

Council Minutes – August 20, 2013

COUNCIL CHAMBER, Topeka, Kansas, Tuesday, August 20, 2013. The Councilmembers of the City of Topeka met in regular session at 6:00 P.M., with the following Councilmembers present: Councilmembers Hiller, Campos II, Ortiz, Everhart, De La Isla, Manspeaker, Schwartz, Schmidt and Harmon -9. Mayor Larry E. Wolgast presided -1.

AFTER THE MEETING was called to order, Rabbi Debbie Stiel, Temple Beth Shalom Synagogue, gave the invocation.

SPECIAL RECOGNITION was given to Josias and Crystal Canul honoring their recent act of heroism and courage for saving a toddler from drowning. Mayor Wolgast presented the children with a Certificate of Recognition; Topeka Police Chief Ron Miller presented the children with a Chief Accommodation Coin; and Topeka Fire Chief Greg Bailey presented the children with a Certificate of Accommodation and a Challenge Coin that indicates honorary membership of the Topeka Fire Department.

THE PLEDGE OF ALLEGIANCE was recited by those present in the chamber.

THE CONSENT AGENDA was presented as follows:

RESOLUTION NO. 8539 introduced by Councilmember Elaine Schwartz, granting Everett Spellman an exception to the provisions of City of Topeka Code Section 9.45.150, et seq., concerning noise prohibitions was presented.

MINUTES of the regular meeting of August 13, 2013, were presented.

Councilmember Campos II moved to approve the consent agenda. The motion seconded by Councilmember Schwartz carried unanimously. (9-0-0)

APPROVAL of the FY 2014 Consolidated Action Plan and Budget was presented.

Jim Colson, City Manager, reported the U.S. Department of Housing and Urban Development requires submission of the Consolidated Action Plan and Budget to allow the City to receive federal funds. He stated the Community Advisory Council would review the applications received and make a list of recommendations to present to the Council for consideration.

Brad Reiff, Acting Housing and Neighborhood Development Department Director, reported the total funding under the 2014 Consolidated Action Plan is \$6,042,588 and includes CDBG funds in the amount of \$1,667,495; HOME funds in the amount of \$488,796; HESG funds in the amount of \$117,280; Shelter Plus Care funds in the amount of \$1,543,017; Program Income/Reprogrammed Funds in the amount of \$565,000; General Funds for Youth and Social Services Funds in the amount of \$141,000; Affordable Housing HOME Fund Match in the amount of \$100,000; Shelter Plus Care Administration funds in the amount of \$20,000; and Neighborhood Infrastructure Capital Improvement Program in the amount of \$1,400,000.

Councilmember Harmon moved to approve the FY 2014 Consolidated Action Plan and Budget. The motion seconded by Councilmember Everhart carried. Councilmember De La Isla abstained. (8-0-1)

ORDINANCE NO. 19840 introduced by City Manager Jim Colson, approving and adopting the operating budget for calendar year 2014 and appropriating the amounts for the purpose set forth therein placed on first reading August 13, 2013, was again presented.

Jim Colson, City Manager, referenced the Budget Committee recommendations and reported that Kansas Gas Service representatives have not yet responded to the City's request to increase franchise fees by 1%; however, Westar Energy representatives confirmed their willingness to proceed with the request and initiate the increase early in 2014. He stated at this

time they would assume no change in revenue and he would provide an update to the Council as soon as Kansas Gas Service representatives make a decision.

Jeff White, Interim Financial Services Department Director, distributed handouts outlining the 2014 Recommended Budget; All Funds Mill Levy Summary (estimated); General Fund Balance of \$5.5 million; and a Summary of Expenditures and Tax Demand.

Mayor Wolgast encouraged the Council to consider what is best for the City as a whole. He stated he believes all ideas presented by members of the Council are important; however, compromises will have to be made to develop a consensus and adopt a budget for the City. He distributed a handout outlining the 2013 City Tax Rates for Cities of the First Class in Kansas. He commended Deputy Mayor Ortiz for her leadership during budget discussions and City departments for providing informative presentations.

Councilmember Campos II moved to adopt the Budget Committee's recommendations contained in the FY 2014 Budget Committee Recommendations which results in a property tax increase of \$2,842,209 in the general fund or 2.9 mills and includes a tax increase of \$13,965,000. The motion was seconded by Councilmember Harmon.

Councilmember Harmon made a friendly amendment to include the language "the special liability and the debt service mill levy". He asked if other funds should be included in the motion as well.

Jeff White stated it would be appropriate to add "adoption of debt service funding in the amount \$13,965,000; and a tax increase of \$774,275 for the Special Liability Fund."

