

MOUND CITY COUNCIL MINUTES
October 18, 2011

The City Council of the City of Mound, Hennepin County, Minnesota, met in special session on Tuesday, October 18, 2011, at 6:30 p.m. in the council chambers of city hall.

Members present: Mayor Mark Hanus; Councilmembers Kelli Gillispie, Ray Salazar, Heidi Gesch and David Osmek.

Others present: City Manager Kandis Hanson, City Clerk Bonnie Ritter, Docks Administrator Katie Hoff, Public Works Superintendent Jim Fackler, Public Works Director Carlton Moore, Public Works Superintendent Ray Hanson, Senior Accountant Heidi Tumberg, Finance Director Catherine Pausche

The meeting was called to order at 6:30 p.m. by Mayor Hanus.

2012 Proposed Budget

I. Overview

Kandis Hanson gave an overview of the budget as outlined in her letter that was included in the agenda packet.

II. Dock Program Fees

Katie Hoff presented a recommendation from the Docks & Commons Commission, to change the 2012 fee structure to a per foot pricing system on the slips, with a rate of \$18/foot. Justification for this change included the Spring in/Fall out costs, deck replacement/staining, capital expenses, and miscellaneous. Discussion followed regarding the impact of the proposed fee structure change. Councilmember Gesch left the meeting at 7:30 p.m., during this discussion.

MOTION by Gillispie, seconded by Salazar to change the fee structure to a per foot pricing for the city slips, with a rate of \$18/foot for 2012, as recommended by the Docks and Commons Commission. The following voted in favor: Gillispie and Salazar. The following voted against: Hanus and Osmek. Motion failed.

III. Fund Balance Policy

Catherine Pausche reviewed the Fund Balance Policy and Hanus stated that he has a few issues with the policy as written. Among them are that he believes that the Council should have a level of oversight of transfers from one department to another, he does not want to grant authority to anyone other than the City Manager for assignment of fund balances that reflect the City's intended use of those funds, and was concerned that the statement regarding the assigned fund balance may be in conflict with state statute.

Osmek stated that he wants this fund balance policy reviewed by the City Attorney and get written documentation from him that this is complying with state statutes. Hanus stated that in a nutshell, he needs to know if someone is doing something that the Council is not aware of.

IV. General Fund Forecast and Budget

The general fund forecast and budget for 2012 was reviewed and discussed.

V. Capital Improvement Plan

The capital improvement plan shows the street replacement projects and utility improvements through 2016. The corresponding impact on the levy and utility rates was included.

VI. Utility Fund Revenue Projections

Osmek indicated that he wants to see the fund balance with relation to the utility fund forecasts that were presented through 2016. He stated that he can't make a decision until he sees that effect.

VII. Utility Billing Format, Frequency and Payment Options

The feasibility of monthly utility billing if payment is made by ACH was discussed, along with the acceptance of credit cards for utility bills. Osmek asked that research be done to determine if the city can charge a user fee to make up for the credit card fees. He is alright with taking credit cards if the user pays the fees. Further research will be done on this.

MOTION by Osmek, seconded by Salazar to cancel the special meeting that was set for November 15th to be used as an additional workshop. All voted in favor. Motion carried.

It was noted that if additional discussion needs to take place on the 2012 budget, it can be done at a regular Council meeting.

MOTION by Osmek, seconded by Hanus to adjourn at 8:58 p.m. All voted in favor. Motion carried.

Mayor Mark Hanus

Attest: Bonnie Ritter, City Clerk