

MEDINA CITY COUNCIL SPECIAL MEETING MINUTES OF AUGUST 26, 2003

The City Council of Medina, Minnesota met in special session on August 26, 2003 at 6:35 p.m. at Medina City Hall. Mayor Phil Zietlow presided.

Members present: Workman, Lane, Zietlow, Smith, Brinkman

Members absent: None

Also present: City Administrator Chad Adams, Public Works Director Jim Dillman, and Police Chief Ed Belland.

2004 Budget Work Session

General Overview

Adams provided a general overview of municipal budgeting and taxation, which included a historical spreadsheet of Medina's tax capacity, tax levy's and tax rates. He noted that a preliminary levy needs to be certified to the County by September 15th; and, Truth-In-Taxation dates must be set, and forwarded to County by September 15th as well.

Zietlow noted that the tax rate numbers were off by one year, and acknowledged the disparity between total revenues and expenditures for 2004 proposed budget.

Adams explained the restrictions on the property tax levy for 2004 and the effects of the cut Local Government Aid (LGA) and Market Value Homestead Credit (MVHC), and that 60% of those cuts can be levied for in 2004. Adams clarified the possible need for next year's 2005 budget planning to increase levy to cover operating needs, and capital project/equipment needs.

Adams reviewed the 2002 audit, along with a chart regarding public safety.

Adams briefly discussed the 2003 budget and past Council decisions to transfer surpluses to the equipment fund.

Adams gave details of the budgeted wage and benefit increases, and that both would be reviewed this fall for eventual final Council approval.

Discussion of General Fund Revenues and Expenditures

Adams provided a department overview of revenues and expenditures.

City fees were discussed. More review and comparisons will occur this fall, for January 2004 ordinance approval. Smith requested a copy of the recent liquor license survey.

Discussion was held to move \$8,000 for Police cooperative drug enforcement from miscellaneous to overtime. Lane inquired about a Joint Powers Agreement between agencies.

Discussion took place on doing Request for Proposals (RFP's) for some maintenance items.

Belland mentioned a possible grant worth \$5500 for weather alert radios.

Discussion occurred on the need for another election precinct for 2004 or 2006.

Bidding out smaller projects, such as printing, was requested by Smith.

Special Revenue Funds and Expenditures

Adams provided an overview of special revenue funds and expenditures.

Discussion was held on the Cabin Social for 2004 and the need to have donations, in order to continue with the event.

Adams clarified the revenue from antenna rent and how a portion was recommended for the general fund (for SWPPP) and remaining balance in the environmental fund (as in year's past).

Water and Sewer Revenues and Expenditures

Adams provided an overview of water/sewer revenues and expenditures.

Discussion was held on the need to look at utility rates.

Depreciation and a long term schedule for replacement of fixed assets were briefly discussed.

Capital Projects

Adams provided an overview of the spreadsheet provided to Council.

Capital funds and their decreasing balances were discussed in reference to short-term and long-term needs.

Adams stated staff will continue to work on a 5-year plan for December.

Adjournment

Workman moved, and Smith seconded to adjourn at 8:48 p.m.

Phil Zietlow, Mayor

Attest:

Chad M. Adams, City Administrator