



CITY OF TOPEKA

CITY COUNCIL COMMITTEE
MEETING MINUTES

BUDGET COMMITTEE

CITY COUNCIL
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Date: June 15, 2016
Time: 6:00 p.m.
Location: Law Enforcement Center, 320 S. Kansas Ave.

Committee members present: Deputy Mayor Michelle De La Isla (Chair), Councilmembers Elaine Schwartz, Karen Hiller, Sandra Clear, Brendan Jensen, Jeff Coen, Tony Emerson, and Sylvia Ortiz (arrived at 6:45 p.m.)

Staff present: Doug Gerber, Deputy City Manager; Nickie Lee, Budget & Performance Manager; Lisa Robertson, City Attorney; and Department Heads and/or their representatives.

1. The meeting was called to order by Deputy Mayor Michelle De La Isla.
2. The June 11, 2016 meeting minutes were approved.
3. Deputy Mayor Michelle De La Isla made opening comments.
4. Follow up from June 11, 2016 meeting

Nickie Lee reviewed Supplement 1: 2017 Budget Q & A (attached) to answer questions from the June 11, 2016 meeting.

Nickie Lee reviewed each Department's budget and responded to questions from the Committee.

Councilmember Emerson asked why IT account #52703 (IT maintenance costs) have gone up. Mark Biswell will get back to the Council with an answer.

The Committee asked about the increase in the City Council training funds. Councilmember Schwartz asked that the Policy & Finance Committee draft a policy on training for the Councilmembers.

Councilmember Clear asked why the Finance Department's office supplies line item increased. Nickie said she would get an answer for the Committee.

Councilmember Hiller expressed the concerns of the Sustainability Board regarding paper copies vs. electronic copies. She also asked about the cost of branded items; Doug Gerber said he would check into how much the City has spent on branded items and get an answer for the Committee.

Councilmember Ortiz asked Nickie Lee to email her the justification for eliminating the City Auditor position.

Councilmember Schwartz asked why the Fire Department is adding staff when the City has an Interim Fire Chief at the moment. She would like to wait until a permanent Fire Chief is in place before making this decision. She would like to see the Fire Study to see if increasing or reducing staff was recommended. Councilwoman Ortiz expressed her support of adding the additional Fire Department personnel. Councilmember Schwartz asked to add this discussion to the parking lot to be discussed in more detail at a later time. Councilmember Ortiz pointed out that the new positions are needed to maintain state regulations.

Councilmember Clear asked how the Neighborhood Relations inmate crews are paid. Nickie Lee will provide this information to the Committee. Sasha Haehn will provide the Committee with a summary of the comprehensive report for 2015 and what the crews have accomplished so far in 2016.

Councilmember Ortiz would like an update on how the e-ticket system for the Municipal Court has been going and how many e-tickets are submitted each year. Denise Vaughn, Court Administrator, will get an answer to the Committee.

Councilmember Hiller asked about the salary match money for the Multimodal Planner in the Planning Department. Doug Gerber stated that he will follow up on the salary increases to check for discrepancies.

Councilmember Clear asked what the average number of cases that are assigned to the TPD Detectives? Chief Brown will get this information to the Committee.

Councilmember Schwartz asked for data on the Zoo's fundraising, with FOTZ and other sponsors, and would like to know how these funds support the Zoo. Brendan Wiley will get this data to the Committee.

The Committee agreed to put off reviewing the Public Works budget until a later date.

The 2017 Budget Book can be viewed online at:
<http://www.topeka.org/pdfs/Budget/2017ProposedBudgetBook.pdf>

Meeting adjourned at 8:40 p.m.

The videos of this meeting can be found at:

Part 1:

<https://www.youtube.com/watch?v=XywcPvTgDro>

Part 2:

<https://www.youtube.com/watch?v=ByzgvjJqaeQ&feature=youtu.be>

Supplement 1: 2017 Budget Council Q & A



Responses to Councilmember Questions from June 11, 2016 Budget Committee Meeting

1. Please provide an analysis of how the property tax lid would have impacted the proposed 2017 budget.

We will provide this analysis to the best of our ability at the time final revenue estimates are received around July 1st.

