

MINUTE RECORD

No. 729—REFFIELD & COMPANY, INC., OMAHA

LA VISTA CITY COUNCIL MEETING BUDGET WORKSHOP JULY 14, 2008

A meeting of the City Council of the City of La Vista, Nebraska was convened in open and public session at 6:00 p.m. on July 14, 2008. Present were Mayor Kindig and Councilmembers Sell, Ronan, Sheehan, Carlisle, Ellerbeck, and Gowan. Absent: Quick, McLaughlin. Also in attendance were City Attorney McKeon, City Administrator Gunn, Assistant City Administrator Ramirez, Police Chief Lausten, Fire Chief Uhl, Public Works Director Soucie, Public Building & Grounds Director Archibald, Finance Director Lindberg, Library Director Iwan, Community Development Director Birch, Recreation Director Stopak, and City Clerk Buethe.

A notice of the meeting was given in advance thereof by publication in the Times on July 3, 2008. Notice was simultaneously given to the Mayor and all members of the City Council and a copy of the acknowledgment of the receipt of notice attached to the minutes. Availability of the agenda was communicated to the Mayor and City Council in the advance notice of the meeting. All proceedings shown were taken while the convened meeting was open to the attendance of the public. Further, all subjects included in said proceedings were contained in the agenda for said meeting which is kept continuously current and available for public inspection at City Hall during normal business hours.

I. CALL TO ORDER II. PLEDGE OF ALLEGIANCE

Mayor Kindig called the meeting to order and led the audience in the pledge of allegiance.

III. ANNOUNCEMENT OF LOCATION OF POSTED OPEN MEETINGS ACT

Mayor Kindig made an announcement of the location of the posted copy of the Open Meetings Act for public reference.

IV. BUDGET WORKSHOP

Mayor Kindig stated that City Administrator Gunn and Department Heads would present their recommended budgets to Council and answer questions.

V. GENERAL FUND OVERVIEW – GUNN/LINDBERG

City Administrator Gunn stated that the new census estimate puts La Vista at 18,706 which is a 16% increase from estimates last year. This increase is due to the annexation of SID 198 and SID 200 in 2007.

Gunn stated that one area of fiscal planning that staff continues to refine is multi-year forecasting which is important to help Mayor, Council, and staff plan for the future. While Council will only be asked to approve the FY 08/09 budget, projections extending beyond FY 08/09 have been made.

Gunn asked Mayor and Council to let her know if there is anything else they would like to see.

At 6:05 Council member McLaughlin arrived to take his seat.

Finance Director Lindberg addressed Council regarding the assumptions included in the budget forecast. She indicated that the percentage of growth in valuation will be 6.66%. Over the past 10 years the growth in valuation has averaged about 13.5%. The projected revenues are based on preliminary valuation figures provided by Sarpy County. Lindberg also reported that sales tax projections are estimated at approximately \$1.9 million. The projected hotel occupancy tax, based on the pro forma information provided by the developer of the Embassy Suites and Marriott Courtyard and the Hampton Inn management staff, is approximately \$872,400.00 for the 08/09 fiscal year.

Lindberg stated that the expense forecast is based upon 8% annual growth in personnel costs and 3% in operations. (Personnel costs, including insurance have averaged about 8.5% over the past few years).

Lindberg stated that the budgets of Administration, Street Administration, and Human Resources proposed are a 60/40 split with Sewer as opposed to the previous 50/50 split in order to reduce the General Fund's reliance on the Sewer Fund.

At 6:20 Council member Quick arrived to take her seat.

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Gunn stated that payroll costs cover 97 full-time positions as well as 23.24 full-time equivalent positions. In addition, City services in the proposed budget will be provided by 70 volunteer firefighter positions and .75 FTE volunteer intern positions. The recommended budget for each department includes a 3% COLA on wages for all employees not covered by a collective bargaining agreement.

Gunn reported that the compensation study is substantially completed and should be ready for presentation to the Mayor and Council at the August 5 meeting. Staff had questions about how to implement the plan. Some position ranges were more than 40% below market rate.