Councilmember Harmon moved to approve the language amendment as stated by Jeff White. The motion seconded by Councilmember Schmidt carried. Councilmembers Manspeaker and Schwartz voted "no." (8-2-0)

The motion to adopt the Budget Committee's recommendations contained in the FY 2014 Budget Committee Recommendations which results in a property tax increase of \$2,842,209 in the general fund or 2.9 mills and includes a tax increase of \$13,965,000 for the Debt Service Fund and a tax increase of \$774,275 for the Special Liability Fund carried. Councilmembers Everhart, Manspeaker and Schwartz voted "no." (7-3-0)

Councilmember Ortiz moved to adopt the City of Topeka 2014 Operating Budget. The motion was seconded by Councilmember Harmon.

Councilmember Schwartz made a motion to reduce the Fire Department budget by \$100,000 for overtime pay. The motion was seconded by Councilmember De La Isla.

Councilmember Everhart asked if this reduction would have an effect on the overtime funds used for other fire department employees entitled to overtime or call-back wages.

Jim Colson stated the reduction in funds would only affect nine management employees.

Councilmember Manspeaker asked why the new policy regarding overtime would not go into effect until November 9, 2013. He stated in his opinion overtime for non-exempt management employees should cease immediately.

Jim Colson stated the problem was not created by the employees; therefore, he believes it is only fair to allow employees an opportunity to plan accordingly.

Councilmember Manspeaker stated he understands the sensitivity of the issue; however, he encountered the same issue in the private sector and no notice was given, the overtime pay ceased immediately, and all overtime pay was returned to the company. He expressed the importance of resolving the problem immediately as it is the fiscally responsible thing to do.

Mayor Wolgast stated the employees were hired with the promise of overtime pay and they should be allowed time to adjust to the new policy. He expressed the importance of the

policy being corrected as soon as possible and believes the City should take full responsibility of the issue and not pass blame to employees.

Jim Colson clarified the problem is a policy issue that has been in place since 2001 and was a result of an attempt to resolve compression issues that have existed in the organization since 1976. He reported as the information came forward, best business practices were implemented, and the policy was changed immediately.

Councilmember Schmidt asked how the reduction would affect the Fire Department budget; how would the reduction impact the existing compression issue; if the policy was implemented to address the compression issue; and if the City Manager supports the reduction.

Jim Colson stated he supports the reduction because salary compression has been a serious issue for a long time within the organization. He suggested working with the Council to establish a study group to review the policy and deal with the issue immediately.

The motion to reduce the Fire Department budget by \$100,000 for overtime pay carried. Councilmembers Ortiz and Manspeaker voted “no.” (8-2-0)

Councilmember Ortiz distributed a handout outlining amendments to the budget. She asked the City Attorney if he believes it is possible to eliminate the office manager position in the Legal Department in the amount of \$65,176.80.

Chad Sublet, City Attorney, stated the legal department could be reorganized to accommodate the elimination of the office manager position.

Councilmember Ortiz moved to reduce the Legal Department budget in the amount of \$65,176.80 by eliminating one full time equivalent (FTE) office manager position in the City Attorney’s office. The motion seconded by Councilmember Everhart carried. Councilmembers Manspeaker and Schmidt voted “no.” (8-2-0)

Councilmember Ortiz moved to reduce the Human Resources Department budget line item for training and education the amount of \$10,000 for city-wide tuition reimbursement. The motion was seconded by Councilmember Campos II.

Jacque Russell, Human Resources Department Director, stated the tuition reimbursement funds are used for the City's contractual obligations outlined in union agreements. She reported the training and education budget total is \$24,000 (\$14,000 for training and \$10,000 for tuition reimbursement).

Councilmember Hiller asked if the overall training budget was reduced by \$10,000 would there be a sufficient amount of funds available to fill contractual obligations.

Jacque Russell stated the remaining \$14,000 would be sufficient to fulfill the City's contractual obligations for training and education.

The motion to reduce the Human Resources Department budget line item for education and training in the amount of \$10,000 for city-wide tuition reimbursement failed.

Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt and Mayor Wolgast voted "no." (4-6-0)

Councilmember Ortiz moved to reduce the Police Department's Budget Commodities line item in the amount of \$5,490 for food expenditures. The motion was seconded by Councilmember Campos II.

Ron Miller, Police Chief, reported the funds are used for annual banquets honoring volunteer services; to purchase dinner tickets for key speakers at Police Academy Graduation Ceremonies; and food for retirement parties. He noted the amount of volunteer time equals approximately \$230,000 in volunteer services.

Councilmember Manspeaker asked if the funds are used to purchase food for police department employees that may work extended hours or overtime.

Councilmember Ortiz reported \$2,000 was allocated for a facility rental and she believes there are other options for these types of expenditures.

Councilmember De La Isla asked how many hours of volunteer services does the City receive and noted the expertise and service offered through volunteer services could not be justified by a dollar amount. She commended all volunteers for their efforts and thanked them for their services to the community.

Police Chief Miller stated he estimates approximately 10,000 hours of volunteer services is provided annually.

Councilmember Campos II stated he simply prefers to coordinate efforts to save tax dollars and believes food expenses and facility rentals could be supplied through donations.

