

CITY OF COLUMBUS
CITY COUNCIL MEETING
February 22, 2022
6:30 P.M.

ATTENDANCE

The City Council of Columbus, Kansas met February 22, 2022, at 6:30 p.m. presided over by Mayor Grant Spieth. Council members present: Kathy Doherty, Sammye Opela, Tom Pryor, Lindsay Shoemaker. Council members absent: Stephanie Farstvedt.

Pastor Jim Bowles of Calvary Baptist Church provided the Invocation followed by the Pledge of Allegiance.

CONSENT AGENDA

Doherty moved to approve the consent agenda consisting of Council Meeting Minutes – February 07, 2022, Appropriation Ordinance 22-567, and Treasurer Report – February 2021 Pryor seconded the motion. Voting aye: Doherty, Opela, Pryor, Shoemaker. Voting nay: None. Motion carried 4-0.

Mayor Report-

Mayor Grant Spieth noted the 25-year service award presentation for Jeff Woods is postponed to a future meeting.

Mayor Spieth read a proclamation honoring Girl Scouts and acknowledging Saturday, March 12, 2022, as National Girl Scout Day and the week of March 6, 2022, as National Girl Scout Week.

Mayor Spieth recognized Girl Scout Silver Awardee Anna Head and thanked her for her contributions to the City including a tobacco free campaign for the City Parks.

Mayor Spieth informed council that he has received a copy of a fifth amendment to the Mercy Hospital Maude Norton Lease from the Hospital Board. He noted the amendment updates section 3.01 of original lease “adding thereto the real estate and improvements, if any, located at 111 East Sycamore Street and 302 North. Kansas Avenue.”

Staff Reports-

Community Development Coordinator Jake Letner provided a 2021-year end financial report. Letner reflected that the City is in good financial shape despite inflation and increased costs. (See Attached)

New Business-

H.I.B. City Clerk Cherri Chancellor spoke to confusion at a recent council meeting regarding sanitation rates. She clarified that council approved new sanitation fees in May 2019 and that a draft of the approved ordinance was published by mistake. She noted the utility software has been checked and verified that customers are being charged the correct rates. City Attorney Wright is already working on an ordinance for updates to the sanitation section of City Code for council review at the February 28 work session and will include these fee corrections in the document.

H1.C. Consider approval of Liberty Utility Franchise Agreement Ordinance 1492 and Liberty Municipal Electrical Service Agreement Ordinance 1491. Clerk Chancellor noted these ordinances are replacing expiring agreements made 10 years ago with Empire District. City Attorney Barbara Wright noted she made suggestions and requests to the documents that are included in these final drafts having to do with exclusive franchise, solar power, and typographical errors. Mike Evans, Liberty Empire Utilities Representative was available to field questions. Council asked why Ordinance 1492 used the language of Empire District Electric Company rather than Liberty Utilities. Evans stated he was unsure but would find an answer and report back to the City Clerk. Opela moved to approve Ordinance 1492 Empire District Electric Company Franchise agreement. Doherty seconded the motion. Voting aye: Doherty, Opela, Pryor, Shoemaker. Voting nay: None. Motion carried 4-0.

Opela moved to approved to approve the Empire District Electric Company Municipal Electric Service Agreement Ordinance 1491. Pryor seconded the motion. Voting aye: Doherty, Opela, Pryor, Shoemaker. Voting nay: None. Motion carried 4-0.

Evans spoke to LED and high-pressure sodium street lighting in the City. He explained the MESA agreement allows the City to participate in the municipal rate fee structure which saves the City money.

H1.D. Consider Safe Routes To School Agreement. Jake Letner explained the need two additional items for the project agreement including railroad easements and a KDOT certified inspection for the project. Doherty moved to approve the Safe Routes To School Agreement. Shoemaker seconded the motion. Voting aye: Doherty, Opela, Pryor, Shoemaker. Voting nay: None. Motion carried 4-0.

City Clerk pointed out several training opportunities through the League of Kansas Municipalities are coming up and noted the City covers the cost for council members if they wish to attend.

Spring Cleanup dates are April 11-22, 2022.

H.1A. Executive Session.

Pryor called for a 10-minute executive session at 7:24 p.m. for personnel matters of non-elected personnel for compensation discussion with the Council, Mayor, City Administrator and City Attorney in attendance. Meeting will resume at 7:34 p.m. Opela seconded the motion. Voting aye: Doherty, Opela, Pryor, Shoemaker. Voting nay: None. Motion carried 4-0.

