

MEDINA CITY COUNCIL MEETING MINUTES OF AUGUST 27, 2009

The City Council of Medina, Minnesota met in special session on August 27, 2009 at 6:00 p.m. at the Medina City Hall, 2052 County Road 24, Medina, MN.

I. Call to Order

Members present: Weir, Crosby, Sittari, Smith

Members absent: Johnson

Also present: City Administrator Chad M. Adams, City Planner Dusty Finke, Public Works Superintendent Steve Scherer, Police Sergeant Jason Nelson, Finance Director Jeanne Day, and Dave Callister, Financial Consultant with Ehlers and Associates.

II. Open House of Public Works Facility

A tour of the existing public works facility was held on the City Hall site from 6:00 p.m. – 7:00 p.m.

III. Presentation/Overview of Public Works Facility Project

Adams provided a presentation of the proposed public works facility project from 7:00 p.m. to 7:30 p.m. at City Hall. The presentation and fact sheet prepared for the evening included: an overview of the background of the project and list of identified needs; initial and revised scope of the project including size, location, cost, funding sources; details on the revised scope involving a reduced facility to 30,000 to 35,000 sq. ft., reduced acreage need, and reduced cost estimate; proposed project schedule in 2009 for refining the project scope and land acquisition discussions, 2010 project approval and funding support and 2011 project construction.

Dave Callister with Ehlers and Associates provided a presentation of the funding options. Option I included Lease Purchase Bonds and would require the creation of an Economic Development Authority and would involve no public election. He added that interest rates are higher and about 23% of communities use this option to finance like projects. Option II included Referendum Bonds and would require a public election. Callister added that interest rates would be lower than Lease Purchase Bonds. He added that more staff administrative time/costs would occur with coordinating the election and that less than 1% of communities use this option for like projects. Option III included Capital Improvement Bonds and would require a public election only after a public hearing in which 5% of the voters petition for the election. Callister stated that interest rates would again be lower than Lease Purchase Bonds and about 74% of communities use this option for like projects.

Callister also presented some debt service comparisons and calculations for the project.

Discussion was held on the options between the Council, Staff, Callister and resident Bob Franklin.

IV. 2010 Budget Open House

Adams provided a presentation on the City's proposed 2010 budget and tax levy. The presentation included: detail on how taxes are determined; Medina market value history; tax levy and tax rate history for past ten years; comparison of area city tax rates and per capita tax spending; overview of key 2009 and 2010 budget issues; unfunded mandates; 2010 budgeting strategies; proposed 2010 budget and tax levy figures; financial management plan preview; summary of revenue trends; key expenditure line items and categories; overview of employee resources and compensation; and, other general information.

Discussion was held with resident Bob Franklin regarding various 2010 proposed budget items including the tax levy cap and strategies for setting the preliminary levy and 2010 budget. Franklin stated that he felt the proposed budget was a level and responsible budget and recommended against a further budget decrease or tax levy decrease as inflation alone will be higher than the 1% tax levy increase proposal.

V. Adjournment

Smith moved, Weir seconded to adjourn the meeting at 8:09 p.m. **Motion passed unanimously.**

T.M. Crosby, Jr., Mayor

Attest:

Chad M. Adams, City Administrator-Clerk