

August 2, 2011

## CITY COMMISSION MINUTES

August 2, 2011

7:00p.m.

The regular meeting of the Junction City City Commission was held on Tuesday, August 2, 2011 with Mayor Pat Landes presiding.

The following members of the Commission were present: Cecil Aska, Scott Johnson, Pat Landes, Jim Sands, and Jack Taylor. Staff present was: City Manager Gerry Vernon, City Attorney Catherine Logan, and City Clerk Tyler Ficken.

### PUBLIC COMMENT

Deb Johnston of 1320 McFarland stated that she sent an e-mail to the commission request that taxes not be increased. She stated that the cost of everything is going up, and she wonders if the City wants to keep people in town.

Alan Bontrager stated that he does not want people to lose their jobs, but that cuts need to happen. He stated that the employees are doing well with lower staff levels. He stated that there needs to be a zero mill increase. He stated that the City is fortunate to have a quality City Manager, CFO, and a cooperative Commission.

Patrick Lynch stated that his club will be holding an event on September 10<sup>th</sup> at Heritage Park to recognize those who lost their lives on September 11, 2001. He stated that he will provide a proclamation for a future Commission meeting.

Chuck Leithoff stated that the National Night out Against Crime was a success this year, and was supported by 16 local businesses and one out of town business. Many volunteers from the City helped with the event working from 5PM to Midnight. The City provided displays to the community and dinner was served at the event. Mr. Leithoff estimated that 300 people attended the event, with 150 to 175 people who stayed to watch the movie E.T.

Johns Stewart stated that there was a reserve fund in the past, and it was stolen; he questioned the need for a reserve. He stated that the problem has been with the bureaucracy in the past 5 years, and transparency has been a problem.

Crystal Trevino owner of Now or Later at 1104 N. Washington St. stated that there is a problem with a manhole in the alley near her business. She stated that vehicles are being ruined. She stated that concrete or asphalt is needed to fix the problem because rocks do not stay. She stated that she has received complaints from customers, and she would like the issue to be addressed.

George Marcus stated that revenues to the City are expenses to business owners. He stated that the City has not managed money well in the past and there should be a disadvantage to the City as a result. Mr. Marcus stated that the specials on his Hidden Valley property were higher than they were supposed to be because the City did not pay interest. Mr. Marcus stated that the budget has increased for years, and the City should not expect others to pay for mismanagement.

Barras family on Oakridge Dr. asked for no increase to the mill levy. Their taxes have tripled since they have owned their home. They stated that some items should be moth balled until

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they can be afforded. They stated that people will leave town with the proposed level of taxation. Commissioner Johnson stated that he felt a mill or two were acceptable but he prefers a zero mill increase; he stated that taxes are going up all over and a town in Rhode Island went bankrupt.

## **CONSENT AGENDA**

Commissioner Johnson stated that the funds to fix the ravine are in the appropriations. He asked if a letter had been sent to the builder. Commissioner Johnson stated that he would like to see a local law firm hired. He stated that the City should not purchase concrete from Penny's. City Manager Vernon stated that Penny's has not been black listed.

Consideration of Appropriation Ordinance A-15 2011 dated July 14, 2011 through July 27, 2011 in the amount of \$557,279.89. Commissioner Johnson moved, seconded by Commissioner Aska to approve the Consent Agenda as presented. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

Consideration of the July 19, 2011 City Commission Meeting Minutes. Commissioner Johnson moved, seconded by Commissioner Aska to approve the Consent Agenda as presented. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

Consideration to declare a vehicle as surplus and allow the Police Department to sell the vehicle by auction. Commissioner Johnson moved, seconded by Commissioner Aska to approve the Consent Agenda as presented. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

Consideration of CVB request to close streets for Jammin in JC Blues and BBQ Festival. Commissioner Johnson moved, seconded by Commissioner Aska to approve the Consent Agenda as presented. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

Consideration to apply for the 2011 Edward Byrne Memorial Justice Assistance Grant (JAG) through the U.S. Department of Justice. Commissioner Johnson moved, seconded by Commissioner Aska to approve the Consent Agenda as presented. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

## **SPECIAL PRESENTATIONS**

Mayor Landes to presented a Certificate of Appreciation from the Police Department to Steven C. Zimmerman.