Regular session.

No action taken.

Council discussed tree planting at the City's parks. The importance/value of planting replacement trees when trees are lost to keep the park attractive for future generations was addressed. Several people commented on tree lined streets from years past and how it enhanced the look of the city. Letner informed those present that the Columbus PRIDE group is working with the Methodist Church on a grant for fruit trees. More information will be available after tomorrow's site meeting.

ADJOURNMENT

Doherty moved to adjourn the meeting at 7:39 p.m. Shoemaker seconded the motion. Voting aye: Doherty, Opela, Pryor, Shoemaker. Voting nay: None. Motion carried 4-0.

Meetings:

Work Session

Monday, February 28, 2022 @ 6:30 p.m.

Council Meeting

Monday, March 7, 2022 @ 6:30 p.m.



Cherri Chancellor, City Clerk





**2021 Annual
Financial Report**

City of Columbus

General Funds

Ad Valorem	Enterprise	Reserve
Legislative	Water	Capital Reserve
Administration	Sewer	Utility Reserve
Streets	Trash	Street Reserve
Cemetery		
Parks		
Swimming Pool		
Property		
Court		
Police Department		
Animal Control		
Fire Department		
Recreation Commission*		
Employee Benefits		
Library*		

Other Funds

Economic Development	Pathways
Law Enforcement Trust	Special Liability
Special Streets	Special Parks
Tourism	Fire Prevention
ARPA	