The motion to reduce the Police Department's Budget Commodities line item in the amount of \$5,490 for food expenditures failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted "no." (3-7-0)

Councilmember Ortiz moved to reduce the Legal Department's Budget Commodities line item in the amount of \$500 for food expenditures. The motion seconded by Councilmember Campos II failed. Councilmembers Everhart, De La Isla, Manspeaker, Schmidt, and Harmon voted "no." (5-5-0)

Councilmember Ortiz moved to reduce the Human Resources Department Budget Commodities line item in the amount of \$3,500 for food expenditures. The motion was seconded by Councilmember Campos II.

Councilmember Ortiz suggested the City of Topeka establish an activities council, similar to the State of Kansas that could sponsor certain activities and eliminate unnecessary food expenses from City department budgets.

The motion to reduce the Human Resources Department Budget Commodities line item in the amount of \$3,500 for food expenditures failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (3-7-0)

Councilmember Ortiz suggested eliminating the City Hall Mill and Overlay Parking Lot Project expenditure in the amount of \$89,221 listed on page 212 of the budget notebook.

Jeff White clarified that the project has already been approved and included in the budget notebook for informational purposes only.

Councilmember Campos moved to reduce the City Council Department Budget line item for education and travel from \$13,500 to \$1,500. The motion was seconded by Councilmember Everhart.

Councilmember Ortiz asked if the remaining \$1,500 would cover the expenses for her cell phone and Wi-Fi services in the City Council office.

Ginny Burghart, City Council Assistant, reported they would need \$1,020 to maintain the services.

Councilmember Hiller spoke in opposition of eliminating the funds and stated she believes the expenses are used to better serve constituents.

The motion to reduce the City Council Department Budget line item for education and travel from \$13,500 to \$1,500 carried. Councilmembers De La Isla, Manspeaker, Schmidt and Mayor Wolgast voted “no.” (6-4-0)

Councilmember Campos II moved to reduce the City Council Department Budget line item for overtime pay in the amount of \$5,000. The motion was seconded by Councilmember Ortiz.

Ginny Burghart, City Council Assistant, stated the funds are used to pay for security at City Council meetings.

The motion to reduce the City Council Department Budget line item for overtime pay in the amount of \$5,000 failed. Councilmembers Hiller, Ortiz, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (2-8-0)

Councilmember Campos II moved to reduce the Mayor’s Department Budget line item for education and travel in the amount of \$2,500. The motion was seconded by Councilmember Ortiz.

Mayor Wolgast reported the funds pay for organizational memberships that allow him to represent the City in lobbying and setting a tone of leadership throughout the State of Kansas and the nation.

The motion to reduce the Mayor’s Department Budget line item for education and travel in the amount of \$2,500 failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (3-7-0)

Councilmember Campos II moved to eliminate the Executive Department Budget Commodities equipment line item for audio and video enhancements in the amount of \$70,000. The motion was seconded by Councilmember Ortiz.

Councilmember De La Isla spoke in opposition of the reduction. She stated constituents do not watch the Council meetings online because audio and visual enhancements are needed.

Councilmember Hiller stated she concurs with Councilmember De La Isla and stated she has received many complaints regarding the poor quality of the meetings being televised.

Councilmember Campos II stated he has not received any complaints from his constituents regarding the quality of televised meetings.

Councilmember Manspeaker stated he believes in order for them to support transparency in local government they must produce meetings that are visually and audibly accessible to all citizens.

The motion to eliminate the Executive Department Budget Commodities equipment line item for audio and video enhancements in the amount of \$70,000 failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (3-7-0)

Councilmember Campos II moved to eliminate the Executive Department Budget Commodities consumables line item in the amount of \$18,500. The motion was seconded by Councilmember Ortiz.

Suzie Gilbert, Communications and Marketing Director, reported the funds are used for production supplies including cables, tapes and other miscellaneous consumable items.

Councilmember Schwartz asked how the reduction would impact City4 productions.

Suzie Gilbert stated it would have an effect on transparency of local government and the ability to stream live productions from certain City facilities.

Councilmember Schwartz spoke in opposition of the motion and stated her constituents want transparency in City government.

Councilmember Everhart spoke in opposition of the motion and stated the funds are needed to support transparency in local government.

Councilmember Hiller asked what the funding allocation was in 2012 for the items.

Suzie Gilbert reported there was no change in the funding amount and the funding used to be included in the Information Technology Department Budget.

The motion to eliminate the Executive Department Budget Commodities consumables line item in the amount of \$18,500 failed. Councilmembers Hiller, Ortiz, Everhart, De La Isla, Manspeaker, Schwartz, Schmidt, Harmon and Mayor Wolgast voted “no.” (1-9-0)

Councilmember Campos II moved to reduce City Communications Division wages by 50%. The motion died due to the lack of a second.

