

A special called meeting of the City Council of the City of Iola was held on July 18, 2012 at 2:00 p.m., at the Riverside Park Community Building, 510 Park Avenue, Iola, and Kansas. The purpose of the meeting was for 2013 budget discussions

CALL MEETING TO ORDER

Mayor Shirley called the meeting to order at 2:00 p.m.

ROLL CALL

Mayor Shirley, Council Members Becker, Rowe, Stewart, Callahan, French and Franklin were present. Also present was, Administrator Slaugh, and City Clerk Hutton. Council Members Kilby and Wicoff were absent.

Mayor Shirley needed to leave to attend a meeting at the water plant and Council President Wicoff was absent, therefore, a motion was made by Council Member Stewart and seconded by Council Member Callahan to appoint Council Member Franklin as acting council president. All in favor. Motion carried.

Administrator Slaugh informed the council members that staff was unable to get the budget to the paper in time to hold the public hearing on July 23rd so the council will need to set a new time for a public hearing. Motion made by Council Member Becker and seconded by Council Member Stewart to set the public hearing for the budget for August 6th at 6:00 p.m. with a location to be determined. All in favor. Motion carried.

A motion was made by Council Member Rowe and seconded by Council Member Callahan to set a special called meeting for 1:00 p.m. tomorrow July 19th to discuss the investigative report regarding KOMA. All in favor. Motion carried.

Administrator Slaugh called everyone's attention to the slide presentation emphasizing that the budget is about more than numbers it is about the people that provide the services to the citizens of the community.

City Clerk Hutton reviewed the City Clerk Department budget. Noting that the increase in the budget was due to the increase in the town liability insurance and the increase cost of the auditors.

Administrator Slaugh reviewed the state forms. Explaining that general fund balance can be used for capital projects and or put into equipment reserve fund.

Council Member Rowe stated that the city could save money when individuals retire by promoting within and not filling the open position.

Administrator Slaugh stated that some departments should increase manpower. In the Park/Cemetery Department last year a position was not rehired with a full-time person, but an individual that works ½ time.

Council Member Callahan noted that when the city decreases a position like was done in the recreation department earlier this year we should let it be known. The public needs to be aware that the city is making cuts and looking at every position before we rehire. At some point it is possible that the city may have to cut services not by cutting money to take care of infrastructure.

Administrator Slauch noted that staff is currently looking at not rehiring the human resources position and dividing up responsibilities for a short-term basis to see if it can be done. Council Member Callahan stated that if we have higher productivity and less people we would be able to pay employees more.

Police Chief Warner presented the Police Department budget to the council. The increase in personnel is due to a built in COLA of 2-½ %, as is with all departments. There is a savings for prisoner boarding and medical services due to the fact that the domestic and alcohol cases are now being handled at the county level. Have applied for a grant for vests which will need to be replaced in 2013. The equipment reserve money will be used to purchase new hand held portable radios in 2014 or 2015. Will be replacing unit 66.

Council Member Rowe stated that the county has gone to using pick up trucks because the trade in value is so much higher than the cruisers. Chief Warner noted that would have to look at the mileage versus the trade in value to see if it would be more beneficial.

Street & Alley Superintendent Dan Leslie presented the budget for Street and Alley and Sanitation. Chip and Seal for 2013 will include 128 blocks compared to the 200 that were done this year. Noted that it overtime has been down due to the low snowfall and not having to perform snow removal as frequently. A mosquito sprayer was put in the capital outlay line of the budget, however it is up to the council if they want to continue with the service or not. Council Member Franklin stated that the city could possibly skip it for one year to see how it goes.

Discussion centered on the equipment reserve money that was used to purchase the fire truck in 2010, the fire department had not accumulated enough funds for the purchase, and therefore cash reserves set aside for other departments equipment was used to purchase the fire truck. This has caused the other departments to have to catch up the funds they had set aside for future equipment purchases. Council Member French and Callahan agreed that if there is cash reserve left in the general fund at the end of 2012 it would be helpful to put it in the equipment reserve to make up for the lost reserves for those general departments.

3:27 p.m. Council Member Franklin declared a 10- minute break.

Park / Cemetery Superintendent Berkley Kerr presented the budget for his department. The increase in salary is due to the requirement of CDL's. In 2012 code enforcement took over the building cleaning and maintenance of city hall. Due to this change in duties \$1,000 from his department to the code enforcement budget. For the William Greene Trust Fund, Berkley reported that he has budgeted \$9,000 for repair of stones. They have repaired 451 stones to date.

The Joseph and Mary Wolf Fund is used for trees and landscaping with the help of Modern Woodmen several trees have been planted in the parks and cemeteries.

Fire Chief Donald Leapheart presented the Fire Department budget. The increase in salaries is due to some of the EMS salaries being moved over due to the fact that the EMS fund cannot support all of its salaries. Have received a \$56,000 grant for new bunker gear with a cost to the city of \$5,000. The Scott air packs have to be replaced in 2013 or 2014 a grant has been applied for the city will be responsible for about \$33,000 with a total cost over \$100,000.

EMS Director Ron Conaway presented the budget for the EMS Department. He noted that when the city took over their own ambulance he stated the fund could support itself without the salaries.

4:09 p.m. Mayor Shirley arrived at the meeting and took over presiding of the meeting.

Administrator Slaugh spoke with Van Scyoc group and they are able to work with us on a budget of \$45,000 per year.

