

# Sedgwick County

525 North Main Street 3rd Floor  
Wichita, KS 67203



*Sedgwick County...  
working for you*

## Meeting Minutes

**Wednesday, August 15, 2018**

**9:00 AM**

**BOCC Meeting Room**

### **Governing Body of Fire District 1**

*Pursuant to Resolution #007-2016, adopted by the Board of County Commissioners on January 20, 2016, members of the public are allowed to address the County Commission for a period of time limited to not more than five minutes or such time limits as may become necessary.*

*Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of Sedgwick County, should contact Crissy Magee, Sedgwick County ADA Coordinator, 510 N. Main, Suite 306, Wichita, Kansas 67203. Phone: 316-660-7056, TDD: Kansas Relay at 711 or 800-766-3777*

*Email: [Crissy.Magee@sedgwick.gov](mailto:Crissy.Magee@sedgwick.gov), as soon as possible but no later than 48 hours before the scheduled event. Please include the name, location, date and time of the service or program, contact information and the type of aid, service, or policy modification needed.*

**ORDER OF BUSINESS****CALL MEETING TO ORDER**

*The Regular Meeting of the Board of the County Commissioners of Sedgwick County, Kansas, was called to order at 9:03 a.m. on August 15, 2018 in the County Commission Meeting Room in the Courthouse in Wichita, Kansas, by Chairman David T. Dennis, with the following present: Chair Pro-Tem Commissioner David M. Unruh; Commissioner Michael B. O'Donnell II; Commissioner Richard Ranzau; Commissioner James M. Howell; Mr. Michael Scholes, County Manager; Mr. Thomas Stolz, Deputy County Manager; Mr. Eric Yost, County Counselor; Mr. David Spears, Assistant County Manager of Public Works, Facilities Maintenance, Project Services and County Engineer; Ms. Lindsay Poe-Rousseau, Chief Financial Officer; Ms. Kate Flavin, Public Information Officer; Ms. Heddie Page, Deputy County Clerk.*

**GUESTS**

*No guest recognized.*

*Chairman Dennis said, "Reverend, thank you very much for being here today. We sincerely appreciate it. Next item, please."*

**ROLL CALL**

*The Clerk reported, after calling roll, that all Commissioners were present.*

*Chairman Dennis said, "Next item, please."*

**PUBLIC AGENDA**

*Chairman Dennis said, "I have no one signed up to speak on the Fire [District No. 1] public agenda. We do have one person when we get to Board of County Commissioners. Is anyone here wish to speak on the Fire public agenda, only Fire? Seeing none, Madam Clerk, next item."*

**CONSIDERATION OF MINUTES****A     [18-619](#)****FIRE MEETING MINUTES OF JULY 11, 2018.**

**All Commissioners were Present.**

*Chairman Dennis said, "Commissioners, everyone has had a chance to look at the minutes that, and we've all had a chance to review them for July 11th, 18th, and 25th."*

**MOTION**

*Commissioner Dennis moved to approve the meeting minutes of July, 11, 2018, July 18, 2018 and July 25, 2018.*

*Commissioner Unruh seconded the motion.*

*There was no discussion on the motion, the vote was called.*

## VOTE

Commissioner O'Donnell II	Aye
Commissioner Ranzau	Aye
Commissioner Howell	Aye
Commissioner Unruh	Aye
Chairman Dennis	Aye

Chairman Dennis said, "Next item, please."

**Approved**

- B**     [18-627](#)     FIRE MEETING MINUTES OF JULY 18, 2018.  
All Commissioners were Present.  
*Action for this item was taken with item A.*

- C**     [18-637](#)     FIRE MEETING MINUTES OF JULY 25, 2018.  
All Commissioners were Present.  
*Action for this item was taken with item A.*

**NEW BUSINESS**

- D**     [18-585](#)     ADOPTION OF THE 2019 SEDGWICK COUNTY FIRE DISTRICT 1 BUDGET.  
Presented by: Mike Scholes, County Manager.

