

CITY COUNCIL PROCEEDINGS

August 22, 2001

The Mayor and City Council of the City of David City, Nebraska met in open public session at 6:00 p.m. on August 22, 2001 in the meeting room of the City Office, 557 4th Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner-Press on August 16th, 2001 and an affidavit of the publisher is on file in the office of the City Clerk. The Mayor and members of the City Council acknowledged advance notice of the meeting by signing the Agenda which is a part of these minutes. The advance notices to the Public, Mayor and Council members conveyed the availability of the Agenda, which was kept continuously current in the office of the City Clerk and was available for public inspection during regular office hours. No new items were added to the agenda during the twenty-four hours immediately prior to the opening of the Council meeting.

Present for the meeting were: Mayor Stephen Smith, Council members Ted Lukassen, Gary Kroesing, Gary Smith, Bill Schatz, and Nick Hein, City Administrator Andrew Brannen, Street Superintendent Jim McDonald, Library Director Kay Schmid, Police Chief Stephen Sunday, Pool Manager Rob Scheffler, and City Clerk Joan E. Kovar. Council member Mark Kirby was absent.

Also present were: Jack Tarr, Dr. Kaufmann, Mr. & Mrs. Cleo Pope, Steve Mowers, and Roger Frahm of Frahm Construction.

The tree removal request by St. Luke's United Methodist Church was discussed. The parsonage at 640 - D Street was sold and will be moved to a location near Shelby. David Scribner, who will move the house, stated that the trees should be removed to enable the house to be moved.

Council member Kroesing stated that he viewed the area following last night's (August 21 Council meeting) discussion. Kroesing stated that he doesn't know much about house moving but does know about overhead wires. The wires are double hooked and can easily be taken down. The tree on city property does not look dead or diseased. The tree looks as good as any other maple tree in town. Kroesing also heard that the congregation is split on the decision to remove the tree. This is not a unanimous decision.

Jack Tarr agreed that the congregation was split on the sale of the parsonage and the removal of the tree. It was not a unanimous decision but it was a majority vote. Dr. Kaufmann stated that he would buy a replacement tree.

Council member Hein stated that he could argue both ways. "I am not a house mover or experienced with power lines, so I need to take the word of David Scribner that the tree must come down in order to move the house."

Council member Smith made a motion to allow the removal of the maple tree on City property, in front of the St. Luke's United Methodist Church parsonage at 640 - D Street, with the stipulation that a replacement tree be planted. Council member Hein seconded the motion. Voting YEA: Council members Schatz, Smith, and Hein. Voting NAY: Council member Kroesing. Council member Lukassen abstained. Council member Kirby was absent. The motion carried. Mayor Smith stated that he would have voted in favor of the tree removal.

Roger Frahm of Frahm Construction gave a park lakes update. Frahm stated that the east

lake is 90% complete. The west lake is 70% complete. Frahm is still checking on an aeration system. City Administrator Brannen reported that the City is not planning to do any work on the installation of the aeration system. Frahm stated that the City would need to provide the electrical hookups. The parking by the golf course will be like it was before. The south shoreline of the east lake will be leveled off and re-rocked. Frahm will have the aeration information by the September 12, council meeting.

Mayor Smith excused himself at 6:30 p.m. to attend another meeting. Smith turned the meeting over to Council President Gary Kroesing.

Each department head was asked to prepare three budgets: 1) 3% below last years budget 2) same as last years budget, and 3) 3% above last years budget.

Library Director Kay Schmid presented the following requested budget (3% above last years):

Salaries & Wages.....	\$60,500.
Retirement Plan.....	3,000.
Salaries: Insurance Benefit.....	\$1,065.
Insurance: Workman's Comp.....	100.
Disability Insurance.....	135.
Meetings, School, Travel, Dues.....	500.
Printing & Publishing.....	125.
Insurance.....	350.
Utilities.....	7,200.
Repair & Maint: Bldg.....	6,770.
Repair & Maint. Equip.....	600.
Programs, etc.....	250.
Miscellaneous.....	300.
Office Supplies, Postage, etc.....	1,400.
Books, Magazines, etc.....	<u>12,000.</u>
Total Expense:.....	\$94,295.