Councilmember Sheehan stated that he was not in favor of giving any increases until we have the entire study.

Assistant City Administrator Ramirez stated that the numbers for the study are complete but implementation has not yet been decided. The evaluation process and set up of ranges still needs to be determined.

Councilmembers discussed various rating options for employees.

Councilmember Gowan stated that when this new system is implemented we need to be sure that all management and employees understand the process.

VI. GENERAL FUND BUDGET PRESENTATIONS

Ramirez reviewed the budget for Mayor and Council, indicating that an increase in salaries was proposed at 8% over the next four years. This was put in the proposed budget as Mayor and Council only have the opportunity to change these salaries in an election year.

Councilmember Gowan stated that he feels we are not seeing people want to run and hold these positions. He looked at the salaries with regard to fair market value. He proposed that the Mayor averages about 10 hours per week for 52 weeks and \$30/hr would come to a salary of \$15,600.00 annually. A councilmember would average about 5 hours per week for 52 weeks and \$30/hr for a salary of \$7,800.00 annually. He stated that the current council is in this for the right reasons, because they want to serve their community, but would like to see the salary more attractive to continue to attract good people to run. Councilmember McLaughlin stated that he believes the Mayor and Council positions are worth more than the current rate but feels that this is not a good time with the debt and uncertainty of everything and would like to see it come up again next time for consideration. Councilmember Sell does not feel now is the time for increases due to the financial situation of the city. Councilmember Carlisle will not support a raise for Council. Councilmember Ellerbeck supports the raise as proposed in the budget. Councilmember Quick stated that a raise would be acceptable if it caused more Elected Officials to attend more events and fulfill more responsibilities. Councilmember Ronan asked if a raise could be given to the Mayor position without a raise to Council. Mayor Kindig stated that he did not support that and statistics gathered by staff shows the Mayor's salary is comparable with other cities of this size while the Council salaries are slightly under the average. Councilmember Quick feels that La Vista has one of the best Councils in the area but doesn't see that we have the funds at this time. Councilmember Sheehan suggested that we take this increase along with the money proposed for a communications specialist in Administration's budget and put it toward bringing all of the employees up to the pay levels they need to be at in accordance with the compensation study. Councilmembers Ellerbeck and Sell were in agreement with Councilmember Sheehan. Mayor Kindig asked for a consensus vote of Council to provide direction to staff on keeping the 8% increase in the draft budget (to be brought back to Council for consideration as the proposed budget). Councilmembers in favor: Ronan. Councilmembers opposed: Sell, Quick, Sheehan, Carlisle, McLaughlin, Ellerbeck, and Gowan. Consensus is to remove the increase.

Ramirez stated that there was an increase in Travel and Training to allow two people from the Mayor and Council to go to the National League of Cities conference. Prior to this there had been funds to send just one person. Councilmember Quick asked what kind of progress has come from attending the ICSC Conference. Gunn stated that we have had contacts with regard to much of our Southport Development such as contact this year with the theater and lifestyles center developers.

Public Building and Grounds Director Archibald presented his budget to Council. An increase is proposed in wearing apparel to purchase some shirts for his staff to identify them as City of La Vista employees. Archibald explained measures being taken to address the issue of fuel costs. An increase is proposed in motor vehicle supplies due to fuel price increases. An increase is proposed in janitorial and chemical supplies due to the addition of the District 2 Fire Station. An

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increase is proposed in Printing for the CityWise newsletter based on actual expenses. An increase is proposed in contractual services due to additional contract costs at the District 2 Fire Station and an increase in maintenance costs from Metro Community College.

Gunn stated that the City had been approached by Metropolitan Community College to help fund public safety personnel at the Sarpy Center. She has discussed this with Police Chief Lausten and does not recommend funding at this time. Lausten explained that MCC will do this anyway as they are working toward consistency at all their campuses.