RECOMMENDED ACTION: Adopt the Resolution for the 2019 Fire District 1 operating budget.

*Mr. Mike Scholes, County Manager, greeted the Commissioners and said, "The 2019 recommended Fire District [No.] 1 operating budget totals \$20,487,728. It will be supported with a property tax levy \$17,220,037, which will require a mill levy of approximately 18.371 mills based on the estimated assessed valuation and subject to technical adjustments. The public was invited to participate in two public hearings, a social media town hall and comment on the online forum at [www.sedgwickcounty.org](http://www.sedgwickcounty.org). I recommend you adopt the resolution for the 2019 Fire District No. 1 operating budget."*

*Chairman Dennis said, "Thank you. Lindsay, do you have anything for us?"*

*Ms. Lindsay Poe-Rousseau, Chief Financial Officer, greeted the Commissioners and said, "No Commissioners, just prepared to handle any discussion."*

*Chairman Dennis said, "Very good. We've been discussing this for some time. Is there any discussion from the Commissioners before we have a motion? Commissioner Ranzau."*

*Commissioner Ranzau thanked the Chairman and said, "We actually have two options today with respect to the fire budget and the mill levy. We've had some discussion in previous weeks, but citizens need to know with respect to the Fire District, the assessed value has grown about five percent this last year, far outpaced inflation, so we can maintain the current mill levy or under the Truth-in-Taxation [Law], we can lower*

*that mill levy a little bit and that's what I support today. Current budget is based on keeping the mill levy higher than what I think it needs to be, and I can't support that.*

*"We have had in the past some issues with the Fire District budget and we were on a track to become insolvent, but we've made some changes and now the new projections, even with the lower mill levy by 2023 we'd have a balance of \$9.6 million. We'll have that even though we're planning on filling six positions that have been closed for a number of years. We're planning on building a new fire station out at Andale. So we're able to not only build those things and increase staffing, we're able to accumulate a very large ending balance of \$9.6 million even if we do the lower mill levy. So that's what I will be supportive of today, Mr. Chairman."*

*Chairman Dennis said, "Thank you. Any other discussion? Commissioner Unruh."*

*Commissioner Unruh thanked the Chairman and said, "Lindsay, the budget that recommendation that the Manager read has the support and approval of the Finance Department and our management staff?"*

*Ms. Poe-Rousseau said, "Yes, sir."*

*Commissioner Unruh said, "Okay, and that's at not increasing the mill levy at all, just keeping it level at to what it was last year."*

*Ms. Poe-Rousseau said, "Yes, sir. Actually after technical adjustments, it is slightly lower. It is what the Commission intended to adopt last year at 18.371 mills."*

*Commissioner Unruh said, "So in actuality it is just .002 less or something like that."*

*Ms. Poe-Rousseau said, "Approximately."*

*Commissioner Unruh said, "Okay. Well I will be supportive of Finance [Department] and staff recommendation on the Fire District budget."*

*Chairman Dennis said, "Thank you. Any further comments? Lindsay, I've got a couple of questions for you."*

*Ms. Poe-Rousseau said, "Yes, sir."*

*Chairman Dennis said, "First one is, the assumptions that Commissioner Ranzau read are if everything stays the same. If [City of] Wichita decides to annex large portions of property in the next couple of years, which they have the opportunity to do, does that impact those projections that Commissioner Ranzau read?"*

*Ms. Poe-Rousseau said, "Yes, it would."*

*Chairman Dennis said, "Say Spirit [AeroSystems] and Textron [Aviation] were annexed, how much would that impact us?"*

*Ms. Poe-Rousseau said, "What I know are the approximately four industrial corridors that are out there that could be annexed would total about \$2 million in lost operating revenue per year."*

*Chairman Dennis said, "That's per year?"*

*Ms. Poe-Rousseau said, "Yes, sir."*

*Chairman Dennis said, "Okay. Now that would significantly impact our final numbers that were quoted by Commissioner Ranzau."*

