

Special Meeting Minutes
City of Potterville Council

Tuesday, June 27, 2017 – 7:00 p.m. – Potterville City Hall, 319 N. Nelson Street

Meeting was called to order by D. Hartson at 7:05 p.m.

Pledge of Allegiance was recited by all.

Roll Call: **Present:** L. Amey, D. Hartson, K. Schmidt, R. Lundquist,
 Absent: J. Bussard, R. Ross, J. French

Agenda Approval: Motion by L. Amey to approve the agenda, with the additions of the minutes from the previous meeting, supported by R. Lundquist. Motion carried. (4-0/3 absent: J. Bussard, R. Ross, J. French)

Approval of Minutes: Motion by K. Schmidt to approve the minutes from the meeting on June 20, 2017, seconded by R. Lundquist. Motion carried (4-0/3 absent: J. Bussard, R. Ross, J. French)

Public Comment on agenda items: None

Public Hearing: 2017-2018 Budget: Motion by K. Schmidt to open meeting to public comments at 7:12, seconded by L. Amey. Motion carried. (4-0/3 absent: J. Bussard, R. Ross, J. French). Hearing no speakers, motion by L. Amey to close the public hearing, supported by K. Schmidt. Motion carried. (4-0/3 absent: J. Bussard, R. Ross, J. French). Public hearing closed at 7:12.

Presentation: None

Unfinished Business: None

New Business:

Resolution #17-0627 Adoption of the 2017-2018 budget: Motion by K. Schmidt to table resolution for the 2017- 2018 budget to next council meeting, seconded by R. Lundquist. Manager stated that any questions that the council has should be asked now if needed. L. Amey asked whether the city will be able to function if the budget gets tabled to the next meeting. Manager stated that it is fine; the city would just continue with the 2016-2017 budget. However, the millage rate and fees needed to be determined tonight. Manager stated what she provided the council with, is the summary of the budget, also stated that she will be adding other items to the employee handbook; some additions are new employees that get a certification, the new employees must stay 2 years after certification has been received. General discussion on the new employee certification; vacation time; sick time; and personal time. D. Hartson asked what the numbers were under each category. Manager clarified that the numbers are the whole department costs. Manager stated that some amounts are with the bids or grants and some are without as they have not been received. D. Hartson asked about the fire department; why there was an increase; why there are more than 3 vehicles and

the parking situation. R. Lundquist explained that the fire department has 3 vehicles, each vehicle is different from each other and the parking situation. R. Lundquist also stated that he has been looking at bids as they will need an addition on the current garage or will need to get 1 vehicle that can fit the needs of 2 to fix the parking issue. General discussion took place on the addition of the proposal for the fire department. Manager explained to the council what was paid off this year. Manager stated that other money that TIFA and DDA got before, did not get it this year. Manager went through some of the summary items that she provided, explaining the costs for the proposed budget and the amended budget. Manager stated that it was recommended that the city get rid of the police Impala, as it has too many miles, there was discussion on the police vehicles. K Schmidt asked about the increase in the general funds. Manager stated that some of the projects did not use all the money that was projected but there is a wish list for the projects that are being looked into, and that the phase 2 & 3 came in the lower than estimated. Manager is trying to make the adjustments to make the budget more realistic, like the auditor suggested. L. Amey asked when the auditors will come; Manager stated that they come around October. Manager mentioned changes to the street funds, bonds that have already been received and are part of the 2016-2017 budget. Revenue is up for ACT 51 & 252. Manager states that there were some increases caused by Consumers, salaries and etc which is reflected. The only construction project besides rural development is the Sunset Hills road extension and fill-ins on the roads. Manager is hoping the parks department will make the increase to make up for the deficit in the budget. Water and sewer rates are the same as last year along with the fees. R. Ross stated that in the past, rates were not raised efficiently, which is the reason we're in the position we are now. Budget details won't be out until just before the council meeting next month. Motion carried. (6-0/1 absent: J. Bussard,)

Member R. Ross joined the meeting at 7:57 p.m.

Member J. French joined the meeting at 8:09 p.m.

Resolution #17-0627-01 – Establish a 1% Property Tax Administration Fee, 3% Late Penalty Fee and a 1% Late Interest Fee: J. French questioned if the fees were the same. Manager stated yes. Motion by L. Amey to approve resolution # 17-0627-01, to establish a 1% Property Tax Administration Fee, 3% Late Penalty Fee and a 1% Late Interest Fee, seconded by R. Lundquist. Motion carried. Roll call. (6-0/1 absent: J. Bussard)

Resolution # 17-0627 Amend the 2016-2017 Budget. Motion by D. Hartson to table the amended budget for 2016-2017 resolution to the next meeting, seconded by K. Schmidt. Motion carried. (6-0/ 1 absent: J. Bussard)

Resolution # 17-0627-02 Tax Millage: J. French asked if amount was going up, Manager stated it is going up and some additions bring down the personal property tax. D. Hartson asked what the Fry Amendment was effecting, since the lack of new construction was resulting in temporary increases. There are some improvements that will affect the millage rate. J. French asked why it was going up. Manager said it was due to a lack of new construction. J. French would like to know how the numbers are

determined for the millage rate. Manager stated the assessor came up with the numbers based on calculations; on any loses on new property; taxes and industrial taxes; how much property is valued; from there it is how much is needed to operate. J. French asked if this would cause a surplus, Manager stated that this would create a small surplus. Motion by J. French to approve the tax millage resolution #17-0627-02, second by R. Lundquist. Motion carried. Roll call. (6-0/1 absent: J. Bussard).

Resolution # 17-0627 Employee Handbook: Manager stated the changes that were made to the employee handbook. D. Hartson clarified what was being changed in the handbook. Motion by K. Schmidt to table resolution of the employee handbook to next meeting, seconded by R. Lundquist. Motion carried. (6-0/1 absent: J. Bussard)

Manager would like to know if there is anything else that the council thinks she should change regarding the topic of the budget. Members stated that they would like to see the changes made in the handbook before making a decision to adopt the new employee handbook, and the detail budget report.

Member J. French adjourned from the meeting at 8:28 p.m.

Public Comment on non-agenda items: None.

Communication from the Mayor and Council: L. Amey would like to know if council would like to respond to the letter they received from Mr. Hubbell. Mayor stated that they are not going to respond and the lawyer already has this handled. Manager stated that they can't retract, they only want the city to retract so they don't have to pay for the assessment. Manager clarified that the council is continuing the project. Council confirmed continuation. Council members would like to have the City flag be promoted more. Manager stated that 150 years is coming up and would like to discuss possible ideas at the next meeting.

Next Meeting: July 20, 2017 at 7:00 p.m.

Excuse absent member(s): Motion by L. Amey to excuse absent members, seconded by K. Schmidt. Motion carried. (5-0/2 absent: J. Bussard, J. French)

Motion to Adjourn: Motion by L. Amey to adjourn meeting, seconded by R. Lundquist. Motion carried. (5-0/2 absent: J. Bussard, J. French)

Meeting was adjourned at 8:33

Respectfully submitted,

Tessa Wightman, City Clerk