

**City of Rigby
City Council Meeting
December 15, 2009
7:00 p.m.**

Mayor Smith welcomed everyone to the meeting and turned the time over to Keith Hammon who invited everyone to join him in the pledge of allegiance. Mayor Smith then turned the time over to Robin Dunn who gave the prayer.

Dave Swager, City Clerk/Treasurer, performed roll call. Those present were: Mayor Smith, Councilman Marriott, Councilman Simonson, Councilwoman Poole, Councilman Day and Councilman Maloney. Came late: Councilman Blackburn.

Public Hearing-Amended Plat-Intermountain Holdings Inc.-

Mayor Smith stated the next item on the agenda was a public hearing for an amended plat and turned the time over to the representative for their presentation.

Kevin Thompson of Thompson Engineering, 215 Farnsworth Way, distributed copies of a plat for the council to refer to while he gave his presentation. Mr. Thompson stated he had met with the City Planning and Zoning on December 3rd and gave this presentation and explained the plat had a change on it because of a water question that was brought up by Planning and Zoning he added that detail to this copy. Mr. Thompson explained how the water was brought onto the property and how it went to each unit. Mr. Thompson stated the intent of this property from the beginning was to be individually owned units and explained this water set-up was a requirement for that purpose. Mr. Thompson stated he had met with the city council approximately a month ago regarding this proposal and was referred to Planning and Zoning at that time. Mr. Thompson he felt the Planning and Zoning meeting was positive and explained they understood the intent of selling these units individually with their own property. Mr. Thompson stated the property lines would run along the common walls and explained this was the last step in this project to sell off these units.

Paula Sessions, Planning and Zoning Administrator stated that Mr. Thompson had presented this item before the Planning and Zoning Commission earlier this month. Mrs. Sessions explained they had held a public hearing for the amended plat for lot 4, block 2 of Elite Townhomes. Mrs. Sessions explained that when the plat was originally presented in 2004 it was with the intent to be townhomes, to be built and sold individually. Mrs. Sessions explained the structure on the lot in question was build as side by side units with their own garages. Mrs. Sessions stated the question of the water valves had been brought up and explained that Commissioner Smith had wanted to make sure if there was a problem with water on unit 1 would the city be able to take care of that without disrupting units 2, 3, or 4. Mrs. Sessions explained it was a requirement from the city to have a separate shut-off for each unit. Mrs. Sessions stated this valve was outside of the concrete in the grassy area and explained that Commissioner Smith had questioned whether the city would need to tear up driveways or sidewalks to get to the valve. Mrs. Sessions explained that Commissioner Johnson had stated that he liked the idea of individual ownership. Mrs. Sessions stated there had been some questions regarding the building and explained that Mr. Avery had addressed the commission and answered those questions. Mrs. Sessions stated that Mr. Avery

was the developer of the subdivision but was also the contractor for this building. Mrs. Sessions explained there were some questions on the addressing of the property and so they had gone over how each lot would be identified and how the addressing was done. Mrs. Sessions stated that after this it had been unanimously approved by the Planning and Zoning Commission.

Mayor Smith opened the public hearing and asked for any testimony against. Mrs. Sessions explained that she had received an email from a neighbor that needed to be read into record. Mayor Smith yielded the floor to Mrs. Sessions and she read the letter into record as follows:

To the Rigby City Council:

This statement is being read into record on behalf of Lloyd and Donna Bigelow, residents of 349 South, 3rd West, in Rigby, Idaho 83442.

We apologize for not being present in person at this meeting. We did not want to miss a Court of Honor where two of our sons will receive rank advancements tonight.

We believe it is a matter of record that we have been opposed to Jeff Avery's construction project and all of its phases since the beginning, which have been going on in some fashion over the seven year period since we purchased Margaret Lemmon's home from Archibald Realty in August 2002.

Since our repeated objections have been unable to stop the project from going forward, we have resigned ourselves to live with the situation, but we want assurances that certain requirements will be met and not reduced or eliminated regardless of who has ownership of the project.

Our concerns focus on four primary areas:

- 1. Since the first hearings and meetings we have attended in regard to this project, it has been our understanding that Jeff Avery has intended and in fact been required by the City of Rigby to privacy fence his project. There is precedent in the neighborhood as Tralee Apartments has fenced their property to seclude it from other surrounding properties. A recent remodel of the LDS church parking lot to the north of us included the installment of privacy fence between the church property and the residence south of that lot. Whether it is done out of courtesy or by requirement, we absolutely want a fencing requirement for this project to be enforced by the city and provided regardless of who has ownership of the project.*
- 2. We want the construction site to be completely secured and safe. There are many neighborhood children who roam freely in the area of construction and play around the open foundations, etc. We expect every safety rule required by OSHA, the City of Rigby, and any other governing organizations to be strictly enforced and want the property to be inspected regularly to ensure that this happens. The area where the new Lemmon Lane curves and proceeds north to Summer Street turn off is a blind corner and dangerous to travel on because the view is obstructed by weeds and mounds of dirt.*
- 3. We would like some timelines to be imposed on the project. This project has been going on in some form for seven years. Construction has taken place in short intervals followed by long delays. In the meantime the property has not been*

maintained and there have been messes left on and adjacent to our property for us to clean up. If the project is going to stretch out over time, then the property needs to be maintained and kept safe during hiatus intervals.

