

CITY OF HASTINGS, NEBRASKA
MINUTES OF CITY COUNCIL WORKSESSION
Monday, February 15, 2016

The Worksession was called to order at 5:30 p.m. by Council Vice President Everett Goebel with the following members present: John Harrington, Phil Odom, Michael Krings, Sarah Hoops, Ginny Skutnik, Vern Powers. Absent: Kathy Duval, Chuck Niemeyer.

Other Staff Present: Joe Patterson (City Administrator), Dave Ptak (City Attorney), Peter Kortum (Police Chief), Amy Hafer (Library Director), Kimberly Jacobitz (City Clerk)

Moved by Phil Odom, seconded by Ginny Skutnik to adopt the current Worksession Agenda.
Roll Call: Ayes: John Harrington, Phil Odom, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: Kathy Duval, Chuck Niemeyer. The motion carried.

Council Vice President Goebel stated that the Open Meetings Act is posted on the wall of the 2nd Floor Conference room and that prior to this meeting a notice was posted on the bulletin board at the City Building, that each Councilmember and Mayor received a copy of the proposed agenda and that an agenda for such meeting, kept continuously current, is available for public inspection and that said meeting is held in open session.

Discussion of Library Interlocal Agreement.

Joe Patterson handed out a draft of the Interlocal Agreement between Adams County and the City of Hastings to jointly finance the operations of the Hastings Public Library. He explained that Adams County collects a separate Township Library tax to be utilized for Library support and funding for County residents residing outside the city limits. This agreement states the tax shall be transferred by County to the City. The City shall be responsible for the funding of the Library operations and the operations, maintenance, and replacement of the Bookmobile. The current Bookmobile Sinking Fund would also be transferred to the City.

Joe stated this interlocal is being reviewed by County and is considered a working document.

Discussion of Pension Board.

Joe Patterson introduced Josh Yost and Jack Steiner from Oakeson Steiner Wealth and Retirement.

Joe Patterson opened discussion on the possible elimination of the Pension Board as we know it. This item will be added to an upcoming City Council meeting. The Pension Board was created when the City didn't have a self-directed employee pension plan. Currently, employees direct their own investments and make their own asset allocation to fit their risk tolerance. The recommendation will be to replace with an Investment Committee.

Josh Yost spoke in regards to the Pension Board and best practice. The Investment Committee would be made up of senior administration and employees of the city. The new committee would exclude Fire and Police pensions. They would meet semi-annually for general upkeep, or up to quarterly if changes are needed. The recommended size of the committee would be 7-9 members.

Oakeson Steiner is recommending change to the vesting schedule for all employees. That decision must go

before the City Council. Jack Steiner stated that a sizable amount of City employees will be retiring within 5-10 years. In order to recruit skilled positions, the City should keep eligibility and vesting up to competitive levels.

The pension percentages of 4% and 8% were discussed. Joe Patterson stated the trigger point is 4% up to \$20,000 in wages, then 8% for the remainder of the year. That wage amount might need to be increased, as salaries have grown significantly since it was put into place.

Discussion of LB958

Joe Patterson opened discussion on LB958, which he described as a devastating bill to cities, counties, and schools. The bill would eliminate exceptions from the limit on budgeted expenditures of restricted funds for capital improvements, qualified sinking funds for equipment purchases, and expenditures in support of interlocal agreements. It would also limit carryover of unused budget authority to 3% of the budget. If this bill is passed, the city will not be able to enter interlocals with county, such as ambulance and police.

This bill is taking authority away from the city, but is not addressing the fundamental problem of significantly inflated agriculture land values against diminishing crop prices. The hope is that it doesn't come out of committee, is killed, or re-drafted.

Financial Audit Presentation

Brooke Pauley of McDermott & Miller presented the City of Hastings Financial Audit for the period ending September 30, 2015. Ms. Pauley stated the City's primary government exceeded its liabilities at the close of the most recent fiscal year by \$75.5 million (net position). At the close of the fiscal year ending on September 30, 2015 the City's primary governmental funds reported combined ending fund balances of \$23.6 million, a decrease of \$114,620 in comparison with the prior year. At the end of the current fiscal year, unassigned fund balance for the general fund was \$12.9 million or 88% of total general fund expenditures. The City's primary government long-term debt decreased by \$1.9 million during the fiscal year which ended on September 30, 2015. No major issues were found. (Complete Financial Report is available for public inspection at the City Clerk's Office).

Discussion of BoardSync software

Kim Jacobitz, City Clerk, gave a brief presentation on BoardSync hints to improve experience for the Councilmembers.

Mayor Vern Powers stated there will be active shooter training within the next two Council meetings. Brian Hessler, Hastings Police Sergeant, will give basic information on what to do and how to get out of the area safely.

Motion by Michael Krings, seconded by Ginny Skutnik to go into executive session at 6:30p.m. for negotiations. Roll Call: Ayes: John Harrington, Phil Odom, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: Kathy Duval, Chuck Niemeyer. The motion carried.

Moved by Ginny Skutnik, seconded by Phil Odom to go out of closed session at 7:00p.m. Roll Call: Ayes: John Harrington, Phil Odom, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: Kathy Duval, Chuck Niemeyer. The motion carried.

Moved by Michael Krings, seconded by Sarah Hoops to adjourn the worksession at 7:01p.m.
Roll Call: Ayes: John Harrington, Phil Odom, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: Kathy Duval, Chuck Niemeyer. The motion carried.