

CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL

Mayor Hunter T. George called the special meeting to order at 6:00 P.M. and led the pledge of allegiance. Councilmembers David M. Viafore, Brett Wittner, Denny Waltier, Blake Surina, and Jamie Nixon were present. Councilmember Shannon Reynolds was absent and excused.

AGENDA MODIFICATIONS

There were none.

PRELIMINARY 2018 BUDGET

City Manager Pingel presented the Preliminary 2019 Budget schedule and an overview of the first budget work session.

Pingel presented the 2019 Salaries, which included the changes, comparisons to previous years, and impact to the budget. Viafore inquired how the 2018 non-represented salary survey recommendations were implemented in the 2019 budget and the consensus on the August 27, 2018 meeting; Pingel stated that the adjustments were implemented per the salary survey recommendations, and indicated non-represented classifications were brought to the 50th percentile with the COLA increase and dropped to a step above the status quo impact. Pingel indicated this approach would allow the City to treat all staff the same as requested by Council, provide a market adjustment for the non-represented classifications, and allow the City to remain fiscally responsible in terms of operating revenues versus expenditures. George requested staff to provide a chart of the step impacts; Pingel indicated staff could provide that information. Surina inquired about the Maintenance Worker I position in Facilities and clarification of custodian position and proposed custodial services; Pingel stated that the part-time Maintenance Worker I position was recently filled and that should the City acquire custodial services, it would take place of the custodian position. Pingel indicated that the proposed custodial services would be brought before the Council for consideration at its October 9, 2018 regular meeting.

Pingel presented the Technology changes, which included the advantages of moving to Office 365, O'Court software system, and upgrading to cellular phones. Waltier inquired about the costs of the O'Court system; Pingel indicated that the Ruston share of the costs were proportioned based off the case load and included in the contract, and that the maintenance fees were approximately \$5,000 to \$6,000 a year/approximately \$1 per case. Waltier inquired about the cellular phone research; Pingel indicated staff would work with Verizon and utilize their promotions and that the significant cost of the phones were the data package. Viafore inquired about the benefits and necessity of upgrading the Public Works cellular phones; Pingel and Public Works Director Wakefield reported on the advantages and efficiencies of upgrading the crew to smartphones, which included going to paperless, email based work orders, minimizing public disclosure liability, having digital access to documents, and providing the crew with emails. Wakefield provided a historical background of the Public Works communications, indicating that the upgrade to cellular phones from radios resulted in significant cost savings. Surina inquired if a policy would be in place; Pingel indicated that the policy would be included in the Personnel Policies and Procedures update, which would be brought before Council before the upgrade.

Finance Director Corcoran presented the Equipment Repair and Replacement (ERR) goals and variances, which included capital purchases. Viafore inquired about the Council Chamber recording system upgrades; Pingel indicated it would include new microphones, visual displays, and lasting upgrades, and that staff was reviewing options with the possibility the upgrade could be done in phases. George inquired about the insufficient funds in ERR to purchase the new vactor truck; Corcoran indicated that an additional 3% per year was allocated to this item after 2007 when it was due to be replaced, and Wakefield indicated that although the new truck would be smaller than the existing truck, the cost, which includes tax and licensing, exceed the estimate. Surina inquired if the existing truck would be surplus; Corcoran indicated that the proceeds of the existing truck surplus would go against the purchase of the new truck. Wakefield indicated that the vactor truck was a high demand item, with a 6 to 8 month order and delivery time period, and recommended a 20 year replacement schedule. George inquired if staff was reviewing other large equipment being assessed for replacement; Wakefield indicated staff was and also determining how to extend the life of their equipment. Viafore inquired about the capital request forms for vehicles; Corcoran indicated staff had not been providing them to Council in the past few years. George and Viafore requested that staff provide them; Corcoran indicated they would. George inquired about the \$148,560 that would need to be budgeted for the purchase of the vactor truck; Pingel indicated that balance would be budgeted evenly between the four Public Works capital funds. Viafore recommended a carport for the new senior bus to protect it from the elements, requested staff to take proactive measures, and suggested utilizing funds from the reserves or ending fund balance or utilizing a private storage; Corcoran indicated staff was researching this to determine whether it could be done during this year's budget or 2019.

