

WORK SESSION
BUDGET REVIEW

The Mayor and City Council of the City of Norfolk, Nebraska, held a budget review work session in the Council Chambers, 309 North 5th Street, Norfolk, Nebraska, on Tuesday, July 21, 2020, beginning at 5:30 p.m. to review the proposed FY 2020-2021 budgets.

Council President Jim Lange called the meeting to order.

Roll call found the following present: Mayor Josh Moening (6:18), Shane Clausen (5:32), Gary L. Jackson, Jim Lange, Rob Merrill, Thad Murren, Dick Pfeil and Fred Wiebelhaus. Absent: Corey Granquist.

Staff members present were City Administrator Andy Colvin, City Clerk Brianna Duerst, Finance Officer Randy Gates, Risk Manager Lyle Lutt, Public Works Director Steve Rames, Information Systems Jim McKenzie, Public Safety Director Shane Weidner, Police Chief Don Miller, Police Captain Mike Bauer, Human Resources Director Sheila Schukei and Senior Accountant Sheila Rios.

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 Council President 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.

City Administrator Andy Colvin informed elected officials presentations from City divisions will include a level II budget, but is recommending Council consider is a 1% cost of living adjustment.

General Fund Revenues

Senior Accountant Sheila Rios provided information to elected officials. Property taxes increases 10% because of an increase in property valuations. Debt services increases \$225,000 due to flood control bonds. Estimated interest on investments decrease to 0.15%. FY 19-20 was the final year to receive LB 840 funds, which creates a net levy rate decrease of 1.3 cents. If the levy rate was increased to keep it at the current rate, would add \$175,000 to the ending fund balance. Rios noted the budget presented factors in the 1.3 cent decrease in the levy rate. Sales tax is estimated to increase 3.9%. Total revenues increase approximately 1.5% from last year.

Staff requests approval of a Level II budget and Rios noted if elected officials want to increase the levy rate to keep the same as the current rate, it would need to be part of the motion

Councilmember Pfeil moved, seconded by Councilmember Murren to approve the General Fund budget as presented, which includes the decreased levy rate. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried.

Administration

City Clerk Brianna Duerst and Finance Officer Randy Gates provided information to elected officials. Staff requests approval of the Level II with a 1% cost of living adjustment.

Merrill asked why the 1% cost of living adjustment is being requested. Colvin discussed cost of living adjustments for the following first class cities; Columbus is doing 3%, Fremont is doing 2.5% and

Hastings, Beatrice and North Platte are doing 2%. Colvin said staff tried to be modest but still be in line with sister communities. Gates explained that with no COLA, many employees will see a decrease in their paychecks due to the increase in health insurance premium costs.

Councilmember Merrill moved, seconded by Councilmember Murren to approve the Level II budget with a 1% cost of living adjustment. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried.

911 Fund

Police Captain Mike Bauer provided information to elected officials.

Councilmember Merrill moved, seconded by Councilmember Clausen to approve the budget as presented. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried.

Wireless 911 Fund

Police Captain Mike Bauer provided information to elected officials. The current number of calls received from wireless devices is now 92%.

Councilmember Pfeil moved, seconded by Councilmember Wiebelhaus to approve the budget as presented. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried.

Police Division

Public Safety Director Shane Weidner and Police Chief Don Miller provided information to elected officials. Miller said the only way to balance Level II is to eliminate one entry-level police officer position. Anticipate increased expenses in training as it is critical to police officers. Miller noted the addition of two bicycles and training in order to get a bicycle patrol program up and going.

Miller is requesting a level II budget with a 1% cost of living adjustment, the addition of \$8,500 for rifle replacement from Level III, \$11,000 for the purchase of a canine and \$78,612 to maintain current staffing level of 41 officers from Level IV. To reduce staffing level would be a detriment to staff and the community.

Councilmember Lange moved, seconded by Councilmember Wiebelhaus to approve the budget as presented with a 1% cost of living adjustment with the addition of \$8,500 for rifle replacement from Level III, \$11,000 for the purchase of a canine and \$78,612 to maintain current staffing level from Level IV. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried

SNARE

Police Chief Don Miller provided information to elected officials. SNARE is a drug task force with multiple agencies participating.

Councilmember Lange moved, seconded by Councilmember Murren to accept the budget as presented with a 1% cost of living adjustment. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried.

Group Insurance

Human Resources Director Sheila Schukei provided information to elected officials. The City has self-funded health insurance for 35 years. Schukei presented a detailed review of the history of the city's

insurance costs and comparison to sister cities. Schukei noted the largest expenses are the claims and the cost of reinsurance. The City self-funds the first \$80,000 for specifics and then purchases reinsurance and aggregate insurance for larger claims. Schukei is currently working with a consultant to review insurance options for the City's health insurance coverage.

Councilmember Wiebelhaus moved, seconded by Councilmember Miller to approve the budget as presented. Roll Call: All Ayes. Nays: None. Absent: Granquist. Motion carried.

Parks & Recreation

Parks Superintendent Pat Mrsny presented information to elected officials. Staff is requesting approval of the Level II budget with a 1% cost of living adjustment. Mrsny asked elected officials consider one Level IV item, \$30,000 for a 4-wheel drive pickup.

Councilmember Moenning moved, seconded by Councilmember Merrill to approve the Level II budget as presented, with a 1% cost of living adjustment and \$30,000 for a 4-wheel drive pickup from Level IV. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried.

LB 840 – Economic Development

City Administrator Andy Colvin provided information to elected officials. Colvin does anticipate bringing the LB 840 program to the community again, but not likely this year.

Councilmember Moenning moved, seconded by Councilmember Jackson to accept the LB 840 budget as presented. Roll call: All Ayes. Nays None. Absent: Granquist. Motion carried.

Economic Development Operating

City Administrator Andy Colvin provided information to elected officials. Colvin said Economic Development is seeing more focus on entrepreneurs and housing needs. Staff requests approval of the Level II budget with a 1% cost of living adjustment. Clausen discussed the possibility of looking at the opportunity of marketing the city in life after the effects of the pandemic.

Councilmember Wiebelhaus moved, seconded by Councilmember Jackson to approve the Level II budget as presented with a 1% cost of living adjustment. Roll call: All Ayes. Nays: None. Absent: Granquist. Motion carried

There being no further business, the Mayor adjourned the meeting at 7:53 p.m.

Josh Moenning
Mayor

ATTEST:

Brianna Duerst
City Clerk

(S E A L)