



City Council

Mayor
Brian Dalton

Council President
Wes Scroggin

Councilor
Jim Fairchild

Councilor
Beth Jones

Councilor
Jackie Lawson

Councilor
Mark McDonald

Councilor
Kevin Marshall

Councilor
Murray Stewart

Councilor
LaVonne Wilson

Councilor
Ken Woods, Jr.

Staff

City Manager
Jerry Wyatt

City Attorney
Lane Shetterly

Admin Svc Director
Robert Spivey

Community Development/
Operations Director
Jason Locke

Finance Director
Cecilia Ward

Fire Chief
Bill Hahn

Chief of Police
John Teague

Engineering Director
Fred Braun

City Recorder
Emily Gagner

Dallas City Council Agenda

TUESDAY, January 3, 2012, 7:00 p.m.

Mayor Brian Dalton, Presiding

Dallas City Hall
187 SE Court Street
Dallas, Oregon 97338

All persons addressing the Council will please use the table at the front of the Council. All testimony is electronically recorded. If you wish to speak on any agenda item, please sign in on the provided card.

<u>ITEM</u>	<u>RECOMMENDED ACTION</u>
1. ROLL CALL	
2. PLEDGE OF ALLEGIANCE	
3. QUESTIONS OR COMMENTS FROM THE AUDIENCE <i>This time is provided for citizens to address the Council or introduce items for Council consideration on any matters.</i>	
4. PUBLIC HEARINGS <i>Public comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.</i>	
5. CONSENT AGENDA <i>The following items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which case the item will be removed from the Consent Agenda and considered separately.</i> a. Approval of December 17, 2011, City Council Minutes p. 3 b. Appointments to Planning Commission and Park Board p. 6	
6. ITEMS REMOVED FROM CONSENT AGENDA	
7. REPORTS OR COMMENTS FROM THE COUNCIL MEMBERS a. Mayor's appointment of Council Standing Committees	Information
8. REPORTS FROM CITY MANAGER AND STAFF a. Auditor's Presentation for FY 2010-11 p. 7 b. Other	Information
9. RESOLUTIONS	
10. FIRST READING OF ORDINANCE	

Dallas City Council Agenda

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Our Vision

Our vision is to foster an environment in which Dallas residents can take advantage of a vital, growing, and diversified community that provides a high quality of life.

Our Mission

The mission of the City of Dallas is to maintain a safe, livable environment by providing open government with effective, efficient, and accountable service delivery.

Our Motto

*Commitment to the Community.
People Serving People.*

Dallas City Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the City Manager's Office, 503-831-3502 or TDD 503-623-7355.

11. SECOND READING OF ORDINANCE

12. OTHER BUSINESS

13. ADJOURNMENT

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4 The Dallas City Council met in regular session on Monday, December 19, 2011, at 7:00 p.m. in
5 the Council Chambers of City Hall with Mayor Brian Dalton presiding.

6 **ROLL CALL AND PLEDGE OF ALLEGIANCE**

7 Council members present: Council President Wes Scroggin, Councilor Jim Fairchild, Councilor
8 Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Kevin Marshall,
9 Councilor Murray Stewart, Councilor LaVonne Wilson, and Councilor Ken Woods, Jr.

10 Also present were: City Manager Jerry Wyatt, City Attorney Lane Shetterly, Finance Director
11 Cecilia Ward, Community Development/Operations Director Jason Locke, Administrative
12 Services Director Robert Spivey, Fire Chief Bill Hahn, Chief of Police John Teague, and
13 Recording Secretary Emily Gagner.

14 Mayor Brian Dalton led the Pledge of Allegiance.

15 **QUESTIONS OR COMMENTS FROM THE AUDIENCE**

16 There were no questions or comments from the audience.

17 **PUBLIC HEARING**

18 **CONSENT AGENDA**

19 It was moved by Councilor Scroggin and seconded by Councilor Marshall to approve the Consent
20 Agenda as presented. The motion carried unanimously.

21 Items approved by the Consent Agenda: a) approve the December 5, 2011, City Council minutes;
22 b) approve committee appointments/reappointments; and c) recommend the OLCC approve the
23 change of ownership application for Tiga Sushi Bar and Japanese Restaurant at 957 Main Street.

