

July 14, 2009

A special meeting of the Scandia City Council was held on the above date. Mayor Seefeldt called the meeting to order at 7:00 p.m. The following council members were present: Council members Connie Amos, Pete Crum, John Lindell, Dolores Peterson and Mayor Dennis Seefeldt. Staff present: Administrator Anne Hurlburt, Treasurer Colleen Firkus, Fire Chief Jim Finnegan and Asst. Fire Chief Mike Hinz. Also present were representatives from LarsonAllen, Craig Popenhagen and Brady Hoffman.

Hoffman led a discussion of the 2008 audit starting with the basic fund types and then how the financial details roll up from the back of the audit up to the financial statements in the front. He further explained the basic financial statements and the footnotes, which provide more detail and information on the amounts presented in the basic financial statements. Finally, Popenhagen reviewed the Management Letter, which led to a discussion about the city's need to have 50% of expenses in reserve. He also spoke briefly of upcoming GASB requirements of recording easements as Capital Assets starting in 2010 and calculating the liability of Other Post Employment Benefits (OPEB).

Administrator Hurlburt presented an estimate of the 2010 levy limit. While the overall estimated Total Levy for 2010 is 1% less than 2009, the estimated General Fund Operating Revenue is projected to 1% higher than 2009. Factors which affect the levy were discussed. Treasurer Firkus suggested the City Council considering increasing the debt levy as the city is levying less than required for the bond payments and using capital reserves to pay the balance. Next budget meetings are August 25 and September 8th. It will be necessary to certify the Levy on September 8th as the certification is due by 5:00 p.m. on September 15 and the council meeting will be later that evening. Since the council is no longer required to hold a Truth & Taxation meeting, the council will have to pick meeting dates in which the budget will be discussed and open for public comment. Staff is planning on getting budget information in the early October newsletter.

Administrator Hurlburt reviewed the draft Capital Improvement Plan (CIP), highlighting the projects slated for 2010, and asking for council direction as to which projects on which to proceed. Chief Finnegan outlined the need for a new Fire Rescue truck as the current truck is 20 years old. He has been working on specifications with Custom Fire and will have a more accurate idea of the cost soon for the budget. The CIP will need a public hearing to be amended as it is part of the Comprehensive Plan.

The last item discussed was the proposed 2010-2011 CIP Street Paving Project. Administrator Hurlburt presented a report that included the remaining gravel roads in the city to be paved, a project cost estimate, estimated assessable units and amounts. While there are no citizen petitions to pave these roads, it would complete the city's plan to pave all the gravel roads. Survey data from Pilar Road indicated a majority were not in favor of paving, or paying for a paving project. There was also discussion to include a reconstruction of Quinnell in the project. It would be necessary to amend the assessment policy to assess reconstruction costs. It was the council's consensus to delay the paving project and Quinnell reconstruction until such time the residents of those roads indicated

they wanted them paved, and to try and maintain the good roads with regular crack sealing and seal coating in a road maintenance plan.

The meeting adjourned at 9:20 p.m. with a motion by Peterson and second by Amos.

Respectfully submitted,

Colleen Firkus
Treasurer