

MEDINA CITY COUNCIL MEETING MINUTES OF SEPTEMBER 15, 2009

The City Council of Medina, Minnesota met in special session on September 15, 2009 at 6:00 p.m. in the Medina City Hall.

I. Call to Order

Members present: Weir, Crosby, Smith, Johnson (arrived at 6:55 p.m.)

Members absent: Siitari

Also present: City Administrator Chad M. Adams and Finance Director Jeanne Day

II. AFLAC Supplemental Benefit Options

Adams explained that several employees had indicated in a benefit survey last year that they were interested in the City providing a Short Term Disability policy. The City received a few quotes for possible services and recommends AFLAC as the provider of the benefit. Adams stated the policy would be available to employees at a group rate, but they would pay all premiums and the City would not bear any cost with the exception of some administrative time for payroll inclusion and limited paperwork administration. Adams was requesting discussion from Council to consider adding this benefit for 2010. Adams added that the packet demonstrated a survey of cities that already provide the benefit.

The Council agreed to consider the program for 2010 pending additional information and further review at the October 20th Council meeting.

III. Green Acres Deferred Assessments

Day provided presentation on the background of this topic, including: June 16 Council direction to send courtesy letters to affected property owners informing them of their assessments calculated at compounding interest; research with the County regarding liens on properties at time of assessment, why the assessment does not appear on tax statements if deferred, and the process for title searches; interest calculation history dating back to 1977 and inconsistencies of using compounded interest and simple interest in some circumstances; special assessment policy indicating use of compounded interest; examples of residents paying compounded and simple interest; the City's accounting of the assessments; and direction requested from the Council.

The Council discussed options to address the deferred assessments including a tax amnesty period to allow residents to pay their assessments in a 90-day period using simple interest; a 90 day period in which to pay accrued interest only, on a simple interest basis; or staying with recently adopted policy to require compounded interest to be calculated on all past, present, and future deferred assessments.

The Council directed staff to place the deferred assessment discussion on a future regular Council meeting agenda.

IV. Tax Levy

Adams provided a presentation and stated the City has received the “Net Tax Capacity Used for Local Rate” from Hennepin County which helps the City identify actual property tax affect on Medina properties. Adams explained that because of the City’s inconsistent fluctuating market values in varying geographic areas of the City that some areas will see tax increases, some minor changes, and some decreases. He provided some examples of the likely tax affect on some areas within the City.

V. Budget Insert

Adams provided an overview of the budget insert and recommended removing the market value tax impact chart (because of the varying market value changes) and replacing it with an actual monthly/annual tax impact from City services on some example homes.

The Council agreed to the change and provided recommendations related to the graph titles, language, and paragraph restructuring.

Adams noted that he would make changes, send to Council asking for their individual comments prior to him sending to the County by September 30th.

VI. Adjournment

The meeting was adjourned at 6:56 p.m.

T.M. Crosby, Jr., Mayor

Attest:

Chad M. Adams, City Administrator-Clerk