Kay Schmid stated that this was painful, but also a good process as it made you look at everything you spent. The payroll is a large percentage of the total budget request because they are a service organization. They are therefore asking for a 3% increase. Kay also presented an outline of 2000-01 revenues and expenses, and reviewed all of her expenses and revenues with the Council. There are currently five part-time librarians and Kay is full-time as the Library Director. The librarians are required to have so many hours of schooling each year to keep up their accreditation. There are approximately 1500 library users outside of David City. Council member Hein stated that Kay did an excellent job and stated that the other department heads could use her as an example for their budget presentations next year. All of the Council members agreed.

Police Chief Sunday presented the following requested budget (same):

Salaries & Wages.....	\$166,000.
Salaries: Clerical.....	18,367.
Retirement Plan.....	6,200.

Group Insurance.....	27,100.
Salaries: Insurance Benefit.....	\$1,000.
Insurance: Workman's Comp.....	3,600.
Clothing	2,000.
Disability Insurance	750.
Attorneys Fees & Legal Expense.....	1,500.
Meetings, School, Travel, Dues	1,000.
Drug Task Force.....	1,300.
Radio Repairs.....	1,000.
Dispatchers Salaries	45,000.
Radio Equipment.....	2,000.
Vehicle: Repair & Maint.....	11,000.
Fuel.....	4,000.
Printing & Publishing	500.
Insurance.....	1,750.
Utilities	9,000.
Repair & Maint: Bldg	850.
Repair & Maint. Equip.	1,200.
Dog Care	1,000.
Miscellaneous.....	1,200.
Office Supplies, Postage, etc.....	2,000.
Operating & Training Supplies, Ammun.. ..	3,000.
Misc. Equipment Rental	<u>2,000.</u>
Total Expense:	\$314,317.

Police Chief Sunday stated that the only way to cut his budget 3% would be to cut an employee, that would mean a 4 man department versus a 5 man department. Sunday stated that if a man was cut that would mean more overtime. With five men, Sunday can adjust his schedule to cover their days-off as to not acquire over-time. The vehicle repair and maintenance is set at \$11,000 due to the 3rd and final lease payment due on the Crown Victoria police car. The dispatchers salaries were reduced slightly. Sunday prioritized updating the worn out radios as this is a safety issue. Sunday also stated that he did not purchase a new safety vest for himself. The Council stated that they had advised him to do so. Sunday stated that he did not purchase the \$400 safety vest to keep under budget. The Council instructed Sunday to purchase a safety vest for himself. Sunday said he would order it tomorrow. Sunday stated that he has a laundry list of items for building maintenance: new carpet, windows, wiring, painting, heating/air-conditioning system. Sunday stated he has compared looking at a new building or sticking with the one they have. Any building available would not be as large as they have now and there would be no room for storage or an interrogation room. Police Sunday stated "The present building has space opportunities beyond the time I'm pushing up daisies. It just needs to be updated." Council member Hein stated the power plant workers could be put to work painting, etc.. The Council may tour the police building at the next committee of the whole meeting. Council member Schatz stated that this (renovation of the building) should be brought up as a project. Schatz questioned if there were any provisions for car replacements. Sunday said "No". The Council stated it would be a good idea to have a sign showing the way to the Police Department. Sunday said he will probably need clearance from the State Hwy Dept. and will check into it.

Council President Kroesing declared a ten minute recess at 7:20 p.m.. The meeting

resumed at 7:40 p.m.