4. *The final concern is that we have understood that these units being constructed were intended to be Elite Townhomes to be sold and owned and not be rental units and yet Jeff Avery has been allowed to rent these units before certain city requirements were met. We do not understand how rental occupancy was granted under those circumstances. We do not want or need more rental units around us as the neighborhood is already saturated with rental units such as Tralee Apartments, Lemmon Apartments, and other rental units to the north of us. We hope the original intent of building townhomes and not rental units remains in place.*

*Thank you for your time and consideration.
Lloyd and Donna Bigelow*

Councilman Blackburn stated that in the email from the Bigelows it stated they have been opposed to this project from the beginning and yet in the minutes from the most recent Planning and Zoning meeting they stated they were not necessarily opposed. Councilman Blackburn stated he wanted to make that known on record for this meeting. Councilman Blackburn stated there had been a question from that Planning and Zoning meeting regarding the rebar not being capped and asked if that had been addressed. Jeff Avery, the developer, asked for a few moments to address some of the concerns mentioned in this email. Mayor Smith yielded the floor to Mr. Avery

Jeff Avery, 1881 W 113 N, stated the rebar in question was not actually rebar but were anchoring bolts for some plates. Mr. Avery stated that since the Planning and Zoning meeting those plates have been attached and the bolts secured. Mr. Avery stated he had talked with Mike McCowin, Building Official/Public Works Director, and had been informed that he was not out of compliance but explained that he had wanted to alleviate the Bigelows concerns. Mr. Avery referred to their concern on the possibility of children getting hurt on his property and stated the best way to eliminate that was to keep them off his property. Mr. Avery referred to the concern over weeds on the blind corner and explained those were on the canal and there wasn't much of anything he could do with that because it's not his property. Mr. Avery explained the weeds had been grubbed off his property three times this past summer. Mr. Avery referred to the Bigelow property and stated that after the Planning and Zoning meeting they had gone out and cleaned and feathered the ground towards her property from the sidewalk. Mr. Avery stated that he has done everything he can to try and appease the Bigelows. Councilman Marriott asked Mr. Avery what his thoughts on a privacy fence were and Mr. Avery stated that it was not part of his development agreement but stated that his intentions were to install a fence when the project comes to an end. Mr. Avery stated that he wanted to point out that Mrs. Bigelow stated this project has been going on for seven years and wanted to clarify that he didn't break ground until March of 2007. Councilman Blackburn referred to the privacy fence and stated that while there was no enforcement available to the city Mr. Avery was saying he would install one and asked if that was correct and Mr. Avery stated that was his intent. Councilman Blackburn stated that if the units were sold off there were no assurances and Mr. Avery stated the fence would go around the development as a whole.

Mayor Smith asked for any further testimony against. There was no further testimony given.

Mayor Smith asked for any testimony neutral. No testimony was given.

Mayor Smith asked for any testimony in favor. No testimony was given.

Mayor Smith closed the public hearing at 7:20 p.m. and turned the time over to the council for deliberation. Councilman Day asked Mike McCowin, Building Official/Public Works Director, if all obligations have been met in this subdivision and Mr. McCowin stated that was correct. Mr. McCowin gave a brief explanation of the things that have been going on in the development and went over some that have been completed recently. Mr. McCowin stated they were currently waiting on one light and explained two of the three were working and explained the process going on to get the other one working. Mr. McCowin explained there was a question over the signs not being high intensity signs and stated there had been some discussions with Mr. Avery regarding changing these. Mayor Smith stated he wanted to comment on the lights and explained the problems with the lights were not on Mr. Avery's side but rather Rocky Mountain Power had dropped the ball. Councilman Day stated that he needed to disclose the fact that he had a conversation with Mr. Thompson regarding the growing pains of the city and explained they had briefly skirted this subdivision in that conversation. Mayor Smith asked Councilman Day if that conversation would affect the way he would vote and Councilman Day stated that it would not. Councilman Blackburn moved to approve the amended plat for Elite Townhomes. Councilman Maloney seconded. All were in favor.

Clerk's Business-

Mayor Smith stated the next item on the agenda was from the City Clerk and yielded the floor to Dave Swager, City Clerk/Treasurer.