Fund Refresher

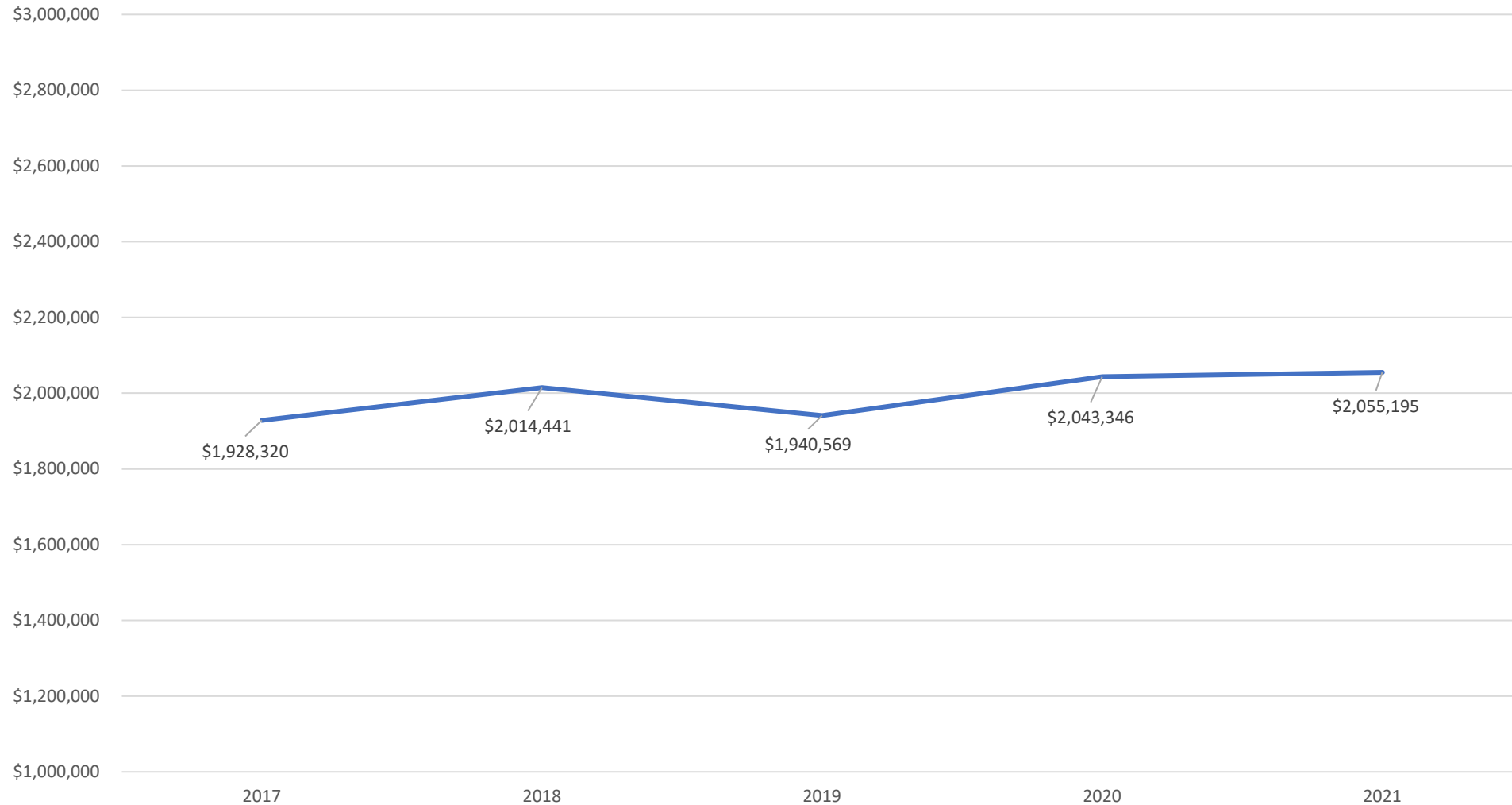
* Denotes pass-through fund

General Fund Revenues

	2017	2018	2019	2020	2021	2021
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budgeted</i>	<i>Actual</i>
Taxes	\$1,686,060	\$1,770,618	\$1,663,378	\$1,819,234	\$1,806,123	\$1,814,041
Court	\$54,843	\$60,596	\$48,405	\$25,099	\$ 55,300	\$43,069
License & Fees	\$54,109	\$40,578	\$50,090	\$63,257	\$53,300	\$67,937
Sales & Rent	\$39,328	\$41,039	\$32,106	\$26,322	\$35,650	\$52,033
Interest	\$17,723	\$43,986	\$65,257	\$8,560	\$15,000	\$6,846
Other	\$76,257	\$57,621	\$89,335	\$100,874	\$54,350	\$71,266
Total Revenues	\$1,928,320	\$2,014,438	\$1,948,571	\$2,043,346	\$2,019,723	\$2,055,195

* 2021 figures are unaudited.

General Fund Revenues



* 2021 figures are unaudited.

General Fund Revenue Trends

1. Strong sales/use tax collections are driving general fund growth.

	Projected	Collected	% of Budget
Sales/Use Tax	\$579,000	\$655,963	13.2%
Ad Valorem	\$643,205	\$612,035	5.09%

2. Court, swimming pool, and community building revenues have rebounded from pandemic levels.

	2020 Collections	2021 Collections	% Change
Municipal Court	\$25,099	\$43,069	71%
Swimming Pool	\$4,411	\$16,982	284%
Community Building	\$1,795	\$2,660	48%

General Fund Revenue Trends

3. Demographic trends will pose challenges for our city in the coming years.

	2010 Census	2020 Census	% Change
Columbus Population	3,312	2,929	-11.5%

% Low-to-Moderate Income Households	54.2%
% USD 493 Students Approved for Free Lunches	45%
% USD 493 Students Approved for Reduced-Price Lunches	13%

