



CITY OF GRAIN VALLEY
BOARD OF ALDERMEN MEETING MINUTES
 Workshop

08/13/2018
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ITEM I: CALL TO ORDER

- The Board of Aldermen of the City of Grain Valley, Missouri, met in a Workshop on August 13, 2018 at 9:20 p.m. in the Council Chambers located at Grain Valley City Hall
- The meeting was called to order by Mayor Mike Todd

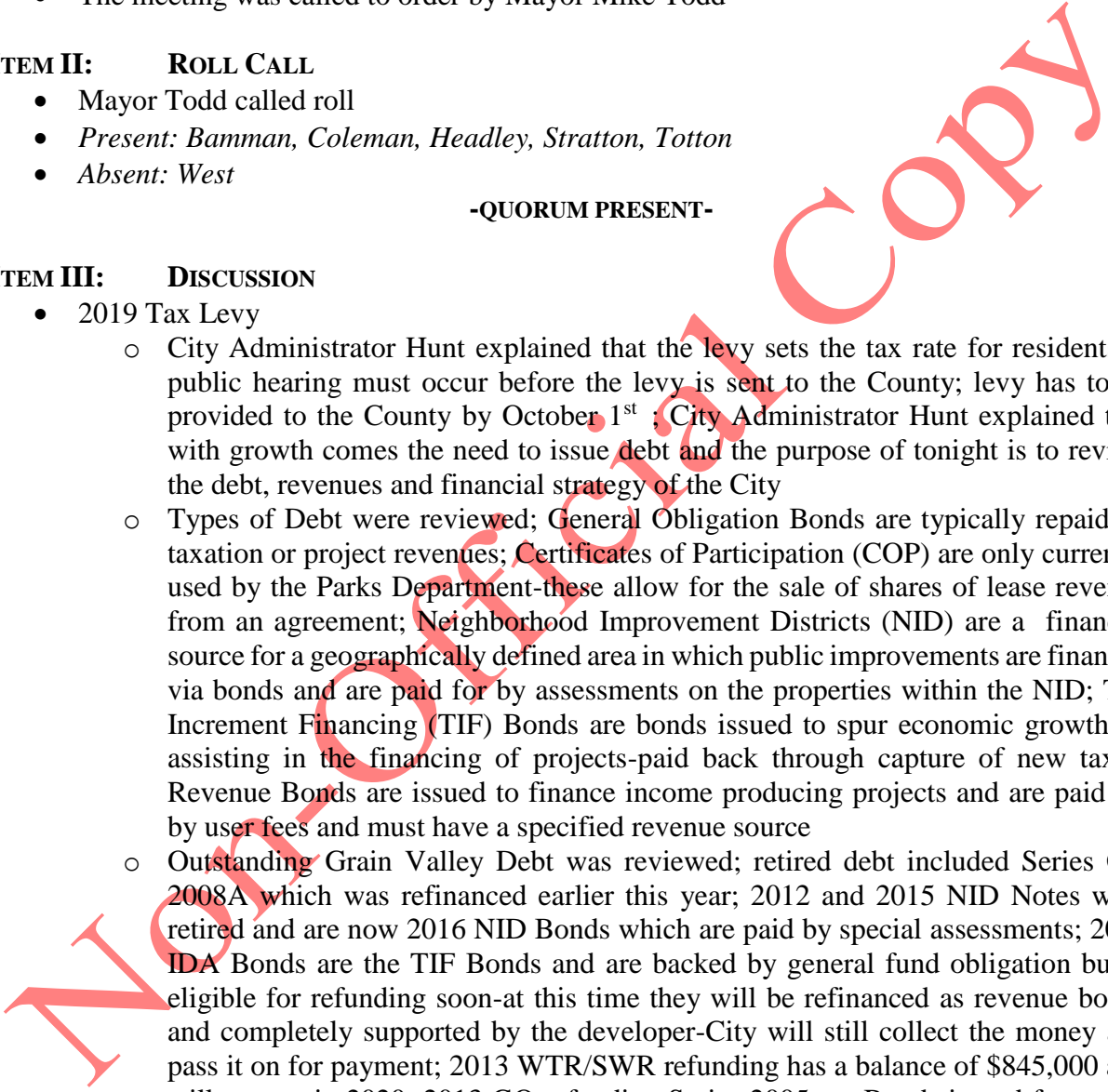
ITEM II: ROLL CALL

- Mayor Todd called roll
- *Present: Bamman, Coleman, Headley, Stratton, Totton*
- *Absent: West*

