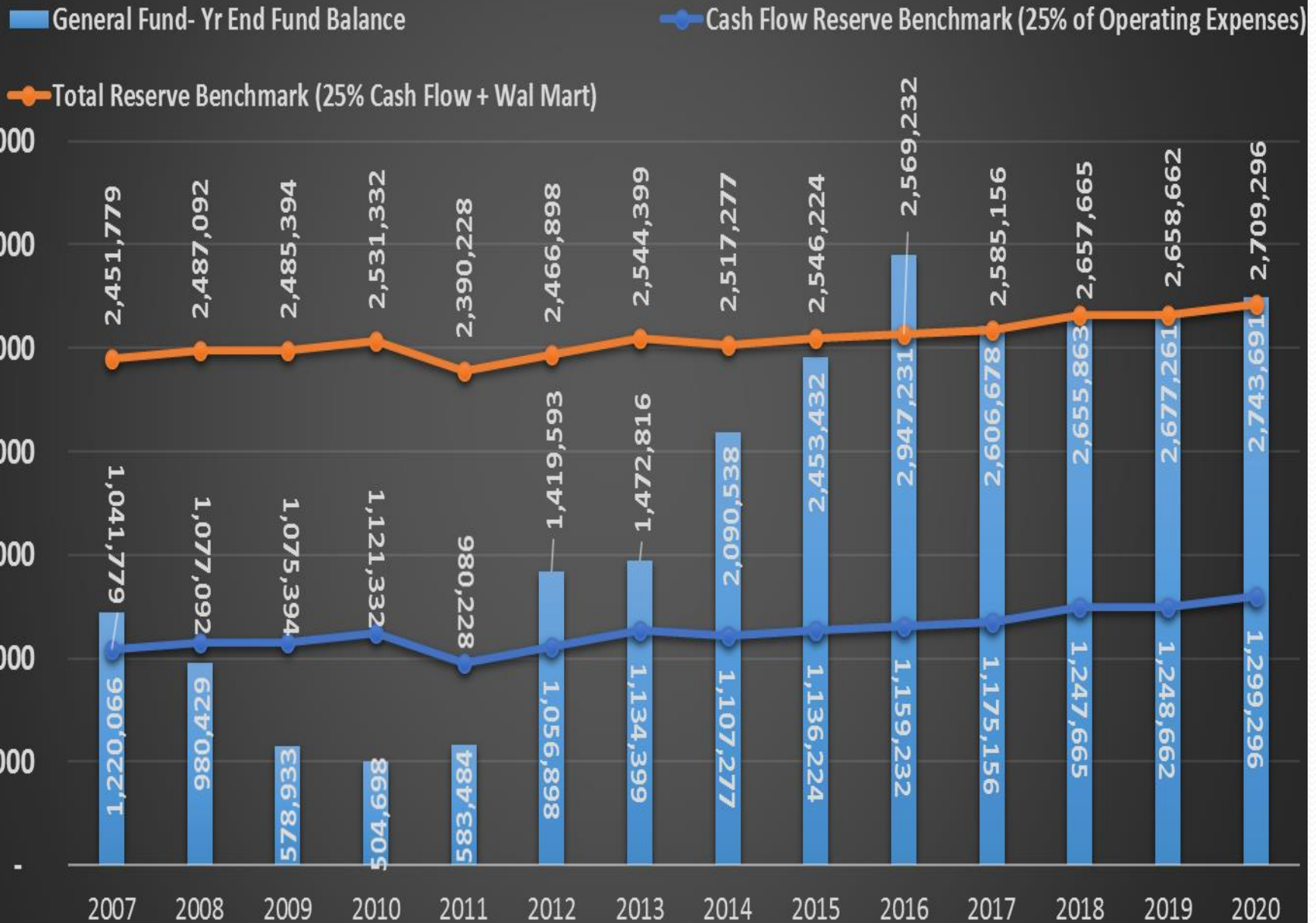
- 10 Year CIP
- Does not include bond funding, pay as you go approach.
- \$26 million invested over 10 year period.
- \$18.75 million invested in first five years (2017-2021).
- A relocated Public Works facility is the only substantial investment anticipated in buildings, funding anticipated to come from land sale (or lease) of existing public works site.