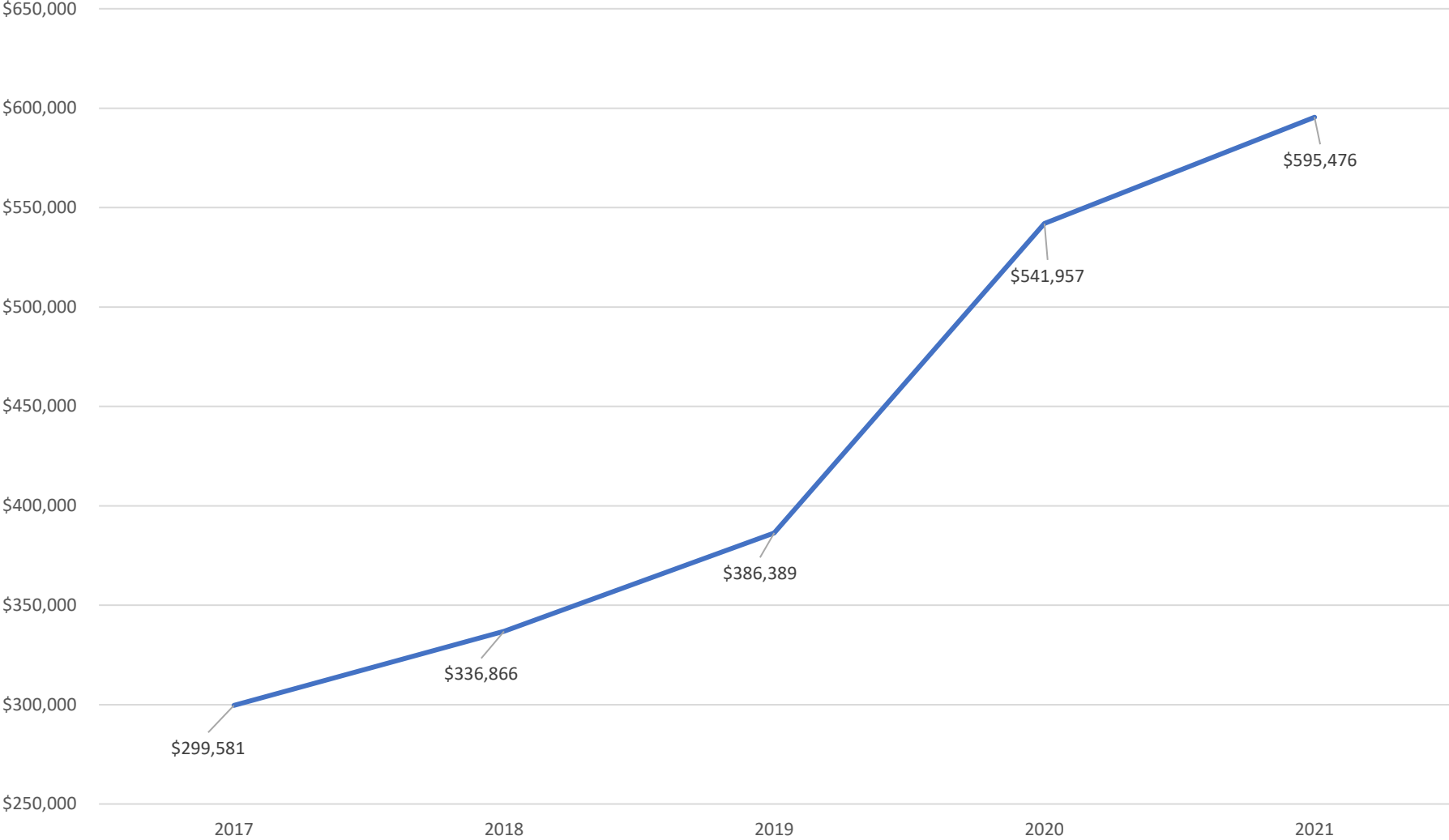
General Fund Revenue Takeaways

1. General Fund outpaced projections due to our community members shopping local.
2. Pandemic-related slowdowns are behind us.

General Fund Performance

Balance Sheet	2017	2018	2019	2020	2021	2021
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budgeted</i>	<i>Actual</i>
Beginning Balance	\$427,577	\$299,581	\$336,866	\$386,389	\$541,957	\$541,957
Total Revenues	\$1,928,320	\$2,014,438	\$1,948,571	\$2,043,346	\$1,990,213	\$2,055,195
Total Expenditures	\$2,056,316	\$1,977,153	\$1,899,048	\$1,887,779	\$2,132,042	\$2,001,676
Over/Under Expenditures	\$(127,996)	\$37,286	\$49,523	\$155,567	\$(141,829)	\$53,519
Ending Unencumbered Cash	\$299,581	\$336,866	\$386,389	\$541,957	\$400,128	\$595,476

General Fund – Ending Cash History



* 2021 figures are unaudited.



Government Finance Officers Association (GFOA) Cash Balance Standards

“GFOA recommends, at a minimum, that general purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues.”