A) Mr. Swager referred to the documents in the council packets and stated the first thing he wanted to discuss was the 2009/10 Revised Budgets. Mr. Swager stated he had gone through a scenario of different options to consider and referred to page one of two on his comments. Mr. Swager stated the officer time and officer staffing, day and night patrols had been reviewed and that synopsis was listed. Mr. Swager stated he had made comparisons on the salary cuts for 3%, 4% and 5% and explained this has not changed. Mr. Swager stated he had reviewed the cost benefits saved if the city was to increase their insurance deductible from the current \$1,000 to \$2,000 or \$3,000 or even \$5,000 and those comparisons are listed. Mr. Swager stated he had reviewed the option of furloughing of employees and there is a worksheet for that. Mr. Swager gave a brief explanation of each of these spreadsheets and what the end figure would mean to the budget. Mr. Swager stated the best overall solution would be the increase in the insurance and the 4% pay decrease. Mr. Swager stated there needed to be approximately \$30,000 put into the General Fund to offset the negative from the Road Fund and Library Fund. Councilman Blackburn stated there had been some discussions regarding the possibility of these decreases to go back up and questioned what the possibility would be. Mr. Swager stated there had been discussions regarding placing a sunset on the salary cuts but stated it would depend on the finances of the city as to whether that would be paid back or not. Mr. Swager went on to say that in all likelihood it would need to be staggered over two or three years. Mr. Swager explained this would not be an encumbered account or even a liability but merely a moral obligation. Mr. Swager stated another recommendation he has is to do away with the city's current buy down policy and explained the potential for an unbudgeted pay out amount. There was a brief discussion regarding the insurance policy, deductibles, possibly going self-insured and options for change and what the end financial

result needed to be. Mayor Smith stated he was insisting on a sunset or an end date for the pay decrease and stated he would like it to be September 30th. Mayor Smith stated he would like to thank Mr. Swager for effort and research he has done in helping the city resolve the financial shortcomings. Councilman Blackburn moved to follow the recommendations of the city clerk and adopt a four percent cut across the board for all employees and adopting a change in the insurance deductible from \$1,000 to \$3,000 and included a sunset provision that would go into effect no later than September 30, 2010 with the ability for the council to readdress this any time during that period. Councilman Simonson seconded. Councilman Day asked for clarification on the sunset provision being only for the wages and was told that was correct. Robin Dunn, City Attorney, stated he would like to point out that normally wages can only be increased three percent each year but the way the motion was worded allowed going back to regular wages. All were in favor.

B) Mr. Swager stated the next item on the agenda was the review of the 2010 Employee Health Insurance and stated Porter Talbot of Archibald Insurance and Darrell Cheney was present to explain possible policies for the city.

Porter Talbot of Archibald Insurance explained that he has been the city insurance agent for the past year. Mr. Talbot explained they have administered the city's buy-down policy at no additional costs to the city. Mr. Talbot went over some of the liability possibilities, change in deductibles, health reimbursement account options, supplemental flex account options and proposed carrier changes. Mr. Talbot stated they have also signed a time line agreement and explained this agreement held the agent to a certain accountability standards. Mr. Talbot stated that health reimbursement accounts are employer funded and so no money comes from the employee. Mr. Talbot stated this was not a "use it or lose it" account and could be rolled over from year to year or drawn out without penalty. Mr. Dunn asked for an example of the benefits and detriments of the flexible spending account and Mr. Talbot stated one of the drawbacks is there is a slight cost to pay for the service and it's a "use it or lose it" time scenario and the city determines the maximum amount that an employee can put in. Mr. Talbot explained that all qualified medical expenses under the flexible spending account are tax deferred. Mr. Talbot stated there was a significant cost increase with Regence this year and was recommending the city change to Altius. Mr. Talbot explained that Altius was new to this area but had a great reputation. Mr. Talbot gave a brief explanation on customer service, prescription coverage, wellness benefits, co-payments and other available options if the city was to change insurance carriers.

Darrell Cheney explained stated that he had been the insurance agent for the City of Rigby until last year. Mr. Cheney stated he had tried getting the city to change to Blue Cross and the main reason at that time was because Blue Cross is an older and more established company that has been serving Idaho for many years with a good track record. Mr. Cheney stated he has been in insurance for 30 years and have seen insurance companies come and go and sometimes they leave with claims unpaid. Mr. Cheney stated he felt the employees needed an insurance company they could rely on. Mr. Cheney stated that in going to a higher deductible the employees were already losing quite a bit and felt this was when they needed a reliable insurance company the most. Mr. Cheney referred to a submitted document and stated there had been comparisons for the \$2,000 and \$3,000 and even the \$5,000 deductible options and gave a brief explanation the different options and rates. Mr. Swager asked about getting the composite rates and Mr. Cheney stated the rates presented were the composite rates. Mr. Swager referred to both presentations

and stated he noticed vision coverage with Mr. Cheney and asked Mr. Talbot if there was vision through Altius and Mr. Talbot stated there wasn't necessarily a plan for glasses but just a co-pay for the exam. Mr. Cheney went over the vision benefits under his proposal for Blue Cross. Mr. Swager stated his recommendation would be to have three people evaluate the two plans and see if they fit within the budgetary restraints. Mr. Swager asked that this committee be given the authority to make a decision as one needed to be reached before January 1st. Councilman Blackburn recommended having an employee and maybe a member of the council on this committee. Mayor Smith stated he was making the appointment of Councilman Blackburn, Mr. Swager and Keith Hammon to this committee to evaluate the insurance.