24 **ITEMS REMOVED FROM CONSENT AGENDA**

25 There were none.

26 **REPORTS OR COMMENTS FROM COUNCIL**

27 Councilor McDonald indicated he had discussed Mr. Fowler and the Fife Group annexation at the
28 previous Council meeting and there was some discussion as to an LLC and information that was
29 public information. He reported there was some information about LLCs through the Secretary of
30 State's office. He recommended the staff review the procedures to include listing the LLC agents
31 on planning forms to show they were making every effort to be transparent. Councilor Lawson
32 asked if that was the City's job. Councilor McDonald said not necessarily, but as far as the public
33 was concerned, when they saw an LLC, it gave the impression it was owned by a corporation and
34 they couldn't find information about it. He advised staff could point out whatever information
35 was available through the Secretary of State's office.

36 **REPORTS FROM CITY MANAGER AND STAFF**

37 **2012 MEETING SCHEDULE**

38 Mr. Wyatt reviewed the staff report.

39 **OTHER**

40 Mr. Wyatt handed out a copy of a letter received from the American Postal Workers Union about
41 an upcoming meeting regarding the consolidation and elimination of post offices and the impacts
42 that could have. He advised the Councilors that meeting would be the time and place for them to
43 express their thoughts on the topic.

44 Mr. Wyatt indicated Eldon Bevens' funeral would be Wednesday. Mayor Dalton remarked that
45 Mr. Bevens was a councilor for thirty-five years; 17 of those he served as Council President.

1 **RESOLUTIONS**

2 **Resolution No. 3238:** A Resolution adopting and appropriating a supplemental budget for Fiscal
3 Year 2011-2012.

4 A roll call vote was taken and Mayor Dalton declared Resolution No. 3238 to have PASSED BY
5 A UNANIMOUS VOTE with Council President Wes Scroggin, Councilor Jim Fairchild,
6 Councilor Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Kevin
7 Marshall, Councilor Murray Stewart, Councilor LaVonne Wilson, and Councilor Ken Woods, Jr.
8 voting YES.

9 **Resolution No. 3239:** A Resolution authorizing the transfer of budgetary funds.

10 Mr. Wyatt reviewed each transfer.

11 Councilor McDonald asked if the police vehicle was replaced due to wear and tear. Mr. Wyatt
12 explained the vehicles were replaced on a schedule, adding they were going to skip this year but
13 determined they couldn't wait. Councilor McDonald asked what vehicle was being replaced. Mr.
14 Wyatt stated a Crown Victoria was being replaced with a new Tahoe. Councilor McDonald asked
15 how many miles were on the police vehicle. Chief Teague stated there were close to 90,000 miles
16 on it, noting if they waited another year it would be closer to 110,000 miles.

17 A roll call vote was taken and Mayor Dalton declared Resolution No. 3239 to have PASSED BY
18 A UNANIMOUS VOTE with Council President Wes Scroggin, Councilor Jim Fairchild,
19 Councilor Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Kevin
20 Marshall, Councilor Murray Stewart, Councilor LaVonne Wilson, and Councilor Ken Woods, Jr.
21 voting YES.

22 **Resolution No. 3240:** A Resolution authorizing an interfund loan.

23 A roll call vote was taken and Mayor Dalton declared Resolution No. 3240 to have PASSED BY
24 A UNANIMOUS VOTE with Council President Wes Scroggin, Councilor Jim Fairchild,
25 Councilor Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Kevin
26 Marshall, Councilor Murray Stewart, Councilor LaVonne Wilson, and Councilor Ken Woods, Jr.
27 voting YES.

28 **FIRST READING OF ORDINANCE**

29 **SECOND READING OF ORDINANCE**

30 **Ordinance No. 1743:** An Ordinance amending provisions of the Dallas City Code Section 2.005,
31 relating to Council meetings.

