

September 29, 2021

ALLIANCE CITY COUNCIL

SPECIAL MEETING, WEDNESDAY, September 29, 2021

STATE OF NEBRASKA)
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COUNTY OF BOX BUTTE) §
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CITY OF ALLIANCE)

The Alliance City Council met in a Special Meeting, September 29, 2021 at 10:00 a.m. in the City Manager's Office, 324 Laramie Ave, Alliance, Nebraska. A notice of meeting was published in the Alliance Times Herald on September 22, 2021. The notice stated the date, hour and place of the meeting, that the meeting was open to the public, and that an agenda of the meeting, kept continuously current, was available for public inspection at the office of the City Clerk in City Hall; provided the Council could modify the agenda at the meeting if it determined an emergency so required. A similar notice, together with a copy of the agenda, also had been delivered to each of the City Council Members. An agenda, kept continuously current, was available for public inspection at the office of the City Clerk during regular business hours from the publication of the notice to the time of the meeting.

Mayor Dafney opened the September 29, 2021 Special Meeting of the Alliance, Nebraska City Council at 10:00 a.m. Present were Council Members Dafney, Mischnick, Jones, McGhehey, and Bentley. Also present were, Finance Director Waggener and City Clerk Johnson.

● The Consent Calendar was the first item on the agenda for Council. A motion was made by Mayor Dafney and seconded by Councilman McGhehey to approve the Consent Calendar as follows:

CONSENT CALENDAR – SEPTEMBER 29, 2021

1. Approval: Payroll Costs for September 24, 2021: \$245,275.06.
2. Approval: Claims against the following funds: General, General Debt Service, Trust and Agency, Street, Electric, Refuse Collection and Disposal, Sanitary Sewer, Water, Golf Course, Downtown Improvement Districts, R.S.V.P., Keno, and Capital Improvement; \$942,105.16

NOTE: City Manager Sorensen and Finance Director Waggener have reviewed these expenditures and to the best of their knowledge confirms that they are within budgeted appropriations to this point in the fiscal year.

Any item listed on the Consent Calendar may, by the request of any single Council Member, be considered as a separate item in the Regular Agenda.

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Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, Jones, Bentley, McGhehey

Voting Nay: None.

Motion carried.

- Resolution No. 21-104 which establishes the four enterprise funds percentage transfers to the General Funds for the current fiscal 2020-2021 was next for Council. The following information was provided:

[Since the 2014-15 fiscal year, the annual enterprise transfers to the general fund have been based on 12% of estimated enterprise fees revenue near the year-end. The Alliance City Council established the enterprise transfer rate in the 2020-21 budget at 12% of the *anticipated* revenue for each of the four enterprise funds (or \$2,165,200) with the provision that the actual transfer rate be reviewed prior to the end of the fiscal year.

Following is a chart that includes the budgeted enterprise revenues and transfers (at the 12% rate) along with the expected revenues and adjusted transfer amounts at several different transfer levels.

Enterprise Fund	Budgeted		Estimated					
	Revenue	Transfer	Revenue	%	11.0%	11.5%	12.0%	12.5%
Electric	14,498,900	1,739,900	14,005,346	12.4%	1,540,600	1,610,600	1,680,600	1,750,700
Refuse	1,207,200	144,900	1,167,298	12.4%	128,400	134,200	140,100	145,900
Sewer	490,700	58,900	472,218	12.5%	51,900	54,300	56,700	59,000
Water	1,845,700	221,500	1,951,984	11.3%	214,700	224,500	234,200	244,000
Totals	18,042,500	2,165,200	17,596,846	12.3%	1,935,600	2,023,600	2,111,600	2,199,600

City staff is recommending a transfer rate of 12% of the actual *estimated* revenues or \$2,111,600 as indicated on the chart above. This represents a \$10,600 (or .5%) increase over the prior year enterprise fee transfer.]