C Mr. Swager stated the next item was a list of accounts where some were from 2005 and explained the city was billing them \$5 per month for late payments. Mr. Swager explained some of these were deceased, had filed bankruptcy or moved with no forwarding address. Mr. Swager referred to the submitted list and stated he needed permission from the council to adjust off these balances. Mr. Swager explained these accounts were referred to as just their number and no name to protect the privacy. Mr. Swager stated he was asking permission to adjust off the balances totaling \$16,946. Mr. Swager explained most of these were renters that owned no property and therefore there wasn't a lien right available. Mr. Swager stated he had reviewed these accounts and found there were 163 that were 90 days and over, 53 on this list and explained he had sent demand letters to those owners. Councilman Marriott asked if there was a policy that would prevent these \$2,000 balances in the future and Mr. Swager stated he was unsure of the policy but felt the 90 day accounts really needed to be worked harder and explained the accounts being presented this evening were uncollectable. Mr. Dunn explained that Mr. Swager was attempting to clean up the books and make the financial records more accurate. Councilman Simonson moved to approve the write-off of these accounts. Councilwoman Poole seconded. All were in favor.

D Mr. Swager stated the next item was because the city was informed by the Department of Public Safety the elevators in the Recreation Center and Library needed to have routine inspections. Mr. Swager stated he had obtained bids from Thyesson Krupp for \$2,395 and Schindler Elevator for \$2,721. Mr. Swager stated he had talked with Rick Lamoreaux, Park/Street/Sanitation Supervisor, regarding these inspections and the question came up that the elevator in the Rec Center was not being used and could that inspection be foregone. Mr. Swager stated he had contacted the company and they indicated they could red-tag that elevator until the time that it would be put back into service. Mr. Swager stated there were two bids before the council and explained they were Thyesson Krupp and Schindler Elevator. Mr. Swager explained there needed to be a vote and award of bid to inspect the elevator. Councilman Marriott referred to an item regarding the damage to excessive weight being transferred to the city and asked if they had high standards to prevent injury and Mr. Swager stated that was correct. There was a brief discussion regarding the work Thyesson Krupp has done previously for the city. Councilman Day moved to award the bid to Theyson Krupp for only the elevator at the library. Councilman Maloney seconded. All were in favor.

E Mr. Swager stated the next item was regarding the day after Thanksgiving being given to all employees as a day off. Mr. Swager stated that when timecards came in there was a question as to the accounting methods for this day. Mr. Swager stated that since the city offices were closed it was deemed as a holiday and so the employees that worked it were paid time-and-a-half but then another department was told if they worked that day they were given straight time and then another

day off later in the week in trade. Mr. Swager explained there had been conversations with the different department heads and each one claimed it had been done for years that way in their respective departments and so Mr. Swager stated he would like clarification on how to handle this situation in the future. Mr. Swager referred to ten days listed as holidays in the employee handbook and felt these should be the only ones paid as holidays or as holiday paid if worked and any other day would be a gifted day off as straight time. Mayor Smith and the council agreed to the list as holiday's days and other days are regular work days.

Other Council Business-

A Mayor Smith stated the next item on the agenda was other council business and turned the time over to the council for anything they needed to discuss or disclose.

Robin Dunn, City Attorney, stated he has an MOU drafted regarding the old V-1 Station and the county work on that. Mr. Dunn explained he would have Mayor Smith sign it upon council approval and then would be given to an Urban Renewal Representative to take to the county.

Mr. Dunn stated he had talked to the county regarding the garbage out at the rodeo grounds. Mr. Dunn explained there were both city and county property out there and the garbage pick-ups were entirely at the expense of the city. Mr. Dunn stated the county would like to split this cost into thirds and explained this would be split between the city, the county and the Fair Board in equal shares. Mr. Dunn explained there was no need to vote on this as it was an information type item.

Mr. Dunn stated his next item had been brought to him by the county regarding rodeos on the grounds regardless of whether they are high school or fair days. Mr. Dunn explained the contestants do not have to sign an assumption of risk form before participation and ICRMP is concerned over that. Mr. Dunn stated the contestants needed to sign a waiver. There was a brief discussion regarding the fair board, city, county and private entity liability. Mr. Dunn explained that he is working on an assumption of risk waiver for the county and suggested having one to cover the city as well. It was decided to have Mr. Dunn work the city into the same form as the county.