2. Provide comparable governing body pay; including whether some jurisdictions use the Consumer Price Index (CPI) as an indicator and what other benefits (allowances, mileage/vehicles, training, etc.) other jurisdictions provide.

Below is a table summarizing Mayor and Councilmember pay for cities with populations over 50,000. Information is not readily available about other benefits like mileage, training, etc. but can be researched if needed.

City	Population	Mayor Annual Pay	Council Annual Pay
Wichita	386,552	\$90,000	\$40,000
Overland Park	181,260	\$36,800	\$12,804
Kansas City	148,483	\$94,346	\$20,000
Olathe	131,885	\$24,000	\$12,000
Topeka	127,679	\$20,000	\$10,000
Lawrence	90,811	\$10,000	\$9,000
Shawnee	64,323	\$21,672	\$9,615
Manhattan	56,143	\$6,720	\$5,520
Lenexa	50,344	\$20,020	\$10,010

This data was taken from the League of Kansas Municipalities 2014 Salary Survey. Additional data was found via contacting cities and Opengov.org.

Supplement 1: 2017 Budget Council Q & A



3. Provide more background on employee retirement. How much do we pay out, what is calculating into retirement, etc.

Retirement benefits are based on the tier of the employee.

KPERS Tier 1

KPERS membership date before July 1, 1993 or in "year of service" waiting for membership on July 1, 1993 - the final average salary is the higher of 1) a three-year salary average, excluding additional compensation (unused sick leave, annual leave, etc.). 2) a four year salary average including additional compensation (unused sick leave, annual leave, etc.). The four-year average is based on the highest four years of pay during an individual's KPERS membership. As of now there are 121 members in KPERS Tier 1.

KPERS membership date on or after July 1, 1993- the final average salary is a three-year salary average, excluding additional compensation (unused sick leave, annual leave, etc.). The three-year average is based on the highest three years of pay during an individual's KPERS membership.

KPERS Tier 1 Benefits at a Glance is available at http://kpers.org/pdf/benefitsataglace_kperstier1.pdf .

KPERS Tier 2

KPERS membership date after July 1, 2009- the final average salary is an average of the five highest years of salary, excluding additional compensation (unused sick leave, annual leave, etc.).

KPERS Tier2 Benefits at a Glance is available at http://kpers.org/pdf/benefitsataglace_kperstier2.pdf .

KPERS Tier 3

KPERS membership date of January 1, 2015 and after- earn retirement credits quarterly based on number of years of KPERS service and percent of pay, excluding additional compensation (unused sick leave, annual leave, etc.).

KPERS Tier 3 Benefits at a Glance is available at http://kpers.org/pdf/benefitsataglace_kpers3.pdf .

KP&F Tier 1 & Tier 2

KP& F membership date before July 1, 1993- the final average salary is an average of the highest three-years of the individuals last five years of service, including additional compensation (unused sick leave, annual leave, etc.).

As of now there are 85 members in KP&F Tier 1 & Tier 2.

Supplement 1: 2017 Budget Council Q & A



3. Continued from previous page:

KP& F membership date after July 1, 1993- the final average salary is an average of the highest three-years of the individuals last five years of service, excluding additional compensation (unused sick leave, annual leave, etc.).

KP&F Benefits at a Glance is available at this link: http://kpers.org/pdf/benefitsataglace_kpf.pdf .

Pay-out for additional compensation is governed by the City of Topeka Personnel Code or the applicable labor agreement. The Leave Benefits Summary in the Appendix provides information on maximum accrual and carry-over and pay-out provisions for each employee group. A recent review of our leave benefits reveals that the City's leave benefits are comparable with the State of Kansas and other area municipalities, with some variances in how leave benefits are paid out upon retirement. Though there are variances in pay-out of leave benefits, how this pay-out impacts the retirement benefit is determined by the KPERS provisions which have been outlined above.