*Ms. Poe-Rousseau said, "Yes, sir."*

*Chairman Dennis said, "Also this .24, what I understand is that's like \$4.14 per year on a \$100,000 house."*

*Ms. Poe-Rousseau said, "On a \$150,000 home, it is."*

*Chairman Dennis said, "\$150,000 house."*

*Ms. Poe-Rousseau said, "Yes, sir. That's right."*

*Chairman Dennis said, "Okay. So they may be able to buy a Starbucks coffee with the savings we're giving. I strongly a proponent of providing tax breaks and doing everything we can to all of our citizens."*

*"But I'm also a strong proponent of making sure that we have a safe, secure Fire Department that's able to respond to different contingencies in the county. That's our job as the Board of [County Commissioners sitting as the Governing Body of] Fire District No. 1. It might be good in an election year to say I reduced taxes, and you could actually say that if we voted to reduce it by .24. You can put it on your palm card and say I reduced taxes this year, but the reality is that this reduces taxes of \$4.14 on a \$150,000 home."*

*"The reality is that we don't know what's going to happen in the next couple of years anyway, depending on annexations and other contingencies or if we have, if heaven forbid one of our fire trucks disintegrates somehow, and we have to spend \$500,000 to a million dollars to buy a new fire truck. We have a lot of contingencies, that we need to be prepared for. So I will be supportive of leaving the mill levy the same. Commissioner Howell."*

*Commissioner Howell thanked the Chairman and said, "You know, a few years ago we were looking at, Fire District was basically going to cross into the red pretty, pretty quickly. Had to make some structural changes to how we, how we did this. We did that. It was uncomfortable, but we did make those changes and thankfully the economy has picked up. Things are, projections right now are looking really, really good, I think. We're not in the same position that we were just a couple of years ago."*

*"But whether this is a tax increase or tax decrease, people can look at this a number of different ways. Although we're still, what we're talking about potentially is lowering the mill levy back down to 18.131. That still produces more revenue than last year. Is that correct?"*

*Ms. Poe-Rousseau said, "Yes, sir. It would."*

*Commissioner Howell said, "Could you please tell, do you have about how much money more that would be this year than last year?"*

*Ms. Poe-Rousseau said, "Yes, if you will give me one moment. If maybe there's another question you could ask while I..."*

*Commissioner Howell said, "Okay, so..."*

*Ms. Poe-Rousseau said, "...look up the answer."*

*Commissioner Howell said, "...so again, the mill levy is really just a factor of the formula. It's based on the assessed valuation, which we have little control, but I would also make the argument that the public safety is not under the tax lid. We can change this at any time. We can monitor our performance, and monitor our ending balance, and monitor our projected spending, but right now, the [18.]131 (mill levy) provides enough revenue to run the Fire District including the restoration of six fire fighters and a new fire station and with healthy balances going forward.*

*"So we're not, the additional revenue just simply pads the budget, adds more to the ending balance. It doesn't really provide something we're not going to do anyway. So if we lower the mill levy to .131 that still more revenue than last year. My other concern is this, that the Fire District in my opinion, is paying a lot of tax, 18.131 or 18.371 mills for a single public service.*

*"Unfortunately, and I don't have the numbers in front of me, but very small portion of Sedgwick County citizens are actually inside the Fire District. But yet we still provide services to people who are, benefits people outside the Fire District and it's a bit of, in my opinion, it's very unfair to continue to raise taxes, needlessly raise taxes, excessively raise taxes on that is adding pressure for us to see people want to pull out of the Fire District, which makes it even harder for, to be sustained over time. So okay, it looks like you have your answer to the question."*