Urban Renewal-Main Street Concept Plan-

Mayor Smith stated the next item on the agenda was the Urban Renewal Main Street Concept plan and turned the time over to a representative for their presentation.

Jim Mullen of Keller Associates, City Engineer, reminded the council that at the last meeting they had presented a concept plan for the Downtown Revitalization Project and explained they were here this evening to receive approval of the concept so they can proceed. Mr. Mullen explained this covered the pocket parks, lights, trees and the reverse angle parking. Mr. Mullen explained the council had requested some additional time and so he was present to answer any questions the council may have. Mayor Smith stated that he has a business on Main Street and feels this would be a good improvement to the city. Councilman Day stated that he had a concern over the reverse angle parking and asked to get in writing the permission from ITD that if the city did not like this parking after a certain length of time it could be changed back. Mr. Mullen stated they could approach ITD about this and explained they had been very open to this project. Larry Anderson, Chief of Police, stated he had talked with Rexburg, Victor, Driggs and even Boise and people stated they did not like it. Chief Anderson stated he has never seen this and explained he was contacting other cities in an attempt to get some information. Mr. Mullen gave a brief explanation of

the benefits of this change in parking. Councilman Simonson stated that he had gone to a parking lot and tried this parking and explained that it was easier than parallel parking. Councilman Blackburn stated he liked this idea because of the safety aspect for children because they would be directed towards the sidewalk rather than the street as with the current parking. There was a brief discussion regarding the handicapped parking benefits. Mayor Smith stated that Idaho Falls is now implementing a time limit on parking in the downtown area. Mr. Mullen stated he has a pamphlet that can be handed out showing the pros and cons of this parking and felt informing people would make the process easier to accept. There was a brief discussion on getting ITD support on changing the parking if necessary and how to include that in a motion. Councilman Marriott moved to approve the Urban Renewal plan concept. **Mr. Dunn suggested amending the motion to include the understanding of an option to change the parking if it doesn't work.** Councilman Simonson seconded. Councilman Day abstained from voting. All others were in favor.

Other Council Business-

B Mayor Smith stated the other item on council business was the nomination of the Employee of the Year.

Mayor Smith explained that shortly after he became Mayor the city initiated an employee recognition system where we have an Employee of the Month. Mayor Smith stated he felt this recognition program is a great way to encourage your employees to do their jobs better while keeping morale up. Mayor Smith explained that in conjunction with this they have decided to have an Employee of the Year. Mayor Smith stated the city has a great bunch of employees and felt each of them deserved this award. Mayor Smith explained that he had asked for recommendations from the council members and had received comments about not knowing the employees very well. Mayor Smith stated that he knew the employees and had spent time with each one and so he thought about the things they have done, changes they have made and what their attitude has been. Mayor Smith explained the person receiving this award was someone who has been employed for a couple years had started out as the Building Official and moved into the position of Public Works Director. Mayor Smith stated he would like to tell Mike McCowin how much his extra efforts have meant to the city and that his changes made have been recognized and appreciated.

Mr. Dunn stated that in regards for all the plaques and things Mayor Smith does for the city the council may want to consider some form of reimbursement to the mayor in keeping with the ethics in government regulations.

Councilman Day stated that he has had several conversations with Mr. Tolman from the school district regarding the weight equipment over at the Rec Center. Councilman Day stated he believed he had brokered a deal with the school that was similar to what Idaho Sports Academy was offering and would like to draft an MOU for review at the next meeting in order to make a decision. Councilman Day stated he had left a few pieces of equipment off this agreement because he felt they could be used by the police officers and be of benefit to the city in that capacity. Mayor Smith stated there were 2 pool tables, 1 or 2 foosball tables and an air hockey table and would like to recommend they go to auction with a reserve on them. Councilman Day stated he felt one pool table had been donated by the VFW and asked that they be given the option to sell that one.

Approval of Bills-

Mayor Smith stated the next item on the agenda was the approval of bills and asked if there were any questions or concerns.

Councilman Day stated there was a bill for a new pump and there was a new charge and asked if that was for a back-up pump and Mr. McCowin explained the replacement of the pump and the old one being rebuilt to be used as a spare. Councilman Maloney moved to approve payment of the bills. Councilman Day seconded. All were in favor.

Approval of Minutes-

Mayor Smith stated the next item on the agenda was the approval of minutes and asked if there were any changes or corrections.

Councilman Day he had a correction on page 3, mid-page, part way through the paragraph it states the state went to furlough and it needs to say considered furlough because they never actually went with it. Councilman Simonson moved to approve the minutes as amended. Councilwoman Poole seconded. All were in favor.

Public Comment-

Mayor Smith stated the next item on the agenda was public comment and turned the time over to the audience.