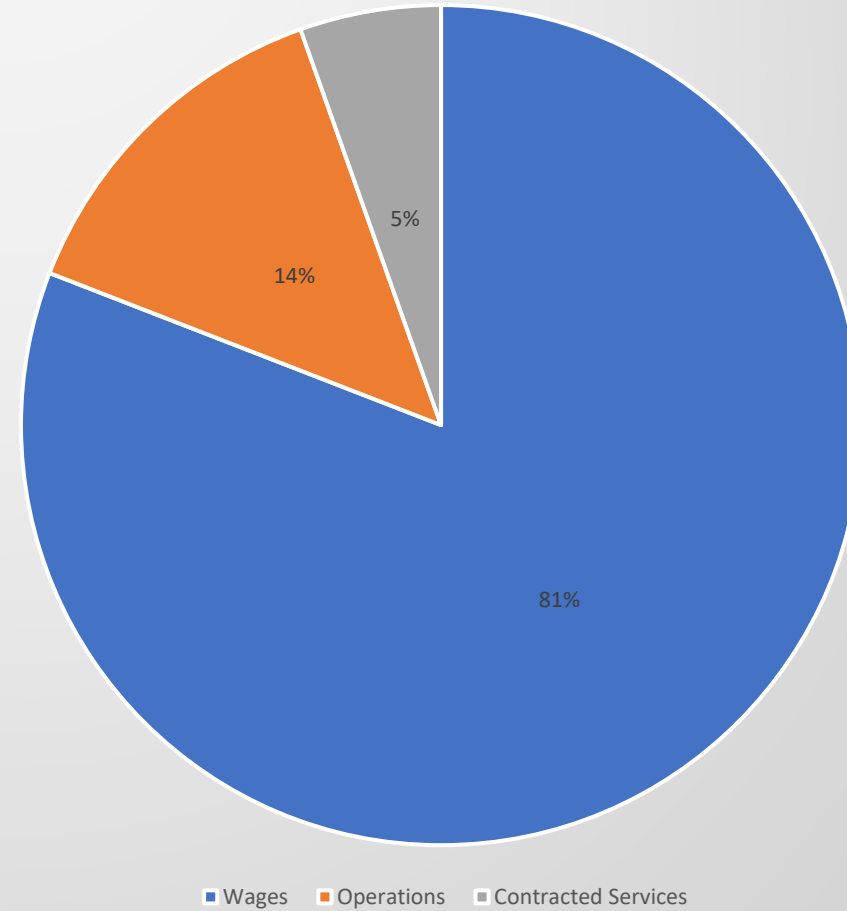
Yearly GF Operating Revenue	Monthly GF Operating Revenue	GFOA Minimum Standard	City of Columbus Cash Balance
\$2,054,004	\$171,167	\$342,334	\$595,476

General Fund Expenditures

Major Sources of Expenditures:

1. Street Department - \$478,179
2. Police Department - \$471,135
3. Fire Department - \$313,615
4. Administration - \$287,471

Expenditure Breakdown by Type (General Fund)



General Fund Expenditure Takeaway

Despite historic inflation and supply chain issues, every department came in under budget.

Overall General Fund Takeaways

1. General Fund is solvent.
2. 2021 may be an inflationary outlier, but expenses will continue to increase 1-3% annually.
3. Our budget size requires us to aggressively seek outside funding opportunities and work collaboratively with each other.
4. We will continue to face demographic challenges, but our city and our people are resilient.



