

Kearney, Nebraska
July 28, 2016
4:00 p.m.

A Joint City/County Budget Meeting of the City Council of Kearney, Nebraska and the Buffalo County Board of Commissioners was convened in open and public session at 4:00 p.m. on July 28, 2016 in the Peterson Senior Activity Center, 2020 West 11th Street, Kearney, Nebraska. Present were: Mayor Stanley A. Clouse; Council Members Randy Buschkoetter, Bruce Lear, Bob Lammers, Jonathan Nikkila. Absent: None. County Commissioners present: Chairman William McMullen, Sherry Morrow, Kent Greder, Dennis Reiter. Absent: Francis Biehl, Joe Brayton and Ivan Klein. City Staff present: Michael Morgan, City Manager; Michaelle Trembly, City Clerk; Wendell Wessels, Director of Finance; Michael Tye, City Attorney; Paul Briseno, Assistant City Manager; Shawna Erbsen, Administrative Services Director; Dan Lynch, Police Chief; Tony Jelinek, Assistant Director of Utilities; Scott Hayden, Park & Recreation Director; Christine Walsh, Assistant Library Director; and Julie Steffensmeier, Executive Assistant. County Staff present: Jan Giffin, County Clerk; Shawn Eatherton, County Attorney; and Neil Miller, Sheriff. Jessica Kokesh from the 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 in the room.

Director of Finance Wendell Wessels presented the following proposed 2016-2017 budget:

The total County share for 2015-2016 was \$839,420 with the total County share for 2016-2017 being \$856,717. This is an increase of \$17,297 or is approximately a 2.06 percent increase from last year. The City's total share for the 2015-2016 was \$688,497 with the total City share for 2016-2017 being \$712,123. This is an increase of 23,626 or a 3.43 percent increase from last year.

Bookmobile

The total requirement from the County in this budget is \$236,177. Some of the notable expenditures include: (1) new roof for low office roof section - \$10,000, and (2) save for bookmobile - \$20,000.

Cottonmill Park

The total tax requirement in this budget for Cottonmill Lake Park is \$427,667. There was a credit of \$4,841 which brings the total tax requirement to \$422,826 with the County's portion being \$211,413. Some of the notable expenditures include: (1) boat replacement - \$7,000, (2) replace picnic tables, benches and grills - \$5,000, and (3) replace 2010 Bobcat 3400 4x4 utility vehicle - \$22,000.

Law Enforcement Center

The Law Enforcement Center includes: County Attorney Information Technology, Police Records Services, Police Data Processing, Police Evidence and Police Building. The total requirement from the County on this budget is \$426,848 and the City's requirement is \$637,123. Some of the notable expenditures include; (1) replace building heating units - \$18,000; (2) LED lighting project - \$16,000, (3) workroom furniture - \$50,000, (4) video lobby interview rooms - \$20,000, and (5) software upgrade-SunGard Public Sector, Inc. - \$50,000.

Peterson Senior Activity Center

The 2015-2016 City of Kearney budget to staff and operate the facility was \$476,929 and the projected 2016-2017 budget is \$547,790. The reason for the increase is more programs and entertainment. Some of the notable expenditures include; (1) Nu Step Recumbent Cross Trainer - \$5,500.

Emergency Management

The City and County entered into an agreement for the purpose of providing emergency management services to both the City and the County. Buffalo County agreed to employ the Emergency Management Director as a full-time employee and will fund this position. The Emergency Management Director shall act in an advisory capacity only to the City of Kearney.

Prosecution Services

This agreement has been entered into between the City and County for prosecuting services. The City currently reimburses the County in the amount of \$75,000 annually for these services.

Vehicle Gasoline Purchase

The City, County, School and ESU entered into an interlocal agreement to provide for the purchasing of gasoline.

Airport Road Re-location Financing

The City and County entered into an interlocal agreement setting forth the specifics of the County's agreement to reimburse the City for all construction costs with reference to the relocation of Airport Road and any road improvements along Highway 30. The

current estimated cost for the road portion of the project is \$1,275,000. The City, at the request of Buffalo County, has agreed to oversee the road improvements with the County to reimburse the City for the cost by paying the annual debt service for a period of twenty (20) years.

Kearney Area Solid Waste Agency

The Kearney Area Solid Waste Agency Landfill began operation in April of 1994. The Kearney Area Solid Waste Agency Landfill is governed by the Kearney Area Solid Waste Agency Board which is composed of City Council members, Administrative Staff and a County Official. The Landfill serves Buffalo County and surrounding area. The Landfill is expected to last approximately 36 years.

Archway Monument

In December of 2013 the City and County entered into an agreement to provide funding and management oversight for The Archway. Both the City and the County have agreed to each provide funding for operation in the amount of \$75,000 annually for a period of three years.

Mayor Clouse asked if all these agreements are still viable or do they need to perform a critical analysis on them to make sure the funding mechanisms are correct. City Manager stated the Law Enforcement Center certainly saves taxpayers dollars in its entirety when you do not have to duplicate services.