Mike McCowin, Building Official/Public Works Director, stated he had another item for other council business and asked that it be considered now. Mayor Smith yielded the floor to Mr. McCowin. Mr. McCowin referred to the work that Knife River has completed on 400 North and explained they had completed most of the punch-list items. Mr. McCowin explained they had held a meeting last Thursday afternoon and since then had received some additional information. Mr. McCowin distributed copies to the council and explained these were billings since July 2009 to present and gave a brief explanation of each page. Mr. Dunn asked if there was enough money in the budget presently to pay this bill and Mr. McCowin explained that he had talked with Mr. Swager and they thought the bill would be higher than it is. Mr. Swager explained that he had put the financials on the desk of the council and referred to this document and explained the accounting that concerned this line item. Mr. Dunn asked if the money was there and Mr. Swager stated there was not and explained what had been paid. Councilman Day asked what account this was coming out of and Mr. Swager stated it was the sewer construction fund. Mr. Swager stated this account was going to be \$58,000 short and explained they may need to do a transfer from the sewer revenue to make up the funds. Councilman Day asked for clarification on the original bid versus what is showing on the final bills. Councilman Day suggested contacting Mike Arneson from HBH Engineering and confirm these numbers. Mr. McCowin stated he had a couple questions for Mr. Arneson as well that were not addressed here and explained those were obtaining a deadline of January 20, 2010 for Knife River, Jim Andersen, Water/Sewer Supervisor, was concerned over a sag in one of the sewer lines and the county needs to sign off on 400 North. Mr. Dunn stated that in accordance with the annexation that just occurred 400 North may now be a city road and no longer a county concern. There was a brief discussion regarding the annexation process and how this affects the adjacent roads. Mr. Dunn stated that he would like to be present at the meeting with the county when Mr. McCowin asked for this approval. An unidentified representative from Knife River stated he wanted to make sure the city understood the reason they quit working was due to lack of payment and

once they received payment they would resume the work. Councilman Marriott asked if Rocky Mountain Power had been annexed and Mr. Dunn stated he would have to refer to the perimeter map before answering that question. Mr. McCowin asked Mr. Swager if there was anyway the city could get a check to Knife River before the end of the year and Mr. Swager stated the council would need to approve it. Mr. Dunn stated that because this was not an agenda item and because the bills have already been approved there would procedurally need to be a motion to open item number six on the agenda which was the bills and then add the payment for Knife River. Councilman Blackburn moved to open item six regarding the payment of bills and add the bill for Knife River in the amount of \$162,000. Councilman Maloney seconded. On a roll call vote:

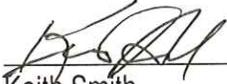
Councilwoman Poole	--	yes
Councilman Maloney	--	yes
Councilman Day	--	yes
Councilman Simonson	--	yes
Councilman Marriott	--	yes
Councilman Blackburn	--	yes

Mr. Dunn stated there needed to be a motion to reapprove the bills and close item number six again. Councilman Simonson asked how long the city has had this bill and Mr. McCowin stated the first billing was back in May 2009. Councilman Simonson moved to approve the bills with this addition. Councilman Day seconded. All were in favor.

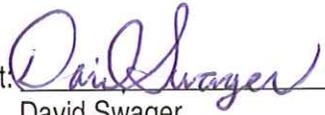
Councilman Maloney stated that he had an item that needed to be brought up regarding the museum. Councilman Maloney stated there was a rumor going around town that the museum was going to close and wanted to make sure that everyone knew this was not true.

Mayor Smith turned the time over to the audience for public comment. No public comment was given.

Councilman Simonson moved to adjourn the meeting. Councilwoman Poole seconded. All were in favor. The meeting was adjourned at 9:15 PM.



Keith Smith,
Mayor

Attest: 

David Swager,
Clerk

Summary Analysis of Various Pay Reductions

Payroll 2 week pay	<u>Regular Pay</u>	<u>3% Cut</u>	<u>4% Cut</u>	<u>5% Cut</u>
Mayor/Council	969.23	940.15	930.46	920.77
Attorney	2,307.70	2,238.47	2,215.39	2,192.32
10415 Admin	4,726.10	4,584.32	4,537.06	4,489.80
10421 Police	12,722.64	12,340.96	12,213.73	12,086.51
10427 Compliance	1,147.06	1,112.65	1,101.18	1,089.71
10428 P&Z	1,422.56	1,379.88	1,365.66	1,351.43
Sub - Gen	<u>23,295.29</u>	<u>22,596.43</u>	<u>22,363.48</u>	<u>22,130.53</u>