Street Superintendent Jim McDonald presented his requested budget (same) as follows:

Salaries & Wages.....	\$74,000
Salaries: Road Equip Repair.....	6,500.
Salaries: Snow Removal.....	7,000.
Retirement Plan.....	4,000.
Group Insurance.....	5,000.
Salaries: Insurance Benefit.....	2,130.
Insurance: Workman's Comp.....	5,100.
Clothing.....	300.
Disability Insurance.....	400.
Attorneys Fees & Legal Expense.....	100.
Meetings, School, Travel, Dues.....	1,800.
Radio Repairs.....	250.
Vehicle: Repair & Maint/gas & diesel fuel.....	5,000.
Tires & Tire Repair.....	2,000.
Fuel: Snow Removal.....	2,000.
Printing & Publishing.....	400.
Insurance.....	2,900.
Utilities.....	5,000.
Repair & Maint: Bldg.....	3,500.
Repair & Maint. Equip.....	15,000.
Repair & Maint. Office Equip.....	300.
Repair & Maint. - Streets.....	27,500.
Drainage (Storm Sewer, etc.).....	500.
Miscellaneous.....	500.
Tree Removal Expenses.....	3,000.
Office Supplies, Postage, Etc.....	300.
Supplies: Shop & Small Tools.....	1,200.
Chemicals.....	1,500.
Snow & Ice Chemicals.....	3,000.
Materials: Gravel & Borrow.....	2,500.
Grader Blades.....	900.
Culverts.....	1,000.
Steel Products.....	100.
Lumber.....	100.
Traffic Control Signs.....	3,000.
Misc. Supplies.....	200.
Misc. Equipment Rental.....	3,500.
Cap. Imp. Repair/Maint. Streets.....	61,000.
Cap. Imp. Materials: Asphaltic.....	4,500.
Cap. Imp. Materials: Concrete.....	3,200.
Small Equipment Vehicle Replacement.....	<u>2,000.</u>
Total Expense:.....	\$262,180.

Street Superintendent Jim McDonald explained each line item of his proposed budget. Jim

would like to discontinue the Insurance Benefit, which allows an \$88.75 cash payment in-lieu of the insurance benefit. City Clerk Kovar disagreed. City Administrator Brannen stated that this is only available to employees hired prior to August 1, 1999.

Street Superintendent McDonald would like to purchase an oil burner for approximately \$5,000. The Butler County Recycling may contribute \$1,600 towards the purchase since it uses used oil.

Council member Schatz stated that \$61,000 for capital improvement: repair and maintenance of streets looked weak. The primary function of a city is infrastructure. Schatz suggested making a stronger commitment and raising this line item to \$100,000. City Administrator Brannen stated that the \$61,000 is already coming directly out of the reserves. The reserves won't last forever. Schatz stated the City is spending funds on accessory items such as the swimming pool and the park lakes project; the City needs to maintain and improve it's infrastructure. Schatz stated that even \$100,000 is a band-aid approach, the City needs to make a commitment towards streets with a bond issue or sales tax. Council member Smith agreed "We are losing ground each year, we are not even keeping up with the deterioration." After discussion, the Council authorized that the budget be increased from \$61,000 to \$100,000 for capital improvement: repair/maintenance of streets. Due to the park project the roads in the park are in terrible shape. The Council instructed McDonald to spend whatever to repair the park roads - "Make that the #1 project, do it now, don't even put it in the 1 & 6 year street plan." The Council also authorized \$3500 towards the purchase of an oil burner.

Mayor Smith returned to the Council Meeting at 8:20 p.m..

Jim McDonald stated that the following needs to be replaced:

Vehicles:

- 1989 Ford pickup - not sure if it will make it another year or not.
- 1979 dump truck

Equipment:

- 1985 dresser loader
- 1983 FMC street sweeper

Mayor Smith asked Street Superintendent McDonald to prioritize the prior list. McDonald stated that he would like the 1985 dresser loader replaced. The Council advised McDonald to look into a loader; new versus used.

Pool Manager Rob Scheffler presented the proposed swimming pool budget for 2001-02:

Ticket Sales	\$24,500.
Miscellaneous Revenue	<u>\$15,000.</u>
Total Revenue:	\$39,500.
Salaries & Wages.....	\$26,000.
Insurance: Workman's Comp.....	700.
Printing & Publishing	2,500.
Insurance.....	3,000.
Utilities	8,000.

Repair & Maint: Bldg	2,500.
Miscellaneous.....	5,000.
Chemicals.....	3,000.
Supplies for Resale	<u>9,000.</u>
Total Expense:	\$59,700.