Roeland Park Debt Service 2016 - 2025

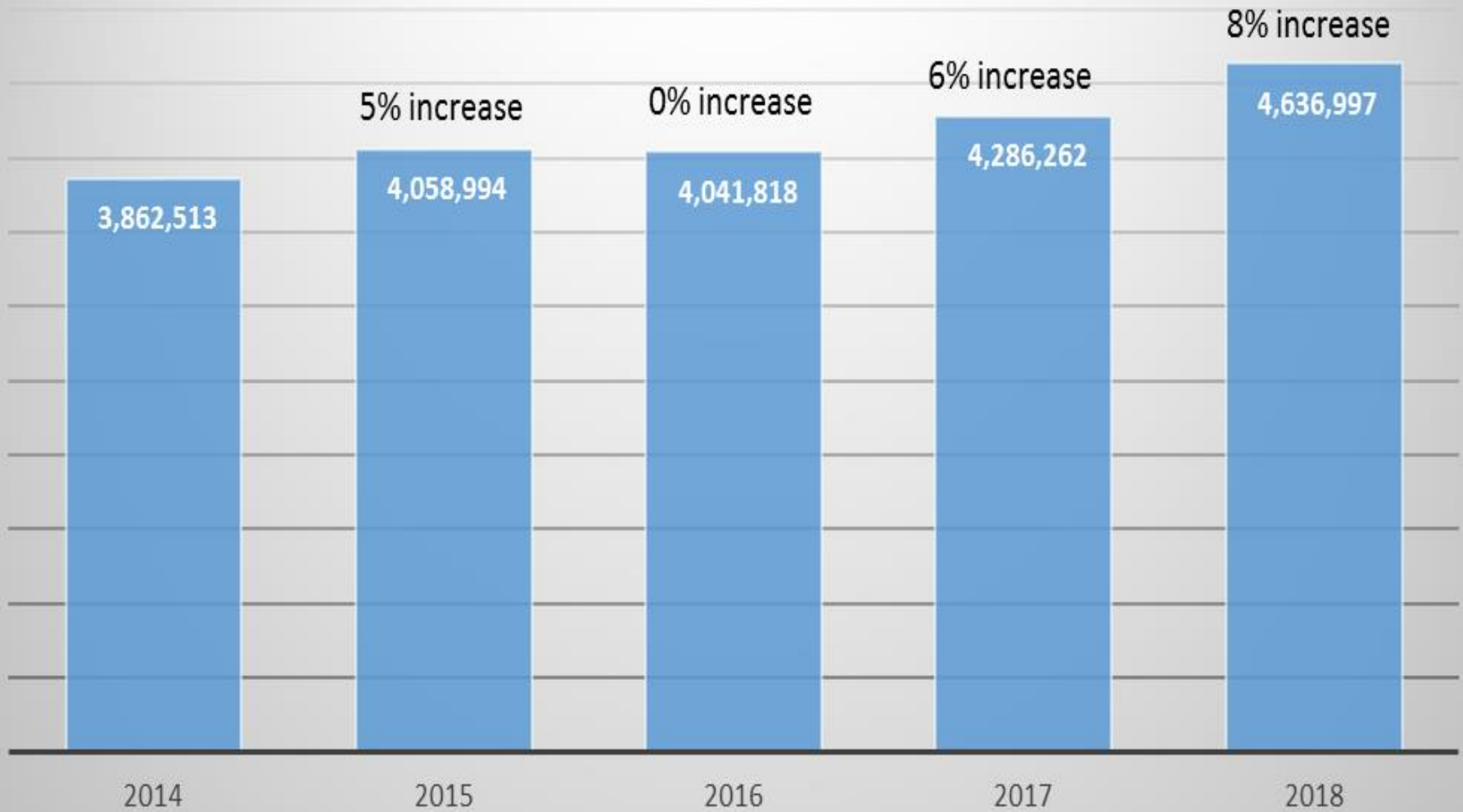


- 2014-1 - Streetlight Purchase
- 2012-1 - Refunding Portion 2008-1
- 2011-1 - Park Land Improvements
- 2010 - RC12-012 Streets & Stormwater, Clark Drive Drainage and CARS Roe Lane
- 2008 - Street & Stormwater Improvements RC12-013 Streets, Stormwater; CARS Roe Blvd, County Line, Nall Avenue, Elledge Drive
- Pool - Aquatic Center Construction
- 2011-2 - RC12-014 Stormwater, CARS 53rd & Buena Vista and 55th Street