Saving per pay period 698.86 931.81 1,164.76

Jan -
Sept 39 Week/ 2 week pay **13,278.32** **17,704.42** **22,130.53**

11413 Bldg	339.84	329.64	326.25	322.85
13460 Lib	3,860.47	3,744.66	3,706.05	3,667.45
14438 Park	272.48	264.31	261.58	258.86
15431 Road	3,076.06	2,983.78	2,953.02	2,922.26
60434 Water	707.97	686.73	679.65	672.57
60434 Water	1,780.68	1,727.26	1,709.45	1,691.65
62433 Sanitation	2,646.79	2,567.39	2,540.92	2,514.45
64435 Sewer	2,005.52	1,945.35	1,925.30	1,905.24
64445 Sewer	2,371.27	2,300.13	2,276.42	2,252.71
64445 Sewer	339.84	329.64	326.25	322.85
64445 Sewer	1,968.82	1,909.76	1,890.07	1,870.38
All funds	<u>42,665.03</u>	<u>41,385.08</u>	<u>40,958.43</u>	<u>40,531.78</u>

All Funds
Saving per pay period 1,279.95 1,706.60 2,133.25

Jan -
Sept 39 Week/ 2 week pay **24,319.07** **32,425.42** **40,531.78**

Summary recap of 2009/2010 Budget Revision

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1-2 General Fund:

Revenues:			
Adopted Budget			1,504,351.00
<u>Changes in Forecast Revenues:</u>			
Revenue Sharing	Increase	5,000.00	
Liquor Apportionment	Increase	10,000.00	
P&Z Hearing Fees	Decrease	(6,000.00)	
Resource Officer	Decrease	(3,000.00)	
Police Grant	Increase	2,000.00	
Interest Earnings	Decrease	(6,000.00)	
<u>Interfund Transfer From:</u>			
Water Fund	Increase	5,025.00	
Sewer Fund	Increase	5,025.00	
Sanitation Fund	Increase	5,025.00	
Park Fund	Decrease	(5,103.00)	
Bldg Fund	Decrease	(31,235.00)	
Carryforward fund bal	Decrease	(213,527.00)	
Total Decrease in Revenues			<u>(232,790.00)</u>
Revised Budgeted Revenues			1,271,561.00
Expenditures			
Adopted Budget			1,504,351.00
City Hall	Decreased	(10,000.00)	
Admin	Decreased	(77,933.00)	
Legal/Other	Decreased	(26,500.00)	
Police	Decreased	(25,000.00)	
Compliance Officer	Increased	7,715.00	
Planning/Zoning	Decreased	(39,500.00)	
Special Allocations	Decreased	(3,500.00)	
<u>Interfund Transfers To:</u>			
Library Fund	Decrease	(23,679.00)	
Road Fund	Decrease	(77,845.00)	
Total Decrease in Expenditures			<u>(276,242.00)</u>
Revised Budgeted Expenditures			<u>1,228,109.00</u>
Estimated Revenues Exceeding Expenditures			<u><u>43,452.00</u></u>

3 Building fund

Adopted Budget			55,000.00
Permits/Fees	Decreased		<u>(37,000.00)</u>
Revised Budgeted Revenues			<u>18,000.00</u>
Adopted Budget			55,000.00
Expenditures			
Travel/Misc/Capital Ot	Decrease	(5,765.00)	
<u>Interfund Transfers To:</u>			
General Fund	Decrease	(31,235.00)	
Total Decrease in Expenditures			<u>(37,000.00)</u>
Revised Budgeted Expenditures			<u>18,000.00</u>

4 Library

Adopted Budget		175,695.00	
Revenues			
Interfund Transfer From:			
General Fund	Decrease	(23,679.00)	
Capital Improvement	Decrease	(8,651.00)	
Total Change in Revenues			(32,330.00)
Revised Budgeted Revenues			<u>143,365.00</u>
Adopted Budget		175,695.00	
Salaries	Decrease	(15,000.00)	
Payroll Taxes	Decrease	(1,800.00)	
Total Decrease in Expenditures			(16,800.00)
Revised Budgeted Expenditures			<u>158,895.00</u>
Estimated Expenditures Exceeding Revenues			<u>(15,530.00)</u>

4 Park Fund

Adopted Budget		68,410.00	
Revenues			
Sales Tax	Decreased	(5,102.00)	
Revised Budgeted Revenues			<u>63,308.00</u>
Adopted Budget		68,410.00	
Interfund Transfer To:			
General Fund	Decreased	(5,102.00)	
Revised Budgeted Expenditures			<u>63,308.00</u>

5 Road Fund

Adopted Budget		316,409.00	
Revenues			
Road Apportionment	Increase	500.00	
Annex Fee	Decrease	(3,000.00)	
Interest Earning	Decrease	(1,750.00)	
Interfund Transfer From:			
General Fund	Decrease	(77,845.00)	
Total Change in Revenues			(82,095.00)
Revised Budgeted Revenues			<u>234,314.00</u>
Adopted Budget		316,409.00	
Expenditures			
Salary & Benefits	Increase	6,756.00	
Street Lighting	Increase	11,300.00	
Muni Shop	Increase	3,000.00	
Chip Seal	Decrease	(45,000.00)	
Road Striping	Increase	5,000.00	
Christmas Lighting	Decrease	(750.00)	
Total Decrease Expenditures			(19,694.00)
Revised Budgeted Expenditures			<u>296,715.00</u>
Estimated Expenditures Exceeding Revenues			<u>(62,401.00)</u>

5	Capital Improvement			
	Adopted Budget			22,970.00
	<u>Revenues</u>			
	Sales Tax	Decreased		(1,532.00)
	Revised Budgeted Revenues			<u>21,438.00</u>

	Adopted Budget			22,970.00
	<u>Expenditures</u>			
	Transfer to Library	Decreased	(8,651.00)	
	Capital Outlay	Increased	7,119.00	
	Total Decrease Expenditures			(1,532.00)
	Revised Budgeted Expenditures			<u>21,438.00</u>

6	Water Revenue			
	Adopted Budget			447,032.00
	<u>Revenues</u>			
	Water Fees	Increase	20,000.00	
	<u>Interfund Transfer From:</u>			
	Carryover Fund Balan	Decrease	(46,288.00)	
	Total Change in Revenues			(26,288.00)
	Revised Budgeted Revenues			<u>420,744.00</u>

	Adopted Budget			447,032.00
	<u>Expenditures</u>			
	Salary/Burden	Decreased	(7,902.00)	
	Muni shop	Increased	3,000.00	
	Bank Fees	Decreased	(1,250.00)	
	CO- Tank repair	Decreased	(25,161.00)	
	<u>Interfund Transfer -</u>			
	To General Fund	Increase	5,025.00	
	Total Decrease in Expenditures			(26,288.00)
	Revised Budgeted Expenditures			<u>420,744.00</u>

6	Sanitation			
	Adopted Budget			206,611.00
	<u>Revenues</u>			
	Sanitation Fees	Decreased		(6,000.00)
	Revised Budgeted Revenues			<u>200,611.00</u>

	Adopted Budget			206,611.00
	<u>Expenditures</u>			
	Postage	Decreased	(500.00)	
	Maintenace/Repair	Decreased	(7,525.00)	
	Fuel	Decreased	(3,000.00)	
	<u>Interfund Transfer -</u>			
	To General Fund	Increase	5,025.00	
	Total Change in Expenditures			(6,000.00)
	Revised Budgeted Expenditures			<u>200,611.00</u>

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7-8 Sewer Revenue

Adopted Budget			1,124,480.00
<u>Revenues</u>			
Sewer Fee	Increase	6,563.00	
<u>Interfund Transfer From:</u>			
Carryover Fund Balanc	Decrease	(57,353.00)	
Total Change in Revenues			(50,790.00)
Revised Budgeted Revenues			<u>1,073,690.00</u>

Adopted Budget			1,124,480.00
<u>Expenditures</u>			
Sewer Collections	Decrease	(653,457.00)	
Wastewater	Increased	239,966.00	
Sewer Admin	Increased	44,900.00	
Debt Service	Increased	296,795.00	
<u>Interfund Transfer -</u>			
To General Fund	Increase	21,006.00	
Total Change in Expenditures			(50,790.00)
Revised Budgeted Expenditures			<u>1,073,690.00</u>

8 WATER CONNECTION

Adopted Budget			154,880.00
<u>Revenues</u>			
Hook up fees	Decrease	(140,380.00)	
Carryover fund Balanc	Increase	220,000.00	
Total Change in Revenues			79,620.00
Revised Budgeted Revenues			<u>234,500.00</u>

Adopted Budget			154,880.00
<u>Expenditures</u>			
Capital Outlay	Increase		79,620.00
Revised Budgeted Expenditures			<u>234,500.00</u>

8 SEWER CONNECTION

Adopted Budget			191,920.00
<u>Revenues</u>			
Hook up fees	Decrease	(175,420.00)	
Interest Earnings	Decrease	(4,000.00)	
Total Change in Revenues			(179,420.00)
Revised Budgeted Revenues			<u>12,500.00</u>

Adopted Budget			191,920.00
<u>Expenditures</u>			
Capital Outlay	Decrease		(191,920.00)
Revised Budgeted Expenditures			<u>-</u>

Estimated Revenues Exceeding Expenditures 12,500.00

Note: Sewer Conn Fund has negative fund balance of \$50,000

Total Net Change in Revenues - All Funds			(573,727.00)
Total Net Change in Expenditures - All Funds			(551,748.00)
Net Increase in Fund Balances - All Funds			<u>(21,979.00)</u>

General fund	43,452.00	
Library	(15,530.00)	
Road Fund	(62,401.00)	
Sewer Connection	12,500.00	(21,979.00)