



City Manager's Report

January 14, 2020

Honorable City Commissioners Gwin, Brecheisen-Huss, and Cole,

I hope you all had a terrific holiday season. As you know, City Hall was closed for a couple of days during this extremely busy time of the year with all of our end-of-year tasks. We thankfully have had a relatively mild winter thus far with just a couple of snows. As we ended this last year and decade, and begin a new one, I believe we are positioned extremely well for community growth. As I think we all agree, we have a gem of a community and one of our biggest challenges is for people to notice us and realize how great our community is. This year we hope to increase marketing efforts to make those around us take notice of the quality of life we have in Garnett. I know I've said this before, but in terms of economic development, our biggest challenge is workforce. In a recent survey of local businesses, labor challenges (as well as room for expansion) was listed as the most significant challenge facing that business. We have seen continuing extremely low unemployment numbers (2.8% in November) and many local businesses have consistently been looking for workers. In addition to this, we continue to have a significant shortage of senior housing. As you know, we've had a significant waiting list for our Park Plaza North (market rate) senior housing apartments for over a year now. Now, not all of those on the waiting list are move in ready today, but I spoke with multiple individuals who desire senior housing and have been looking elsewhere because they are unable to find it locally. I know I've mentioned this before as well, but in my opinion, we need to look at encouraging, or incentivizing, housing development. This can be done in a myriad of ways, but until we as the Government step in to change the current dynamic, this is not likely to change. I do not wish to grow government operations or expand programs but the fact is that private sector does not always step up even when there is a profitable opportunity – whether that be burdensome

regulations or restrictions (recent example with tax sale and Denise's Café), taxes and fees, or just not a high enough risk vs. reward ratio. My suggestion is to take a serious look, even if through a feasibility study, at ways that the government can play a role in making residential development in Garnett more attractive. I do believe we will still see residential growth even without such intervention (we have seen a couple houses built this past year – and a couple more are under construction), but I believe the need for more than this marginal growth is here now. With more people in our community, the vacant positions our local businesses need to fill in order to grow can be addressed, and we become a much more attractive locale for prospective future businesses.

I would also like to briefly touch on some recent strategic planning that we have been doing. Our Economic Development Advisory Board (ACDA) recently completed their second annual strategic planning process and our Tourism Advisory Board just this week conducted the first of their strategic planning sessions for the next few years. I applaud our Directors, Julie Turnipseed and Susan Wettstein, and the respective Boards for their efforts in long-range planning for the improvement of these areas and our community as a whole. I attended the Tourism session this week and was extremely pleased with the discussion and ideas that board members brought forth. For just a brief recap of what some of those were, board members' goals for the community in relation to tourism was to be more memorable due to something notable; improved connectivity amongst our businesses, activities, events, and populace; have information on activities and events easier to find and access, have more entertainment amenities and destination businesses or "hot spots"; and a cleaner, tidier, appearance of our community making it more appealing. The Board articulated that Tourism's role in accomplishing these goals, and many others, will likely be to increase marketing efforts on what we have and what we want – drawing people and businesses to our community. I grateful for the efforts that these volunteers put into making our community a better place and encourage their, and all of our board volunteers, to continue in these much-appreciated efforts. I would also like to commend our steering committee board members for our community-wide strategic planning effort as I believe this process will pick up steam through 2020 with multiple community outreach efforts and conclude with a well-articulated, comprehensive, strategic vision and plan for the

long-term future of Garnett. I am excited about being able to incorporate the strategic planning efforts of our various boards into this broad community-wide plan.

The first item few items on this agenda are the customary resolutions designating an official city newspaper and waiving our GAAP (Generally Accepted Accounting Principles) requirements – as you may recall, this GAAP waiver is done as we follow the Kansas Cash Basis and Budget Laws rather than GAAP. The next two resolutions are designating the official depositories for City and Municipal Court business. These are only updated when we need to make changes to the signature cards on file at the banks.

The next four items are the annual event agreements for the Enduro Club, Lake Garnett Grand Prix Revival, Anderson County Corn Festival, and Southland Cruisers. Next, we have a Transient Guest Tax Funding Application from the Chamber Players Community Theatre in the amount of \$3,656.96. This application was reviewed by and recommended for your approval by the Tourism Advisory Board, minutes attached. Item J is the Special Use Permit for David Henderson. Mr. Henderson is wanting to build a fence on his property. Due to the special circumstances, a special permit is required and has been recommended for your approval by the Zoning and Planning Commission, documentation attached. Items K-M are all pertaining to appointments and re-appointments of several positions on various advisory boards. Tarry Miller and Charles Allen have expressed interest in being re-appointed to the Airport Advisory Board for another term. We have a statement of interest from Krystal Baugher for the vacant position on the Tourism Advisory Board. John Wilson has asked not to be re-appointed to the ACDA Board, but does express his gratitude toward the Committee for allowing him to serve. We would like to thank John for his many years of dedication to this committee. Cody Gettler has provided a letter of interest in John's open position on the ACDA Advisory Board. I would also like to mention that Attorney Solander is currently working on a Resolution for the changing of term dates for all of our Advisory Boards. Finally, is the consideration of the bills and payroll in the amount of \$253,249.97. Finally, you will see the December and End of Year Financial Reports, the Departmental Reports, and my City Manager's Report. I would also like to make you aware that I will be attending the League's and Kansas Association of Counties' Local Government Day,

KMU's Day at the Capital, and the Annual Chamber Banquet – I would encourage your attendance at all of these as well if possible.

I would like to make note that for the second year in a row, we were able to end the year financially with over a million dollars more than we started it. If you recall 2018 saw an increase in the City's cash reserves of just over \$1.1 million while 2019 is going to see a positive cash flow of approximately \$1.6 million. This is in large part due to the tireless efforts of City staff to find ways to cut expenses while still providing quality services. I sincerely appreciate the efforts of all of our department heads to keep our costs under control as we did not have a single department go over budget and for the second year in a row have avoided the need for a budget amendment. While we were able to keep overall expenses down and came in with a significant margin, we still managed to complete some significant and expensive projects – including the upgrade of our electrical SCADA system and the replacement of our power plant cooling tower (both for the electrical department), multiple sewer line repairs (ongoing), multiple street projects (including the north lake bridge, intersection improvements, and a couple of blocks milled and overlaid), facility repairs at the police department and City Hall, and continued engineering work for the new water treatment plant and the airport master plan to name a few. Overall, spending came in seventeen percent (17%) under budget while still being able to increase reserve balances for future needed capital, equipment, and repayment (tax appeal) needs. The largest sources of the cash reserve increase are in the funds for the water utility (\$315,000), electric utility (\$280,000), gas utility (\$195,000), tax appeal reserve (\$190,000), Capital Improvement (\$170,000), Housing Authority (\$145,000), Equipment Reserve (\$130,000), wastewater utility (\$70,000), special highway (\$50,000). While this year we were obviously able to again manage things well financially, as you know, for 2020 we are budgeted to lose just as much through our main operating funds as we gained this year.

This month's employee of the month is Shane Henkle. Shane has served as our one and only meter reader since December of 2016. Since that time, Shane has expanded his knowledge and overall grasp of the public works systems. Shane never complains and is always willing to help out where he can. As you know, all of our 4,932 electric, water, and gas meters are manually read each month. Shane goes out in rain, snow, or shine to make sure we get accurate readings

for our utility billing departments. He also handles this thankless job on shut-off day. We are lucky to have Shane as our dedicated meter reader.

As always, please let me know if you have any questions and I appreciate the opportunity to serve you and this wonderful Garnett community as City Manager.

Sincerely,

Christopher T. Weiner, City Manager