

**MINUTES OF THE REGULAR CITY COMMISSION MEETING HELD JULY 16, 2008**

The governing body met in regular session on July 16, 2008, at 5:30 p.m. in the City Commission Room at City Hall, with the following members being present: Mayor Hattan, Commissioners Jindra, Johnson, Lanoue and Hosie.

Absent: None

Other Officers: City Manager Skiles, City Attorney Uri and Interim City Clerk Knudsen.

Pastor John States gave the invocation followed by the citing of the Pledge of an Allegiance.

Visitors: Jessica LeDuc, Toby Nosker, Tom Tuggle, Darlene Hempel, Kirk Lowell, Jean Swiercinsky, John States, Don Lanoue, Danny Parker, James Ganson, Bev Mortimer, Karl Stricker, Joe Strecker, Ima Jean Chavey, Marvin Copple, Ron Copple, Isadore Bombardier, Larry Remmenga, Janet Eubanks, Art Slaughter, Ron Deal, Doug Glenn, LaDonna Peltier, Ruby Maline and Timothy Parker.

Mayor Hattan asked if there were any changes to the agenda. City Manager Skiles asked to add item 5D – Shady Lake Development/Taco Johns update. Mayor Hattan asked that items 5B and 5C be moved to after the Resolutions.

APPROVAL OF MINUTES

APPROVED AS AMENDED

Mayor Hattan stated that the minutes need to be corrected to show that he was late rather than absent. Commissioner Johnson made a motion to approve the minutes as amended for the July 2, 2008 regular meeting. Mayor Hattan seconded. Motion carried 5-0 with the vote being as follows:

Yea: Mayor Hattan, Commissioners Johnson, Jindra, Hosie and Lanoue.

Nay: None

APPROPRIATION ORDINANCE NO. #13

APPROVED

Commissioner Hosie made a motion to approve appropriation ordinance #13. Commissioner Johnson seconded. Motion carried with the vote being as follows:

Yea: Mayor Hattan, Commissioners Johnson, Jindra, Hosie and Lanoue

Nay: None

PUBLIC COMMENTS:

Former Mayor Isadore Bombardier talked about all the help that the City of Concordia received after the 1992 wind storm. His comments were in response to remarks made, at the last Commission meeting, that the City should not have sent money, equipment or staff to help the city of Chapman after a tornado devastated their community. Commissioner Hosie read a partial list of the cities and counties that came to lend assistance to the City of Concordia following the 1992 incident. (See attached list) Bombardier stated that he went and visited a lot of those communities that helped and sent them all appreciation letters. Bombardier said "We had people coming from east, west, and north and south, we had to get on the radio station and tell them to quit coming because we were running out of room for all the volunteers. You have to help people that need help."

NEW BUSINESS:

DOWNTOWN IMPROVEMENT POLICY

APPROVED

City Attorney Larry Uri explained that this was the policy that was discussed at the last study session. Commissioner Johnson made a motion to approve the downtown improvement policy. Mayor Hattan seconded. Motion carried 5-0 with the vote being as follows:

Yea: Mayor Hattan, Commissioners Johnson, Jindra, Hosie and Lanoue.

Nay: None

SHADY LAKE RE-DEVELOPMENT/TACO JOHN'S

Tom Tuggle, Kirk Lowell and Tim Parker were all present to update the Commission on the progress of the new Taco John's building that will be built to the south of the Pizza Hut. Mr. Tuggle said he was pleased to be a part of this expansion. Mr. Parker said that he feels this new building will be a great addition to the city and citizens of this community and thanked everyone for their past support and continued support in the future. (See attached)

ORDINANCES:

ORDINANCE 2008-2961  
CONDITIONAL USE PERMIT – 124 W. 5TH

APPROVED

**MINUTES OF THE REGULAR CITY COMMISSION MEETING HELD JULY 16, 2008, cont'd**

Bruno Rehbein, Building Inspector talked to the commission about the conditional use permit for 124 W. 5<sup>th</sup> where a self-storage mini storage is going to be built by Larry Jackson. There were no questions or comments from the commission.

