

WORK SESSION
BUDGET REVIEW

The Mayor and City Council of the City of Norfolk, Nebraska, held a budget review work session in the Training Room, 309 North 5th Street, Norfolk, Nebraska, on Thursday, July 14, 2016, beginning at 5:15 p.m. to review proposed FY 2016-2017 budgets.

Mayor Sue Fuchtman called the meeting to order.

Roll call found the following present: Councilmembers Shane Clausen, Corey Granquist, Jim Lange, Thad Murren, Dick Pfeil and Mayor Fuchtman. Absent: Dave Fauss and Rob Merrill. Councilmember Josh Moenning listened by telephone.

Staff members present were City Administrator Shane Weidner, Public Works Director Dennis Smith, City Clerk Beth Deck, Finance Officer Randy Gates, Risk Manager Lyle Lutt, Human Resources Director Sheila Schukei, City Engineer Mark Dolechek, Senior Accountant Sheila Rios, City Planner Val Grimes, Fire Chief Scott Cordes, Library Director Jessica Chamberlain, Housing Director Gary Hilkemann, Information Systems Manager Jim McKenzie, Operations Manager Jim Dooley and Park Superintendent Pat Mrsny.

Also present were Terri Wachter, Dan Geary, Bill Jepsen and Amy Sisson with the Airport Authority.

The media represented by Mike Buhler, Norfolk Daily News.

Notice of the meeting was given in advance by publication in the Norfolk Daily News, and notice of the meeting was given to the Mayor and all members of the Council prior to the meeting.

The Mayor presided and the City Clerk recorded the proceedings.

The Mayor informed the public about the location of the current copy of the Open Meetings Act posted in the meeting room and accessible to members of the public.

Norfolk Airport Authority

Airport representatives provided information to elected officials regarding the Airport Authority budget. The property tax request remains the same for FY 2016-2017 at \$440,784.

Geary reviewed capital outlay which includes the following: runway crack filling, \$8,000; hangar, \$81,114 (8-bay hangar payment); taxiway, \$110,129; courtesy vehicle, \$10,000; utility vehicle, \$20,000; Project 18 environmental assessment, \$100,000; aeronautical survey, \$100,000; and storm sewer, \$406,985. Geary said future airport projects will include runway overlay and a corporate hangar.

Wachter said the 8-bay hangar is complete with four of the eight hangars rented. Wachter has had some requests for corporate hangars.

Sisson said the airport sold less fuel than the previous year but the airport is requesting the same tax dollars as the previous year. Total expenditures decrease 28.17%.

Lange moved, seconded by Clausen to approve the FY 2016-2017 Airport Authority budget as presented. All ayes. Nays None. Absent: Fauss and Merrill. Motion carried.

Councilmember Clausen would rather discuss the General Fund to see the overall budget prior to reviewing individual department/division budgets.

Weidner said all budgets for FY 2016-2017 are at Level II with the cuts/adds presented to elected officials at the July 14, 2016 7:00 a.m. work session. Elected officials could consider a tax increase for any additional items.

Library

City Administrator Shane Weidner provided information to elected officials on the proposed Library budget. All budget levels are the same for the Library.

Councilmember Pfeil moved, seconded by Councilmember Clausen to accept the Library budget as presented. Roll call: All Ayes. Nays: None. Absent: Fauss and Merrill. Motion carried.

Housing Division

City Administrator Shane Weidner provided information to elected officials on the proposed Housing Division budget.

Councilmember Murren moved, seconded by Councilmember Lange to accept the Housing Division budget as presented. Roll call: All Ayes. Nays: None. Absent: Fauss and Merrill. Motion carried.

Community Development Block Grant (CDBG)

Senior Accountant Sheila Rios provided information to elected officials on the proposed CDBG budget.

Councilmember Granquist moved, seconded by Councilmember Lange to approve the CDBG as presented. Roll call: All Ayes. Nays: None. Absent: Fauss and Merrill. Motion carried.

Administration

City Administrator Shane Weidner provided information to elected officials on the proposed Administration budget.

Councilmember Pfeil moved, seconded by Councilmember Clausen to accept the Administration budget as presented. Roll call: All Ayes. Nays: None. Absent: Fauss and Merrill. Motion carried.

Park Maintenance

City Administrator Shane Weidner provided information to elected officials on the proposed Park Division budget.

Park Superintendent Pat Mrsny has some concerns with cutting \$10,000 for park/playground upgrades and \$10,000 for an infield groomer.

Councilmembers Clausen and Murren suggested earmarking some Keno funds, \$10,000 to \$20,000, as emergency funds for park improvements, if needed.

Smith said that, as a practical matter, if it is necessary to purchase an infield groomer or other necessary equipment, funds could be found in the budget by eliminating the purchase of something else.

Weidner said emergency funds could be used in the City's budget wherever needed.

Weidner said the transfer of \$260,000 to the capital projects funds, listed on the cuts/adds sheet, needs a funding source to run a trail under Omaha Avenue. The City is applying for a grant for the project and will be asking the Natural Resources District (NRD) for matching funds. Weidner said quality of life issues are very important for communities.

Lange questioned the City's match if the grant is awarded to the City.

Dolechek said the match is 80/20 up to \$250,000 and anything over \$250,000 the City would be paying more than 20%.

Lange said that an increase of \$50,000 for the match would require a tax increase of \$4.01 on a \$100,000 home instead of the total of \$260,000 listed for the project which would require an increase of \$20.84.

