

CITY OF SHELLEY
SPECIAL MEETING
MINUTES

AUGUST 17, 2009

PRESENT: Mayor Eric Christensen
Council Members: Lorin Croft, Steve Cederberg, John Lent, Charlotte
Fredrickson
Police Chief: Alan Dial
Recreation Dir.: Dawn Lloyd
City Clerk: Sandy Gaydusek

PRAYER: Charlotte Fredrickson

Sandy presented the proposed budget for fiscal year 2009-2010 for the city in the amount of \$11,836,567, which includes \$3,900,000 for bond proceeds. Sandy presented a narrative discussing each fund and its appropriation. A copy of the narrative is attached. Sandy said as per the Mayor and Council's instructions there was no increase in property taxes as allowed by law this year. She said the city did however, have an additional 5 million dollars in valuation from new construction and annexation which will generate an additional \$42,000 in property taxes. Sandy said overall the total valuation increased to \$116,765,202 which would decrease the levy rate.

Sandy said the council chose to keep Regence Blue Shield and Delta Dental this year. However to reduce the increased premium the city will change to a deductible of \$2,000, but continue to buy down the program to a deductible of \$500. Sandy said even with the additional liability from the buy down, the city should still see a savings of \$8,000.

Sandy said as per the Mayor and Council's instructions all wages have been frozen. There will be no cost of living increase or merit raises this year. All employees will have one year added to their service date to determine when the next merit wage increase will be considered. All capital improvement purchases have also been frozen, with the exception of the new well and the waste water treatment plant.

Sandy said as directed there will be no increases in the utility services this year due to the down turn in economy. She said once the waste water treatment plant is up and running we may need to review the sewer fund and possibly reopen the budget. Sandy said the city will need to start repaying the bond for the wastewater treatment plant six months after the project is closed, which could be as early as April. She said there are two payments annually which total \$488,000. Sandy said the city may need to start paying the Regional Authority for operation and maintenance at \$9 per ERU. Sandy said a Superintendent will need to be hired and there will be an electric bill of \$3200 monthly minimum.

Sandy said the State Revenue Sharing Fund only has funds appropriated for the new well, treatment plant, police vehicle lease, and the contribution of the Senior Citizens, and Public Transportation.

Lorin moved, Steve seconded to adopt the tentative budget for the fiscal budget year 2009 – 2010 in the amount of \$11, 836,567 and hold a budget hearing on September 8, 2009, at 7:30 p.m. at City Hall to consider final adoption of the budget. Approved unanimously.

Sandy presented the Urban Renewal Agency budget for fiscal year 2009-2010 in the amount of \$554,000. She said there may still be a few Phase Three façade projects to be done, and there should be enough funds for an infrastructure project. John moved, Steve seconded to adopt the tentative Shelley Urban Renewal Agency budget for fiscal year 2009-2010 in the amount of \$554,000, and hold a budget hearing on September 8, 2009 at 7:30 p.m. at City Hall to consider adopting the final budget. Approved unanimously.

Adjourned: 8:07 p.m.

ATTEST: Sandy Gaduch APPROVE: Eric R. Cohen