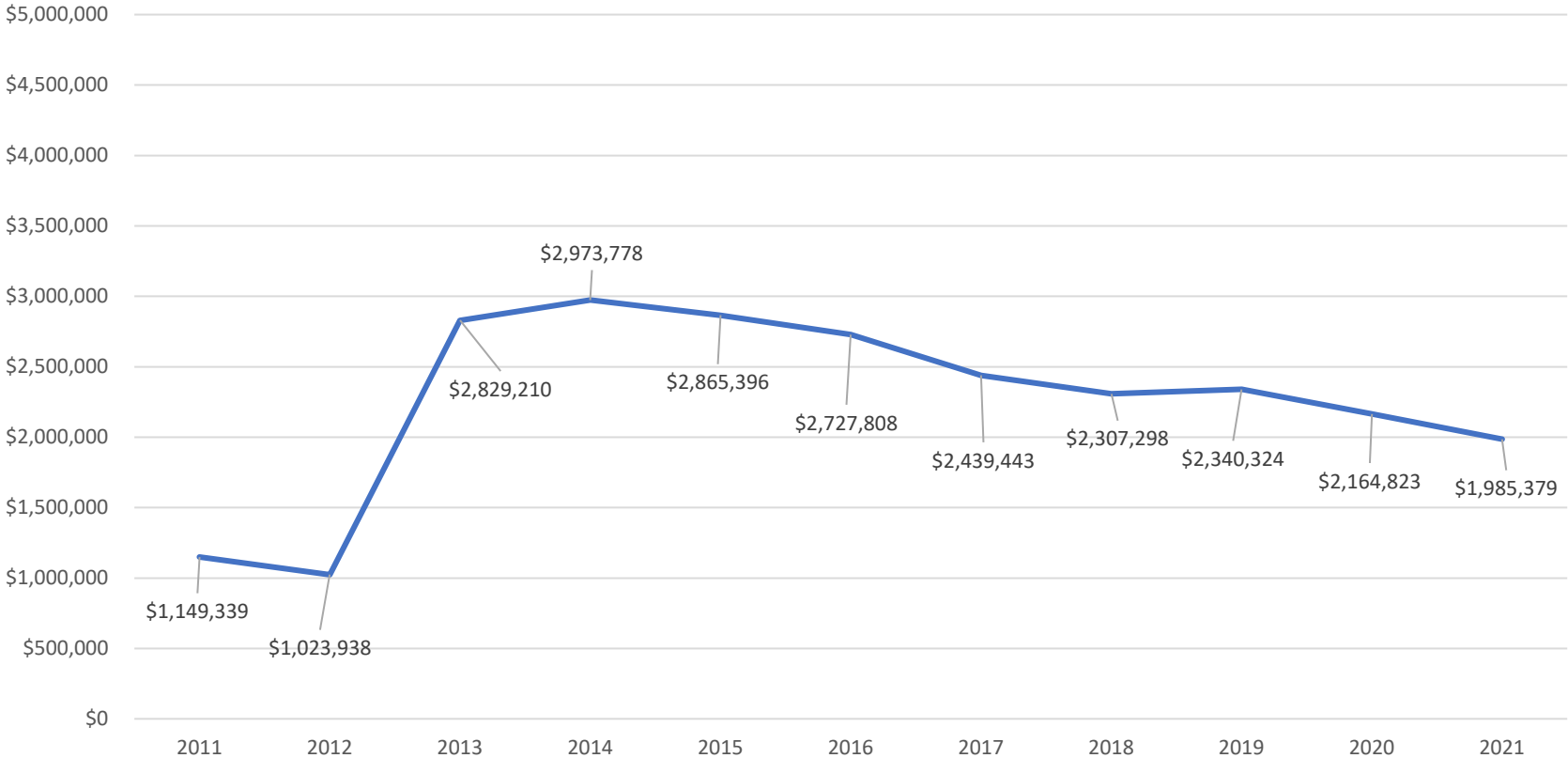
Long Term Debt

Long Term Debt Summary

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
G.O Bonds											
Sewer Series 2013/2019	\$0	\$0	\$1,880,000	\$1,880,000	\$1,840,000	\$1,765,000	\$1,690,000	\$1,615,000	\$1,535,000	\$1,455,000	\$1,370,000
State of KS Revolving Loans											
KDOT	\$459,124	\$409,229	\$357,972	\$337,856	\$317,017	\$295,427	\$273,060	\$249,888	\$225,881	\$201,011	\$175,244
KDHE	\$545,215	\$614,709	\$591,238	\$562,127	\$532,254	\$501,599	\$470,142	\$437,862	\$404,737	\$370,745	\$335,863
Lease Purchases											
Fire Truck	\$0	\$0	\$0	\$193,795	\$176,125	\$157,984	\$0	\$0	\$172,000	\$137,362	\$104,272
Dell Equipment	\$0	\$0	\$0	\$0	\$0	\$7,798	\$6,241	\$4,548	\$2,706	\$705	\$0
Total Long-Term Debt	\$1,149,339	\$1,023,938	\$2,829,210	\$2,973,778	\$2,865,396	\$2,727,808	\$2,439,443	\$2,307,298	\$2,340,324	\$2,164,823	\$1,985,379

LONG TERM DEBT

Long Term Debt Summary, 2011-2021



Total Debt Service Summary

2013	2014	2015	2016	2017	2018	2019	2020	2021
\$74,728	\$49,227	\$108,382	\$145,386	\$130,381	\$132,145	\$138,974	\$175,501	\$179,444

Debt Service/Operating Revenues

$$\$179,444 / \$3,925,907 = 0.04\%$$

*Credit agencies regard debt service that exceeds 20% of operating revenues as a potential problem. Anything 10% or below is considered acceptable.

