

MEDINA CITY COUNCIL MEETING MINUTES OF MAY 17, 2011

The City Council of Medina, Minnesota met in special session on May 17, 2011 at 6:03 p.m. at the Medina City Hall, 2052 County Road 24, Medina, MN.

I. Call to Order

Members present: Crosby, Martinson, Siitari, Pederson

Members absent: Weir

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

II. 2010 General Fund Budget Surplus

Adams provided an overview of the \$406,228 surplus. Staff recommended allocating \$100,000 to the Road Fund, \$150,000 to the Revolving Capital Fund, and the remaining \$156,228 to stay in the General Fund.

Discussion was held on the recommendation and the fund balance desired by City policy to be maintained in the General Fund.

Crosby commented that the funds would be transferred to the reserves and he did not authorize the expenditure.

Siitari moved, Martinson seconded, to approve the transfer of funds as recommended by Staff. Motion passed unanimously.

III. Health Insurance Quotes and Review

Adams provided an overview of the quotes through LOGIS and the self-funded small group applications. Staff advised to stay in LOGIS considering the premiums may be decreasing by up to as much as 12% in the first year of the contract. Details on the actual amounts will be known in mid-June.

Martinson moved, Siitari seconded, to remain in the LOGIS pool that will be contracting with HealthPartners as the health care provider. Motion passed unanimously.

IV. 2011 Budget Forecast and Salary/Wage Consideration

Adams provided an overview of the 2011 General Fund Budget forecast, which includes a projected \$14,412 surplus at the end of the year. Adams stated the Council desired a quarterly update in 2011 in consideration of a furlough (in the event of potential deficit

projections or local economic concerns) or a 1% COLA increase for non-union employees effective July 1st.

Discussion was conducted on long-term strategy of employee compensation, including consideration of changing to a cafeteria plan for employee benefits. *The Council agreed to table the discussion until a future meeting to allow time for the Interim Administrator to conduct some analysis and provide his insight on the policy discussion.*

V. Adjournment

The meeting was adjourned at 6:55 p.m.

Thomas M. Crosby, Jr., Mayor

Attest:

Chad M. Adams, City Administrator-Clerk