32 Mayor Dalton declared Ordinance No. 1743 to have passed its second reading. A roll call vote
33 was taken and Mayor Dalton declared Ordinance No. 1743 to have PASSED BY A
34 UNANIMOUS VOTE with Council President Wes Scroggin, Councilor Jim Fairchild, Councilor
35 Beth Jones, Councilor Jackie Lawson, Councilor Mark McDonald, Councilor Kevin Marshall,
36 Councilor Murray Stewart, Councilor LaVonne Wilson, and Councilor Ken Woods, Jr. voting
37 YES.

38 **OTHER BUSINESS**

39 The meeting was recessed at 7:17 p.m. for an executive session to evaluate the City Manager.

40 Mayor Dalton reconvened the Council meeting at 8:11 p.m.

41 It was moved by Councilor Stewart and seconded by Councilor Woods to have the City Attorney
42 draft an agreement to continue Mr. Wyatt's current salary and benefits and to grant him an
43 additional 56 hours of paid, non-cumulative, administrative leave. The motion carried
44 unanimously.

45 There being no further business, the meeting adjourned at 8:12 p.m.

46 Read and approved this _____ day of _____ 2012.

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Mayor

ATTEST:

City Manager

DRAFT

DALLAS CITY COUNCIL REPORT

TO: MAYOR BRIAN DALTON AND CITY COUNCIL

<i>City of Dallas</i>	Agenda Item No. 5 b	Topic: Committee Appointments
Prepared By: Emily Gagner	Meeting Date: January 3, 2012	Attachments: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Approved By: Jerry Wyatt		

RECOMMENDED ACTION:

Approval of the Consent Agenda would appoint Christopher Castelli to the Planning Commission and Randy Schmidt to the Park Board.

BACKGROUND:

On December 20, 2011, Planning Commissioner Paul Holstege resigned his position as he is moving out of town. We had a very well-qualified candidate submit an application for the Planning Commission last fall and recommend appointing Christopher Castelli to the Planning Commission to serve out Commissioner Holstege's term, which ends December 31, 2014.

Because Chris Castelli currently sits on the Parks and Recreation Board, his appointment to the Planning Commission will create a vacancy there. We did have another applicant, Randy Schmidt, for the Park Board, so we recommend appointing him to that position to serve out Mr. Castelli's term, which ends December 31, 2013.

FISCAL IMPACT:

None

ATTACHMENTS:

None

DALLAS CITY COUNCIL REPORT

To: CITY COUNCIL

<i>City of Dallas</i>	Agenda Item No. 7 a	Topic: Council Standing Committee Appointments
Prepared By: Emily Gagner for Mayor Brian Dalton	Meeting Date: January 3, 2012	Attachments: <input type="checkbox"/>

ACTION:

Mayor's appointment of standing committees for 2012.

- (a) Committee on public works.
4th Monday, even months, 4:00 p.m.
 - i. Jim Fairchild, Chairperson
 - ii. Mark McDonald
 - iii. Kevin Marshall
 - iv. Ken Woods, Jr.

- (b) Committee on public safety.
4th Monday, even months, 4:00 p.m.
 - i. Ken Woods, Jr., Chairperson
 - ii. Jim Fairchild
 - iii. Mark McDonald
 - iv. Kevin Marshall

- (c) Committee on public buildings and grounds.
4th Monday, odd months, 4:00 p.m.
 - i. Jackie Lawson, Chairperson
 - ii. Beth Jones
 - iii. Wes Scroggin
 - iv. Murray Stewart
 - v. LaVonne Wilson

- (d) Committee on public administration.
4th Monday, odd months, 4:00 p.m.
 - i. LaVonne Wilson, Chairperson
 - ii. Beth Jones
 - iii. Jackie Lawson
 - iv. Wes Scroggin
 - v. Murray Stewart

BACKGROUND:

DCC 2.050 Standing Committees.

(1) At the first regular meeting of the council in January of each year, or as soon thereafter as convenient, the Mayor shall appoint the following standing committees of the council:

- (a) Committee on public works.
- (b) Committee on public safety.
- (c) Committee on public buildings and grounds.
- (d) Committee on public administration.

(2) The membership of each committee shall be at the discretion of the mayor, except that each council member shall serve on not less than two committees. Each member of a committee shall hold office for one year and until a successor is appointed. If a vacancy occurs in a committee, the mayor, at the next succeeding regular meeting of the council, shall appoint a member of the council to fill the vacancy. A member so appointed shall hold office until the first regular meeting of the council in January of the year following the appointment and until a successor is duly appointed.