The average pay-out for a KPERS member at retirement is approximately \$20,000 and the average pay-out for a KP&F member at retirement is approximately \$40,000.

4. How many people are on our health plan?

There are 1042 contracts on the City's health plan which includes employees, spouses, and other family members.

5. What are the next 5 years of Lawson annual payments? What are the expected savings and efficiencies due to moving to a cloud-based system?

The five year payment schedule is as follows: \$329,700 annually (2016-2018), \$349,482 (2019), and \$370,451 (2020). By utilizing the hosted cloud based Lawson suite as opposed to the on premise version, a 2016-2020 estimated total savings of \$175,326 will be realized. This savings is primarily due to the fact that we will not incur hardware upgrade costs every 3-4 years since Infor will host the hardware. This savings also includes process improvements that would not have been economically viable to implement had we not switched to a hosted cloud based system.

Significant staff time will be saved by the elimination of 13 servers the City will no longer need with the hosted cloud based Lawson. This staff time can now be spent on additional enhancements and efficiencies to the software that would not have been previously possible with the on premise version. Significant efficiency and effectiveness gains are achieved having a ready-made platform for implementation, an external vendor take care of infrastructure issues and upgrades, as well as the ability to easily scale up or down the enterprise solutions as needed.

Supplement 1: 2017 Budget Council Q & A



6. What are the policies and procedures for phone and computer replacement? How do we ensure we are not paying for lines we are not using and/or don't have extra equipment?

The three primary hardware systems are detailed below.

- Telephone Systems: The City of Topeka owns its telephone systems. There have been no significant changes made to the City telephone systems over the past several years.
- Leased Circuits: The City of Topeka contracts with AT&T for leased telephone circuits to reach sites that cannot be reached via the City's telephone system. There is an inventory conducted by IT on a tri annual basis that coincides with contract renewals to strive to ensure there are no unused paid leased telephone circuits in use.
- Desktop Computers: The City leases most desktop computer systems. The IT department has in place a procedure for receiving, deploying and tracking desktop computer systems. The purchasing and asset life cycle of all IT assets to include desktop computers are managed by the IT department.

7. Why is vehicle property assessed valuation revenue projected to decrease?

The property tax assessed valuation figure is provided by the County based on the Treasurer's estimates. In the past, actual collections have varied from the estimate to different degrees. To be conservative in 2017 the proposed budget includes the Treasurer's estimate which may vary from actuals.