Archibald stated that an increase in proposed for motor vehicle maintenance needed on the Ford Ranger pickup truck and the John Deere 1145 snow machines. Funds are being requested in office equipment to begin upgrading the existing telephone system to IP technology for all departments. An increase in radio systems is proposed to purchase a digital 800 MHz portable radio to replace the analog radios which will not be serviceable in the future. Other capital items proposed include an Air Conditioner for the computer server room and an update to the City Hall complex entrance sign.

Ramirez reviewed the Administration budget with Council. She stated that a full time Communications Specialist and a part time accountant were being recommended and gave an overview of the Communications Specialist. The Communications Specialist would take information of events in the City and feed that information to our Office Manager who currently manages the website. This person could bring more media attention to events that we feel are important such as the Slump Buster Tournament which was held here in June. This person would do the newsletter, serve as liaison between community groups and the media, coordinate between departments when events take place, and provide training for staff and mayor and council regarding talking to the media. With current staffing we are not able to market the City and events as we would like and this position will take us to the next step with regard to marketing our City. Councilmember Quick feels this is a good thing to get our name out to the public. Councilmember Sheehan doesn't think the City has any problem getting media attention and we could send someone to Toastmasters to fill in until someday when we can afford this person. Councilmember Gowan asked if our website person could do this job. Ramirez stated that Cathy does a great job with all the technical aspects of the website but she also manages the front office as Office Manager and is Deputy Clerk to backup the City Clerk. Finding time to collect information for the website is difficult. Mayor Kindig asked for a consensus vote of Council to provide direction to staff regarding leaving the fulltime position of communications specialist in the draft budget. Councilmembers in favor: Quick. Councilmembers opposed: Sell, Ronan, Sheehan, Carlisle, McLaughlin, Ellerbeck, and Gowan.

Lindberg gave an overview of the part time accountant position stating that this person will process bank reconciliation, help with financials and fixed assets along with other financial functions leaving Lindberg with the ability to prepare monthly financial statements in a timely manner and to work on revising the budget book to make it more accommodating for council along with other finance duties. The position would address a concern regarding division of responsibilities raised by the City's auditors. Councilmember Sheehan asked what the qualifications will be for this person. Lindberg stated that this person would need a degree in accounting. Mayor asked if Council was in favor of leaving this position in the draft budget. All Councilmembers were in favor.

At 7:35 p.m. Councilmember McLaughlin made a motion to take a five minute recess. Seconded by Councilmember Gowan. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, Carlisle, McLaughlin, Ellerbeck, and Sell. Nays: None. Absent: None. Motion carried.

At 7:45 p.m. Councilmember Carlisle made a motion to reconvene the meeting. Seconded by Councilmember Ellerbeck. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, Carlisle, McLaughlin, Ellerbeck, and Sell. Nays: None. Absent: None. Motion carried.

Community Development Director Birch reviewed her Department's budget for Council. Decreases are proposed in review and consulting fees. Increases are proposed in other charges for potential demolition costs of unsafe structures. An increase in motor vehicle is for the replacement of the code enforcement vehicle. The new rental inspection program will begin with existing staff. Birch gave an overview of the new program. Councilmember Sell asked if the fee is in the Master Fee Schedule. Birch stated that it is not and the Master Fee Schedule would need to be amended at the same time as a rental inspection program is adopted.

Police Chief Lausten reviewed his department's budget with Council. Lausten reviewed measures being taken to help conserve fuel use. An increase in full time salaries would come from the addition of a police sergeant and a police officer. The additional sergeant will provide additional night shift supervisory coverage which is currently 80% and the officer will work a shift

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of 4 p.m. to 2 a.m. for coverage during other shift transitions. An increase is proposed in motor vehicle supplies due to the instability of fuel prices. An increase is proposed in training for a defensive tactics "train the trainer" course. An increase is proposed in other contractual services due to an increase in 911 fees. Funding is requested in motor vehicles to purchase three cruisers. Other items proposed for purchase if grant money is secured are in-car digital video cameras, laser/radar unit, and radar unit.