A motion was made by Mayor Dafney seconded by Councilman Mischnick to approve Resolution No. 21-104 which follows in its entirety:

RESOLUTION NO. 21-104

WHEREAS, The City of Alliance each year transfers Enterprise Fees to the General Fund to assist in balancing the budget; and

WHEREAS, Enterprise Fees are derived from the Electric, Water, Sewer and Refuse Funds; and

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WHEREAS, The transfer has been maintained at approximately 12% of budgeted Enterprise Fund Revenues over the last few years; and

WHEREAS, The transfer was budgeted at \$2,165,200 for the 2020-21 fiscal year with the provision that the amount be reviewed prior to the end of the year to determine reasonableness in regard to actual Enterprise Revenue and General Fund operations.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that staff is authorized to transfer Enterprise Fees of approximately 12% of Enterprise Fund Revenues to the General Fund for the fiscal year 2020-21 in the amount of \$2,111,600.

Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, Jones, McGhehey, Bentley.

Voting Nay: None.

Motion carried.

- Next on the agenda for Council was Resolution No. 21-105 which authorizes the Electric Fund inter-department loan extension. Resolution No. 21-106 authorizes the use of Council Contingency funds to pay down the balance on the Electric inter-department loans. The following information was provided:

[The Electric Fund presently has inter-department loans to two separate funds as detailed below:

Note Description	Rate	Balance	Payments	Proposed Balance
Electric Notes to General Fund	1.75%	225,000.00	100,000.00	125,000.00
Electric Notes to Airport Fund	1.75%	475,000.00	75,000.00	400,000.00
Totals	1.75%	\$700,000.00	\$175,000.00	\$525,000.00

Upon review of the cash reserve balances, staff is recommending payments of principal in the amount of \$175,000. The payments would require use of contingency budget authority of \$50,000 in the General Fund. The repayment of \$50,000 was already budgeted in the General Fund and up to \$250,000 in the Airport Fund.

The recommendation is to extend the remaining balance of the inter-department notes to the Electric Fund through October 31, 2022 at the new rate of .90% beginning October 1, 2021.]

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A motion was made by Mayor Dafney, seconded by Councilman Jones to approve Resolution No. 21-105 which follows in its entirety:

RESOLUTION NO. 21-105

WHEREAS, The City of Alliance utilized Electric Fund reserves to provide interim inter-department loans to the General Fund and the Airport Fund to pay for the City's portion of the snow plow and runway improvements and the Bomgaar building purchase; and

WHEREAS, The original loan terms were not to exceed 12 months; and

WHEREAS, Staff is requesting an extension of the remaining loan balances through October 31, 2022 at a revised rate of .90% effective October 1, 2021; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that interim inter-department loans to the Airport and General Funds be extended through October 31, 2022 at the rate of .90%.

Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, McGhehey, Jones, Bentley.

Voting Nay: None.

Motion carried.

A motion was made by Mayor Dafney, seconded by Councilman Bentley to approve Resolution No. 21-106 which follows in its entirety:

RESOLUTION NO. 21-106

WHEREAS, The City of Alliance utilized Electric Fund reserves to provide an interim loan to the General Fund for the purchase of the property at 1200 Flack Avenue; and

WHEREAS, Council Contingency has remaining budget authority to allow an additional payment of principal on the interim loan;

WHEREAS, \$50,000 in the General Fund will be transferred to the Electric Fund to be paid towards the principal balance of the loan; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that the use of Council Contingency Funds is authorized to pay principal on the interdepartmental loan for the General Fund.

BE IT FURTHER RESOLVED that budget authority is being transferred from Council Contingency (GL #01-10-10-47-791) to Loans to/from Other Funds (GL #01-00-00-38-863) in the amount of \$50,000.

Roll call vote with the following results:

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Voting Aye: Dafney, Mischnick, Bentley, Jones, McGhehey.

Voting Nay: None.

Motion carried.

- Finance Director Waggener provided Council with a review of year-end financial notes.

There being no further business before Council, Mayor Dafney adjourned the meeting at 10:10 a.m.

(SEAL)



Mike Dafney, Mayor



Tarrah S. Johnson, City Clerk

Complete minutes of the Alliance City Council may be viewed by the public during regular work hours at the City Clerk's Office, 324 Laramie Avenue, Alliance, Nebraska.