Commissioner Lanoue made a motion to approve ordinance #2008-2961. Mayor Hattan seconded. Motion carried 5-0 with the vote being as follows:

- Yea: Mayor Hattan, Commissioners Johnson, Jindra, Hosie and Lanoue
- Nay: None

**ORDINANCE 2008-2962  
REZONING – USD#333**

APPROVED

Bruno Rehbein, Building Inspector explained to the commission that USD #333 wanted to get a zoning change to put up a wind generator. Hence USD #333 has decided not to put the generator in that area but would like to go ahead and get the zoning change for any future endeavors. The Planning Commission voted 4-1 to approve the zoning change. A legitimate protest petition was filed requiring the city commission to have to vote 4-1 to approve the zoning change. After some discussion Mayor Hattan made a motion to approve ordinance #2008-2962. Commissioner Hosie seconded. Motion carried 5-0 with the vote being as follows:

- Yea: Mayor Hattan, Commissioners Johnson, Jindra, Hosie and Lanoue
- Nay: None

**RESOLUTIONS:**

**RESOLUTION 2008-1817  
RESIDENCY POLICY**

APPROVED

Larry Uri, City Attorney presented the residency policy to the commission with the revisions requested. Commissioner Hosie made a motion to approve resolution #2008-1817. Commissioner Lanoue seconded. Motion carried 5-0 with the vote being as follows:

- Yea: Mayor Hattan, Commissioners Johnson, Jindra, Hosie and Lanoue
- Nay: None

**RESOLUTION 2008-1818  
DOWNTOWN IMPROVEMENT**

APPROVED AS AMENDED

Mark Skiles, City Manager presented resolution #2008-1818 to the commission. Commissioner Lanoue had questioned section four (4) in regards to the \$15,000.00 for matching grants and the last sentence in section for that states: the city manager, city clerk and city treasurer are directed to disburse that sum to The Citizens National Bank forthwith. Commissioner Hosie asked if we could change the \$15,000.00 to appropriation ordinance; the commission was in agreement of this and to delete the last sentence in section four (4). Commissioner Jindra made a motion to approve resolution #2008-1818 as amended. Commissioner Lanoue seconded. Motion carried 5-0 with the vote being as follows:

- Yea: Mayor Hattan, Commissioners Johnson, Jindra, Hosie and Lanoue
- Nay: None

**NEW BUSINESS CONTINUED:**

**2007 AUDIT PRESENTATION**

TABLED

Mr. Doug Glenn, Mayer, Hoffman, McCann, PC, presented the 2007 audit. Mr. Glenn stated that the City has met the auditing requirement and standards set by the state. Based on the changes in job responsibilities for the end of 2007 they have finding which is called significant deficiency based upon segregation of duties. There needs to be an independent review of bank reconciliation, bank statements including copies of cancelled checks and a monthly review of all the journal entries. Mr. Glenn also feels that the implementing the purchase order application, using the journal entry transfer feature and the bank reconciliation feature with the Fund Balance software that the city already has would be a great asset to the city's tracking of financial records.

Items that were in that year's letter that were followed up on are as follows: the remaining balance in the water/sewer bond be transferred because it is no longer needed for the revenue bonds; city management ensure a system that no cash accounts are open in the city's name without prior approval; and the reconciliation of municipal court receipts. The municipal court software does not electronically interface with the cash receipt software, there is now reconciliation being done to make sure that what has been assessed and collected reflects in the general ledger.

Operational deficiencies for last year, up until now, were applications that include cash receipts, accounts receivable, project training and tracking assets all of which are on the server now. Continuing to get rid of unnecessary funds will be an issue for sometime.

**MINUTES OF THE REGULAR CITY COMMISSION MEETING HELD JULY 16, 2008, cont'd**

Mayor Hattan and Commissioner Lanoue asked questions of Mr. Glenn concerning cash balances, variances, transactions that take place in transfers, investments and journal entries. Questions were also asked regarding projects and encumbrances. Commissioners Johnson, Jindra and Hosie had no questions. Mr. Glenn stated that "their audit is complete and they are comfortable with it and if the commission wants corrected numbers, they can receive them from staff".