Chief Lausten also stated that the annual budget for animal control services should remain about the same as last year. La Vista's humane services are provided through an Interlocal cooperation agreement with Sarpy County who has contracted with the Nebraska Humane Society.

Fire Chief Uhl addressed the Council to present the Fire Department's budget. He stated that the number of firefighters has doubled in the past year and after a year of being in the District 2 Station he has a better picture of the expense necessary to run that station. An increase is proposed to account for inflation. An increase is proposed in food supplies for a new pilot program to encourage people to stay at the fire station. The proposed increase in motor vehicle supplies is due to fuel prices. A proposed increase in other commodities is also for a pilot program to keep the fire stations staffed. Increases are also proposed for the following; in LAB/Main supplies for small tools at district 2, chemical supplies for foam for the new pumper; other commodities for a pilot program for recruitment and retention, postage, printing for recruitment; travel and training due to increase in members; other contractual services to cover service contracts for trucks and IT equipment; a daycare program during meetings and training events; motor vehicle maintenance due to expiring warranties and truck repair; radio maintenance for purchase of additional pagers, lights, and sirens; and other charges such as banquet and recruitment. Capital funding had been requested for a rescue squad, utility pickup truck, bunker gear, high rise firefighting equipment, firefighting and EMS equipment, and all terrain vehicle. City Administrator Gunn recommended approval of the bunker gear, high rise firefighting equipment and the firefighting and EMS equipment (only if grant money available).

Mayor Kindig asked if extended warranties can be purchased for fire trucks. Chief Uhl was not sure if extended warranties were available.

Mayor Kindig stated that he would like to have the city hire a grant writer as he feels there may be grant money we are missing out on.

Public Works Director Soucie presented the Street Administration budget to Council. He stated that a proposed increase in telephone is due to the addition of a data package to the Public Works Directors phone. A slight increase is proposed in travel and training due to increasing registration and fuel prices.

Soucie presented the Street Operating budget to Council. He proposed the addition of one full-time assistant mechanic due to the increase in equipment and the aging fleet of equipment. An increase was proposed in motor vehicle supplies due to the rising cost of fuel. A proposed increase in postage is due to cost associated with the newsletter. A proposed increase in utilities is due to price increases in electricity and gas. A slight increase is proposed in travel and training due to increased costs in conferences and fuel. An increase is proposed in other contractual services to cover fuel service charges. Other capital proposed and recommended by the City Administrator includes a street sweeper, dump truck, and diagnostic scanner.

Soucie presented the Parks Division budget. He proposed an increase in motor vehicle supplies due to fuel price increases. An increase in chemical and botanical supplies is proposed due to rising material costs. The increase proposed in professional services is due to the addition of physicals and drug screens for seasonal employees. A slight increase is proposed in travel and training due to increases in registrations and fuel prices. A proposed increase in other contractual services is for a future tractor loan and costs for Clean-up Days and the Leaf Collection Day has been moved to this budget. An increase in motor vehicle maintenance is proposed due to increased fuel prices. Other capital proposed and recommended by the City Administrator are a pickup truck, a mower with snow removal equipment, and a mower without snow removal equipment, playground replacement parts, and a back stop net replacement.

Soucie presented the Sports Complex budget. An increase is proposed in part time salaries to add another seasonal position. A proposed increase in utilities is requested due to rising utility costs. An additional amount is proposed in buildings and grounds due to the aging infrastructure of the complex.

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Mayor Kindig asked if public works is reimbursed for any of the extra time during large tournaments and events at the sports complex. Soucie stated that there is reimbursement for some time but they manage a lot of these events using flex schedules.

At 9:00 p.m. Councilmember Sheehan made a motion to take a five minute recess. Seconded by Councilmember Ellerbeck. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, Carlisle, McLaughlin, Ellerbeck, and Sell. Nays: None. Absent: None. Motion carried.