(3) At the regular meeting of the council following a committee meeting, the committees shall make a report of their activities.

(4) The proceedings of the committees shall be conducted as provided by Roberts Rules of Order.

(5) A majority of a quorum of a committee is sufficient to conduct committee business.

FISCAL IMPACT:

None

ATTACHMENTS:

None

January 3, 2012

To the Honorable Mayor and City Council
City of Dallas
Dallas, Oregon

EXECUTIVE SUMMARY – PRESENTATION OF 2010 FINANCIAL STATEMENTS

The purpose of this executive summary is to assist you in fulfilling your responsibilities for oversight of the City's financial reporting.

This letter summarizes the results and conclusions of certain matters required to be communicated to those charged with governance.

The full communication to those charged with governance as required by Statement of Auditing Standards 114 was passed out to you with this letter. Hard copies of the financial report can be requested from the finance department. The City will also post an electronic copy of the financial statements on their web site.

Financial Statements

- We have completed our audit of the financial statements and related disclosures of the City of Dallas. We issued our report, which contain "clean opinions" on December 27, 2011.
 - Our opinion on the City's financial statements is limited to the basic financial statements, supplementary data, and audit comments.
 - The introductory and statistical section of the report has not been audited by us and, accordingly, we expressed no opinion on that data.
 - The financial statements were submitted to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting.

Required Communications to Those Charged with Governance

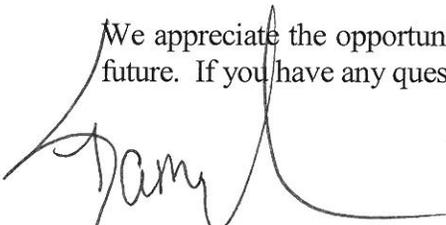
- There were no restrictions on our audit scope.
- There were no disagreements with management.
- There were no significant difficulties incurred during the course of the audit.
- There City implemented a new accounting policy, GASB 54.
- Management judgments and accounting estimates were found to be appropriate in the circumstances. Estimates included depreciation, compensated absences payable, and allowance for doubtful accounts.

- We did not find any transactions entered into by the City during the year that lack authoritative guidance.
- There were no material misstatements noted for proper presentation of the financial statements.
- In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. There were no such consultations with other accountants.

Report Required by Oregon State Regulation

- The Independent Auditors Report - Required by Oregon State Regulation are located in the CAFR.
- We tested the following in connection with Oregon Minimum Standards:
 - Collateral
 - Indebtedness
 - Budgets
 - Insurance and Fidelity Bonds
 - Programs Funded from Outside Sources
 - Highway Funds
 - Investments
 - Public Contracts and Purchasing

We appreciate the opportunity to have been of service and look forward to working with you in the future. If you have any questions now or in the future please do not hesitate to contact us.



Kammy Austin, CPA
Merina & Company, LLP

December 31, 2011

To the Honorable Mayor and City Council
City of Dallas

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dallas (City) for the year ended June 30, 2011. Professional standards (for Certified Public Accountants) require that we provide you with the following information about our responsibilities under general accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 21, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City are described in Note 1 to the financial statements. As described in Note 9 to the financial statements, the City changed its accounting policy related to fund balance by adopting Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, during 2011. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimate of the accumulated depreciation is based on historical cost or estimated historical cost if purchased or constructed and donated capital assets are recorded at estimated fair market value at the date of donation.

Management's estimate of the compensated absences payable is based on current wages.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were noted during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 27, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

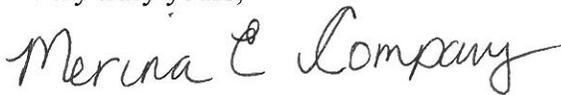
Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Honorable Mayor and City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

If you should have any questions or comments, we will be pleased to discuss this report with you at your convenience.

Very truly yours,

A handwritten signature in cursive script that reads "Merina & Company".

Merina & Company, LLP
Certified Public Accountants and Consultants