CITY OF MONTELLO

PUBLIC HEARING MINUTES

11-29-18

Called to order at 6 PM by Mayor Doudna

Present: Jim Houdek, Barbara Barton, Venise Mugler, Barb Jordan, Ken Streich, Karlene Utke, Joanna Jackman

Absent: Frank Breitenbach

Others Present: Craig Corning, CPA, Ron Knutson, Paul Ninneman

Mayor Doudna opened the public hearing.

Knutson asked if the 2019 proposed budget had been published. Yes it had. Asked for clarification on Year to Date figures and when final numbers would be available. The City audit is done in March and final figures will be available in May.

Mayor asked for a motion to end the public hearing after no more public comments were requested.

Jackman asked if the council could ask Corning and the Treasurer questions before Monday’s meeting for the final vote of the 2019 budget. Mayor approved.

Utke stated that the 2019 proposed budget had debt proceeds in the revenue and said that debt proceeds are not actual revenue. Corning clarified to the Council that using debt proceeds is legal and can be used. It falls under the Accounting code of other financing sources and uses “other financing sources and uses include operating transfers and proceeds from debt transactions”. Barton asked for more clarification on that. Utke said that the Resolution only approved four projects. Corning stated that the City received authorization from the Bank that to use debt proceeds for the 2019 budget would not require a new resolution. Also pointed out that borrowing will only get more expensive and because the four projects came in under budget, the City is proposing to use these proceeds for other capital outlay projects that have been put aside for many years. Explained also on how being very conservative for many years has not helped the City’s current situation. It’s all coming at once and that’s why the City is proposing to use these proceeds for some of those projects. Explained that fund balance can be used but currently the City’s fund balance is a negative 60 thousand dollars. That’s not good. The city does not want to get to the point of short term borrowing to pay debt. If at year end there are left over funds; this will help that negative fund balance towards a positive fund balance.

Brief discussion on how much Revenue the Municipal Court needs to collect yet for the City. Also, the amount still owed to the city for phone use.

Final vote on the 2019 proposed budget will be at the Regular Council meeting on 12-3-18.

Motion by Jackman/Mugler to adjourn. Motion carried at 6:38 PM

Minutes by Dawn Calnin