

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 1 C
DATE: December 10, 2009
SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

SUMMARY:

Attached are the minutes of the November 12, 2009 Public Hearing on the 2009 Budget Amendments as on file in the office of the City Clerk.

RECOMMENDED ACTION:

Approve as submitted

CITY OF SULTAN COUNCIL MEETING – November 12, 2009**PUBLIC HEARINGS:**

The Public Hearing on the 2009 Budget Amendments was called to order by Mayor Eslick . Councilmembers present: Wiediger, Slawson, Davenport-Smith, Blair and Beeler.

Staff:

Laura Koenig, Clerk/Deputy Finance Director presented the staff report. The issue before the Council is to hold a public hearing on proposed budget amendments to the 2009 Budget. Staff has prepared Ordinance 1066-09 to amend the 2009 budget. Staff recommends the public hearing on the 2009 Budget Amendments be continue to December 10, 2009 to allow for any additional amendments to the 2009 Budget. The City Council has approved expenditures not included in the adopted 2009 budget in the Park Improvement, CR Water Utility and Sewer System Improvement funds. The City is required to have a balanced budget.

001 General Fund:

Revenues for General Fund are within the anticipated amounts. Second half Property taxes of \$217,700 will be distributed to the funds in November. Interest and court fines are under budget, however, building permits and zoning fees are higher than anticipated. Expenditures overall for General Fund are within the budgeted amounts. Total expenditures to date (includes current payables) are at 77% of the budget. There are some departments that have exceeded the budgeted amounts. Legal expenses have increased due to personnel issues; insurance in Governmental Services increased to cover the cost of Police buildings and transferred equipment. Jail bills and court costs are approximately \$80,000 less than budgeted. The City adopts the General Fund budget by Department and monitors each department for compliance with their budget. The Auditor reviews each fund and requires that funds not exceed their budget expenditures. Staff recommends the General Fund Departments not be amended at this time. Continued review will occur over the next month to ensure that no adjustments are required prior to the end of the year.

105 Park Improvement Fund/112 Park Impact Fund

The City has incurred expenses in connection with the FEMA buyout properties. The Cities share of the costs (25%) is \$30,400. The Park Improvement Fund has a negative balance of \$21,479 at this time. There is a \$13,000 reimbursement request pending from FEMA. Staff recommends that the transfer from Park Impact fees be increase from \$50,000 to \$60,000 to cover the City share of the buyout.

405 CR Utility Reserve Fund: The City created the 404 Sewer CR Utility fund as part of the 2009 budget. Prior to the creation of the fund, the reserve funds for water and sewer were comingled into one fund. The amount of funds allocated to the Sewer Reserve was \$354,962. This is a housekeeping item as the City did not show the split in the 2009 budget. The State Auditor has recommended this action.

407 Sewer System Improvements: The cost of the Centrifuge project was more than the original budgeted amounts due to design changes. The sewer line behind City Hall failed in late October and will be replaced prior to the end of the year. The City completed the loan for the GO Bond for the improvements to the WWTP and increase revenues to the fund by \$396,000.

CITY OF SULTAN COUNCIL MEETING – November 12, 2009

Brief discussion was held regarding the savings in the sewer operating fund due to the centrifuge project. Sludge handling costs were cut approximately \$40,000 which will be used for debt service.

Public Input

None

On a motion by Councilmember Blair, seconded by Councilmember Davenport-Smith , the public meeting was continue to December 10, 2009. All ayes.

Carolyn Eslick, Mayor

Laura J. Koenig, City Clerk