Councilmember Manspeaker moved to restore funding to the Municipal Court Department budget in the amount of \$114,412 for the purpose of retaining the protective service officers. The motion was seconded by Councilmember Everhart.

Councilmember Manspeaker stated he believes contracting security services would cost the City more in the long term.

Councilmember Everhart questioned the litigation costs that may result in eliminating the employees due to binding union agreements.

Chad Sublet, City Attorney, stated the Legal Department has determined it would not present a huge risk to the City and would be within the legal rights of the City to eliminate the positions.

Councilmember Campos II spoke in opposition to the motion and stated he understands the risk involved in terminating the employees; however, tough budget decisions must be made.

Councilmember Everhart spoke in support of the motion. She stated she believes by contracting security it would reduce the quality of service they currently have and present a potential liability for the City due to bargaining unit agreements.

Councilmember Manspeaker stated the City is still paying for the Parks & Recreation Department consolidation; therefore, he would not support contracting the security services because he believes the City would not realize savings if these positions are eliminated.

Vic Miller, Municipal Court Judge, reported the elimination of positions was presented in response to required expenditure/service budget cuts as directed by the City Manager.

Councilmember Campos II questioned why this option was presented if there is potential liability for the City.

Jim Colson stated the option was evaluated and the City Attorney determined there are always potential risks with these types of cuts; however, the idea was that over time, only three positions would be needed instead of four.

Councilmember Campos II spoke in opposition to the motion and stated he would rather take the risk. He questioned why potential liability has never been discussed until now and why there is not security for all City buildings.

Councilmember Schmidt stated that all City facilities are different and do not require the same type of security. He also stated he believes it is important for the quality of security services to remain the same.

The motion to restore funding to the Municipal Court Department budget in the amount of \$114,412 for the purpose of retaining the protective service officers failed. Councilmembers Hiller, Campos II, Ortiz, Schwartz and Harmon voted “no.” (5-5-0)

Jeff White reported the increase in the mill levy is 2.67 mills with an overall increase of 3.76 mills.

Councilmember De La Isla moved to approve the allocation of Transient Guest Tax (TGT) funds in the amount of \$2.5 million and delay allocations until November 1, 2013. The motion was seconded by Councilmember Schmidt.

Councilmember Harmon spoke in support of the motion and stated he plans to amend or repeal the resolution allocating \$106,000 to the Riverfront Park that is now owned by Shawnee County.

Councilmember Hiller clarified that her proviso is part of the package that has not yet been approved. She asked if the motion could include the proviso without it being approved by the TGT Committee. She requested a friendly amendment to the language of the motion to include her proviso.

Councilmember De La Isla accepted the friendly amendment to include Councilmember Hiller's proviso. The second concurred.

The motion to approve the allocation of Transient Guest Tax funds in the amount of \$2.5 million, delay allocations until November 1, 2013, and include Councilmember Hiller's proviso carried. Councilmember Manspeaker voted "no." (9-1-0)

Councilmember Campos II moved to eliminate pay increases in the amount of \$300,000 to be allocated from the General Fund for nonunion (management) employees. The motion was seconded by Councilmember Ortiz.

Councilmember Hiller spoke in opposition to the motion. She stated she believes it is important to support all employees and provide incentives to nonunion employees for their job performance.

Councilmember Manspeaker and Councilmember Schmidt spoke in opposition of the motion and noted the lack of wage increases only contributes to the already serious salary compression issue the City is currently facing.

The motion to eliminate pay increases in the amount of \$300,000 to be allocated from the General Fund for nonunion (management) employees failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (3-7-0)

Councilmember Manspeaker moved to restore City Manager Directed Reductions in the amount of \$500,000. The motion was seconded by Councilmember De La Isla.

Councilmember Campos II made a substitute motion to increase the amount of City Manager Directed Reductions to \$750,000. The motion was seconded by Councilmember Schwartz.

Councilmember Hiller stated she would support \$600,000 in City Manager Directed Reductions.

Jim Colson reported that because \$176,000 in budget cuts has already been made he would not be comfortable in making an additional \$750,000 in reductions. He stated he believes \$500,000 in additional cuts is achievable; however, the Council needs to allow the City to grow as an organization.

Councilmember Manspeaker stated he would prefer that the reductions are specified by the Council to avoid any negative impacts that may result from not providing direction to the City Manager.

Councilmember De La Isla stated she understands why Councilmember Manspeaker is cautious due to past experiences; however, she has confidence in the City Manager to make the cuts necessary to balance the budget.

The substitute motion to increase the amount of City Manager Directed Reductions to \$750,000 failed. Councilmembers Hiller, Ortiz, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (2-8-0)

The motion to restore City Manager Directed Reductions in the amount of \$500,000 failed. Councilmembers Hiller, Campos II, Ortiz, Schwartz, Schmidt, Harmon and Mayor Wolgast voted “no.” (3-7-0)

Councilmember Hiller moved to direct the City Manager to advise the Council of the City Manager Directed Reductions in the amount of \$500,000 by December 31, 2013. The motion died due to the lack of a second.

