

December 1, 2008

A special meeting of the Scandia City Council to conduct the annual Truth in Taxation Public Hearing was held on the above date. Mayor Seefeldt called the meeting to order at 7:00 p.m. The following council members were present: Mayor Dennis Seefeldt, Dolores Peterson, Donnette Yehle. Staff present: Administrator Anne Hurlburt.

The video "14 Reasons Property Taxes Go Up or Down", by the League of Minnesota Cities, was viewed. Administrator Hurlburt gave an overview of the proposed 2009 budget and tax levy.

Mayor Seefeldt opened the public hearing. *Kim Bakken, 21959 St. Croix Trail*, asked why the city continued to contract for law enforcement services when the county sheriff's department is required to respond around the clock. Mayor Seefeldt responded that it was decided in 2000 to contract for additional service. The city has an officer that is part of the community, can have input on the schedule and gets more coverage for local events. This allows law enforcement to better deal with local issues as they occur, such as the recent vandalism incidents.

Cliff Guggisberg, 12780 182nd St., asked about the proposed car for the fire chief. Mayor Seefeldt explained that the vehicle would be used as a mobile command post for the chief officer responding to the scene. Administrator Hurlburt explained that the budget impact would be \$5,000 for the first year, after donations. Councilmember Yehle explained that it would improve safety on the scene to have a command vehicle with proper equipment including lights. Mr. Guggisberg asked if firefighters would continue to respond in their personal vehicles if necessary. Ms. Bakken, a member of the Fire Department, answered that they would continue to do so. Guggisberg asked if our Fire Department has equipment that is not necessary for a rural department. The Mayor described the benefits of some of the specialized equipment, such as lift bags. Fire equipment is regulated by other agencies.

Kim Bakken asked why the city had hired a building inspector when permit revenues are down. Administrator Hurlburt explained that the staff position includes more than building inspection duties, and the improvements in service to the public that have resulted. *Stephen Toensing, 19553 Parkview*, asked for more explanation of the cost savings of the position. Administrator Hurlburt explained the cost of contracting out the duties of the position (such as to a contractual inspector, planner and others) and that the permit fees pay for a large percentage of the cost of the position.

Cliff Guggisberg asked how much PERA increases were impacting the city. Administrator Hurlburt explained that in 2009 the city's contribution would increase from 6.5% to 6.75% of payroll. The larger concern for pension contributions is with the fire department, where the funding level may not be adequate to meet obligations. Mayor Seefeldt said that in 2009 the city will be increasing the local contribution by \$25,000 over 2008. Hurlburt explained that the contributions from fire insurance premiums have dropped and investment earnings are down.

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Cliff Guggisberg commented that he thought the city should not spend money on Lilleskogen Park. *Tom Triplett, 19420 Newgate*, a member of the Park and Recreation Committee, said that modest improvements would make the park usable especially for children and seniors.

Stephen Toensing asked why Scandia receives no state aid. Administrator Hurlburt explained that the complex state formula gave Scandia about \$26,000 in 2008 and none in 2009. The advantage is that the city is not dependent on the state for resources that are often cut in tough times. Councilmember Peterson commented that the city would be eligible for state aid for streets once the population reaches 5,000.

Peterson, seconded by Yehle, moved to close the hearing. The motion carried. No continuation hearing will be held. Mayor Seefeldt announced that the final budget and levy adoption hearing will be held during the regular City Council meeting on Tuesday, December 16 2008.

The meeting adjourned at 8:20 p.m.

Respectfully submitted,

Anne Hurlburt

City Administrator/ Clerk