Acting Code Enforcement Officer, Tony Godfrey presented the budget for the code enforcement department noting that the only extra expenditure is to replace the animal control officer's vehicle with the code enforcement vehicle and then purchase a car for the code enforcement department.

ADJOURNMENT

4:20 p.m. Motion made by Council Member Stewart and was seconded by Council Member Becker to adjourn the meeting until 2:00 p.m. tomorrow. The vote was six ayes. As the vote was unanimous, the meeting was declared adjourned.

The adjourned meeting of the special called meeting was held on July 19, 2012 at 2:00 p.m.

CALL MEETING TO ORDER

Mayor Shirley called the meeting to order at 2:00 p.m.

ROLL CALL

Mayor Shirley, Council Members Becker, Rowe, Stewart, Callahan, French and Franklin were present. Also present was, Administrator Slaugh, and City Clerk Hutton. Council Members Kilby and Wicoff were absent.

Administrator Slaugh noted that the location for the August 6th budget hearing will be the Public Library Conference Room.

Administrator Slauch gave an overview on reductions that have been made within the city. From 2002 to 2010 the COLA has increased 24.3% while the mill levy for the city has only increased 18%, personnel have decreased from 123 to 105.

Administrator Slauch noting that Judge Saxton was unable to attend the meeting gave a brief overview of the municipal court budget. Salaries increased with the hiring of an assistant court clerk.

Roger Carswell presented the library budget. Discussion centered on the current ordinance stating that the library mills levy cannot be more than 5 mills. If this were to be the case the library would lose state grant money which is based upon funding from the mill levy. Council Members agreed they would like to see the ordinance changed to reflect the increase in the mill levy.

Mitch Phillips, Gas, Water and Wastewater Superintendent presented the budgets for the three departments. Noting that a line item was added for purchase of rock for repairs in all three funds. Mitch informed the council that the current KCC regulations could change at a moments notice, causing the city to replace the gas lines more aggressively than they currently are. Line loss is good right now. Iola is the third largest municipality gas system.

Council Member French would like to see a comprehensive plan to replace gas lines.

Council Member Rowe noted that this is where we must spend our money.

Council Member Becker wondered if increasing maintenance on lines would not also increase staff.

Council Member Callahan asked what the amount is that is set back each year for line replacement? Currently it is just a cash balance amount.

Council Member Rowe noted that the problem with hiring temporary people to work in the warm months replacing line would be that they were not qualified.

Council Member Franklin would like to see some bids from contractors on line replacement.

Council Member Franklin inquired about the \$73,000 transfer to recreation.

Council Member Rowe stated that we must focus our resources on what we must take care of not the recreation which is not absolutely necessary.

The Water Department budget was discussed next. A transfer to general fund was discussed. Administrator Slauch noted that the current water rate increase hasn't been able to match needs of the department. For the past six years no transfers have been done it is time the department holds up their part of the responsibility to support the general funds.

Council Member Callahan noted that reducing expenses for maintenance of lines is setting the fund up for failure.

When asked why the city did not obtain rock from the county. Mitch Phillips noted that for one they did not have enough manpower to constantly haul enough rock for the stock pile and the county is not able to provide the needs of the city currently.

The wastewater fund was discussed. The lining and upgrade to the mains is being done in 2012 and 2013. There are currently not enough funds to make the repairs.

Council Member Rowe wondered if we are spending money on things we don't need to spend money on?

3:07 p.m. Mayor Shirley declared a five-minute break.

Water Plant and Wastewater Plant Superintendent Toby Ross gave an overview of his budget. For the next two years he is putting aside \$45,000 to upgrade the computer system for the water plant.

The warranty for the solar bees at the lagoons is expiring it is best to continue this service saving money in the long run.

Mike Phillips, Power Plant Superintendent gave an overview of the department budget. Projecting expenditures in 2017 for the EMD's. Setting aside money in the equipment reserve fund for generation replacement.

Kent Tomson, Electric Distribution Superintendent gave an overview of his department budget. Salary increase is due to three of his staff being promoted to linemen. Will be continuing the meter relocation program around the square. Would like to continue with the tree trimming service.

Dana Nauretc, Purchasing Manager gave an overview of the stores department budget.

Council Member Rowe wondered if there is need to increase the department budget with the new purchasing policy. The Incode module for purchasing is a possible purchase for 2012.

Brad Yoder, Recreation Director gave an overview of his department budget. They have reduced from four employees to three employees. Will have to purchase a lift for the swimming pool to comply with ADA regulations. Looking to purchase a sprinkler system for the athletic fields. Have set aside \$5,000 for the 2012 and 2013 budget to purchase an RTV for ball field maintenance.

Council Member French asked if there were grants available to purchase lounge chairs and shade covers.

Assistant Administrator Schinstock presented the budget for the capital improvement fund.

Council Member Rowe asked about opening up the North Street Bridge. Dan Leslie stated that there is just not enough traffic to justify it also there is a main street just a block over.

Council Members French and Callahan would like to see signage put back into the budget for the new hospital and the fishing park.

Council Member Callahan commended staff on the great budget process and the setting up of the equipment reserve fund.

Council Member Franklin agreed the budget process has been a pleasure this year.

Council Member Rowe agreed with the previous comments on the budget.

ADJOURNMENT

4:00 p.m. Motion made by Council Member Franklin and was seconded by Council Member French to adjourn the meeting. The vote was six ayes. As the vote was unanimous, the meeting was declared adjourned.

Approved by the City Council of the City of Iola, Kansas this 13th day of August 2012.

Mayor, William A. Shirley

City Clerk, Roxanne Hutton