

Kearney, Nebraska
July 7, 2011
7:00 a.m.

A Special Meeting of the City Council of Kearney, Nebraska, was convened in open and public session at 7:00 a.m. on July 7, 2011 in the 2nd Floor Conference Room at City Hall. Present were: Stanley A. Clouse, President of the Council; Michaelle Trembly, City Clerk; Council Members Randy Buschkoetter, Bruce Lear (arrived at 7:41 a.m.) and Bob Lammers. Absent: Don Kearney. Michael Morgan, City Manager; Wendell Wessels, Director of Finance; Suzanne Brodine, Assistant City Manager; Shawna Erbsen, Human Resources Director; Julie Steffensmeier, Executive Assistant; Kirk Stocker, Director of Utilities; Rod Wiederspan, Director of Public Works; Matthew Williams, Library Director; Neal Lewis, Director of Park & Recreation; Ken Tracy, Fire Administrator; Dan Lynch, Chief of Police; Jim Lynaugh, Airport Manager; Bobbi Pettit, Assistant Development Services Director were also present. Kevin Hervert from Kearney Hub was also present.

Notice of the meeting was given in advance thereof by publication in the Kearney Hub, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the City Council and a copy of their acknowledgment or receipt of such notice is attached to these minutes. Availability of the Agenda was communicated in the advance notice and in the notice to the Mayor and City Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Clouse announced that in accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act is available for review and is posted towards the back of the Conference Room.

BUDGET INTRODUCTION

Wendell Wessels, Director of Finance presented the proposed budget to the Council that addressed expenditures, personnel, capital outlay, debt service, revenues, property taxes, and sales taxes.

Expenditures

Expenditures	Fiscal Year 2011	Fiscal Year 2012
General Fund	\$16,418,446	\$18,564,272
Special Revenue Funds	\$5,283,854	\$6,226,769
Capital Project Funds	\$7,200,595	\$7,612,533
Debt Service Funds	\$1,614,134	\$1,641,793
Enterprise Funds	\$19,667,726	\$16,359,303
Internal Service Funds	\$5,914,050	\$6,661,300
Fiduciary Funds	\$506,861	\$516,236

Personnel

3% COLA – Governmental Funds

3% COLA – Proprietary Funds

Total 3% COLA

Positions added:

Library – reclassify Assistant Library Director to full time

Library – additional two part time Library Clerks

Library – additional one part time TLC Monitor

Park – additional one full time Facilities Maintenance Worker

Transportation – additional one full time Maintenance Worker

Sanitation Collection – additional six part time Recycling Processors

Sanitary Sewer/Water – additional one full time GIS Technician

Capital Outlay

General Fund	\$1,508,609
Special Revenue Funds	\$411,000
Capital Project Funds	\$6,744,505
Enterprise Funds	\$3,144,500
Internal Service Funds	<u>\$49,000</u>
Total	\$11,857,614

The following are the top ten capital outlay projects:

1. East Kearney Bypass – Phase 1 (bond) \$1,517,000
2. Park & Recreation/Library parking lot \$600,000
3. Asphalt street replacement – 5th Avenue \$500,000
4. Replace landfill compactor \$500,000
5. CDBG Project – Emerson School sidewalks \$305,427
6. Replace 1989 street sweeper (lease purchase)\$240,000
7. Aspen Meadows 2nd Addition – paving \$239,303
8. Replace automated garbage truck \$235,000
9. Downtown lighting project \$200,000
10. Replace landfill trammel screen \$200,000

Debt Service (Principal Only)

	Public Safety	Various Purpose	Revenue	Total
Beginning	\$1,685,000	\$19,835,000	\$19,276,415	\$40,796,415
Paid Off	(\$330,000)	(\$1,015,000)	(\$2,280,541)	(\$3,625,541)
New Debt	\$00	\$1,517,000	\$00	\$1,517,000
Ending	\$1,355,000	\$20,337,000	\$16,995,874	\$38,687,874

