

To: Honorable Mayor and City Council
From: Brian W. Silcott, City Administrator
Cc: Department Directors & Staff
Re: City Administrator Report for the week of October 7th
Date: October 7, 2019

Below is a brief update on City operations, projects, and future agenda items for the City.

North Park: Staff is working with the City Attorney and property surveyor to accurately describe the proposed land purchase. I believe that we are close to an accurate property description and should have the “final” draft to the property owners this week. I hope to have this item on the October 21st City Council meeting.

STAR Bond District Update: The project is progressing; however, rain continues to hamper construction progress. Below is an image of the progress as of Friday. Overcast skies, the white color of the base layer, and standing water make for an image that communicates the weather’s impact on the ballfield construction. For contrast, I have also included an image of the field from the week prior with a sunny sky. Construction of the aquatic center’s foundation footings should begin next week, subject to weather of course.





STAR Bond Refinance: I expect to present a bond sale ordinance for your consideration in November. The district's sales tax analysis should be finalized this week. We are looking to save the City in excess of an estimated \$4,368,534 in potential interest rate & net present value savings. This figure doesn't include an early payoff, for the City to begin collecting the local 1-cent sales tax and 6% transient guest tax collections from within the STAR Bond district.

Playground Expansion: As staff reported at the September 16th meeting, numerous weather delays both in Goddard and at the contractor's job sites around country have lead to a significant delay in the completion of the playground expansion. Public Works Director Brook Brandenburg is pleased to report that work on the material for the surface is on site and the pour in place surface work will begin tomorrow. The playground expansion approved by the Governing Body in May was relocated to accommodate a USD 265 fiber right-of-way line that was donated by the City in 2006. Brook will present a request for additional concrete and shade & park bench purchases as the play area was relocated to accommodate the fiber line running through the center of the park later this year.

183rd Turn Lane & Frontage Road Realignment: Project Design is under review by KDOT. We look forward to proceeding with the bid process 4th Quarter 2019. Once the design is finalized, staff will meet with First National Bank of Hutchinson & Holy Spirit Roman Catholic Church to review the project, its timeline, and how we can best accommodate those directly impacted.

Monument Sign Zoning Text Amendment: The Goddard Planning Commission's public hearing to discuss revocation of the City's requirement for monument signage throughout the business and commercial corridor is being presented on October 14th at 7pm at the regular Planning Commission meeting. The proposed ordinance negates the mandatory provision for monument signage.

Respectfully Submitted,

Brian W. Silcott,
City Administrator



P.O. Box 667 • 118 North Main Street • Goddard, Kansas 67052 • ph 316-794-2441 • fax 316-794-2401

To: Honorable Mayor and City Council
From: Brian W. Silcott, City Administrator
Cc: Department Directors & Staff
Re: City Administrator Report for the week of October 21st
Date: October 21, 2019

Below is a brief update on City operations, projects, and future agenda items for the City.

STAR Bond Refinance: I expect to present a bond sale ordinance for your consideration in November. The district's sales tax analysis has been finalized and the draft Preliminary Official Statement, Tax Distribution Agreement, and Bond Trust Indenture are being circulated. We are looking to save the City in excess of an estimated \$4,368,534 in potential interest rate & net present value savings. An additional quarter point reduction in rates could generate in excess of \$5,000,000 in additional savings. This figure doesn't include nearly \$150-200,000 in savings from issuance cost savings performed by the City Administrator, additional interest savings for an early payoff of the STAR bonds, or for the City's early collection of the local 1-cent sales tax and 6% transient guest tax collections from within the STAR Bond district. I hope to present a bond ordinance at the November 4th or November 18th regular meeting.

Playground Expansion: The playground installation is complete! A ribbon cutting is planned this Thursday, October 24th at 6:45pm to celebrate the new playground equipment. The area around the playground will be cleaned up and leveled in time for Thursday's ribbon cutting. Due to seasonality, the sprinkler system and sod installation will occur in the spring of 2020. The sod & sprinkler installation is planned for the special parks & rec fund; line item 60-670-8240/8140.

