

MEDINA CITY COUNCIL MEETING MINUTES OF SEPTEMBER 7, 2010

The City Council of Medina, Minnesota met in special session on September 7, 2010 at 6:03 p.m. at the Medina City Hall, 2052 County Road 24, Medina, MN.

I. Call to Order

Members present: Crosby, Siitari, Smith, Johnson (arrived at 6:20 p.m.)

Members absent: Weir

Also present: City Administrator Chad M. Adams, City Planner Dusty Finke, Public Works Superintendent Steve Scherer, Police Chief Ed Belland, and Finance Director Jeanne Day.

II. 2011 Budget Open House

Adams provided a presentation on the City's proposed 2011 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; tax impact on Medina households; comparison of area city tax rates and per capita tax spending; overview of key 2010 and 2011 budget issues; unfunded mandates; 2011 budgeting strategies; proposed 2011 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, options for other budgetary revisions.

Johnson arrived at 6:20 p.m.

Bob Franklin, 2819 Lakeshore Avenue, inquired about the City's tax rate and the future impact from the public works facility project.

Adams explained the public works facility at earliest would be designed with bonding approved in 2011 with possible construction in 2012, meaning residents would see an impact on their tax statements in 2012 or 2013.

Franklin stated that he supports providing quality benefits and compensation to employees in lieu of hiring more staff.

Ann Jackson, Rockler Industries, stated that we are in tough times, businesses are containing costs, and we all need to tighten our belts with budgets.

Smith inquired about Rockler's compensation system.

Jackson stated a 1% cost of living increase for employees is good in this environment. She asked someone to explain a step increase for employee wages. She added that Rockler provides benefits for their employees, including the premiums for long-term and

short-term disability, and also provides some bonuses to employees at the end of the year. In addition six stores were closed and 60 employees were laid-off.

Crosby explained that the step increase which occurred for some employees is based on their length of service, training, and ability to meet performance objectives.

Kirby Johnson, resident, stated that he came to the meeting to question how his market value increasing would impact his taxes. He commended the staff for the quality presentation and household tax impact details. He also thanked the City for their responsible approach to the budget in this economic environment.

III. Adjournment

The meeting was adjourned at 7:02 p.m.

T.M. Crosby, Jr., Mayor

Attest:

Chad M. Adams, City Administrator-Clerk