

MINUTE RECORD

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

LA VISTA CITY COUNCIL MEETING BUDGET WORKSHOP JULY 18, 2007

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 18, 2007. Present were Mayor Kindig and Councilmembers Sell, Ronan, Quick, Sheehan, McLaughlin, Ellerbeck, and Gowan. Absent: Carlisle. Also in attendance were City Attorney McKeon, City Administrator Gunn, Assistant City Administrator Ramirez, Police Chief Lausten, Fire Chief Uhl, Public Works Director Soucie, Finance Director Lindberg, Library Director Iwan, Public Building and Grounds Director Archibald, 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 5, 2007. 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 within 10 days after said meeting and prior to the next convened meeting of said body.

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

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

IV. BUDGET WORKSHOP

Sewer Fund

Finance Director Lindberg stated that the proposed annexation will bring in additional Sewer Use fees as currently the City is only able to collect Sewer Use fees within our city limits. A 6% increase in fees has been recommended even though a current sewer study has not been completed. It is anticipated that this study will be completed once the Interlocal agreements are in place with Omaha and with Sarpy County.

There is currently a split of administrative expenses between the General and Sewer Fund. In the future the City will need to look at a lesser amount be expended from the Sewer Fund for administrative expenses in order to sustain the fund and reserve funds for future sewer replacement.

Councilmember Gowan asked if we are having any problems with the current sewer camera as a new camera is not recommended in this budget.

Public Works Director Soucie stated that the camera works although we are finding it in need of frequent repair. Some repairs can be done in house. Soucie's concern is when the camera needs to be sent out for repair. It takes up to two weeks. Soucie advised that the trade in value is \$20,000, of which half would go to Papillion as they paid in half per the Interlocal agreement. Soucie stated funding is included in the Sewer Operations Budget for an additional full time Maintenance Worker II position due to the proposed annexation. Soucie has requested additional training money back to allow employees to keep up their certifications. There is also an increase in utilities and chemical supplies. Capital Outlay requests included the sewer camera, pickup truck and a dig tube. The sewer camera and pickup however, were not recommended.

Bond Fund

Gunn provided an overview of the Bond Fund and recommended an eight cent tax levy for debt service. With the proposed annexation the additional debt will be approximately \$6.5 million dollars, it is anticipated that the City would also receive over \$2 million dollars in cash reserve. The additional valuation will help the city's bond rating. With this increase in the bond fund tax levy and the decrease in the general fund levy the total tax increase would be approximately .03.

Lottery Fund

Lindberg stated that projections in the lottery fund show that it will not sustain the transfers into the bond fund after the year 2012.

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Councilmember McLaughlin inquired as to the reason the revenue projection was decreased in fiscal year 08/09 to \$720,000, as opposed to the \$900,000 in the budget for fiscal year 07/08. Lindberg stated that the current lottery contract expires September 30, 2008 and we are aware that other lottery operators are receiving more than the current 10%. With larger payoffs the percentage to the operator may decrease to 8% or 9%. With a larger percentage going to the operator, the city may not see amounts over their 5% as they have in the past. Lindberg stated that this revenue number is a conservative figure, but she felt there were too many new variables to feel confident with a larger projection.

Golf Fund

Councilmember McLaughlin referenced the remaining debt schedule for the Golf Course and proposed that the City pay this debt down with lottery funds. McLaughlin made a motion to take extra money received in the lottery fund above the budgeted revenue amount up to \$150,000 and pay that toward the debt in order to pay off the debt sooner. Seconded by Sheehan. Discussion was held as to what long term effect this would have on the cash reserves for the lottery. The majority of Council would like to see some numbers showing any effect this might have on future years. Sheehan withdrew his motion in order for this to be done. Staff will research the effect of this proposal and bring that back to the council for consideration.

Economic Development Fund

Gunn stated that updated sheets will be included in the final budget document showing the schedule for the actual bond issue.

Councilmember Sheehan asked if the only restriction on this fund was the \$2 million maximum annual payment on debt. Gunn stated that it was.