183rd Turn Lane & Frontage Road Realignment: As was reported last meeting, KDOT was reviewing the final design and recommended a couple of changes, which the City engineer is finalizing. A project call is planned for tomorrow afternoon so that the timeline and design can be presented to the bank for their review and comment. We plan to proceed with the bid process 4th Quarter 2019.

Monument Sign Zoning Text Amendment: The Goddard Planning Commission discussed this item after conducting a public hearing to discuss revocation of the City's requirement for monument signage throughout the business and commercial corridor with no public comment received. The proposed ordinance negates the mandatory provision for monument signage, and the planning commission tabled the matter until the January 13th meeting.

Respectfully Submitted,

Brian W. Silcott,
City Administrator

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To: Honorable Mayor and City Council
From: Brian W. Silcott, City Administrator
Cc: Department Directors & Staff
Re: City Administrator Report for the week of November 4th
Date: November 4, 2019

Below is a brief update on City operations, projects, and future agenda items for the City.

STAR Bond Site Update: Work on the ballfields is progressing with 2 of the five fields complete and work is underway on the third field. Below is a view looking south toward Linear Trail & the Industrial Park.



Rodney Steven reports that the 2020 schedule is shaping up nicely with events planned every weekend from March 13th through November 15th. Activities include activities from high school baseball tournaments to 16 & 18 year old show case events to NBC games. There are similar bookings for the 2021 year.



Preparation on the ball field parking area, natatorium, water park, Genesis Health Club, and Hotel foundation base is underway and can be seen in the next image looking south across Kellogg.

183rd Turn Lane & Frontage Road Realignment: I met with First National Bank of Hutchinson manager Taylor Yingling who is coordinating a meeting with bank principals for a meeting on construction and access. The target for construction is 1st quarter 2020.

Water Rights Extension: I am working to submit a water rights extension for the City's water rights. These rights can be extended for a maximum of 5 years and last occurred in December 17, 2014. The current water rights expire on December 31, 2019. No action is required by the Governing Body, but just want to keep you in the loop on this strategically important aspect of growth and development.

City STAR Bond Contribution: At the November 18th regular meeting Staff will present a resolution that will authorize the conversation of the \$3,000,000 temp notes into permanent financing. This issuance will be a 20 year duration and it is planned to use captured CID and TDD revenue to finance most if not all of the payment of the issuance.

Arbor Creek Lift Station: The temporary note authorizing resolution will be presented at the November 18th meeting with the sale of the notes planned for the December 16th regular meeting.

Goddard Community Events Discussion: The City has received a proposal from the Chamber of Commerce to coordinate leadership, accountability, diverse & structured participation in event planning, and communications of community events. This item will be presented for discussion/consideration at the November 18th meeting.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Brian W. Silcott". The signature is written in a cursive, flowing style.

Brian W. Silcott,
City Administrator

To: Honorable Mayor and City Council
From: Brian W. Silcott, City Administrator
Cc: Department Directors & Staff
Re: City Administrator Report for the week of November 18th
Date: November 18, 2019

Below is a brief update on City operations, projects, and future agenda items for the City.

STAR Bond Site Update: Work on the ballfields is progressing with 3 of the five fields complete and work is underway. Below is a view looking Northeast towards Kellogg:



Additionally, dirt work is underway on the pad for the Genesis Health Club, parking lots, natatorium, water park and Hotel foundation base. Below is a picture looking Northeast toward Kellogg of the construction in the North portion of the STAR Bond Development:



Arbor Creek Site Update: The dirt work and utilities installation on the Arbor Creek (245 lots) site is underway. The temporary note sale documents will be presented at the December 2nd meeting for this improvement. Below is a picture facing South of the current status of the project:



WWTF Lagoon Slope Stabilization: During the October 7, 2019 meeting, the Council approved the purchase of rip-rap rock to surround the edges of the Lagoon slopes to prevent erosion of the banks. Project cost totals \$119,912 allocated to the Sewer Reserve Fund. Since then, construction crews have been installing the new rock base. Below is a picture of the current status of the project:



Clover Leaf Subdivision: Contractors have started the construction process on the new Clover Leaf subdivision, located North of Kellogg on 199th. Clover Leaf is platted for 133 lots with phase 1 temporary notes being presented at the December 2nd meeting. Below is a picture of the current progress:



Elk Ridge Subdivision: Construction is underway on the addition to the Elk Ridge Development. The process of dirt work has started, and additional homes are currently being constructed. Below is a picture facing West of an update on the project:



Medical Lodge Senior Homes: Construction is underway on the Medical Lodge Senior Living homes. The project is expected to be complete in Spring 2020. Below is a photo facing East of the entire division. South lot of buildings is the existing Medical Lodge facility and the North and East lots are the new additions.