Smith explained elected officials need to make a commitment for the match prior to submitting a grant application.

Clausen suggested doing only one trail project (either the North Victory Road Trail with special assessments or the Omaha Avenue trail with a grant) so there isn't any property tax increase.

Weidner reviewed other items on the cuts/adds list including AquaVenture pool repainting for \$55,000. Weidner said the repairs will need to be done soon.

Murren feels the \$55,000 should be included in the Park Division budget since it is maintenance.

Murren moved to add back the \$55,000 into the Park Division budget. The motion died for lack of a second.

Clausen prefers to wait on motions for cuts/adds to see the overall picture.

Weidner explained the proposed improvements to the park west of the YMCA will include new soccer fields, a splash pad, parking lot and Embrace Park at a cost of \$500,000.

Clausen feels elected officials need to know more about the YMCA fundraiser before doing the project.

Lange reminded elected officials that the City Council committed the land to the group wanting to develop Embrace Park and a splash pad. Lange questioned whether the utility costs and parking could be funded in FY 2016-2017 and then do the other improvements in the future.

Weidner feels it would work best to do the entire project at once. The project is estimated to cost a total of \$500,000 and would require a tax increase or use of Council priority dollars and some Keno funds.

Clausen feels the park improvements by the YMCA “feels like a two phased project.”

Weidner explained that the proposed YMCA expansion would eliminate soccer fields; however, the YMCA would be able to use the new City soccer fields to the west of their facility. The new soccer fields would support the YMCA’s effort for an addition to their facility. Weidner said Randy Hagedorn and others supporting the YMCA’s expansion plan are aware of and were included in conversations/discussions regarding the City’s proposed improvements west of the YMCA. The City has made a commitment to the Embrace Park group for use of the land for a handicapped accessible splash pad.

Granquist does not want a property increase for a project that is not moving forward in FY 2016-2017.

Weidner said the cuts/adds sheet contains seven (7) items unless elected officials want to add more from individual budgets.

Lange said the \$500,000 park improvements west of the YMCA can be done without a property increase by using \$400,000 in Council priority dollars and \$100,000 from Keno by deferring the Ta-Ha-Zouka Phase III soccer fields but it would eliminate some other possible uses of those funds. Lange would have a “hard time selling a property tax increase for only a transfer.” Lange feels, however, that if someone or some group wants to contribute funds towards the new soccer fields, then there would be money available for other items.

Moenning feels it is a quality of life issue, the City owns the land and the land should be developed into the park.

Smith said part of the keno funds could be used to fund the \$55,000 for painting at AquaVenture.

Lange said a mil levy increase would be needed to fund the \$55,000 for the painting if Keno funds aren’t used. Either way, elected officials would need to increase the mil levy to cover \$55,000.

Lange moved to add the improvements to the park west of the YMCA for \$500,000 and the AquaVenture pool repainting for \$55,000 to the FY 2016-2017 budget by using \$400,000 of Council priority dollars, \$100,000 from Keno funds and increasing the mil levy to cover \$55,000 for the AquaVenture pool painting, seconded by Murren. Roll call: All Ayes. Nays: None. Absent: Fauss and Merrill. Motion carried.

Councilmember Clausen moved, seconded by Councilmember Lange to accept the Park Division budget as presented. Roll call: All Ayes. Nays: None. Absent: Fauss and Merrill. Motion carried.

Street Division

City Administrator Shane Weidner provided information to elected officials on the proposed Street Division budget.

Councilmember Granquist moved, seconded by Councilmember Clausen to accept the Street Division budget as presented. Roll call: All Ayes. Nays: Absent: Fauss and Merrill. Motion carried.

Engineering

City Administrator Shane Weidner and Mark Dolechek provided information to elected officials on the proposed Engineering budget.

Councilmember Murren moved, seconded by Councilmember Clausen to accept the Engineering budget as presented. Roll call: All Ayes. Nays: None. Absent: Fauss and Merrill. Motion carried.

Storm Water Management

Assistant City Engineer Mark Dolechek provided information to elected officials on the proposed Storm Water Management budget.

Councilmember Lange moved, seconded by Councilmember Granquist to approve the Storm Water Management budget as presented. Absent: Fauss and Merrill. Motion carried.

City Highway Allocation Fund (CHAF)

Public Works Director Dennis Smith provided information to elected officials on the proposed City Highway Allocation Fund.

Councilmember Pfeil moved, seconded by Councilmember Murren to approve the CHAF budget as presented. Roll call: All Ayes. Nays: Absent: Fauss and Merrill. Motion carried.

Fire Division

City Administrator Shane Weidner and Fire Chief Scott Cordes provided information to elected officials on the proposed Fire Division budget.

Councilmember Granquist moved, seconded by Councilmember Clausen to accept the Fire Division budget as presented. Absent: Fauss and Merrill. Motion carried.

Region 11

Fire Chief Scott Cordes provided information to elected officials on the proposed Region 11 budget.

Councilmember Lange moved, seconded by Councilmember Clausen to approve the Region 11 budget as presented. Absent: Fauss and Merrill. Motion carried.

There being no further discussion, the Mayor declared the meeting adjourned at 8:00 p.m.

Sue Fuchtman
Mayor

ATTEST:

Elizabeth A. Deck
City Clerk

(S E A L)