*Ms. Poe-Rousseau said, "I do, sir. So we are projecting excuse me, for the current year, that the Fire District will collect about \$16.04 million in revenues from property taxes. If we were to reduce this levy today or if Commissioners were to reduce the levy by \$225,000, we would anticipate bringing in [\$]16,564,000 or a difference of about \$520,000. If we did increase that levy, that would add an additional [\$]225,000 to that \$520,000 figure."*

*Commissioner Howell said, "So we're already adding [\$]520,000 with it being lowered to [.]131 and if we leave it at [.]371 it's another [\$]222 [thousand] on top of that."*

*Ms. Poe-Rousseau said, "Correct."*

*Commissioner Howell said, "Again, so we're going we're going three-fourths the way there by lowering the mill levy and basically the reason this number the .131 came from, trying to keep this in line with I think, CPI (Consumer Price Index). What was the basis for .131?"*

*Ms. Poe-Rousseau said, "The 18.131 mills, is that what you are referring to, sir?"*

*Commissioner Howell said, "Yes."*

*Ms. Poe-Rousseau said, "That would allow us to not have to do a Truth-in-Taxation publication."*

*Commissioner Howell said, "I see. Alright. Truth-in-Taxation just for everyone's knowledge is just says we're increasing taxes. That's what that means, and so if we have reason to increase taxes, then we should do that, but if we don't have reason to*

*increase taxes, then we shouldn't. That's exactly what the Truth-in-Taxation Law is, is for us to notify the public we just raised your taxes and we need to vote and make that clear to the people. So to avoid that and not to do tax increase when we don't really have a need for it, we need to lower the mill levy back down to 18.131. So I would support a motion to lower it down, lower this back down 18.131."*

*Chairman Dennis said, "Thank you. Further comments? Commissioner Unruh."*

*Commissioner Unruh said, "Thank you, Mr. Chairman. Well, I would like to go ahead and keep us moving here."*

#### MOTION

*Commissioner Unruh moved to adopt the resolution for the 2019 Sedgwick County Fire District Number 1 budget that includes an operating budget of \$20,487,728. The total operating budget is partially funded with a property tax levy of \$17,220,037, which is approximately equivalent to 18.371 mills based on the estimated assessment valuation, subject to review and technical adjustments.*

*Commissioner Dennis seconded the motion.*

*Chairman Dennis said, "Discussion? Commissioner Ranzau."*

*Commissioner Ranzau said, "Thank you, Mr. Chairman. I'm going to make a substitute motion. I do support the items that are in the budget, but I don't support taxing the people more than what's necessary. The idea that Spirit may not be in the Fire District in a few years, I think, even though that's technically a possibility, I don't think anybody in here actually believe that's going happen. So and beyond that, if that did happen, then that would be an issue far beyond this mill levy you know, would not be even be a big issue. Okay.*

*"But we have to, we just can't tax the people more than what we need to, with the assessed value on up and the taxpayers need to reap some of that benefit. The improvement in our Fire District budget has been incredible over the last few years. We've gotten where we need to be, I mean, throughout the last several years, I have voted some times for the Fire [District] budget and sometimes against, and I had really pushed hard for us to improve the fiscal position of the Fire budget. We've done that, staff has worked hard, we've made some tough decisions here as a County Commission, and I think it's time to return some of this to the taxpayers.*

*"You know the problem is, just because staff says, recommends that we continue to tax people doesn't mean we have to.*

*"We have to get over this idea that the government, it's okay for them to tax beyond what's really necessary. If every taxing entity that that we are subjected to takes that same attitude, then that's how end up in problems. So I'm very comfortable with the lower mill levy."*

#### SUBSTITUTE MOTION

*Commissioner Ranzau moved to reduce the property tax levy included in the 2019 Sedgwick County Fire District Number 1 from the published amount of \$17,220,073 to \$16,994,713, which is approximately equivalent to 18.131 mills based on the estimated assessed valuation and subject to technical adjustments.*

*Commissioner Howell seconded the motion.*

*Chairman Dennis said, "We have a motion and a second, any further discussion? Commissioner O'Donnell."*