Rustic Creek Subdivision: The preliminary plat for the Rustic Creek Housing Development was approved at the November 13, 2019 Planning Commission Meeting. Council members can expect to see the plat approval in the coming months.

Kwik Shop Burger King: The construction and renovation to incorporate a Burger King at the Kwik Shop is underway. The project started on September 26th and is expected to last 10 weeks or more. The Burger King is expected to arrive tentatively in Spring of 2020.

Goddard Linear Park Christmas Decorations: The City has purchased a Christmas Tree to plant in Linear Park. The tree is expected to be planted sometime this week and will be decorated with lights throughout the entirety of the Holliday season. Additionally, Public Works crews will be installing Christmas lights on the Linear Park Pavilion. Staff will provide an update when these projects are complete.

Linear Park Pavilion Upgrades: City Staff recently had guttering and snow guards installed on the Linear Park Pavilion. This is to ensure proper drainage in the area and snow/ice breakdown on the roof of the building. We hope to continuously make improvements to the Pavilion and maintain its quality for years to come.

Respectfully Submitted,



Brian W. Silcott,
City Administrator



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To: Honorable Mayor and City Council
From: Brian W. Silcott, City Administrator
Cc: Department Directors & Staff
Re: City Administrator Report for the week of December 2nd
Date: December 2, 2019

Below is a brief update on City operations, projects, and future agenda items for the City.

Arbor Creek: The first phase of Arbor Creek Addition is progressing nicely. Phase 1 consists of 55 homes and includes sanitary sewer mains and laterals as well as the paving that will reach into the middle of the new subdivision's club house. The current total for special assessments is \$2,891,000 in phase 1 and collector improvements. An additional petition for pressurized sewer into the SE Growth Corridor Sewer Lift Station may be necessary and paving will be presented at the December 16th regular city council meeting. Special assessment costs are paid entirely by the developer and the home buyers. Arbor Creek will have a total of 245 homes with an average value of approximately \$300,000 at build out.

Revenue/Tax Burden estimates follow: The assessed valuation of a \$300,000 home is an assessed property value (11.5%) is \$34,500/home and \$1,150 average municipal tax bill at the current and historical mill levy of 33.323 mills. Phase 1 will generate \$63,250 in property tax collections and full build out is an estimated valuation of \$8,452,500, generating \$281,750 in City of Goddard (municipal) property tax collections.



Clover Leaf: Work on Clover Leaf Addition is picking up momentum. The image below shows work on the storm water system for Phase I. Clover Leaf contains 133 total lots. Phase 1 consists of 50 total homes with 22 lots sited along Martens Ct. for duplex units which will increase water and sewer customer count by 44 users. Phase 1 also includes 28 lots for single family residential homes. Clover Leaf Phase 1 has \$2,211,000 in special assessments, although this amount may be somewhat less as stormwater and paving work concludes. The exact value of an average home is currently unknown. More information will be provided to the Governing Body as it is known.



Elk Ridge: This final phase of Elk Ridge includes 24 lots bringing the total lots in Elk Ridge to 77 total homes. There are currently 53 homes in Elk Ridge with 31% of the lots available for purchase. This phase includes \$830,800 in special assessments. The average home value is \$300,000, an assessed valuation of \$34,500, and generates \$1,150 in municipal property taxes. At full build out Phase 3 will generate \$27,600 in City taxes and a total subdivision generation of more than \$88,500.