Utility Funds

- Water
- Sewer
- Sanitation



Water Fund Performance

Balance Sheet	2017	2018	2019	2020	2021	2021
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budgeted</i>	<i>Actual</i>
Beginning Balance	\$655,718	\$689,859	\$682,408	\$507,347	\$471,789	\$471,789
Total Revenue	\$968,437	\$955,202	\$940,905	\$966,615	\$968,707	\$1,045,949
Total Expenditures	\$934,296	\$962,653	\$1,115,966	\$1,002,173	\$1,059,387	\$1,045,103
Over/(Under) Expenditures	\$34,141	\$(7,451)	\$(175,061)	\$(35,558)	\$(90,680)	\$846
Ending Unencumbered Cash	\$689,859	\$682,408	\$507,347	\$471,789	\$381,109	\$472,635

WATER FUND

Water Fund – Ending Cash History



*In 2018, our water department upgraded to digital meters.

Sewer Fund Performance

Balance Sheet	2017	2018	2019	2020	2021	2021
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budgeted</i>	<i>Actual</i>
Beginning Balance	\$225,850	\$272,841	\$259,170	\$278,312	\$332,895	\$332,895
Total Revenue	\$464,701	\$456,618	\$454,533	\$470,952	\$480,000	\$503,746
Total Expenditures	\$417,710	\$470,288	\$435,391	\$416,369	\$472,466	\$476,540
Over/(Under) Expenditures	\$46,991	\$(13,670)	\$19,142	\$54,583	\$7,534	\$27,206
Ending Unencumbered Cash	\$272,841	\$259,170	\$278,312	\$332,895	\$340,429	\$360,101

SEWER FUND

Sewer Fund – Ending Cash History



Water/Sewer Fund Takeaways

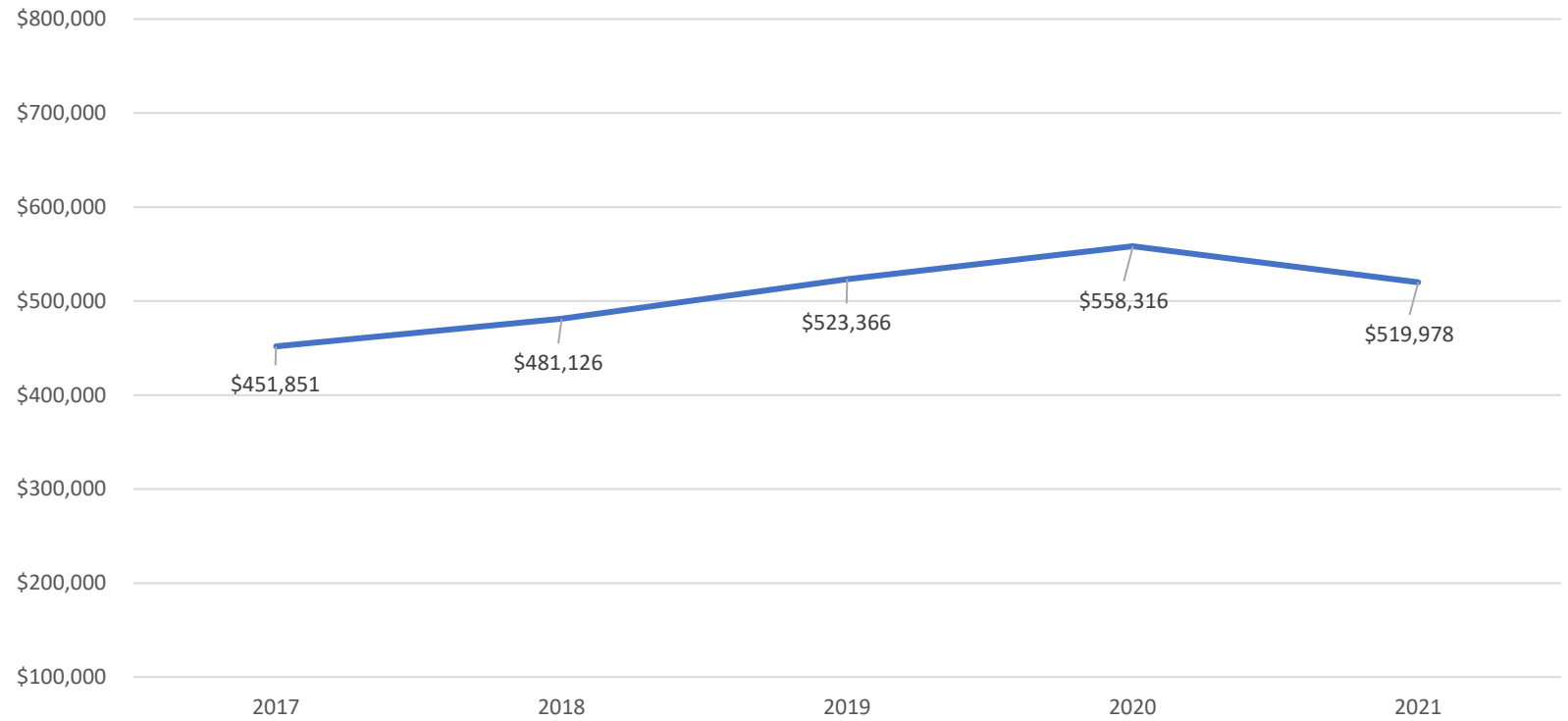
1. Funds have strong cash balances.
2. Marginal rate increase in 2020 helped keep pace with increased costs.
3. Grants to replace/repair existing water/sewer lines are a priority in the next 5-10 years.

