

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, JUNE 23, 2010**

1. CALL TO ORDER/ ROLL CALL/ PLEDGE OF ALLEGIANCE

The Sauk Centre City Council met in a Regular Meeting on Wednesday, June 23, 2010 at 6:33 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Mayor Brad Kirckof, Council Members David Thomas, Keith Johnson Warren Stone and Al Coenen. Also present were City Planner Sarah Morton, Police Chief Bryon Friedrichs and Administrative Assistant Nicki Vogt. Mayor Kirckof presided thereat.

2. APPROVAL OF AGENDA

A motion was made by Council Member Thomas and was seconded by Council Member Stone to approve the agenda with the addition of 9a-Main Street Sidewalks. A vote being recorded as follows: For: Council Members Thomas, Stone, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

3. APPROVAL OF MINUTES

The May 10, 2010 Board of Equalization Minutes, May 19, 2010 Special Meeting Minutes and the June 2, 2010 Regular Meeting Minutes were approved with noted changes.

4. PUBLIC OPEN FORUM

None.

5. PUBLIC HEARINGS

None.

6. REPORTS/PRESENTATIONS

a. Brian Koehn of Larson Allen reported on the 2009 audit. Mr. Koehn thanked the City of Sauk Centre and the City Council for allowing them to perform the audit and he then stated that he reviewed the audit with the Finance Committee prior to the meeting. The City of Sauk Centre was issued a clean audit report. He then noted the following findings:

2009-1: Lack of Segregation of Duties. The City has a limited number of office personnel and accordingly does not have adequate internal controls in certain areas because of lack of segregation of duties.

2009-2: Oversight of the Financial Reporting Process. The City does not have an internal control process in place over annual financial reporting under GAAP; therefore, the potential exists that a material misstatement if the annual financial statements could occur and not be prevented or detected by the City's internal controls.

2009-3: Adjusting Journal Entries: The audit firm proposed and the City posted to its general ledger journal entries to correct certain year end account balances.

2009-4: TIF Fund Interfund Loans. MN Stat. 469.178 states interfund loans made after July 31, 2001 to finance TIF eligible expenditures be authorized by resolution before the money was transferred, advanced or spent, whichever is earliest. The City did not authorize the interfund loan by resolution in advance.

Mr. Koehn also discussed Cash and Investment Balances, Fund Balances, Comparative Governmental Revenues, Governmental Fund Revenues for Years ending December 31, 2008 and December 31, 2009, Comparative Expenditures for Governmental Funds and Governmental Fund Expenditures for years ending December 31, 2008 and December 31, 2009.

b. Lakeview Clinic Administrator Mike Flicker reported on the June 9, 2010 Hospital Review Committee as follows:

- o Chairperson – Brad Kirckof
- o They are making recommendation to the Council to hire Attorney Jim Platt as their legal representative.
- o Three issues to keep in mind would be 1. Employment, 2. Existing Services and 3. Protection of debt.

c. Police Chief Friedrichs stated that in May 2010 there were 347 ICR's and 299 Verbal Warnings for a total of 646. The Police Department completed 12 Safe & Sober hours in May.

Council Member Coenen thanks citizens for contacting the Police Department when they notice suspicious activity within the City.

7. ACTION ITEMS

a. See 6a.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to accept the 2009 audit report. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

b. See 6b.

Funds of up to \$15,000 are available through a grant obtained by St. Michael's Hospital and Lakeview Medical Clinic will contribute \$5,000.

Council Member Thomas stated that the original motion stated that fees would be split in 3 equal portions and requested that staff research this.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to accept the recommendation of Mr. Platt as the Hospital Review Committee Legal Representative. A vote being recorded as follows: For: Council Members Thomas, Stone, Coenen and Mayor Kirckof. Against: None. Abstain: Council Member Johnson. The motion passed.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to remove the stipulation of costs to be shared equally (1/3) and change to costs to be shared by a method to be determined at a later date. A vote being recorded as follows: For: Council Members Thomas, Stone, Coenen and Mayor Kirckof. Against: None. Abstain: Council Member Johnson. The motion passed.

8. UNFINISHED BUSINESS

None.

9. NEW BUSINESS

Council Member Stone stated that he has received requests to construct sidewalks on both sides of the south end of Highway 71.

It was the general consent of the Council to send this request to the Operations Committee for their review.

10. CONSENT AGENDA

The Council then considered the following consent agenda:

- a. Schedule of Claims – Total of unpaid claims \$106,596.88 and paid claims of \$439.24 for a total of \$107,036.12.
- b. List of May checks totaling \$238,462.55.

A motion was made by Council Member Stone and was seconded by Council member Johnson to approve the Consent Agenda as presented. A vote being recorded as follows: For: Council Members Stone, Johnson, Thomas, Coenen and Mayor Kirckof. Against: None. The motion passed.

Council Member Coenen requested further information regarding the weed harvester.

11. INFORMATION ITEMS

Mayor Kirckof thanked the individuals who volunteered their time to the hazardous waste collection day. He stated that there were a total of 154 cars in attendance that day.

12. ADJOURNMENT

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to adjourn the meeting. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

With no further business to come before the Council, Mayor Kirckof adjourned the meeting at 7:23 p.m.

Respectfully submitted,

Mayor Brad A. Kirckof

City Administrator Vicki M. Willer

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