Scheffler stated that Dave Burbach of Burbach Aquatics said that the place to make money is on the food, not the admissions. Scheffler is preparing a needs vs. wants list. He mentioned an iced tea machine and a slushy machine. As the Aquatic Center will be new, this is a fictitious budget. No-one really knows what to budget. City Administrator Brannen estimates it will take approximately three years to get comfortable with a new budget.

City Clerk Joan Kovar presented the proposed 2001-02 budget for the General Fund as follows:

Personal Property Tax.....	\$279,000
Motor Vehicle Tax	35,000
Interest on Delinquent Tax.....	1,500
In-Lieu of Tax	10,000
Electric Dept. In-Lieu of Tax.....	111,000
Homestead Allocation	10,000
State Aid	34,400
Municipal Equalization Fund	60,000
Pro-rate Motor Vehicle Tax	1,200
Occupation Tax	18,000
Franchise Tax.....	60,000
Fees, Licenses & Permits	3,000
Parking Violations.....	100
Interest on Investments	<u>21,000</u>
Total Revenue	\$644,200
Salaries & Wages.....	\$55,000
Salaries: Mayor, City Council	12,000.
Retirement Plan.....	7,500.
Group Insurance.....	4,900.
Salaries: Insurance Benefit	3,400.
Insurance: Workman's Comp.....	650.
Disability Insurance	650.
Audit, Attorney, & Legal Expense	9,000.
Meetings, School, Travel, Dues	7,000.
Printing & Publishing	3,000.
Insurance.....	7,000.
Utilities	500.
Repair & Maint: Bldg	1,500.
Repair & Maint. Equip.	2,500.
Election Expense.....	200.
Miscellaneous.....	4,000.
In-lieu of tax remittance.	8,500.

Office Supplies, postage, etc. 3,000.
Total Expense: \$130,300.

City Clerk Kovar explained that some of the revenues collected are in turn paid out as expenses, such as In-lieu of tax which is divided between the City, County, and School Districts, Occupation Tax which is paid out to the Fire Department, and License Fees collected that are paid out to School District No. 56. City Clerk Kovar explained each line item.

Kovar stated a utility program was recently installed. The program is taking forever to run, the computers are closing down due a message "you have performed an illegal act", or are freezing up. The installer suggested the need for updated computers and/or a new server. Council member Smith suggested Computers by Malone, out of Omaha, Nebraska. City Clerk Kovar is to check into this.

City Administrator Brannen suggested scheduling a small event so that the City could "show off" what they have accomplished, such as the Park project and the new swimming pool. He would like money allocated for such an event such as a fireworks display, watermelon feed, or something on that order. The council members suggested that perhaps it could be in conjunction with the grand opening of the swimming pool, or on July 3. The Council allocated \$10,000 towards this event. A date will be determined later.

City Administrator Brannen asked if a swimming pool family pass could be donated to the Jaycees as a prize for their upcoming golf tournament. The Council members present approved.

The Ball Association used to remit the ball team registration fees to the City. In turn, the City paid the umpires, coaches, and the salary for the recreation director. The City did not receive this money last year or this current year. As the City does not own the ball field, the Council felt that the City should not be issuing checks for the ball association. Beginning in fiscal year 2001-02, the City will issue one check to the Ball Association for the budgeted amount plus the allotted Keno funds, and a check will be issued in January for their percentage of the city sales tax for the previous year.

There being no further business to come before the Council, Council member Hein made a motion to adjourn. Council member Kroesing seconded the motion. Voting YEA: Council members Lukassen, Schatz, Kroesing, Smith, and Hein. Voting NAY: None. Council member Kirby was absent. The motion carried and Mayor Smith declared the meeting adjourned at 9:55 p.m..

Mayor Stephen Smith

City Clerk Joan E. Kovar



CERTIFICATION OF MINUTES
August 22, 2001

I, Joan E. Kovar, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of August 22, 2001; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that the minutes of the meeting of the City Council of the City of David City, Nebraska, were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided with advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

Joan E. Kovar