Rustic Creek Addition: City Planner Micah Scoggan will present a plat approval for Rustic Creek Addition at the December 16th regular City Council meeting. This addition contains 106 single family lots for construction. The anticipated average home value is not yet known but it is anticipated to be in line with St. Andrews Addition average values totaling \$200,000, which is an assessed valuation of \$23,000 and generating roughly \$770 in municipal property taxes at the current mill levy of 33.323. This addition is located immediately to the east of Autumn Blaze Addition and the homes along 199th Street West behind the Orscheln's. Access is planned to the south from Main Street between Orschlen's and Kwik Shop, from the west through Autumn Blaze Addition, and to the east off of 199th Street West.

Medical Lodge Sr. Housing: Work is progressing on this senior housing project that was approved in 2017. The development adds 12 parcels and 24 utility customers plus the club house to Goddard's housing inventory. The average value is approximately \$160,000/\$80,000 per unit/duplex. Each unit valued at approximately \$80,000 will generate an assessed valuation of \$9,200 and a total assessment of \$220,800 (excluding the clubhouse). Each unit generates a municipal property tax of \$307 or an estimated total municipal property tax generation of \$7,360 plus the clubhouse valuation.



SE Growth Corridor Lift Station: Staff will present bids in January for construction of the sanitary sewer lift station that will serve a minimum of 3 ¼ sections or an estimated 800 homes. Arbor Creek Addition will be one of those additions served by this project. The project is estimated to total \$780,000 and will be financed through the issuance of 4 year temporary notes with a portion of the notes planned to be retired in 2024 with the remainder being financed through a long-term debt issuance

Water Rights Extension: The City Administrator and Public Works Director Brooke Brandenburg are working to extend the City's current water rights for an additional five years. Additional information will be reported on our water rights at a January meeting.

S&P Bond Rating: The City recently received a municipal bond rating from Standard & Poors (S&P). I am pleased to report that given current and known to be anticipated debt issuances the City has received a long-term debt rating of AA- that is anticipated to be increased to AA or AA+ with an increase in budgeted fund balances. [According to S&P](#) the rating of AA- means "An obligation rated AA differs from the highest-rated [AAA] obligations only to a small degree. The obligator's capacity to meet its financial commitments on the obligation is very strong."

The City received a short-term credit rating for the latest issuance of \$6,200,000 for the Series 2019-1 dated December 18, 2019 that is a General Obligation (G.O.) temporary note issuance that will be financed in the long-term through special assessment bonds for the Arbor Creek, Clover Leaf, and Elk Ridge Additions.

The City received S&P's highest short-term credit rating of SP1+. The SP1+ rating is the AAA equivalent, as it is the "highest category by S&P for a short-term issuance. S&P found the City's economy and management practices to be "stable" and views the City's management practices as "strong, with good financial policies and practices." We have been viewed as having "very strong budgetary flexibility," "very strong liquidity," and a strong institutional framework. There is a minor concern about recent fund balance drawdown, but S&P finds Goddard's management and fiscal position to be stable and "it will likely not change the rating during the next two-year outlook. The outlook further reflects our expectation management will likely follow through on its intention to increase available cash-based reserves gradually. In addition, we expect the local economy (4-mile radius around Goddard) will likely continue to grow at a stable rate." **A copy of the rating summary has been included with this report.**

A special thanks to our Finance Director Matt Lawn, CPFO who partnered with me to compile much of the material included after our many preparatory calls with S&P. I would also like to thank Teri Laymon, City Clerk for her assistance in this endeavor as well.

North Park: Staff hope to have the closing scheduled before January 1, 2020. Additional information will be presented at the December 18th regular city council meeting.

Citizen Boards & Commissions Update: Beginning at the December 16, 2019 regular City Council meeting, the minutes for the Park Board, Library Board, and Planning Commission will presented as a receive and file consent agenda item.

Mayor's Holiday Tree Lighting: **Please see the attached flyer for the Mayor's Holiday Tree lighting ceremony that will occur on December 7th from 5pm to 8pm.** Please join us at the Library for an open house that will move to the Linear Park Pavilion for the tree lighting at 6pm. Pictures with Santa will begin at 6:30pm, in the Library. Thank you to the Goddard Public Library, The Goddard Women's Club, and 1st National Bank of Hutchinson, and local author Bob Sandifer for their work in helping to host this event. Also note, coffee and cocoa will be provided for free by Sunflower Espresso.

