

DALLAS CITY COUNCIL
Tuesday, January 22, 2013
Council Chambers

The Dallas City Council met in regular session on Tuesday, January 22, 2013, at 7:00 p.m. in the Council Chambers of City Hall with Mayor Brian Dalton presiding.

ROLL CALL AND PLEDGE OF ALLEGIANCE

Council members present: Council President LaVonne Wilson, Councilor Jim Brown, Councilor Jim Fairchild, Councilor Kelly Gabliks, Councilor Beth Jones, Councilor Jackie Lawson, Councilor Kevin Marshall, Councilor Murray Stewart, and Councilor Ken Woods, Jr.

Also present were: City Manager Ron Foggin, City Attorney Teresa Ozias, Chief of Police John Teague, Fire Chief Bill Hahn, Engineering and Environmental Services Director Fred Braun, Finance Director Cecilia Ward, City Recorder Emily Gagner, and Recording Secretary Jeremy Teal.

Mayor Dalton led the Pledge of Allegiance.

COMMENTS FROM THE AUDIENCE

Mayor Dalton asked the audience members to limit their speeches to five minutes.

Chelsea Pope, Executive Director of the Dallas Area Chamber of Commerce and Visitor's Center, 119 SW Court St, Dallas, Oregon, stated that Sue Rohde had a book signing in the Civic Center for her new book about Dallas. Ms. Pope noted she hoped to have Ms. Rohde back at the Bounty Market this season.

Ms. Pope thanked the Fire Department for their service to the community.

PUBLIC HEARINGS

CONSENT AGENDA

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

ITEMS REMOVED FROM THE CONSENT AGENDA

REPORTS OR COMMENTS FROM MAYOR AND COUNCIL MEMBERS

FIRE SERVICE APPRECIATION DAY PROCLAMATION

Mayor Dalton explained the City annually observed Fire Service Appreciation Day and presented a proclamation declaring January 27, 2013, to be Fire Service Appreciation Day. He expressed his appreciation of the City's firefighters.

Councilor Fairchild asked about the clothing boxes around town. Mr. Foggin indicated staff would look into it.

Councilor Gabliks stated Saturday, January 26, 2013, was the Fire and EMS Awards Ceremony at the Readiness Center.

Councilor Lawson praised Sue Rohde for her efforts with her new book.

REPORTS FROM CITY MANAGER AND STAFF

Mr. Foggin reminded the Council about the goal-setting session on Saturday, February 23, 2013.

Mr. Foggin stated that State Transportation Improvement Program (STIP) would be deciding on transportation funds and it looked like the Godsey Road project would be getting funding. Councilor Woods reported that this was the first time Oregon Transportation Commission (OTC) had asked individual cities to submit projects for funding. He noted that the projects would be prioritized and submitted to Mid-Willamette Valley Area Commission on Transportation (MWACT) for funding consideration.

AUDITOR'S REPORT FOR FY ENDING 6/30/2012

Kamala Austin, a partner with Merina & Company (M&C), stated that M&C had completed the audit of the financial statement and related disclosures of the City of Dallas. They issued the City's report on December 28, 2012, with a "clean opinion". She indicated the financial statements were submitted to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting.

Ms. Austin stated that there were no restrictions on the audit scope or disagreements with management. She noted there were no significant difficulties incurred during the course of the audit. She stated there were no new significant policies adopted or changes from policies previously adopted. She indicated that management judgments and accounting estimates were found to be appropriate in the circumstances and all estimates included depreciation, compensated absences payable, and allowance for doubtful accounts. M&C did not find any transactions entered into by the City during the year that lacked authoritative guidance. She noted there were uncorrected misstatements with a total financial effect of \$65,794 that management had determined that the effect of the uncorrected misstatements in immaterial. She stated this represented unbilled utility revenues and accrued wages on December, 31, 2012 and there was a prior period adjustment related to interfund loans that was corrected for proper presentation of the financial statements.

Ms. Austin reported M&C tested the following in connection with the Oregon Minimum Standards: collateral, indebtedness, budgets, insurance and fidelity bonds, programs funded from outside sources, highway funds, investments, and public contracts and purchasing. She stated that there was no "noncompliance" that needed to be reported.

Ms. Austin noted that during the course of the audit, M&C noted areas for improvement. She reported the City didn't have a formal training plan for teaching employees about ethical behavior and appropriate business practices. She indicated the City didn't have a fraud policy in place. She stated the City didn't have a written policy on authorized approvals for credit card and other expense reimbursement requests (except travel). She reported as outlined in the Administrative Rules for travel reimbursements, all employees who use their personal cars for travel must provide proof of insurance. She noted the City had not done this. She advised credit card payment forms do not provide enough detail for the employee to explain the reason for the expense. She stated having this detail on the form would help the reviewer understand the appropriateness of the expense.

Councilor Woods asked how fiscal year-end money was dealt with. Ms. Austin stated that revenues for June wouldn't be billed and recorded until July. She noted the money was not material and would be recorded when the City received it, but for accounting purposes the City had earned that revenue.

Councilor Brown asked if recommendations were tightened on regulations for auditors. Ms. Austin stated that recommendations were based on each year's numbers and these were the recommendations set for those transaction areas.

APPROVAL OF ANNUAL OLCC LICENSE RENEWALS

Ms. Gagner noted that the Police Department had reviewed the list and had no concerns.

It was moved by Councilor Marshall *to recommend to the OLCC to approve the annual license renewals*. The motion was duly seconded and carried unanimously with Councilor Woods and Councilor Lawson abstaining due to their conflict of interest.

DECEMBER 2012 FINACIAL REPORT

Ms. Ward stated that the December financial report provided a look at the first six months. She reported that the General Fund revenue had decreased and the water and sewer funds had increased. Ms. Ward indicated that Phase 1 of the recommended budget reductions had been implemented and were being monitored.

Councilor Gabliks asked if the ambulance fees were under budget by \$55,000. Ms. Ward stated that even with the \$50,000 budget increase from last year the ambulance was \$55,000 below budget. Councilor Gabliks stated that even with the budget increase we were still under budget by \$5,000.

RESOLUTIONS

Resolution No. 3260 – A resolution requesting a Change in the Boundary of the Dallas-Independence-Monmouth Enterprise Zone.

In response to a question Mr. Locke stated there would be no tangible effect to Dallas' taxes.

A roll call vote was taken and Mayor Dalton declared Resolution No. 3260 to have PASSED BY A UNANIMOUS VOTE with Council President LaVonne Wilson, Councilor Jim Brown, Councilor Jim Fairchild, Councilor Kelly Gabliks, Councilor Beth Jones, Councilor Jackie

Lawson, Councilor Kevin Marshall, Councilor Murray Stewart, and Councilor Ken Woods, Jr. voting YES.

FIRST READING OF ORDINANCE

SECOND READING OF ORDINANCE

OTHER BUSINESS

There being no further business, the meeting adjourned at 7:40 p.m.

Read and approved this _____ day of _____ 2013.

Mayor

ATTEST:

City Manager