## **NEW BUSINESS**

Consideration to approve Ordinance G-1102 updating the City Ordinance to accurately reflect the new 2011 Standard Traffic Ordinance. Chief Brown Presenting. Commissioner Aska moved, seconded by Commissioner Johnson to approve Declaration of Emergency for G-1102. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried. Commissioner Taylor moved, seconded by Commissioner Aska to approve G-1102 on first reading. Ayes: Aska,

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Johnson, Landes, Sands, Taylor. Nays: none. Motion carried. Commissioner Taylor moved, seconded by Commissioner Aska to approve G-1102 on final reading. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

Consideration to approve the 2010 Audit. Finance Director Beatty Presenting. Commissioner Aska asked for a response on the correction recommended by the Audit firm. Finance Director Beatty stated that many of the corrections are already in place; more detail will be provided in the future. The City Commission will be presented with a finance policy soon. Mayor Landes asked if this was a new Audit Company. Finance Director Beatty stated that the City went out for bid and received a cost savings. Commissioner Johnson questioned the accounting awards that the past City Manager received. Finance Director Beatty stated that the awards were for presentation of the budget and not the financials. Commissioner Taylor stated that perhaps Spin City and Rolling Meadows need to be sold if they do not break even. City Manager Vernon stated that the Spin City director is getting very creative, and bringing in children from other communities. Commissioner Taylor stated that the city should look for a buyer. Mayor Landes stated that it needs to become profitable before it is sold.

Consideration to publish Notice of Budget Hearing to be held on August 16, 2011. Finance Director Beatty Presenting. City staff proposed that the budget be published at 52.008 mills. Commissioner Johnson stated that the budget can be reduced; the Opera House needs to be weaned off o City funds. Commissioner Johnson stated that there could be voluntary decreases for those making over \$50,000. Mayor Landes asked why there was a decrease in General Fund expenditures. Finance Director Beatty stated that the City is working to get itself out of a hole; dollars will be managed responsibly in the future. Finance Director Beatty stated that the debt has increased for the 2012 budget, and there will be smaller debt payments in future years. Finance Director Beatty stated that City staff has worked to reduce the budget from 9 mills. Commissioner Johnson stated that the City has increased fees which are not tax deductible, while property taxes are. Mayor Landes stated that the City has increased lease fees at the airport. Commissioner Johnsons stated that the Opera House needs to be cut. Commissioner Johnson state that there are City employees who do not live in the City. Commissioner Sands stated that it is not fair to employees to change the residency rules every few years. Commissioner Aska stated that he felt it is important to build a reserve, but it could be scaled back for this budget year. Commissioner Jonson stated that the debt is as high as it can go, and also the sales tax, and it is close on property tax; the Opera House, Golf Course, and Airport need to be looked into. The Commission discussed potential cuts to the Health Department, Opera House, streets, and reserve. Commissioner Johnson moved, seconded by Commissioner Taylor to approve a 1 mill increase above last year's rate. Ayes: Johnson, Taylor. Nays: Aska, Landes, Sands. Motion failed. Commissioner Aska moved, seconded by Commissioner Sands to approve a reduction of \$264,000.00 from the proposed 52.008 mill rate for publication. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

Consideration of Ordinance S-3096 attesting to an increase in tax revenues for budget year 2012 (First Reading). Finance Director Beatty Presenting. Commissioner Johnson moved,

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seconded by Commissioner Sands to approve S-3096 on first reading. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

### COMMISSIONER COMMENTS

Commissioner Sands stated that he is interested in a program that brings young adults and business owners together for mentoring opportunities. He asked that people continue to send their e-mails.

Commissioner Johnson stated that he feels the Commission is making progress. He stated that he agrees with Commissioner Sands that there needs to be more recycling. People around town can do a lot to save money; common sense can save money.

Commissioner Taylor stated that people sometimes complain about the hospital, but they do a great job. He thanked Gerry and Cheryl for their work on the budget.

Mayor Landes stated that he provided an article for the paper. He stated that the decisions that the Commission makes will have an impact; the goal is to do the best possible job for the community. Mayor Landes stated that he was honored to present the Certificate of Appreciation to Mr. Zimmerman; thanks to all the soldiers for their work.

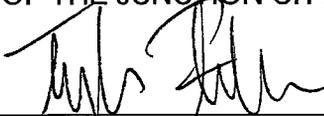
### STAFF COMMENTS

City Manager Vernon stated that the New Assistant City Manager will begin next week on approximately August 10<sup>th</sup>.

### ADJOURNMENT

Commissioner Sands moved, seconded by Commissioner Johnson to adjourn at 8:55 PM Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: None. Motion Carried.

APPROVED AND ACCEPTED THIS 16TH DAY OF AUGUST 2011 AS THE OFFICIAL COPY OF THE JUNCTION CITY CITY COMMISSION MINUTES FOR AUGUST 2ND, 2011.

  
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Tyler Ficken, City Clerk

  
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Pat Landes, Mayor