2019 Christmas Tree Disposal Site: Goddard Public Works is partnering with Sedgwick County Environmental Resources to provide a Christmas/Holiday Tree disposal location in the parking area at the northwest corner of the swimming pool parking lot in Mean Park (Cedar & South Streets). It is the same location as previous years.

Respectfully Submitted,



Brian W. Silcott,
City Administrator

RatingsDirect®

Summary:

Goddard, Kansas; General Obligation; Note

Primary Credit Analyst:

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Summary:

Goddard, Kansas; General Obligation; Note

Credit Profile

US\$6.2 mil GO temp nts ser 2019-1 dtd 12/18/2019 due 12/01/2022

<i>Short Term Rating</i>	SP-1+	New
ICR		
<i>Long Term Rating</i>	AA-/Stable	New

Rationale

S&P Global Ratings assigned its 'SP-1+' short-term rating to Goddard, Kan.'s series 2019-1 general obligation (GO) temporary notes and its 'AA-' issuer credit rating (ICR) and stable outlook to the city.

Security and the use of proceeds

The short-term rating reflects our view of the city's ICR and low market-risk profile, including the authority to issue take-out debt and availability of pertinent disclosure information. State law requires the authorization of long-term take-out GO debt before the issuance of temporary notes. The temporary notes are a GO of the city, secured by its full-faith-credit-and-resources pledge. In addition, the notes are partially payable from special-assessment taxes levied on improvements financed with note proceeds or, if not, ad valorem taxes levied without limitation as to rate or amount on all taxable, tangible real and personal property within the city's territorial limits.

We understand officials intend to use series 2019-1 note proceeds to interim finance the construction of certain internal improvements.

Credit overview

The roughly four-square-mile Goddard encompasses residential to light-manufacturing properties. Assessed valuation (AV) has grown by about 4% annually during the past five fiscal years. We expect similar AV growth during the next few fiscal years. As a growing city, we expect Goddard's debt will likely remain very weak during the next few years; the city's fiscal flexibility, supported by strong management, somewhat offsets our concerns. We also expect the city's participation in the broad and diverse Wichita metropolitan statistical area (MSA) will likely contribute to overall rating stability.

The ICR reflects our opinion of Goddard's:

- Adequate economy, with access to a broad and diverse MSA;
- Strong financial management, with good financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Adequate budgetary performance, with an operating deficit in the general fund but a slight operating surplus at the total governmental-fund level in fiscal 2018;
- Very strong budgetary flexibility, with available cash-based reserves in fiscal 2018 at 77% of operating expenditures;

- Very strong liquidity, with total government available cash at 1.9x total governmental-fund expenditures and 17.5x governmental debt service, and access to external liquidity we consider strong;
- Very weak debt-and-contingent-liability position, with debt service carrying charges at 10.7% of expenditures and net direct debt that is 435.1% of total governmental-fund revenue, and high overall net debt at greater than 10% of market value, but rapid amortization, with 90.5% of debt scheduled to be retired within 10 years; and
- Strong institutional framework score.

Adequate economy

We consider Goddard's economy adequate. The city, with an estimated population of 4,710, is in the Wichita MSA, which we consider broad and diverse. The city has a projected per capita effective buying income at 79% of the national level and per capita market value of \$72,003. Overall, market value grew by 4% during the past year to \$339.1 million in fiscal 2019. Sedgwick County unemployment was 3.8% in 2018.

Goddard is a first-tier suburb, immediately adjacent to Wichita. Leading Goddard employers include:

- Sedgwick County Unified School District No. 265 (688 employees),
- Universal Products (189),
- Walmart Inc. (184),
- Dillons Warehouse (175), and
- Nowak Construction (93).

The city's residential and commercial sectors have been the main factors of Goddard's property tax base growth recently, coupled with the city school system's appeal. AV grew by an aggregate 19% since fiscal 2014 to \$49.9 million in fiscal 2019.

Strong management

We view the city's financial management as strong, with good financial policies and practices under our FMA methodology, indicating that financial practices exist in most areas but that governance officials might not formalize or regularly monitor all of them.