*Commissioner O'Donnell thanked the Chairman and said, "I will be supportive of this substitute motion only based on the fact that I believe that Commissioner Ranzau is right. We don't know what the future holds for the Fire District. I've been a big proponent of the Truth-in-Taxation issues that were in Topeka, [Kansas]. I gave a lot of thought to this, but we're talking about approximately \$225,000. We have plenty of money in the reserves, and as Commissioner Howell said, we can always come back and look at that if something were to happen, like you mentioned needing a new fire truck or some large expense. We can always come back and review this, but that is why I will be supportive of this motion."*

*Chairman Dennis said, "Thank you. Commissioner Unruh."*

*Commissioner Unruh said, "Thank you, Mr. Chairman. I will not be in support of the motion. I think that one of the things that Commissioner O'Donnell said is true. We don't know what the future holds, and in the best judgement of our Finance Division and our management staff this is a reasonable mill levy, which is slightly less than last year and has been alluded to previously the owner of a piece of property that's valued at \$500,000, it amounts to \$13.80 worth of tax for the year."*

*"I think that person would be most agreeable to pay that [\$]13.80, which is same mill levy as he had last year with the full knowledge then that it helps ensure that we will be able to provide fire protection no matter what the contingency might be next year. So I will not be supportive, but I wouldn't want to be on record that I certainly do support the organization and the fireman of our Fire District. That's all I have, Mr. Chair."*

*Chairman Dennis said, "Thank you, Commissioner Unruh. Well, it's obvious that this motion is going to pass. I will be in opposition to it from some of the reasons I've already stated."*

*"We brought this up at my [District Three] Citizens Advisory Board. They believe that it should remain the same, that the amount of savings is not significant. It's going to be significant to people that are campaigning this year because they can truly say, yes we reduced taxes. Did it impact any people, I don't believe that it probably will."*

*"But we will vote today to reduce taxes in Fire District No. 1. Do we know what the future is going to bring, no. If the future bodes poorly, which it very possibly could, I guess in an off-election year, why we can raise taxes again. So that's where we're set right now. So Madam Clerk, we have a motion and a second, call the roll."*

#### **VOTE**

<i>Commissioner O'Donnell II</i>	<i>Aye</i>
<i>Commissioner Ranzau</i>	<i>Aye</i>
<i>Commissioner Howell</i>	<i>Aye</i>
<i>Commissioner Unruh</i>	<i>No</i>
<i>Chairman Dennis</i>	<i>No</i>

*Chairman Dennis said, "Commissioner Ranzau."*

*Commissioner Ranzau said, "I think then as a result of that passing I need to make a*



second...

Chairman Dennis said, "You do need to make a second motion."

Commissioner Ranzau said, "...motion."

#### MOTION

Commissioner Ranzau moved to adopt the resolution for the 2019 Fire District [No.] 1 budget that includes an operating budget of \$20,487,728. The total operating budget is partially funded with a property tax levy of \$16,994,713, which is approximately equivalent to 18.131 mills based on the estimated assessed valuation, subject to review and technical adjustments.

Commissioner Howell seconded the motion.

Chairman Dennis said, "We have a motion and a second. Any discussion on the second motion? Commissioner Ranzau."

Commissioner Ranzau said, "Well, I just want to clarify. I support this today because it's the right thing to do. Any inference that this is a political year decision is outright wrong.

"If I was worried about politics, there's a lot of other votes that I would've voted differently on throughout the year. I can assure you of that.

"But this is the sort of thing, we have, not all the Commissioners that are present today were present during the years when we really struggled with the Fire District budget and we were, we were on a path of insolvency. We have made significant improvements. We're to the point now, I'm very confident that we won't need to raise taxes.

"But if we do have a fire issue, we still have more than adequate funds to cover all that. So this is simply the right thing to do, I believe, in this year's budget and that is why I'm supportive of this."

Chairman Dennis said, "Thank you. Commissioner Howell."