General Fund Balance vs. Reserve Benchmarks

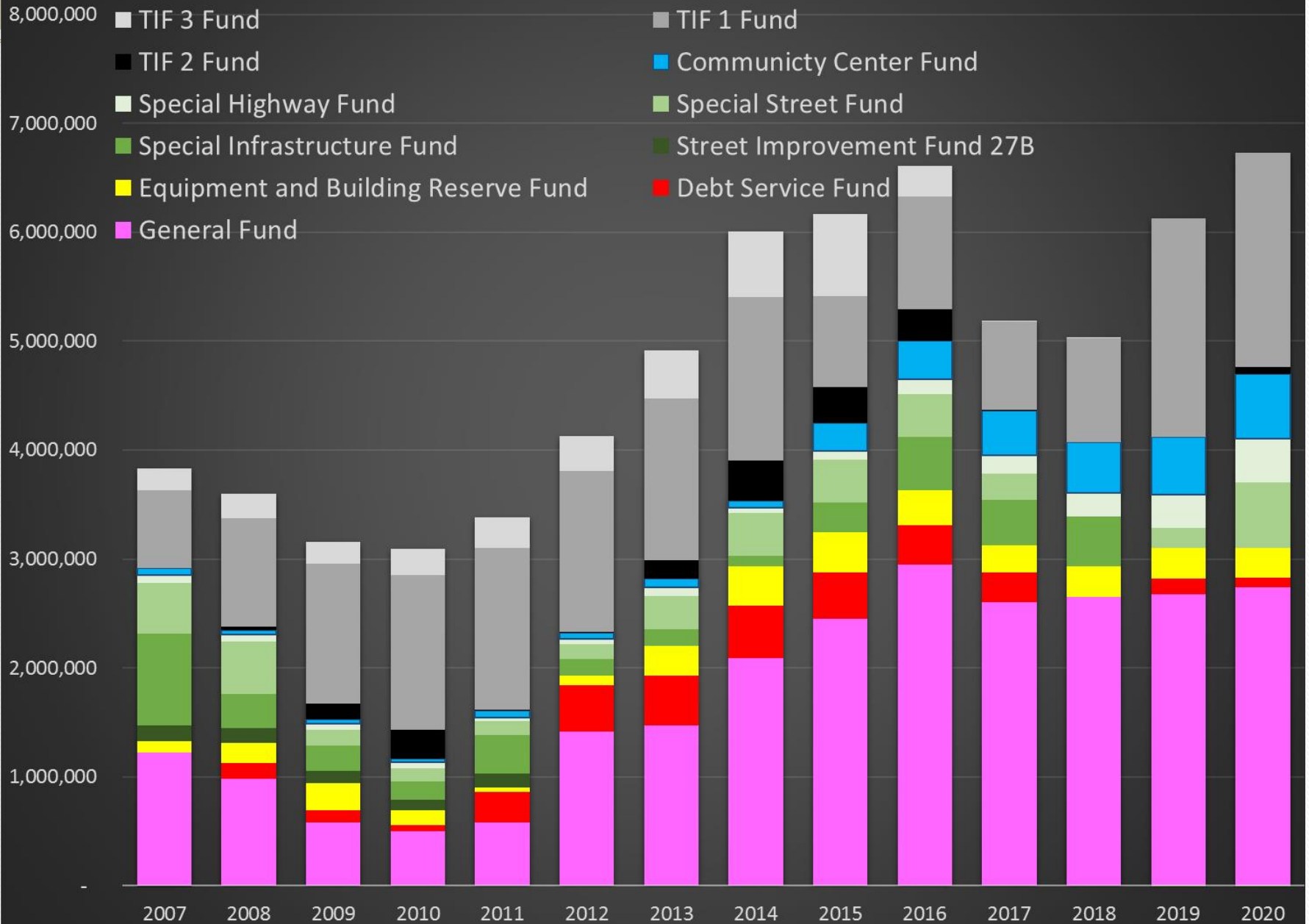


GF Operating Expenses



*Debt Service, transfers out, TIF Fund Expenditures and contracted street maintenance are excluded as these expenses are not purely operational costs.

Fund Balances - All Funds Available for City Appropriation



2018 – 2020 Projected Budgets

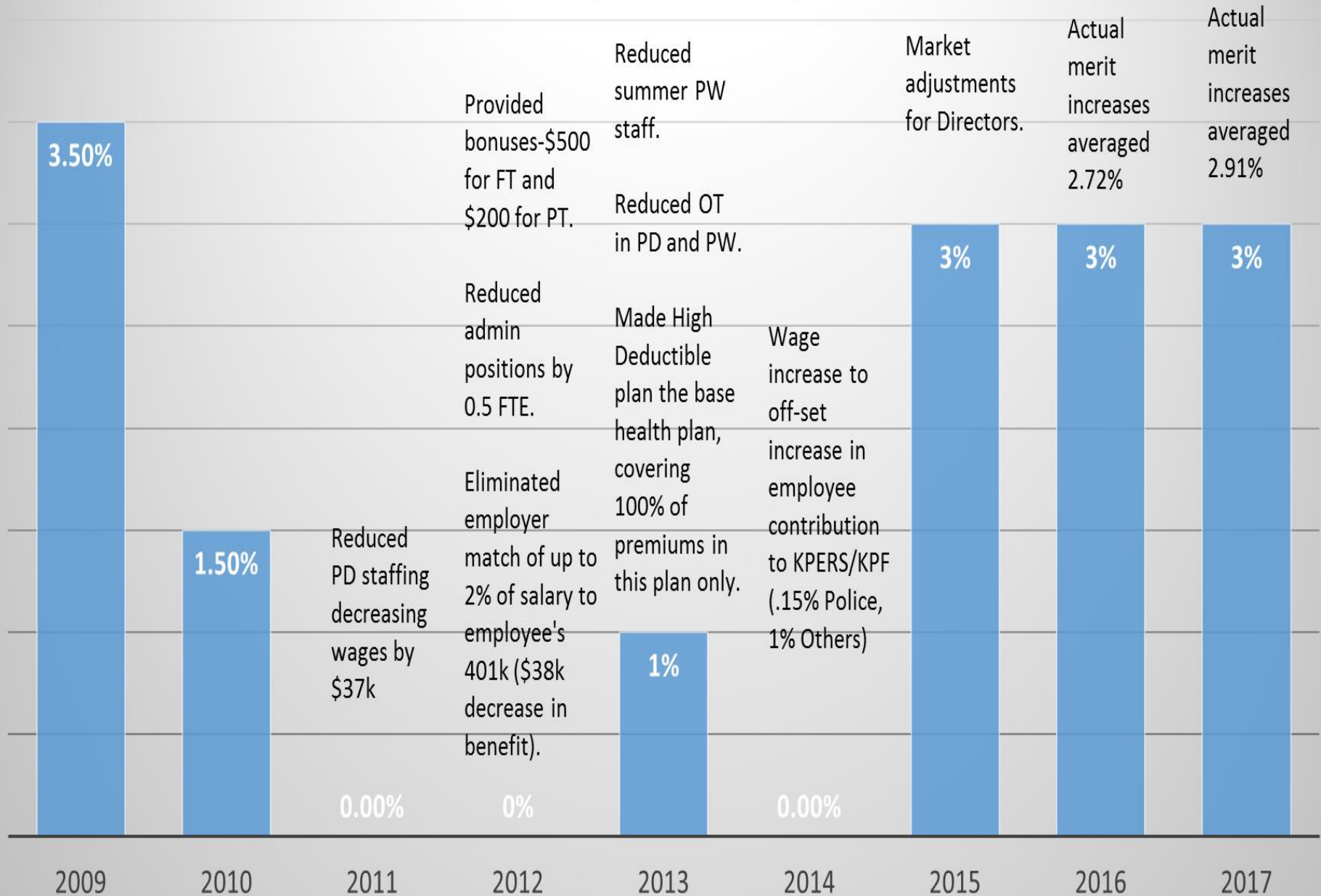
- Preliminary Budget Detail
- Most comprehensive budget document ever used (3 yrs. of actual history, current budget and 3 yrs. of projected budgets).
- Fiscal impacts of Objectives and 2017-2020 CIP are reflected in the budget detail.
- A 2 mill decrease in property tax levy reflected.
- Fiscal impact of year round operation of pool is included, with 2020 reflecting 100% of annual operating subsidy being charged to the General Fund (a \$200,000 increase in expense).