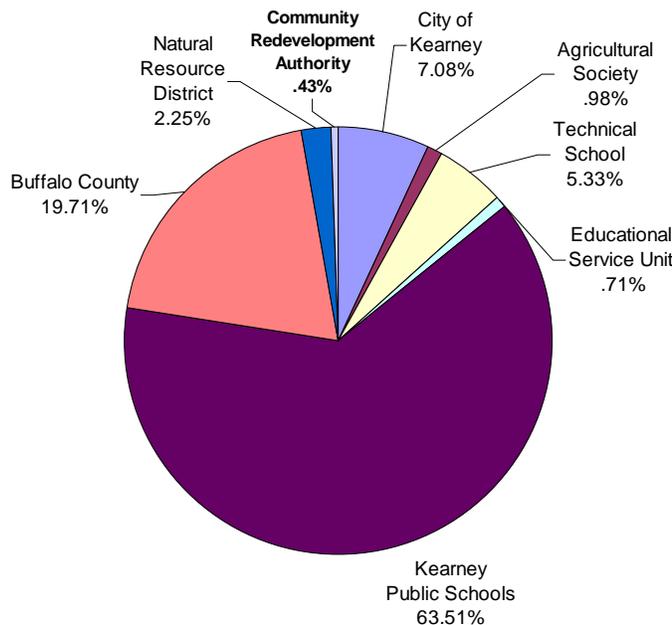
Proposed Revenues

Revenues:	Fiscal Year 2011	Fiscal Year 2012
Taxes	\$14,397,389	\$15,466,761
Licenses & permits	\$320,900	\$375,900
Charges for services	\$17,487,753	\$18,516,212
Fines	\$57,800	\$69,500
Special Assessments	\$1,699,017	\$292,000
Interest	\$485,269	\$139,900
Miscellaneous	\$12,466,298	\$10,149,297
Intergovernmental – State	\$3,637,100	\$4,632,148
Total	\$50,551,526	\$49,641,718

Proposed Property Tax Request

City of Kearney valuation (est. 4% growth)	\$1,722,647,549
General Fund property tax requirements	\$2,174,217
General Fund property tax levy (per \$100)	\$0.12621
Public Safety TAB Fund property tax requirement	\$390,288
Public Safety TAB Fund property tax levy (per \$100)	\$0.0226
Total property tax requirement	\$2,564,505
Total property tax levy (per \$100)	\$0.14887
Taxes on a \$150,000 home	\$223,31

Property Tax Distribution for 2010



Sales Tax Revenues

	Actual Fiscal Year 2010	Estimated Actual Fiscal Year 2011	Proposed Fiscal Year 2012
One Cent Sales Tax			
General Fund	\$5,254,686	\$5,493,333	\$5,493,333
Street Improvement Fund	\$755,361	\$944,853	\$1,017,378
Various Purpose Bond Fund	\$558,310	\$428,480	\$355,955
Subtotal	\$6,568,357	\$6,866,666	\$6,866,666
One-half Cent Sales Tax	\$3,284,179	\$3,433,334	\$3,433,334
Total Sales Tax	\$9,852,536	\$10,300,00	\$10,300,000

Comprehensive Fee Schedule Changes

Administration – telecommunications occupation tax to 5 percent
 Development Services – all permits and licenses increased approximately 5 percent
 Cemetery – fees increased by various amounts
 Golf Course – fees increased by various amounts
 Solid Waste-Collection – rates increased 6 percent
 Wastewater – rates increased 5 percent
 Water – rates increased 4 percent

Other Notable Items

Comp Plan – first half of cost included in budget

Information Technology
 Microsoft Office upgrade
 Microsoft Outlook upgrade
 New World Systems Logos.NET upgrade
 Financial Management
 Payroll and Human Resources
 Utility Management
 eSuite Self-Service

Pay off golf bonds – October 15, 2011

City Manager Michael Morgan went through and discussed the Special ½ cent sales tax projects. The majority of the projects are street improvement projects.

The Council members thanked Administration on putting the budget together and that it is a continuous working document in progress.

CLOSED SESSION

Moved by Clouse seconded by Lammers that Council adjourn into closed session at 8:18 a.m. for the protection of the public interest to conduct the City Manager's annual performance evaluation. Roll call resulted as follows: Aye: Clouse, Lear, Lammers, Buschkoetter. Nay: None. Kearney absent. Motion carried.

Mayor Clouse restated the purpose for the closed session is for the protection of the public interest to conduct the City Manager's annual performance evaluation. According to law, the Council has the option to reconvene back into open session and may take any formal action it deems appropriate.

Moved by Clouse seconded by Buschkoetter that Council reconvene in regular session at 9:15 a.m. Roll call resulted as follows: Aye: Clouse, Lammers, Buschkoetter, Lear. Nay: None. Kearney absent. Motion carried.

ADJOURN

Moved by Clouse seconded by Lear that Council adjourn at 9:15 a.m. Roll call resulted as follows: Aye: Clouse, Lear, Lammers, Buschkoetter. Nay: None. Kearney absent. Motion carried.

ATTEST:

**STANLEY A. CLOUSE
PRESIDENT OF THE COUNCIL
AND EX-OFFICIO MAYOR**

**MICHAELLE E. TREMBLY
CITY CLERK**