City Manager, Skiles said that Mr. Glenn mentioned in one of his letters that the Director of Finance had prepared the financial statements was this done for the 2006 audit? Mr. Glenn said "yes although we did lend some assistance". Skiles asked "prior to 2006 who prepared the financial statements? Mr. Glenn said "that his firm did". Skiles said "I look at an audit as not are all the pennies in the right place but do I have all the pennies".

Commissioner Hosie said "I make a motion to accept the 2007 audit. Commissioner Jindra seconded. Mayor Hattan said "All those in favor say "I" the "I's" were Mayor Hattan, Commissioners Jindra and Hosie. Opposed were Commissioners Johnson and Lanoue. Mayor Hattan asked to have discussion again. Commissioners Johnson and Lanoue explained why they did not want to approve the audit. Mayor Hattan stated they he would like the numbers to be right. Commissioner Hosie asked what the vote was on the motion which was 3-2 in favor of approving the 2007 audit. Mayor Hattan said there was a misunderstanding; that when he voted he thought that they were talking about Doug and his presentation. He said he still wanted to come back and visit the issue of the financial statements. Mayor Hattan said that there was a motion made by Commissioner Johnson that we table the approval of the 2007 audit. Commissioner Lanoue seconded. Mayor Hattan said "All those in favor say "I" the "I's" were Mayor Hattan, Commissioners Johnson and Lanoue. Mayor Hattan asked for those opposed and Commission Hosie said "I guess I don't understand there was a motion to accept the 2007 audit that was voted on with a 3-2 vote". Mayor Hattan said that "he did not call the vote" and therefore "the motion was not carried". Commissioner Hosie said that "he made a motion to accept the audit and it was seconded. Their was no motion to table it or amend it or anything, it was voted on and I don't know what that vote was but that motion even if you don't recognize the vote the motion is still on the table". "So you are going to have to take care of that motion by voting it down or up". Mayor Hattan said "Commissioner Hosie has made a motion to accept the 2007 audit and Commissioner Jindra made motion to second". "All those in favor say "I" the "I's" were Commissioners Hosie and Jindra and the opposed were Mayor Hattan, Commissioners Johnson and Lanoue". 3-2 fail. Mayor Hattan said "I have a motion from Commissioner Johnson to get a revised audit and seconded by Commissioner Lanoue, all those in favor of that motion say "I" the "I's" were Mayor Hattan, Commissioners Johnson and Lanoue. Commissioners Jindra and Hosie did not vote. Carried."

MANAGEMENT RESPONSE FOR 2007 AUDIT

Ruby Maline, Director of Finance read her letter of response for the 2007 audit. Maline told the commission of the changes that have been made this year to make the financial systems better which includes the implementing of all the accounting packages that our software company provides and having access to the general ledger which is now on the server. In the future she will continue to close unnecessary funds and work to get our financial system more accurate for reporting of the city's assets.

MANAGER'S REPORT

City Manager Skiles reported that there would be a budget study session tomorrow night.

MAYOR/COMMISSIONER COMMENTS AND REPORTS

Commissioner Johnson asked staff to look into having the commission meetings taped for the local cable channel. Last year the commission had talked with Trish McDaniel at Concordia High School about what it would take it make this happen.

STAFF COMMENTS

Larry Eubanks, Fire Chief reported that he and his staff need to get about 250 to 300 more Low to Moderate (LMI) survey's completed to meet the 51% needed to qualify for the grant.

ADJOURN

Mayor Hattan made a motion to adjourn the meeting. Commissioner Johnson seconded. Motion carried 5-0 with the following vote:

Yea: Mayor Hattan, Commissioner Johnson, Jindra, Hosie and Lanoue.

Nay: None

(Seal)

  
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Stacey Crum  
City Clerk