

From: Grayson Bottom

Sent: Friday, June 14, 2013 11:33 AM

To: Gary Cooper; Tammy Kretchmar DeSpain; alberts239; Ken Smith; Michael McEachern (mmceachern1@cox.net); Rick Opitz; thegrbas@cox.net

Subject: City Council Update

We have five action items for your consideration next Tuesday night. The first action item is your consideration of Ordinance No. 1291 that amends our Defined Benefit Retirement Plan (Pension) for all General Employees to allow for an employee contribution of 1% this year and 1% each year for the next five years for a total of 6%. This does not change the City's contribution rate. Changes in the government accounting standards (GADSB 54) as well as unfunded actuarial liability funded ratio (Accrued Liability of 85% and a Funding Liability of 67%) make this necessary. Here-to-fore any unfunded actuarial liability ratio was stated in a footnote to the balance sheet. However, beginning this year the amount of the funding liability must be listed on the front of the Balance Sheet. This will adversely affect our bonding capacity if not addressed now. We feel that certainly two years from now this change will be reflected very positively on our actuarial report.

The second action item for your consideration is approving Ordinance No. 1292 which amends several sections of our Code of Ordinances that allows certain fees to be set by the City Council by Resolution. In our form of government Ordinances are laws and Resolutions are the operating rules. Our Charter states that Utility rates must be set by Ordinance. However, fees not associated with Utility rates should be established each year by rule rather than law.

The third action item is to approve the second amendment to the Veolia Agreement for Operations, Maintenance and Management Services. Thanks to Arnold we have been successful at removing certain City paid maintenance expenses from the formula used to calculate Veolia's fee that is subject to a CPI increase each year and causes Veolia to pay for the hauling of sludge from the waste water treatment facility to the landfill. The first change saves the City several thousand dollars over the term of the agreement and the second change keeps our costs from increasing while staying within the existing terms of the agreement.

The fourth action item is to consider selecting a Yukon City Council representative for the Chamber of Commerce Board of Directors for the term of July 1, 2013 through June 30, 2014. Councilman Opitz is our current representative.

The fifth action item is to consider approving a Resolution establishing the E911 fee for the calendar year 2014. We are required to do this each year. The rate this year remains the same as last year at 3% which is added to each phone bill.



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