Mayor Clouse stated he does not quite understand what the reasoning behind Cottonmill's change since it is really a county facility. What was the reason to change from 1/3 to fifty percent? Finance Director responded he believes it was the City Manager at that time that agreed to it. They could look at the minutes. City Manager stated it had been in place for a long time. Finance Director stated he believes it was always 1/3 to 2/3 since at least 1986 when he started.

Council Member Buschkoetter stated if he remembers correctly, part of the discussion was that the City has grown closer to the park and he believes there was something else. Something about the City's growth moving closer to the park. More and more people from Kearney were being the primary users which was a part of the argument.

Mayor Clouse stated the reason he brings that up obviously with the situation that happened with the Archway. It really raises a question what type of partnership do they really have and is there still merit. He believes that needs to be laid out on the table and have that discussion.

Commissioner Reiter stated it would sure help the County if they had access to other funds other than personal property taxes. They had 2,500 property evaluation protests; people are really touchy about the taxes. He wished the County could tap into some sort of sales tax then they would have more funds and do more. For him, he thinks the City of Kearney has done a great job and he would like to partner with the City as much as possible. The Archway was something he did not see fit to support.

Mayor Clouse asked how much of the county budget is generated within the corporate limits. He hears numbers all over the place and how much is reinvested within the corporate limits. He does not expect it to be one for one but do they really know what those numbers are.

City Manager stated they can determine what is generated. Mayor Clouse asked when the County holds their budget hearing. Chairman McMullen stated September 20. Mayor Clouse asked with those numbers that are presented, what is the process to get to the budget committee. Chairman McMullen stated just get together with the County's Board Administrator and she has all the dates that they get together with all of the elected and appointed officials.

Commissioner Morrow stated typically they start with an audit in February or March then have the hearings in early June then take the lid numbers that they have and then Lynn computes all that for them and tells us where they are coming in. This year with what she handed to the budget committee they had to cut approximately \$3 million and in her opinion none of the requests were outlandish from people asking. They do not have a levy problem as far as the budget committee and the county are concerned it is a lid problem with the spending. The levy part of it is fine.

Mayor Clouse asked if it was too late for this year. Commissioner Morrow stated probably, they could start meeting now as far as actually crunching it in. One reason there is no time and the other reason is Lynn is gone until September.

Commissioner Greder stated there is no reason they cannot start meeting and looking at stuff now. It does not have to be a formal meeting.

Commissioner Morrow stated as a budget committee they meet every board meeting, the hour before the County Board meeting which are held Tuesday morning at 8:00 a.m.

Council Member Lammers stated they need to get onto the County's agenda a lot earlier in the session so they can work closer to getting the senior center, in particular, closer to equitable percentage. There are a couple areas where the City is putting in quite a percentage of the money and they need to try to balance that out a little better.

City Manager stated they also have some major roads coming up and they have funded some county roads already in the last two years. They have 56th Street coming up. Does the County have any funding for the 56th Street widening? Chairman McMullen stated at this point of time in their budget they have nothing in there for paving.

Mayor Clouse asked where they spend the bulk of their high percentage items. Chairman McMullen stated it is probably between the Law Enforcement Center and the highway department and that's about it. The rest of it is probably administration and that is not that high in his opinion.

Finance Director stated maybe it would be a good idea in February or March, a small group of them get together and go through all of these services so that when they are preparing the budget they can use those decisions and when the City and County have their annual meeting it is based on what they talked about back in February or March.

Commissioner Morrow stated she believe this to be a good idea and believes they should start even sooner just so that they do not get in a time crunch.

Chairman McMullen stated they previously discussed meeting more often than once a year. He meets with the City Manager every couple months but 30 minutes between two guys does not really solve a lot of problems. He would start scheduling some stuff as quick as you can.

City Manager stated he believes the One & Six Year Street Plan is a really big item; 56th Street which serves a lot of people and is in the county. They are budgeting \$3-4 million next year and really it is not a City street. They have always been denied access to funding for that, those projects are just too big for the City to handle. That would be a really good one to sink their teeth into. Maybe delay that project if need be but that is a large project for the City.

Council Member Buschkoetter asked if they are going to meet more than once a year; every six months seems to be the logical answer to that. Actually tentatively plan on all of us getting back together in January. The initial part of this is philosophical and to take a look at the numbers. They can get to it before the end of the calendar year and talk about things. If they get together as a large group maybe at that point they figure out who the sub-committees will be.

Commissioner Greder also suggested meeting earlier in the day rather than 4:00 p.m. Early in the morning was suggested.

Moved by Nikkila seconded by Lammers to accept the proposed 2016-2017 budget as presented. Roll call resulted as follows: Aye: Clouse, Lear, Lammers, Nikkila, Buschkoetter, McMullen, Reiter, Greder, Morrow. Nay: None. Absent: Klein, Biehl, Brayton. Motion carried.

ADJOURN

Moved by Buschkoetter seconded by Lammers that the meeting adjourn at 4:33 p.m. Roll call resulted as follows: Aye: Clouse, Nikkila, Lammers, Buschkoetter, Lear, McMullen, Reiter, Greder, Morrow. Nay: None. Absent: Klein, Brayton, Biehl. Motion carried.

ATTEST:

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

**MICHAELLE E. TREMBLY
CITY CLERK**