City of Topeka

Leave Benefits Eligible for Payout at Employee Retirement Separation

Leave Plan	Management	FOR (Police)	AFT	AFSCME Development Services	AFSCME Water	IAFF (Fire)	TEAMSTERS	WPC
Comp	Earnings based on employee eligible for overtime & works > 40 hours per work week (election option); maximum earn limit of 240 hours.	<u>Grandfather:</u> Earnings based on employee works > 80 hours per pay period (election option); maximum earn limit of 320 hours. <u>Members Since 2010:</u> Earnings based on employee works > 80 hours per pay period (election option); maximum earn limit of 240 hours.	Earnings based on employee works > 40 hours per work week (election option); maximum earn limit of 240 hours.	Earnings based on employee works > 40 hours per work week (election option); maximum earn limit of 240 hours.	Not Eligible	<u>Fire & HR Staff:</u> Earnings based on employee works > 40 hours per work week (election option); maximum earn limit of 160 hours. <u>Fire 24 HR Staff:</u> Earnings based on employee works > 27 day cycle (election option); maximum earn limit of 144 hours.	Earnings based on employee works > 40 hours per work week (election option); maximum earn limit of 240 hours.	Earnings based on employee works > 40 hours per work week (election option); maximum annual earn limit of 48 hours and total plan limit of 240 hours.
Comp Retirement Payout	Employees are paid out total comp leave balance amount at time of separation.	Employees are paid out total comp leave balance amount at time of separation.	Employees are paid out total comp leave balance amount at time of separation.	Employees are paid out total comp leave balance amount at time of separation.	Employees are paid out total comp leave balance amount at time of separation.	Employees are paid out total comp leave balance amount at time of separation.	Employees are paid out total comp leave balance amount at time of separation.	Employees are paid out total comp leave balance amount at time of separation.
Sick Accrual	Accrued rate of 3.7 hours and maximum carry over from year to year of 1,040 hours.	Allotment amount of 3.7 hours; with no balance limits.	Accrued rate of 3.7 hours and maximum carry over from year to year of 1,040 hours.	Accrued rate of 3.7 hours and maximum carry over from year to year of 1,040 hours.	Accrued rate of 3.7 hours and maximum carry over from year to year of 1,040 hours.	Accrued rate of 3.7 hours and maximum carry over from year to year of 1,040 hours.	Accrued rate of 3.7 hours and maximum carry over from year to year of 1,040 hours.	Accrued rate of 3.7 hours and maximum carry over from year to year of 1,040 hours.
Sick Retirement Payment	Employees are paid out 35% of total sick leave balance with maximum payout of 364 hours at time of separation.	Employees are paid out 55 days (440 hours) at straight pay. In addition to sick leave balance subtracted of 440 hours = remaining sick leave amount paid at \$1.00 per hour	Employees are paid out 35% of total sick leave balance with maximum payout of 400 hours at time of separation.	Employees are paid out 35% of total sick leave balance with maximum payout of 397 hours at time of separation.	Employees are paid out 35% of total sick leave balance with maximum payout of 364 hours at time of separation.	Employees are paid out based on below formula: [55 days * monthly salary] / 173.33 = Paid Amount In addition to sick leave balance subtracted of 440 hours = remaining sick leave amount paid at \$1.00 per hour	Employees are paid out 35% of total sick leave balance with maximum payout of 397 hours at time of separation.	Employees are paid out 35% of total sick leave balance with maximum payout of 400 hours at time of separation.
Holiday Vacation Accrual	<u>Fire Sworn Management:</u> When employee works on a holiday then the employee will earn Holiday Vacation equivalent to the hours worked on the holiday up to a maximum of 240 hours for 24-Hour management employees and 80 hours for all other Fire management positions. <u>Police Sworn Management:</u> When employee works on a holiday then the employee will earn Holiday Vacation equivalent to the hours worked on the holiday up to a maximum of 80 hours for all police management positions.	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible
Holiday Vacation Retirement Payment	Employees are paid out entire holiday vacation leave balance amount at time of separation.	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible



City of Topeka Leave Benefits Eligible for Payout at Employee Retirement Separation

Leave Plan	Management	FOP (Police)	AFT	AFSCME Development Services	AFSCME Water	IAFF (Fire)	TEAMSTERS	WPC
Vacation Accrual	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 240 hours for 40-hour employees, and 360 hours for 24-hour employees.	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 240 hours.	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 240 hours.	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 240 hours.	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 240 hours.	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 720 hours.	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 240 hours.	Accrued based on amount of work hours per pay period with maximum accrual amount based on seniority (see table below); maximum carry over from year to year = 240 hours.
Vacation Retirement Payment	Employees are paid out entire vacation leave balance amount at time of separation.	Employees are paid out entire vacation leave balance amount at time of separation.	Employees are paid out entire vacation leave balance amount at time of separation.	Employees are paid out entire vacation leave balance amount at time of separation.	Employees are paid out entire vacation leave balance amount at time of separation.	Employees are paid out entire vacation leave balance amount at time of separation.	Employees are paid out entire vacation leave balance amount at time of separation.	Employees are paid out entire vacation leave balance amount at time of separation.