

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – July 25, 2016

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, July 25, 2016, at 5:15 p.m. in the Conference Room of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Hellquist, Olson, Erickson, Larson Absent: Johnson

Staff Present: City Manager Nate Mathews, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director Craig Gray, City Clerk Kay Murphy

Mayor Albrecht stated that the Council will first have a short closed session regarding issues at the Sanford Center and then continue with the 2015 Audit and CGMC Updates.

Motion by Hellquist, seconded by Olson, to close this meeting in accordance with Minnesota Statute Section 13D.05, Subd. 3(b) for the purpose of discussing with the City's Attorney threatened litigation by the City with regards to issues at the Sanford Center. Public hearing closed at 5:16 p.m.

Legal Counsel: Jim Strommen, Kennedy & Graven (via phone)

Motion by Olson, seconded by Hellquist, to reopen the meeting at 5:31 p.m. Motion carried unanimously.

2015 Audit

Eischens has prepared a 2015 Summary Financial Report which highlights the City's financial activity in a simple, easy-to-read format. The report will be available on the City's website as well as sent to some of the local agencies. Eischens stated that Bemidji is a regional center with many public assets, i.e., parks, arena, used by residents and non-residents. However, the difficulty is finding ways to fund the maintenance of those assets.

Sandy Nelson, Miller McDonald, Inc., stated that in their opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015.

Ms. Nelson noted two deficiencies in internal control, described in the audit, which are being addressed by the Finance Director. Likewise, the Finance Director will be drafting a written policy in compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal programs.

Councilor Olson left the meeting at 5:55 p.m.

CGMC Legislative Update

Elizabeth Wefel, Flaherty & Hood, provided an overview of the 2016 Legislative session. The session had a big agenda and ended with unfinished business. She stated that some of the CGMC goals are:

- Return LGA to 2002 funding level
- Pass Greater MN economic development programs
 - Workforce housing
 - Greater MN Business Development Public Infrastructure Grant Program ("BDPI")
 - Broadband
- Comprehensive transportation package
- Funding for water and wastewater infrastructure

Ms. Wefel stated that there may be a special session but not until after the Primary elections. At the recent CGMC conference a resolution was passed urging Governor Dayton and the Legislators to call a special session.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 6:26 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk