

## MEDINA CITY COUNCIL MEETING MINUTES OF JULY 20, 2006

The City Council of Medina, Minnesota met in special session on July 20, 2006 at 6:03 p.m. in the Medina City Hall. Mayor Workman presided.

### **I. Call to Order**

**Members present:** Brinkman, Weir, Workman, Cavanaugh (arrived at 6:15 p.m.), Smith

**Members absent:**

**Also present:** City of Medina: City Administrator Chad Adams, Police Chief Ed Belland, Public Works Superintendent Joe Paumen, and Finance Director Jeanne Day.

### **II. Additions to the Agenda**

Adams requested that the Crack Sealing and Seal Coating agreements, tabled from the July 18<sup>th</sup> regular meeting, be added to the agenda. *Weir moved, seconded by Brinkman, to add the agreements to the agenda. Motion passed unanimously.*

### **III. Independent Contractor Agreements**

Adams provided quotes for both crack sealing services and seal coating services, and recommended the low quote on both services.

*Weir moved, seconded by Brinkman, to approve the crack sealing services with Asphalt Contractors, Inc. in the amount of \$3,056.04. Motion passed unanimously.*

Weir moved, seconded by Brinkman, to approve the seal coating services with Pearson Brothers, Inc. in the amount of \$21,126.96. **Motion passed unanimously.**

### **IV. 2007 Budget Work Session**

Adams provided an overview of the municipal budgeting process, how taxes are determined, market value history, taxes payable and tax rate history, tax levy and tax rate comparisons, and an explanation of how the City compares with per capita spending to area communities.

Cavanaugh arrived at 6:15 p.m.

Discussion occurred on the per capita spending. Consensus was reached to promote this variable more to the community.

Adams discussed the 2005 audit report, 2006 budget to date, and statutory budget mandates that are new or changing for 2007. Adams also highlighted the budgeting strategies for 2007, which encompasses goals set in February by staff/Council, as well as other direction received from Council in last several months.

Discussion occurred on financial management policies. Consensus was reached for the Council to establish the management policies and to direct staff to have control over the day-to-day management of such policies.

Discussion was held on the tax rate. General consensus is to focus on stabilizing tax rate. Adams reminded Council that stabilizing tax rate does not always relate directly to stabilizing individual property tax burden, as the amount of market value increase (and subsequently tax capacity) is another primary indicator of the true property tax affect on residents/businesses.

Adams provided an overview of the wages and benefits being proposed. A 4% cost of living increase is being targeted, not including other increases based on step increases or performance based increases. A past goal has been to keep the City's small staff to within the top 1/3 pay for competitive purposes compared to comparable cities. Adams reminded the Council of their past policy discussion to focus on less than a 10% health insurance premium increase. Increases for 2007 are expected to be 16%. Adams was directed to review some options to meet policy and budget goals, without having to change insurance provider or the LOGIS pool for 2007. Council salaries were set as a goal earlier in the year to increase and to make competitive with similar cities. Adams will bring options to the Council at a near future meeting.

Staff resources were presented by Adams, as it relates to City needs, the 2005 Staff Needs Analysis and Department requests. Adams recommended the creation of a Public Works Foreman or Supervisor position to be made effective on August 2, 2006, based on a recommendation from Public Works Superintendent Joe Paumen, but also based on critical demands, and past conversations with the Council when the Superintendent position was created earlier in 2006. An internal promotion is being recommended, along with a search for a maintenance worker replacement. Adams was directed to bring a recommendation to Council on August 2.

Discussion was held on the creation of the Police Investigator position in July 2007, continuing with the Drug Task Force Officer, and needs for office assistance amongst all departments. Consensus was reached on moving forward with the Investigator, maintaining the Drug Task Force Officer, and directing Adams to review needs/options for office assistance in the departments.

Discussion was held on and consensus reached to implement the following measures into the 2007 preliminary budget:

- Diseased tree program and weed enforcement through a consultant, intern or part-time assistance.
- Whistle-free train crossing to be included in Capital Improvement Plan.

- Feasibility study in 2007 for high-speed internet service.
- More septic system inspections and enforcement.
- More zoning code enforcement.
- Evaluate building inspection services involving potential renegotiating contract, in-housing hiring, or sharing with other communities.
- Establish storm water utility and include for 2007 after more analysis is conducted.
- Allocating enough funds from general fund to support environmental fund, equipment fund, etc. over the next several years.
- Resources to move forward with a possible special election during the November 2008 election for Open Space funding.

Discussion was held on electronic Council packets. Adams will research options and costs.

Adams provided some highlights of the 2007 capital improvement plan.

Funding strategies were discussed. General consensus was to reach all goals discussed in the work session, while attempting to stabilize tax rate. Use of surplus funds, new or increased fees, grants, and fund balances were also set as goals to accomplishing desired services and projects.

Adams stated that this session accomplished significant policy direction and advised that the August 2, 2006 work session could probably be cancelled. *Moved by Weir, seconded by Brinkman, to cancel the August 2, 2006, 6:00 p.m. work session. Motion passed unanimously.*

## V. Adjournment

*Weir moved, seconded by Cavanaugh to adjourn at 8:31 p.m. Motion passed unanimously.*

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Bruce D. Workman, Mayor

Attest:

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Chad M. Adams, City Administrator-Clerk