Highlights include management's:

- Revenue and expenditure assumptions based, in part, on up to five years' historical data, coupled with information from outside sources to assist with forecasting;
- Monthly budget reports to the city council, including budget-to-actual comparisons;
- Rolling five-year capital improvement plan that includes project cost estimates and identifies funding sources;
- Formal investment-management policy that adheres to state guidelines with, at least, quarterly holdings-and-performance reports to the council;
- Formal debt-management policy that provides debt guidelines and other qualitative descriptions but lacks material debt ratio parameters; and
- Formal policy of adopting an annual general fund budget that includes a contingency equal to, at least, 7% of total

general fund appropriations but no more than 10%.

We understand the city does not currently perform multiyear financial forecasting, except for projecting one year beyond the budget year.

Adequate budgetary performance

Goddard's budgetary performance is adequate, in our opinion. The city had deficit operating results in the general fund at 2.4% of expenditures but slight surplus results across all governmental funds at 1.3% in fiscal 2018.

We adjusted our estimates to account for, what we view as, recurring transfers from the general fund, coupled with the use of debt proceeds across all governmental funds. Management attributes fiscal 2018 performance mainly to conservative budgeting and a lack of unexpected budgetary challenges.

In fiscal 2019, property taxes generated 88% of general fund revenue. We project the city will end fiscal 2019 with expenditures exceeding revenue by \$500,000, or 13% of expenditures, due to transfers into the street and capital-improvement funds. We also posit the small budget makes performance ratios vulnerable to minor revenue and expenditure swings, which could have an effect on fiscal year-end results.

Officials balanced the fiscal 2020 general fund budget with the use of a \$1 million cash carryover. Kansas municipalities typically balance the budget with cash-based reserves to maintain proper budget authority, considering they cannot amend the budget due to unexpected expenditures without a public hearing and publication. Officials expect available reserves to remain stable, and they do not plan to draw down reserves by fiscal year-end 2020.

Very strong budgetary flexibility

Goddard's budgetary flexibility is very strong, in our view, with available cash-based reserves in fiscal 2018 at 77% of operating expenditures, or \$2.7 million. We expect available cash-based reserves to remain above 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor. Cash-based reserves include \$1.4 million, or 40% of expenditures, in the general fund and \$1.3 million, or 37%, outside the general fund but legally available for operations. In our view, Goddard's use of cash-based accounting, which reduces the clarity about the amount of funds truly available, negatively affects budgetary flexibility.

Goddard has historically maintained very strong reserves. In addition to the general fund, our calculations include unencumbered cash in the equipment-reserve and capital-improvement funds. We estimate the city will end fiscal 2019 with an available fund balance of about 63% of expenditures. We understand the city will gradually build reserves during the next few fiscal years to pay for one-time projects. Therefore, we expect budgetary flexibility will likely remain very strong during the next two fiscal years.

Very strong liquidity

In our opinion, Goddard's liquidity is very strong, with total government available cash at 1.9x total governmental-fund expenditures and 17.5x governmental debt service in fiscal 2018. In our view, the city has strong access to external liquidity if necessary.

At Dec. 31, 2018, the city mainly held cash in local banks and certificates of deposit, which we do not consider aggressive. Goddard's issuance of GO bonds and temporary notes during the past 20 years demonstrates its strong

access to external liquidity. The city does not have any privately placed or variable-rate debt we consider a contingent-liability risk. Therefore, we expect liquidity will likely remain very strong.

Very weak debt-and-contingent-liability profile

In our view, Goddard's debt-and-contingent-liability profile is very weak. Total governmental-fund debt service is 10.7% of total governmental-fund expenditures, and net direct debt is 435.1% of total governmental-fund revenue. High overall net debt at 12.4% of market value negatively affects our view of the city's debt profile.

We understand management currently plans to issue additional GO temporary notes during the next two years to support ongoing residential development.

Goddard's pension contributions totaled 4.2% of total governmental-fund expenditures in fiscal 2018. The city made its full annual required pension contribution in fiscal 2018.