Sanitation Fund Performance

Balance Sheet	2017	2018	2019	2020	2021	2021
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budgeted</i>	<i>Actual</i>
Beginning Balance	\$411,276	\$451,851	\$481,126	\$523,366	\$558,316	\$558,316
Total Revenue	\$294,934	\$294,106	\$294,861	\$312,615	\$322,000	\$321,017
Total Expenditures	\$254,359	\$264,831	\$252,621	\$277,665	\$334,845	\$359,355
Over/(Under) Expenditures	\$40,575	\$29,275	\$42,240	\$34,950	\$(12,845)	\$(38,338)
Ending Unencumbered Cash	\$451,851	\$481,126	\$523,366	\$558,316	\$545,471	\$519,978

SANITATION FUND

Sanitation Fund - Ending Cash History



Sanitation Fund Takeaways

1. Bulk polycart purchases in 2021 account for the expenditure spike.
2. Nominal fee increases implemented in 2020 and the polycart program are working to offset increased landfill charges.

Overall Utility Fund Takeaways

1. Utility funds are solvent.
2. Infrastructure improvements are a high priority in the next 5-10 years.



Other City Funds

Ending Cash Balances as of 12/31/21

Fund	2017	2018	2019	2020	2021
Economic Development	\$361,807	\$383,548	\$318,998	\$305,167	\$328,251
Library	\$10,310	\$6,022	\$6,403	\$2,770	\$2,769
Pathways	\$0	\$0	\$0	\$37,128	\$35,368
Law Enforcement Trust	\$20,061	\$23,628	\$23,047	\$28,891	\$33,015
Special Liability	\$48,912	\$49,177	\$49,243	\$47,297	\$46,457
Special Streets	\$342,067	\$338,864	\$410,758	\$411,403	\$165,458
Special Park	\$29,017	\$32,236	\$31,536	\$31,369	\$32,820
Recreation	\$5,634	\$387	\$1,117	\$1,959	\$2,492
Employee Benefits	\$144,893	\$64,521	\$134,620	\$116,121	\$117,224
Transient Guest Tax	\$20,967	\$20,753	\$18,728	\$18,006	\$17,036
Fire Prevention	\$0	\$0	\$3,339	\$4,407	\$8,538
Capital Reserve	\$443,644	\$566,344	\$507,583	\$468,820	\$388,808
Equipment Reserve	\$270,001	\$328,854	\$209,646	\$231,984	\$277,559
Street Reserve	\$140,302	\$198,301	\$166,209	\$273,850	\$451,771
Utility Reserve	\$443,644	\$566,344	\$715,117	\$622,671	\$524,833
American Rescue Plan	\$0	\$0	\$0	\$0	\$231,504
Total Cash					\$2,663,903

Other Funds Takeaways

1. Fund balances are stable and could assist in obtaining low interest rates when financing GO bonds.

2. The purpose of cash reserves is to accommodate unexpected operational changes, legislative impacts, or other economic events affecting operations which could not have been reasonably anticipated at the time the original budget was prepared.



Overall:

1. The city's current financial condition is stable, but demographic trends pose challenges.
2. Department heads continue to be good stewards of taxpayer dollars.
3. Leveraging reserve funds with grants/low-cost financing opportunities will help us meet long-term needs.
4. Our city is resilient and celebrating "small wins" is important.