Councilmember Campos II moved to reduce the Financial Services Department Budget in the amount of \$91,000 by eliminating the budget manager position. The motion was seconded by Councilmember Ortiz.

Councilmember Campos II asked how elimination of the position would affect the functionality of the department.

Jeff White, Interim Financial Services Department Director, stated he understands the vacant position offers the opportunity to reduce the budget; however, a community the size of Topeka needs an individual to work on the budget on a day-to-day basis. He reported the budget process is challenging and the majority of larger cities have full-time budget managers, as well as, budget analysts so they can provide quality budget information to citizens and governing body members.

Councilmember Ortiz asked if the Lawson software system has budget programs that could absorb some of the duties of the budget manager position.

Jeff White reported software systems such as Lawson do not have the capability to understand the relationship between departmental funds or understand when the process is breaking down. He stated the budget process has already consumed over half of the year and there are still many other financial duties that need to take place to maintain normal operations and prepare for the upcoming year.

Councilmember Everhart spoke in opposition to the motion and stated she believes the budget manager position is very critical and valuable to City operations. She questioned how the City could make responsible financial decisions without accurate fiscal numbers.

Jim Colson stated a budget manager would continue to work with departments throughout the year to make sure they are staying within their budget, provide monthly and quarterly reports, help clarify what is happening in the budget, and set accountability standards for departments.

Councilmember De La Isla stated it is crucial to have a person reviewing budget numbers that is not involved in the day-to-day operations of the City.

Councilmember Campos II asked how long the position has been vacant and if Pam Simecka, City Controller, supports the position.

Pam Simecka stated the position has been vacant since the beginning of 2013 and she supports filling the position.

The motion to reduce the Financial Services Department Budget in the amount of \$91,000 by eliminating the budget manager position failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (3-7-0)

Councilmember Campos II moved to reduce the Public Works Department budget in the amount of \$69,394 by eliminating one plan reviewer position. The motion was seconded by Councilmember Ortiz.

Councilmember De La Isla and Councilmember Schmidt questioned what effect the reduction in force would have on the Public Works Department.

Councilmember Campos II asked if cross-training other employees would help fill the void and absorb the job duties.

Councilmember Everhart asked if the reduction would have a negative effect on the construction industry.

Miriam Burke, Development Services Division Director, stated the plan reviewer position is an electrical inspector. She reported the Division could function with two electrical inspectors instead of three; however, the reduction would have an effect on the construction industry and may cause delays in service. She stated cross-training may be an option if it is allowed within the applicable union agreements.

The motion to reduce the Public Works Department budget in the amount of \$69,394 by eliminating one plan reviewer position failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker, Schmidt and Mayor Wolgast voted “no.” (4-6-0)

Councilmember Manspeaker moved to adopt the City of Topeka 2014 Operating Budget as amended. The motion seconded by Councilmember Harmon failed. Councilmembers Campos II, Ortiz, Everhart, Manspeaker, Schwartz and Harmon voted “no.” (4-6-0).

Councilmember Harmon moved to reconsider the motion to restore funding to the Municipal Court Department budget in the amount of \$114,412 for the purpose of retaining the

protective service officers. The motion seconded by Councilmember Ortiz carried unanimously.
(10-0-0)

Councilmember Harmon moved to restore funding to the Municipal Court Department budget in the amount of \$114,412 for the purpose of retaining the protective service officers. The motion seconded by Councilmember De La Isla carried. Mayor Wolgast voted “yes.” Councilmembers Hiller, Campos II, Ortiz and Schwartz voted “no.” (6-4-0)

Jeff White reported the mill levy increase is 3.87 mills.

Councilmember De La Isla moved to adopt the City of Topeka 2014 Operating Budget as amended. The motion seconded by Councilmember Harmon failed. Councilmembers Campos II, Ortiz, Manspeaker, Schwartz and Harmon voted “no.” (5-5-0)

Councilmember Harmon moved to reconsider the motion to restore City Manager Directed Reductions in the amount of \$500,000. The motion seconded by Councilmember Ortiz carried. Councilmembers Hiller, Campos II and Schwartz voted “no.” (7-3-0)

Councilmember Harmon moved to restore City Manager Directed Reductions in the amount of \$500,000. The motion seconded by Councilmember Ortiz failed. Councilmembers Hiller, Campos II, Ortiz, Schwartz and Mayor Wolgast voted “no.” (5-5-0)

Councilmember Campos II moved to adopt the City of Topeka 2014 Operating Budget as amended. The motion seconded by Councilmember Harmon failed. Councilmembers Campos II, Ortiz, Manspeaker, Schwartz and Harmon voted “no.” (5-5-0)

Jim Colson reported the Council has approved \$265,000 of potential cuts thus far, and they could achieve an additional \$265,000 in cuts by including the reduction of one plan reviewer position, along with the other proposed departmental position cuts, excluding the budget manager position.

