

August 18, 2020

A work session meeting of the Scandia City Council was held on the above date with modifications. Due to the health advisory issued by the State regarding the COVID-19 outbreak, to avoid public gatherings and limit social contact, the meeting was conducted over an electronic platform. All council members and staff who joined the meeting remotely could hear each other and contribute to discussions. City Administrator Cammilleri and City Treasurer Firkus were present in the Council Chambers. Cammilleri was the presenter and displayed the meeting materials for participants to view on their remote screens.

Mayor Christine Maefsky called the meeting to order at 6:00 p.m. The following were participants to the meeting: Council members Jerry Cusick, Steve Kronmiller, Chris Ness, Patti Ray and Mayor Christine Maefsky. Staff participating: City Administrator Ken Cammilleri, City Engineer Ryan Goodman, Public Works Director Adam Hawkinson, and Treasurer Colleen Firkus.

APPROVAL OF AGENDA

Ray, seconded by Ness, moved to approve the agenda. Motion carried 5-0 by roll call vote.

PRELIMINARY PROPOSAL FOR THE CITY'S 2021 BUDGET

City Administrator Cammilleri presented the preliminary 2021 budget. Discussion was held on the anticipated cash flow problem of the Big Marine Sewer fund for next year and recommend a \$10,000 interfund loan from the General Fund and a 5% rate increase to help cover increasing operational costs for this 35-year-old system. Engineer Goodman pointed out the control panels replaced this year were original control panels and are a crucial component of the system. Typical sewer utility rate increases within the metro area range from 6% to 12% annually. There is also a 5% rate increase in the budget for the Uptown Sewer fund.

A Wastewater Committee will meet next week on August 26, to discuss the needs of these sewer systems and make a recommendation to the Council for their next budget workshop.

City Administrator Cammilleri indicated the General Capital Improvement Fund will cash flow for the new three years based on the current Capital Improvement Plan, but will then be spent down. The 2021 budget does not have a tax levy into this fund. Councilmember Ray suggested the Council start a 5-year funding plan for internet expansion, especially as COVID has made access to the internet of greater importance. Cammilleri suggested the Council use the current funding level of \$165,000 as an annual revenue source. The Capital Improvement Committee will meet next week on August 27, and will consider this with the recommendations they will make to the Council for their next budget workshop.

The Finance Team recommended a new health insurance plan for eligible employees that would decrease the City's costs by \$9,040. The 2021 budget also includes adding a Dental Plan and Disability Insurance to the part-time employees. A breakdown of costs for the plans was included in the meeting packet.

The last item from the Finance Team was a recommendation to increase the hours of the Office Assistant from 20 hours per week to 32 designating the position full-time with full benefits. A cost analysis of the impact to the budget was included, and the 2021 budget proposal reflects those costs.

City Council will meet at 6:30 p.m. for a Special Budget Planning Workshop on September 2nd, to continue a review of the City's 2021 budget.

ADJOURNMENT

Ray, seconded by Kronmiller, moved to adjourn the meeting. Motion carried 5-0 by roll call vote.

The meeting adjourned at 6:55 p.m.

Respectfully submitted,

Colleen Firkus
Treasurer