At 9:08 p.m. Councilmember Carlisle made a motion to reconvene the meeting. Seconded by Councilmember Gowan. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, Carlisle, McLaughlin, Ellerbeck, and Sell. Nays: None. Absent: None. Motion carried.

Recreation Director Stopak addressed Council to present his Department's budget. He stated that the increases and decreases basically offset each other to stay within his budget number. The other capital items he proposed funding for a pool table and a treadmill.

Stopak presented the Pool budget. He stated that there is no addition of staff and all of the budget numbers are for the existing pool.

Stopak presented the Senior Bus Service budget. Stopak stated that there are no additions to personnel. A proposed increase in motor vehicle supplies is due to the increase in fuel costs.

Councilmember Quick asked how the numbers are on ridership. Stopak stated that the numbers are holding steady.

Library Director Iwan presented her budget. A proposed increase in office supplies is due to expected price increases and increasing programming. The proposed increase to CD Rom/Electronic is due to increases in database subscription rates. Machine equipment and maintenance is proposed to increase to allow for a new automation system to give the patron more online options with regard to checking out books. A proposed increase to Computer/Internet/Equipment is for computer replacement in the children's area.

Ramirez presented the Human Resources budget. The proposed increase in professional services is to update the personnel evaluation system. A slight increase is proposed in other contractual services to add the on-line job application component.

Councilmember Sheehan asked why workman's comp is not split out between departments. Ramirez stated that this makes it easier to keep track of. Sheehan asked why we don't divide each department out. Ramirez said that the positions become complex with regard to where employees work during the year so you could have one employee split out under more than one work comp code.

Lindberg presented the Public Transportation budget. The increase in other charges is due to increased fuel prices.

VII. GENERAL FUND CAPITAL EXPENDITURES – GUNN

City Administrator Gunn stated that all capital outlay requests are listed on Page 17. This page also shows the capital items she has recommended for approval. Gunn stated that she has tried to stay around the \$300,000.00 limit.

Councilmember Sheehan asked if we are looking at equipment financing for 3 or 5 years. Finance Director Lindberg stated that she was looking at 5 years. Councilmember Sheehan requested that she look at 3 years for the police cruisers.

VIII. MASTER FEE SCHEDULE – LINDBERG

Finance Director Lindberg gave an overview of proposed changes to the master fee schedule including the establishment of a re-inspection fee, a late registration fee, and an increase in sewer use fees.

Councilmember Sheehan asked about the late fee for recreation programs.

Recreation Director Stopak stated that this fee would only be charged for those registrations which come after the cutoff as it requires that teams must be re configured.

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IX. COMMENTS FROM THE FLOOR

None.

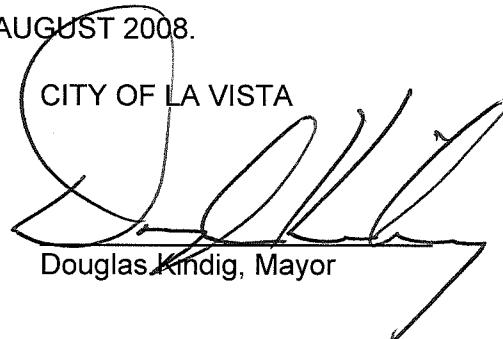
X. COMMENTS FROM MAYOR AND COUNCIL

None.

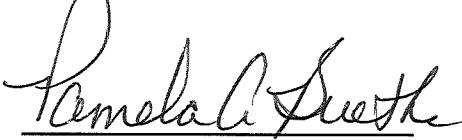
XI. ADJOURNMENT

At 9:45 p.m. Councilmember Ellerbeck made a motion to adjourn the meeting. Seconded by Councilmember Carlisle. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, Carlisle, McLaughlin, Ellerbeck, and Gowan. Nays: None. Absent: None. Motion carried.

PASSED AND APPROVED THIS 5TH DAY OF AUGUST 2008.



ATTEST:

A handwritten signature in cursive ink.

Pamela A. Buethe, CMC
City Clerk