We do not view pension and other-postemployment-benefit (OPEB) liabilities as an immediate credit pressure because required contributions currently make up a small portion of total governmental expenditures. If required material contributions were to increase unexpectedly during the next few fiscal years, we posit this would not have an effect on fiscal stability due to sizable reserves officials could use for contingencies, if needed.

As of Dec. 31, 2018, the latest measurement date, Goddard participates in Kansas Public Employees' Retirement System (KPERS), which is 68.9% funded, and Kansas Police & Firemen's Retirement System (KP&F) with a net pension liability equal to \$645,701 for KPERS and \$1.1 million for KP&F. The state actuarially determines contributions, and the city has historically funded annual required costs in full.

Actuarial assumptions include a discount rate of 7.75%, which we view as aggressive, representing market risk and resulting in contribution volatility if the plan fails to meet assumed investment targets. In addition, contributions are likely to grow due to level payroll funding rather than level-dollar contributions, which would result in consistent payments.

Goddard does not offer OPEB, which we view favorably because such liabilities could cause long-term fiscal pressure. The city allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the city subsidizes retirees because each participant pays the same premium regardless of age. However, Goddard's financial statements do not quantify the cost of this subsidy.

Strong institutional framework

The institutional framework score for Kansas municipalities with more than \$275,000 in annual gross receipts and more than \$275,000 in GO or revenue bonds outstanding is strong.

Outlook

The stable outlook on the ICR reflects S&P Global Ratings' opinion it will likely not change the rating during the two-year outlook. The outlook further reflects our expectation management will likely follow through on its intention to increase available cash-based reserves gradually. In addition, we expect the local economy will likely continue to

grow at a stable rate.

Upside scenario

With all other credit factors remaining equal, we could raise the ICR if economic indicators were to improve and debt were to decrease.

Downside scenario

We could lower the ICR if, in the unlikely event, the economy were to deteriorate significantly, resulting in prolonged weak budgetary performance and sizable available reserve reductions.

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Criteria Guidance: Assessing U.S. Public Finance Pension And Other Postemployment Obligations For GO Debt, Local Government GO Ratings, And State Ratings, Oct. 7, 2019
- 2019 Update Of Institutional Framework For U.S. Local Governments

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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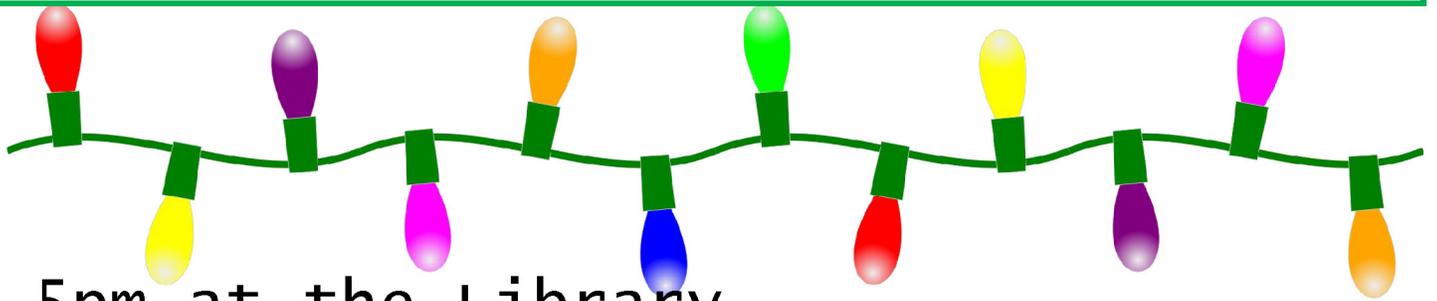
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City of Goddard
Mayor Christmas Tree Lighting
& Goddard Public Library
Open House
December 7, 5pm-8pm



5pm at the Library

- ♦ Children's Room unveiling
- ♦ Cookies by Goddard woman's Club
- ♦ Coffee provided by Sunflower Espresso Wichita
- ♦ Craft provided by 1st National Bank of Hutchinson
- ♦ Book signing with Bob Sandifer

6pm at Linear Park

- ♦ Christmas Tree & Pavilion Lighting

6:30pm at the Library

- ♦ Pictures with Santa