Comparing Staff Size per capita

City	Population (LKM 2014)	FTE Staff 2017	Staff per 1,000 residents
Mission Hills	3,582	9	2.51
Roeland Park	6,845	32	4.70
De Soto	5,911	28	4.74
Overland Park	181,260	903	4.98
Shawnee	64,323	342	5.32
Fairway	3,963	22	5.55
Prairie Village	21,892	132	6.01
Olathe	131,885	903	6.85
Gardner	20,473	146	7.11
Average	34,577	198	7.28
Leawood	32,991	296	8.97
Lenexa	50,344	500	9.93
Merriam	11,281	112	9.95
Westwood	1,528	16	10.47
Mission	9,516	105	11.03
Edgerton	1,700	19	11.06

Roeland Park provides similar services to other City's in Johnson County with 35% less staff than average. (Please note that this is a comparison of the services provided by each City which might differ between Cities)

Salary Increase History



Impact of Lag in Pay Increase

Assuming an employee started work in 2009 at \$15/hour, based on budgeted merit increases (for 2010 through 2017), the employee would be making \$16.80/hour in 2017 (averaging \$.225/hr. increase over the eight years).

Had that employee received a 2.5% annual wage increase (a modest estimate) their pay would be \$18.28/hour in 2017. The difference is 9%.

Because of no or below market pay increases for 5 of the past 8 years employee's pay has not kept pace with market, this makes those now experienced employees prone to leaving for opportunities that provide market competitive wages.

A 4% merit increase pool is reflected in the budget and a market adjustment pool is included (equal to 2% of wages).

Staff Turnover History

	2011	2012	2013	2014	2015	2016	2017 YTD	EE's in Dept.
Admin			1	1	2	1		4
Court						1		1
NS								2
Police		1	1	3	1	1	1	15
PW		1		1	1	1	1	7
Total		2	2	5	4	4	2	28
T/O %		7%	7%	18%	14%	14%	7%	

Bureau of Labor Statistics reports quits for March 2017 at .6% for State and Local Government Workers-Excluding Education.

ICMA Performance Analytics reports Public Safety turnover of 5% and Other Public Positions turnover of 6% for 2013.

Significant Issues Facing the City

- Tax lid impacts
- Quarter Cent Capital Sales Tax Sunsets In 2023
- Long Term Plan for Aquatics Facility
- Establish a sustainable Capital Improvements Plan
- Dependence upon Big Box Retailers Can be viewed as a negative and a positive.

Good News for the City

- Trend in new home construction and reinvestment in housing, leading to growing tax base.
- An estimated \$180,000/yr. of County 1/4 Sales Tax is available for capital improvements (10 year sunset).
- Two Properties Owned by the City Will Produce Resources in the Near Future.
- CIP Will Serve as Basis for Applying for CDBG Funds Annually, which has not been done since 2000.
- General Fund reserves have been expanded and can be used on Capital Improvements.
- Walmart committed to staying for 3 years.
- Citizen Satisfaction is Among the Highest in the KC Metro.



**What Questions Do You
Have?**