Off-Street Parking Fund

Gunn reviewed the off street parking fund and advised that the requested transfer of sales tax from the General Fund in the amount of \$750,000 will provide for debt service in the amount of \$636,132.50; and maintenance and landscaping enhancement of \$17,000. The remaining funds (\$107,100) would be used to purchase trash receptacles and cart corrals (consistent with the Southport West Design Guidelines), which were not included in the construction project.

Councilmember McLaughlin asked if the landscaping that Public Works Director Soucie spoke of at the previous night's meeting was part of the project; or if that was out of this money.

Soucie stated that funds were in the current budget to complete the landscaping improvements he spoke of at the last regular council meeting. This budget request is for the above mentioned items which were not included in the construction project.

At 6:55 p.m. Councilmember McLaughlin made a motion to take a ten minute recess. Seconded by Councilmember Sell. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, McLaughlin, Ellerbeck, and Sell. Nays: None. Absent: Carlisle. Motion carried.

At 7:05 p.m. Councilmember McLaughlin made a motion to reconvene the meeting. Seconded by Councilmember Gowan. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, McLaughlin, Ellerbeck, and Sell. Nays: None. Absent: Carlisle. Motion carried.

Mayor Kindig asked the Council to pose any questions or make recommendations for any changes in the budget which were not done previously.

Councilmember Sheehan asked about the amount that was recommended in the administrative car allowance for the Assistant City Administrator. Gunn stated that it is \$75.00 per month for a total of \$900.00 per year. Sheehan inquired as to why we are budgeting only \$450.00. Gunn stated that all administrative items are a 50% split between the General and Sewer funds therefore the other \$450.00 will show up in the Sewer fund.

Councilmember Sheehan asked about the purpose of the increase in the car allowance for the fire department. Fire Chief Uhl stated that this is due to the addition of a district chief at the second station which adds \$1200.00; and that expense only existed for a portion of the current year. Councilmember Sheehan stated that he only saw a difference of \$800.00. Ramirez stated that the difference is between the amount budgeted last year and the recommended budget. The year end estimate is not the number to use when looking at the difference. Councilmember Sheehan questioned who authorized this expenditure in the current year. Gunn stated that she had as the resolution states that district chiefs will receive a car allowance.

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Councilmember Sheehan asked if the increase in the car allowance in Community Development for the Planner was correct at \$50 per month. Community Development Director Birch stated that is was.

Councilmember Sheehan made a motion to eliminate \$10,000 for the citizen survey, \$20,000 for the compensation study, and the carryover of \$60,000 from the current budget for the municipal facilities plan which should bring the tax levy down \$.01. Seconded by Councilmember McLaughlin. Councilmember Ellerbeck stated that he feels this is money well spent as we plan for the future of the City of La Vista. Councilmember Sell concurred with Councilmember Ellerbeck that we need to do these things to help plan for the future needs of our citizens and the ability of the City to provide all necessary services. Councilmember Quick agreed that we need to do this in order to know where we are going. Councilmember Ronan feels this may not be the year but doesn't disagree with doing the studies. Councilmember McLaughlin stated that this is not the time for these studies – maybe in a few years. Councilmembers voting aye: Sheehan, McLaughlin, and Ronan. Nays: Ellerbeck, Gowan, Quick, and Sell. Absent: Carlisle. Motion failed.

V. COMMENTS FROM THE FLOOR

None.

VI. COMMENTS FROM MAYOR AND COUNCIL

Mayor Kindig commented that many of council are looking at long-term planning which gives Staff direction to plan future space and to have a succession plan for staff positions.

Mayor Kindig thanked the staff for the hard work done on the budget proposal and the Capital Improvement Program.

VII. ADJOURN

At 7:30 p.m. Councilmember McLaughlin made a motion to adjourn the meeting. Seconded by Councilmember Sheehan. Councilmembers voting aye: Sell, Ronan, Quick, Sheehan, McLaughlin, Ellerbeck, and Gowan. Nays: None. Absent: Carlisle. Motion carried.

PASSED AND APPROVED THIS 7TH DAY OF AUGUST 2007.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk