

INDEPENDENCE CITY COMMISSION

SPECIAL SESSION AGENDA

April 19, 2023

9:00 AM

Civic Center Memorial Hall

To participate by conference call:
1 785-289-4727 Conference ID: 995 148 903#

The Agenda shall be as follows:

- I. SPECIAL SESSION
 - A. Call to Order
- II. ITEMS FOR DISCUSSION
 - A. Budget expectations and timeline.
- III. ITEMS FOR COMMISSION ACTION
 - A. Consider a development agreement with Bartlett-Montgomery County, LLC.
- IV. ADJOURNMENT



OTHER DISCUSSION
CITY OF INDEPENDENCE
April 19, 2023

Department Finance

Prepared By Lacey Lies

AGENDA ITEM Budget expectations and timeline.

BACKGROUND The budget timeline is attached.

Budget Timeline

The City budget is one of the most important policy documents adopted by the City Commission each year. As a result, planning for the annual budget begins nearly a year before the budget's fiscal year begins.

A budget kickoff meeting is held internally, with staff, in March and allows the Department Directors to initiate the annual budget process. The kickoff is an opportunity to review the upcoming budget process, financial outlook, and share information. In the following months, departments develop base budgets and any proposals based on changing needs and programs.

Once submitted, the requests are evaluated by the Finance Director and the impact of the requests are analyzed on the financial forecast. Individual meetings are held with each Department Head and staff members to discuss alternatives and potential budget recommendations. The Administrative Team (Finance Director, City Manager, Assistant City Manager, City Engineer, Chief of Police) then meet to further review and analyze the impact of the requests and their place in the budget and strategic direction of the City.

The proposed budget is presented to the City Commission over a series of meetings in May through August. The Commission provides direction and input to finalize the budget. A formal public hearing is conducted, in compliance with Kansas State Statutes, prior to adopting the budget to allow citizens the opportunity to express any comments or concerns. Adoption of the budget is required before October 1 of each year. The adopted budget goes into effect on January 1 of the next calendar year.

The below timeline outlines major milestones in the City's budget process.





KSA 79-2988 - Revenue Neutral Rate

- In March 2021, the Kansas Legislature passed Senate Bill (SB) 13 to establish limitations on ad valorem property tax levies by taxing subdivisions without an additional notice and hearing prior to budget adoption. Subsequently, Senate Substitute for House Bill 2104 was passed to amend the timelines in SB 13. SB 13 is retroactively effective January 1, 2021.
- The bill repeals the tax lid law and computed tax limits imposed by KSA 79-2925b and KSA 79-2925c. Alternatively, the bill introduces the use of a “revenue neutral rate”(RNR), defined as the amount of ad valorem tax revenue levied in the prior year over the current year's assessed valuation estimates, expressed as a mill. County clerks are responsible for computing and providing the estimated rates for taxing subdivisions with the budget information estimates by June 15th.
- Valuations for properties participating in incentive and/or abatement programs such as Neighborhood Revitalization Districts and Industrial Revenue bonds are still included in the RNR calculation although they will not be realized by the taxing entity.
- Taxing subdivisions cannot levy above the RNR without holding a Revenue Neutral Rate Hearing for taxpayers to attend and provide feedback. At the end of the RNR hearing, the governing body of the taxing subdivision will publicly vote to pass a resolution to exceed the RNR for the upcoming budget year.
- If the taxing subdivision adopts a budget that does not exceed the RNR, the subdivision should contact the county clerk to prepare for valuation decreases from the June 15th property valuation estimates to the November 1st property valuations certified by the county clerk. If property valuations decrease from June 15th to November 1st, the taxing subdivision would realize fewer dollars than budgeted.



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
April 19, 2023

Department Admin

Director Approval Kelly Passauer

AGENDA ITEM Consider a development agreement with Bartlett-Montgomery County, LLC.

SUMMARY RECOMMENDATION Approve agreement pending City Attorney's approval.

BACKGROUND The City Attorney is working with Bartlett-Montgomery County, LLC, on a development agreement regarding the water line to serve Bartlett's facility. We are expected to have a final draft before the Special Commission meeting. We are placing this on your Special Commission agenda to keep the project moving expeditiously.

FINANCIAL INFORMATION To be discussed at the meeting.

SUGGESTED MOTION I move to authorize the Mayor to sign a development agreement with Bartlett-Montgomery County, LLC pending the City Attorney's approval.

SUPPORTING DOCUMENTS