Commissioner Howell said, "Well thank you, Mr. Chairman. Just a, I have one, going back for just a moment. I have a question for Commissioner Unruh on how he calculated \$13.80 more per year. I'm still trying to find out how he calculated that. But nevertheless, you know this is, some people look at the mill levy and they think that's, that is a tax increase or a tax decrease.

"Politicians for years have accepted what they call a level mill levy and say they don't raise taxes. Yet assessed valuations go up and many times for years and for a very long time, assessed valuation goes up much faster than, the economy itself. So as a result, the people are putting a larger share of their money into government coffers. We can talk about the mill levy, but at the end of the day, the dollars is what matters.

"We're getting over a half a million dollars more in this budget, and we're going fund some things we haven't funded for a long time. We have some planned spending, it just shows the dedication to public safety. We love our public safety. They do a great job. We want to fund them. They deserve raises. We want to be fully staffed, and we have to have healthy reserves in case something bad happens. We can do all those things with this, with this level of budget. So we do support public safety, in case there

*is an argument that we don't support them, we do. We love what they do.*

*"We need them to be supported, but this budget does do that. What we don't want to do is increase taxes. If you call 18.371 level taxes, it's not. That's why Truth-in-Taxation Law exists. You have to be clear to the taxpayers that we just raised your taxes. What we're doing today is trying to keep that in check. If we have a need for more money, that's fine we can talk about that. We'll pass a budget that has a tax increase if we need to, but that's not today. We have everything we need in this budget to support public safety and do a good job at that.*

*"So again, if you want to call this a tax decrease, that's fine. But really what this is, is a half a million dollars more than last year. We're just, we're just lowering this just enough to not to have, not to have to call it a tax increase.*

*"So I call this funding that's equivalent with last year and it's basically including more money based on the economy's growth itself. That's not necessarily tax decrease. Depends on how you want to look at it. But I don't want someone to come away and say we don't support public safety because that's just not true. We do. We love them. We appreciate them and we need to support them. We are committed to that, and this budget can make that happen again this year. Thank you, Chairman."*

*Chairman Dennis said, "Thank you. Any further comments? Seeing, we've already voted on this, didn't we?"*

*Ms. Heddie Page, Deputy Clerk, greeted the Commissioners and said, "No we have not, sir."*

*Chairman Dennis said, "Okay. Good. Madam Clerk, call the roll."*

#### VOTE

<i>Commissioner O'Donnell II</i>	<i>Aye</i>
<i>Commissioner Ranzau</i>	<i>Aye</i>
<i>Commissioner Howell</i>	<i>Aye</i>
<i>Commissioner Unruh</i>	<i>Aye</i>
<i>Chairman Dennis</i>	<i>Aye</i>

*Chairman Dennis said, "Next item, please."*

#### **Approved As Amended**

*Chairman Dennis said, "Commissioner Unruh."*

*Commissioner Unruh said, "Thank you, Mr. Chairman. I just wanted to make a comment in relative to some of the controversy that we've had in the Fire District with the recent incident that involved our Mutual Aid and Automatic Aid with the city of Wichita. There's been considerable conversations going on between elected folks and also with our Manager and City Manager, with our Fire Chief and the City Fire Chief.*

*"I would be happy to report that progress is being made I think that they've come to a consensus, although we have not seen documentation, haven't voted on it or anything. But I believe that our Mutual Aid Agreement that's 25 years old is going to be updated to such a degree that we both will be satisfied and willing to be supportive of that and work in good collaboration as we go forward. So there has been some comments*

*made by both sides, I think, relative to this. I just want to say that we're working our way through it, and I believe that we're going to have a good agreement that's very positive for the citizens of Sedgwick County."*

*Chairman Dennis said, "Thank you. Anything else in 'other' on the Fire District?"*

### **ADJOURNMENT**

*There being no other business to come before the Board, the Meeting was adjourned at 9:27 a.m.*