

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON JULY 28, 2011

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, July 28, 2011 at 6:30 p.m.

Roll Call: Present: Troy Hickman

Henry Schwaller IV

Ron Mellick

Absent: Barbara Wasinger

Kent Steward

Vice-chairperson Hickman declared that a quorum was present and called the meeting to order.

2. MINUTES: There were no additions or corrections to the minutes of the regular session held on July 14, 2011; the minutes stand approved as presented.

3. FINANCIAL STATEMENT: Finance Director Kim Rupp reported that June sales tax collections for the Sports Complex were \$235,179, which is an increase of \$20,353 when compared to last year. Year-to-date collections are \$1,578,121 and year-to-date expenditures are \$92,618. Inception-to-date collections total \$5,728,681 and inception-to-date expenditures total \$7,220,542. June sales tax collections for the General Fund increased \$50,640 over the same time period last year. Year-to-date collections are up 11.89% over last year. Total year-to-date collections for the General Fund are \$3,409,181. The six month running average on sales tax collections is up 11.89%.

The Finance/City Clerk's Office invested \$4,700,000 of maturing or renewing certificates with a weighted average interest rate of .32%. The portfolio of certificates of deposit on June 30, 2011 totaled \$40,400,000, with a weighted average interest rate of .38%. The total balance of the Money Market account on June 30, 2011 was \$500,000, with a current yield of .15%. Total investments are down \$4,850,000 from a year ago.

Ron Mellick moved, Henry Schwaller IV seconded, that the Financial Statement for the month of June 2011 be approved.

Vote: Ayes: Troy Hickman
Henry Schwaller IV
Ron Mellick

4. CITIZEN COMMENTS: There were no comments.

5. CONSENT AGENDA: There were no items on the consent agenda.

NEW BUSINESS

6. 2010 AUDIT: Ken Beran and Melissa Romme, of Adams, Brown, Beran and Ball, presented the 2010 Audit of the City's financial activities as required by Kansas statutes. The audit represents an unbiased opinion of business practices and the financial soundness of all City funds.

Ron Mellick moved, Troy Hickman seconded, that the 2010 Audit be accepted as presented.

Vote: Ayes: Troy Hickman
Henry Schwaller IV
Ron Mellick

7. COLLECTION OF REFUSE FEES – ORDINANCE REPEALING CHAPTER

50, ARTICLE II, SECTION 50- The current city ordinance is in conflict with a federal court ruling that prohibits a municipality from shutting off a citizen's water service, or threatening to shut off that service, for non-payment of unrelated city charges such as refuse collection fees. The proposed ordinance would repeal the non-compliant section of the City of Hays Code of Ordinances.

Ron Mellick moved, Henry Schwaller IV seconded, that Ordinance No. 3837, being an ordinance repealing certain provisions of the Code of Ordinances of the City of Hays, Kansas regarding collection of refuse fees, be approved.

Vote: Ayes: Troy Hickman
Henry Schwaller IV
Ron Mellick

8. COLLECTION OF REFUSE FEES – ORDINANCE AMENDING CHAPTER 50, ARTICLE II OF THE CITY OF HAYS CODE OF ORDINANCES: The

current city ordinance is in conflict with a federal court ruling that prohibits a municipality from shutting off a citizen's water service, or threatening to shut off that service, for non-payment of unrelated city charges such as refuse collection fees. The proposed ordinance would allow for collection of refuse fees in accordance with the procedure set forth in K.S.A. 65-3410. That procedure provides notice to the citizen of an opportunity to be heard, but then allows the delinquent fees to be assessed against the parcel of land, which becomes a lien on the property.

Ron Mellick moved, Troy Hickman seconded, that Ordinance No. 3838, being an ordinance amending Chapter 50, Article II of the City of Hays, Kansas, Municipal Code, by adding Section 50-30 regarding collection of delinquent refuse collection fees, be approved.

Vote: Ayes: Troy Hickman

Henry Schwaller IV

Ron Mellick

9. WATER RATE RESOLUTION: The current water rates are scheduled to increase by 3% in January 2012. As part of the 2012 budget preparation, city staff evaluated the financials of the Utilities Department and recommended that no rate increase be implemented in 2012. It is necessary to pass a resolution to prevent the increase from automatically happening.

Ron Mellick moved, Troy Hickman seconded, that Resolution No. 2011-011, being a resolution setting the water rates for the residential and business customers within the City of Hays, Kansas, by foregoing any increase for the year 2012, be approved.

Vote: Ayes: Troy Hickman

Henry Schwaller IV

Ron Mellick

10. SEWER RATES RESOLUTION: The current sanitary sewer rates are scheduled to increase by 3% in January 2012. As part of the 2012 budget

preparation, city staff evaluated the financials of the Utilities Department and recommended that no rate increase be implemented in 2012. It is necessary to pass a resolution to prevent the increase from automatically happening.

Henry Schwaller IV moved, Troy Hickman seconded, that Resolution No. 2011-012, being a resolution setting the sewer rates for residential and business customers within the City of Hays, Kansas, by foregoing any increase for the year 2012, be approved.

Vote: Ayes: Troy Hickman
Henry Schwaller IV
Ron Mellick

11. 2011 CITY COMMISSION FINANCIAL POLICY PROJECTS: At the June 30, 2011 work session, the City Commission selected a Capital Improvement Plan and developed a budgeting model which allows the maintenance of a 25 mill levy for the next 10 years. To accomplish this, staff suggested a transfer of \$1,792,994 from the Financial Policy Projects to Capital Projects. These funds will be used to pay cash in 2013 for the City's portion of the 41st Street improvements and the airport runway. Proper budgeting has allowed the Commission to adopt a pay-as-you-go process versus utilization of general obligation bonds, which require increased property taxes.

Ron Mellick moved, Troy Hickman seconded, that a 2011 transfer from the City Commission Financial Policy Projects to the Capital Projects Fund, in the amount of \$1,792,994, be approved.

Vote: Ayes: Troy Hickman
Henry Schwaller IV
Ron Mellick

12. SCHEDULING OF PUBLIC HEARING FOR 2012 BUDGET: Ron Mellick moved, Troy Hickman seconded, that the date of August 11, 2011 be set to conduct a public hearing for the 2012 Budget.

Vote: Ayes: Troy Hickman
Henry Schwaller IV
Ron Mellick

13. REPORT OF THE CITY MANAGER: Assistant City Manager Paul Briseno presented a report on various activities that have occurred throughout the city during the past month.

14. COMMISSION INQUIRIES AND COMMENTS: There were no inquiries or comments.

The meeting was adjourned at 7:20 p.m.

Submitted by: _____

City Clerk