-QUORUM PRESENT-

ITEM III: DISCUSSION

- 2019 Tax Levy
 - City Administrator Hunt explained that the levy sets the tax rate for residents; a public hearing must occur before the levy is sent to the County; levy has to be provided to the County by October 1st ; City Administrator Hunt explained that with growth comes the need to issue debt and the purpose of tonight is to review the debt, revenues and financial strategy of the City
 - Types of Debt were reviewed; General Obligation Bonds are typically repaid by taxation or project revenues; Certificates of Participation (COP) are only currently used by the Parks Department-these allow for the sale of shares of lease revenue from an agreement; Neighborhood Improvement Districts (NID) are a financial source for a geographically defined area in which public improvements are financed via bonds and are paid for by assessments on the properties within the NID; Tax Increment Financing (TIF) Bonds are bonds issued to spur economic growth by assisting in the financing of projects-paid back through capture of new taxes; Revenue Bonds are issued to finance income producing projects and are paid for by user fees and must have a specified revenue source
 - Outstanding Grain Valley Debt was reviewed; retired debt included Series GO 2008A which was refinanced earlier this year; 2012 and 2015 NID Notes were retired and are now 2016 NID Bonds which are paid by special assessments; 2012 IDA Bonds are the TIF Bonds and are backed by general fund obligation but is eligible for refunding soon-at this time they will be refinanced as revenue bonds and completely supported by the developer-City will still collect the money and pass it on for payment; 2013 WTR/SWR refunding has a balance of \$845,000 and will mature in 2020; 2013 GO refunding Series 2005 are Bonds issued for water, transportation and storm water improvements and this will be paid off next year; Refunding 2008A-Series 2018 is the refinancing of the bonds and will be paid off



ELECTED OFFICIALS PRESENT

Mayor Mike Todd
 Alderman Dale Arnold
 Alderman Chris Bamman
 Alderman Jeff Coleman
 Alderman Bob Headley
 Alderman Nancy Totton

ELECTED OFFICIALS ABSENT

Alderman Yolanda West

STAFF OFFICIALS PRESENT

City Administrator Ryan Hunt
 Finance Director Cathy Bowden



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in 2028; 2011 GO Capital Appreciation Bond has been in deferment-bonds were issued to do the I70 Interchange project and City has been making interest only payments until 2020 when the full payments kicks in; total debt is \$16,624,676 and General Obligation Debit is \$12,739,676 which does not include IDA and NID Bonds

- Revenue Streams servicing debt were reviewed; Sales Tax, Property Tax, Special Assessments and User Fees are revenue streams
- Grain Valley Sales Tax breakdown: 1% General Fund, ½% Parks, ½% Transportation, ½% Capital Improvement; Alderman Bamman asked about Public Safety Sales Tax-this would be ¼% or ½% depending on revenue generation compared to the need; Alderman Coleman asked for information on Transportation percentage-streets, curbs and portion of sidewalks come from this revenue; Alderman Coleman asked if the increase in the state gasoline tax passes would Grain Valley receive some of the funds; Mayor Todd noted that the City is estimated to get \$200,000
- City Administrator Hunt reviewed the Current Grain Valley Levy; General is \$0.5554, Park is \$0.1226, Public Health is \$0.0489, Debt Service is \$1.0025 bringing the total levy to \$1.7294; vast majority goes towards Debt Service; each penny in the levy represents \$20,440
- Assessed valuation has increased by 5.4%; 2017 Assessed Valuation was \$193,930,570 and in 2018 it is \$204,403,777; some areas can be increased but debt service has to be dropped based on state maximums allowed; this means the levy can be rolled back this year; staff presented three options to drop the debt levy; City is in a good position to issue a no-tax due bond in the future for a municipal complex; Alderman Headley asked if the presentation assumed that the current complex be sold-City Administrator Hunt noted he is being conservative and is not counting any sale of the facility towards the financial ability to manage a new complex
- Alderman Bamman asked which calculation was closest to staying revenue neutral; top option is closest but still offers a savings; if levy is dropped to 1.6344 that is a net savings of 5.5%
- Alderman Headley if new homes were considered for assessed valuation; commercial and residential have been forecasted to estimate assessed valuation; over 100 single family dwellings are being constructed this year which will increase valuation
- Alderman Bamman asked if revenue neutral was the path; City Administrator Hunt recommended making a true .10 cent decrease which will put the City at 5.4% net decrease of level which matches increase of assessed valuation; would be near the presented numbers for 1.6344 levy

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- City Administrator Hunt presented future projects the City may consider including the Municipal Complex, Transportation System Improvements; Park and/or Trail Improvements, Water Storage and Transmission Infrastructure and Sewer Transmission Systems and discussion around these projects, Metropolitan Community College and the United States Post Office occurred

ITEM IX: ADJOURNMENT

- The meeting adjourned at 10:30 p.m.

Minutes submitted by:

 Theresa Osenbaugh
City Clerk

 Date

Minutes approved by:

 Mike Todd
Mayor

 Date

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