Corcoran provided an overview of the Enterprise Funds, which included the rate increases as adopted by ordinance in stormdrain, water, and sewer, changes in personnel, wages and salaries, and transfers. Waltier inquired if the REET 2 for Water Tank Painting included the mural; Corcoran confirmed it did and Waltier indicated he was unsure if he was in support of the mural project. Viafore indicated he was willing to budget it and would reconsider supporting the mural project if the bids came in over budget. Surina inquired about the LED conversion cost savings and buyback; Corcoran indicated that the street maintenance showed reduced labor attributed to the conversion and that the rebates were placed back into the Street fund. Viafore inquired if the City has had to use the warranty or replace LED lights; Wakefield indicated no.

Corcoran provided an overview of the Street Fund, which included goals and variances. Corcoran indicated the major change in the Street Fund was due to the Alameda grind and overlay project between Regents Boulevard and 19th Street, which \$195,000 would be funded by a grant and \$30,441 funded by REET 1. Corcoran presented the Street Fund operating revenues and expenditures, and stated that the fund would decrease in fund balance for operating cost by \$13,220. Surina inquired how the City would fund matching funds; Corcoran indicated the City typically used REET. George inquired about the Tree City designation program; Pingel indicated staff was still investigating the details. Viafore inquired about the Street Beautification expenditures; Corcoran indicated it included materials, labor, contract services, and wages and salaries. Corcoran provided an overview of the Street Fund capital revenues and capital expenditures. Viafore inquired if the Council was interested in having a 3 to 5 year goal for staff to research car tabs as a potential revenue source to help fund the Street Fund for the future; after

a brief discussion on the regulations around the fees, there appeared to be a consensus for the staff research.

Corcoran presented an overview of Stormdrain operating goals, operating revenue, and operating expenditures as well as the Stormdrain Capital Fund capital revenues and capital expenditures.

Corcoran presented an overview of Water Fund operating goals, operating revenue, and operating expenditures as well as the Water Fund Capital Fund capital revenues and capital expenditures. Surina inquired how the rent from the tanks was applied in the budget; Corcoran indicated those funds were included in the revenues. Viafore inquired about the service and connection fees for the Golf Course project; Wakefield indicated it would show up in revenues, split between two years. Viafore inquired about the fence and building improvements to the high tank; Wakefield indicated the City's insurance had recently performed a safety audit of the City's facilities and these improvements would address those liabilities identified. Viafore inquired if any of the tank usage contracts were up for renewal; Wakefield indicated the contracts were on automatic renewals with CPI adjusters and that staff was working with one of the carriers to modify their contract.

Corcoran presented an overview of the Sewer Fund operating goals, operating revenue, and operating expenditures. Surina inquired about the transfers; Corcoran indicated that the two funds were combined for auditing purposes.

Corcoran provided an overview of REET revenues; Viafore inquired why it only increased by \$20,000 given the anticipated sales of the Golf Course condominiums. Corcoran indicated it was a conservative figure. Viafore requested for accurate figures for the community center and pool project funding options. Corcoran indicated staff would review the numbers. Corcoran provided an overview of the REET expenditures. Corcoran stated there was no change to Cumulative Reserves. Surina inquired about the City budget for the community center and pool project; Pingel indicated the City would put forward \$250,000 towards the schematic design and \$500,000 from REET.

Pingel briefed the Council on the budget; Viafore inquired when in the budget process would Council discuss the impacts of the community center and pool to the 2019 budget based off the decision Council would make in November. Pingel indicated the main impact would be covered by the bond, and that the budget did include a line item for special elections. Pingel indicated that the State grant would not be applied in the 2019 budget and that he was hopeful the City would hear from the foundations who may sponsor a portion of the project. Viafore inquired if the City would amend the budget next year; Pingel confirmed, and stated that staff did not have the design development and everything up to the vote to date. George indicated he and Pingel would talk through the schedule about meeting in November, tentatively scheduled for November 19, to discuss the decisions regarding the project.

Corcoran indicated that the public hearings for the Preliminary 2019 Budget would be on October 9, 2018 and that the salary ordinance would also be included in that meeting. Corcoran

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indicated that the second hearing on the budget was scheduled for October 23, 2018. George inquired if the budget was posted on the City's website; Pingel indicated the report and the presentations were available online.

ADJOURNMENT

Nixon MOVED to adjourn the meeting at 7:33 P.M., seconded by Waltier. The Motion Carried (6-0).



Hunter T. George, Mayor



Jessica Nappi, City Clerk