Councilmember Hiller stated she would not be comfortable eliminating individual positions; however, she would support increasing City Manager Directed Reductions from \$500,000 to \$600,000.

Councilmember Hiller moved to increase City Manager Directed Reductions from \$500,000 to \$600,000. The motion seconded by Councilmember Campos II failed.

Councilmembers Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (4-6-0)

Councilmember De La Isla moved to reduce City Manager Directed Reductions from \$500,000 to \$265,000 (the amount outlined by the City Manager for proposed departmental position cuts). The motion was seconded by Councilmember Harmon.

Councilmember Ortiz raised a point of order and stated action has already been taken on some of the position cuts referenced in the motion.

The Chair ruled the motion out of order.

Councilmember De La Isla moved to reconsider the motion to reduce the Public Works Department budget in the amount of \$69,394 by eliminating one plan reviewer position. The motion seconded by Councilmember Harmon carried. Councilmembers De La Isla and Manspeaker voted “no.” (8-2-0)

Councilmember De La Isla moved to reduce the Public Works Department budget in the amount of \$69,394 by eliminating one plan reviewer position. The motion seconded by Councilmember Harmon carried. Councilmembers De La Isla, Manspeaker, Schmidt and Harmon voted “no.” (6-4-0)

Councilmember De La Isla moved to reduce City Manager Directed Reductions from \$500,000 to \$196,000 (the total for eliminating one plan reviewer position – electrical inspector

in the amount of 69,394; one engineering tech 1 position – construction inspector in the amount of \$47,000; one engineering tech 1 - surveyor position in the amount of \$45,000; one full time employee (FTE) in purchasing or payroll in the amount of \$40,000; and one human resources specialist III position in the amount of \$63,960) in addition to the \$265,000 in cuts that have already been made, totaling \$461,000 in City Manager Directed Reductions. The motion was seconded by Councilmember Schmidt.

Councilmember Everhart spoke in opposition to the elimination of the engineer tech I position - construction inspector. She stated many improvement projects in Council District No. 4 have been delayed because an inspector was not available to inspect the project; therefore, she believes the position is vital to the City operations.

Councilmember Ortiz made a friendly amendment to consider each position separately.

Chad Sublet, City Attorney, suggested the Council make a motion to divide the question and consider each position separately.

The Chair concurred with the City Attorney and ruled the friendly amendment out of order.

Councilmember Ortiz challenged the ruling of the chair.

The question of “Shall the decision of the chair be sustained” carried. Councilmembers Campos II, Ortiz, Schwartz and Harmon voted “no.” (5-4-0)

The motion to reduce City Manager Directed Reductions from \$500,000 to \$196,000 (the total for eliminating one plan reviewer - electrical inspector position in the amount of 69,394; one engineering tech 1 - construction inspector position in the amount of \$47,000; one engineering tech 1 - surveyor position in the amount of \$45,000; one full time employee (FTE) in purchasing or payroll in the amount of \$40,000; and one human resources specialist III

position in the amount of \$63,960) in addition to the \$265,000 in cuts that have already been made, totaling \$461,000 in City Manager Directed Reductions failed. Councilmembers Hiller, Campos II, Ortiz, Everhart, Manspeaker, Schwartz, Schmidt, Harmon and Mayor Wolgast voted “no.” (1-9-0)

Councilmember Ortiz moved to reduce the Public Works Department Budget in the amount of \$47,000 by eliminating one engineering tech I - construction inspector position. The motion seconded by Councilmember Campos II carried. Councilmembers Campos II, Ortiz, Schwartz and Mayor Wolgast voted “no.” (6-4-0)

Councilmember Ortiz moved to reduce the Public Works Department Budget in the amount of \$45,000 by eliminating one engineering tech I - surveyor position. The motion seconded by Councilmember Campos II carried. Councilmember Manspeaker voted “no.” (9-1-0)

Councilmember Ortiz moved to reduce the Financial Services Department Budget in the amount of \$40,000 by eliminating one full-time employee (FTE) position in purchasing or payroll. The motion seconded by Councilmember Campos II carried. Councilmembers Everhart, De La Isla, Manspeaker and Mayor Wolgast voted “no.” (6-4-0)

Councilmember Ortiz moved to reduce the Human Resources Department Budget in the amount of \$63,960 by eliminating one human resources specialist III position. The motion seconded by Councilmember Campos II failed. Councilmembers Hiller, Everhart, De La Isla, Manspeaker and Schmidt voted “no.” Mayor Wolgast voted “yes.” (5-5-0)

Jeff White reported the mill levy increase is 3.72 mills.

Councilmember De la Isla asked what the mill levy would be if City Manager Directed Reductions in the amount of \$500,000 was restored to the General Fund.

Jeff White reported the mill levy increase would be 4.22 mills.

