SPECIAL MEETING OF THE DASSEL CITY COUNCIL

JUNE 12, 2019, 6:05 P.M.

DASSEL CITY HALL

The special meeting of the Dassel City Council was called to order by Mayor Hungerford at 6:05 p.m. on June 12, 2019 at Dassel City Hall.

Present: Council members Hallquist, Weseloh and Mayor Hungerford (3)

Absent: Council members Carlson and Hollaran (2)

Also present: Sara Oberloh, City Auditor and Carolyn Holje.

The purpose of the meeting was to review and approve the 2018 annual city audit report.

Auditor Oberloh presented the audit. She stated it was a clean audit with the Water, Sewer and Liquor funds all reporting in the black including depreciation. The increase in net position was $322,248 and general reserves are at 40%. The reserves target is 50% and the city will continue to work toward that goal. The liquor fund owes the general fund $279,876 which includes the initial inventory start-up costs. The liquor fund had a profit of almost $40,000 in 2018. She presented the following recommendations which were approved:

**Motion by Hungerford, seconded by Weseloh to close the following funds with -0- balances at year end: 224-2006 TIF 7-1; 228-2001 TIF; 229-2006 TIF 6-1; 429-Street Improvement Project; 501-Clerk Capital Improvement Project; and 569-Liquor Capital Improvement Project. Motion carried unanimously.**

**Motion by Weseloh, seconded by Hallquist to use the excess bond fund monies to pay down additional city debt - principle owned on the capital lease for the museum as follows: Fund 302-Improvement Bond $40,000; and 317-Crossover Bond $10,000. Motion carried unanimously.**

Oberloh also presented additional recommendations to be considered:

1. Annual levy certifications should include fire contract payments as 1 lump sum instead of listing as an individual line item on County Levy reports.
2. Transfer annual budgeted capital outlay line amounts to individual capital outlay (500) accounts at the beginning of each year. This would eliminate the need for Council action each December.
3. Review PTO payout policy and comp time accruals for legal compliance.

The Council will review the above recommendations during the annual budgeting process later this year.

**Motion by Hungerford, seconded by Hallquist to accept the 2018 annual audit report as presented by Oberloh & Associates. Motion carried unanimously.**

**Motion by Hallquist, seconded by Weseloh to adjourn the meeting at 8:05 p.m. Motion carried unanimously.**

ATTEST:

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Ronald Hungerford Terri Boese

Mayor Clerk/Treasurer