Councilmember Hiller moved to adopt the City of Topeka 2014 Operating Budget as amended. The motion seconded by Councilmember Ortiz failed. Councilmembers Campos II, Ortiz, Everhart, Manspeaker, Schwartz, Schmidt and Harmon voted “no.” (3-7-0)

Councilmember Manspeaker moved to increase all building permit fees by 15%. The motion was seconded by Councilmember Campos II.

Miriam Berke, Development Services Division Director, reported the City may receive some resistance; however, the fees have not been increased for quite some time.

Councilmember Hiller stated she believes an increase is a good idea to generate additional revenue; however, because it has not been discussed it could have a negative impact on the City’s relationship with community developers.

Councilmember Everhart asked how much of an increase staff would propose or if staff is researching how to generate additional revenue.

Jim Colson reported assessment of fees is a valid concern and should be considered as a way to increase revenue for the City; however, fee increases should be benchmarked against other communities as part of a professional management process.

The motion to increase all building permit fees by 15% failed. Councilmembers Hiller, Ortiz, Schwartz, Schmidt and Mayor Wolgast voted “no.” (5-5-0)

Councilmember Ortiz moved to extend the Council meeting until the Council agenda is complete. The motion seconded by Councilmember Campos II carried unanimously. (9-0-0)

Councilmember De La Isla moved to eliminate City Manager Directed Reductions in the amount of \$500,000. The motion seconded by Councilmember Manspeaker failed.

Councilmembers Hiller, Campos II, Ortiz, Everhart and Schwartz voted “no.” (5-5-0)

Councilmember Schmidt moved to restore Youth & Social Services funding in the amount of \$30,664. The motion seconded by Councilmember Everhart carried.

Councilmembers Hiller, Ortiz, Schwartz and Harmon voted “no.” (6-4-0)

Councilmember Schmidt moved to adopt the City of Topeka 2014 Operating Budget as amended. The motion seconded by Councilmember Harmon failed. Councilmembers Campos II, Ortiz, Manspeaker, Schwartz and Harmon voted “no.” (5-5-0)

Councilmember Campos II moved to reconsider the vote to increase all building fees by 15%. The motion died due to the lack of a second.

Jeff White reported the total amount of work force reductions is \$154,000.

Councilmember Campos II moved to reduce the Information Technology (IT) Department Budget line item for education and travel expenses in the amount of \$20,134. The motion was seconded by Councilmember Ortiz.

Councilmember Schmidt spoke in opposition to the motion and stated training is essential for Information Technology staff members to implement new technology that will generate organizational efficiencies.

The motion to reduce the Information Technology (IT) Department Budget line item for education and travel expenses in the amount of \$20,134 failed. Councilmembers Hiller, Ortiz, Everhart, Da La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast voted “no.” (2-8-0)

Councilmember Harmon moved to decrease City Manager Directed Reductions from \$500,000 to \$346,000 (the amount needed to reach \$500,000 in cuts along with the \$154,000 in workforce reductions already approved). The motion seconded by Councilmember De La Isla carried. Councilmembers Campos II, Ortiz, and Schwartz voted “no.” (7-3-0)

Councilmember De La Isla moved to adopt the City of Topeka 2014 Operating Budget as amended. The motion seconded by Councilmember Schmidt failed. Councilmembers Campos II, Ortiz, Manspeaker, Schwartz and Harmon voted “no.” (5-5-0)

Councilmember Harmon moved to reconsider the motion to approve the City of Topeka 2014 Operating Budget as amended. The motion seconded by Councilmember Ortiz carried. Councilmember Schwartz voted “no.” (9-1-0)

The motion to adopt the City of Topeka 2014 Operating Budget as amended carried. Councilmembers Campos II, Ortiz, Manspeaker and Schwartz voted “no.” (6-4-0)

The ordinance was adopted on roll call vote as follows: Hiller, Everhart, De La Isla, Schmidt, Harmon and Mayor Wolgast -6. Noes: Campos II, Ortiz, Manspeaker and Schwartz -4.

ORDINANCE NO.19841 introduced by City Manager Jim Colson, authorizing and providing for the public sale and issuance of Taxable General Obligation Bonds of the City of Topeka, Kansas, to fund certain employee separation benefit costs of the City for eligible employees of the City and pay the costs of issuing such bonds and funding capitalized interest on the bonds; setting forth the details of said sale; and providing for the giving of notice thereof placed on first reading August 13, 2013, was again presented.

Jeff White, Interim Financial Services Department Director, reported the City’s retirement reserve fund ended FY 2012 with a negative fund balance due to a large number of retirements in December 2012. He stated the retirement reserve fund is financed through departmental contributions across the organization, charged as a fixed percentage through payroll, and in order to cover the anticipated increased retirements in FY 2014, the City doubled the contribution rate which negatively impacted the projected General Fund budgetary balance;

however, despite the increase, the City faces potential retirement related costs multiple times the amount budgeted.

Councilmember Hiller expressed concern with the amount requested and stated she believes \$7.5 million is too high and believes \$5 million would be sufficient because the City only needs a certain amount to protect the City's bond rating.

Jeff White stated \$7.5 million would provide a financial safety net for a catastrophic event, as well as, a procedural step in the future if the extra funds are needed.

Councilmember Campos II stated he concurs with Councilmember Hiller and expressed concern with the City's debt service amount and believes the City should pay with cash when possible.

Councilmember Ortiz moved to adopt the ordinance. The motion seconded by Councilmember Everhart carried. Mayor Wolgast voted "yes." Councilmembers Hiller, Campos II and Schwartz voted "no." (7-3-0)

The ordinance was adopted on roll call vote as follows: Ortiz, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast -7. Noes: Hiller, Campos II and Schwartz -3.

ORDINANCE NO. 19842 introduced by City Manager Jim Colson, attesting to budgeting property tax revenues for budget year 2014 placed on first reading August 13, 2013, was again presented.

Jeff White, Interim Financial Services Department Director, reported the ordinance is required by State law when it is necessary to budget property tax revenue in an amount that exceeds the revenues budgeted for 2013 in order to maintain the public services which are essential for the residents.

Councilmember Ortiz moved to adopt the ordinance and set the City of Topeka mill levy at 39.738 mills. The motion seconded by Councilmember Schmidt carried. Mayor Wolgast voted “yes.” Councilmembers Campos II and Schwartz voted “no.” (8-2-0)

The ordinance was adopted on roll call vote as follows: Hiller, Ortiz, Everhart, De La Isla, Manspeaker, Schmidt, Harmon and Mayor Wolgast -8. Noes: Campos II and Schwartz -2.

NO Retail Cereal Malt Beverage License applications were presented.

AN ORDINANCE introduced by City Manager Jim Colson, amending City of Topeka Code Sections 18.30.010, 18.35.010, 18.35.040 and 18.35.220 and specifically repealing said original sections, all concerning the administrative minor plat approval process was presented for first reading. (*ASR13/1*)

PRESENTATIONS BY THE CITY MANAGER, MAYOR AND MEMBERS OF THE COUNCIL;

Jim Colson, City Manager, commended the Governing Body for working as a team during a very challenging budget process and displaying a tremendous amount of professionalism. He stated he looks forward to moving the City in a positive direction in the upcoming year.

Mayor Wolgast commended the Council for their hard work during budget deliberations and encouraged them to engage in discussions on how the budget process could be improved or prepared differently for 2015.

Councilmember Schwartz commended the Governing Body for their professionalism during the budget process. She suggested they increase citizen involvement in the budget process and City operations over the next year through increased social interactions and citizen sponsored agenda items.

Councilmember Harmon reported the City has had an assessed growth evaluation of -4.5% since FY2007; an increase of \$16 million in total general fund spending from FY2011 through FY2014; and an increase of 20% in the mill levy since FY2012. He also reported \$0.73 of every dollar spent by property taxpayers is spent on the Police and Fire Departments. He stated citizens can no longer afford a budget that is primarily driven by increases to public safety funding and requested that the City Manager, City staff and City Council support the time and effort to fully research and discuss the following matters:

- (1) Expand the number of property tax units to broaden the tax paying base.
- (2) Restructure and reorganize the public safety departments to bring the costs of those departments back in line so property taxpayers can reasonably be expected to support it.
- (3) Evaluate whether to create a combined or consolidated law enforcement organization county-wide.
- (4) Evaluate whether the Topeka Fire Department's practice of responding to medical calls is an appropriate utilization of limited resources.
- (5) Evaluate whether the Topeka Fire Department could provide ambulance services county-wide.

Councilmember Hiller thanked all those involved in the budget process. She stated she concurs with Councilmember Harmon and would also like to research and discuss compression issues; planning issues; restructuring and organizational issues within the Topeka Police and Fire Departments. She suggested more work sessions be scheduled to discuss a number of issues that need resolution between now and February 2014.

Councilmember Campos II stated the Governing Body should look more closely on how money is spent and ask for citizen input. He thanked the Governing Body for their knowledge and hard work and stated it is an honor to work with them.

Councilmember Ortiz thanked the City Manager, City staff and the City Council for being respectful and professional during the budget process.

Councilmember De La Isla stated the Governing Body came together and worked professionally and respectfully during the budget process because they are passionate about the betterment of the City overall. She stated she concurs with Councilmember Harmon and looks forward to having discussions regarding those issues which could generate more efficiency in the long term.

Councilmember Manspeaker stated he concurs with Councilmember Harmon and encouraged the Council to get creative in expanding the City's tax base so the mill levy does not have to be increased annually.

NO FURTHER BUSINESS appearing the meeting was adjourned at 10:39 p.m.

Brenda Younger
City Clerk