

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS – SPECIAL SESSION
AUGUST 25th, 2008**

Mayor Harold D. Stickney called to order the special budget hearing meeting of the Common Council for the month of August, 2008 at 5:33 p.m. Present at roll call were Councilpersons Sutton, Reetz, Pischke, Starr, Schleining, and Murphey. The Pledge of Allegiance was stated.

2009 BUDGET HEARING

Councilperson Starr discussed the need to look at the big picture items as well as line item assessment. He wondered if there were any updates on Opposing #10 which it was stated that the National Education Association has donated \$750,000 towards defeating this Measure so the SD Municipal League will be able to do quite a bit with that effort. He then mentioned keeping in mind how we can coop with the County on various things such as supplies, trips to Rapid, and so on.

Councilperson Reetz wondered how far the cooperative project sheet had been pursued and who this Committee is? The Mayor stated the Committee is made up of Councilperson Starr, Rex Harris, Community Development Director, Mike Carter, County EMS Director, and County Commissioner Bies. Councilperson Starr stated this was the first meeting and he has not heard back from the County; but he anticipates the meetings will continue. Councilperson Reetz stated he is in favor of working together with the County.

Councilperson Sutton stated that the budget's two largest items are law enforcement and the hospital subsidy and he believes that Districts should be pursued to fund each item. Discussion was held on the Hospital Board being aware of this alternative revenue funding source and they are in the process of strategic planning which includes having discussions with Regional. Discussion was then held on the City, the Board, and Regional and how they all play into the three facilities that are funded by the sales tax subsidy.

Discussion was held on the Cemetery Perpetual Care Fund and that the money received should also be reserved in order to build up the saving balance. This would help to receive more interest in the future to help fund the maintenance and care. Also, the City would be happy to accept donations that would be reserved along with the present funding.

The Mayor and Council discussed line item entries and changed the following items:

General Fund:

Grant Revenue – cut \$96,000 due to the funding more likely to be in 2010

Mayor and Council Dept - discussion was held on the amount budget for deer management plan, insurance, and the machine, equipment, and land; the last item was cut \$30,000 due to no foreseen expenses.

Community Development – discussion was held on the mitigation project with the need to have a drainage study completed as the first step; the County is looking at cost sharing for the project; Councilperson Schleining thought there was a previous study complete; the other mitigation of \$20,000 and \$500 from BH Vision were cut.

Finance Dept – discussion was held on the audit cost which is a very reason charge especially since requirements continue to increase; the travel line item was questioned but with more involvement in the local and state associations, there is more travel.

Attorney – discussion was held on the fees, prior averages, and the fact that RFPs will be coming in September 15th; \$10,000 was cut from the professional fee line item.

Engineer Dept – this is budgeted due to all the small projects that need some design or engineering; this is the average amount over the past several years.

Public Buildings – discussion was held on the possibility of installing an automatic door; this would be the only additional ADA project; we have passed several inspections by USDA in conjunction with our loans.

Street Dept – discussion was held on the wage change which was due to the cost split amongst depts and funds; the weed expense which was contracted with the County Weed Dept; gravel supplies for both this year and next to complete the edges along the roads; crack fill and chip seal projects; and the mag water costs.

Animal Control – discussion was held on the fines being down and whether this is positive or negative; the possibility of cutting the budget.

West Nile – discussion was held on the lack of spending this year which is due to left over supplies from last year; how much we need this budget or not; this line item was cut \$1,000.

Hospital Subsidy – resolution in place.

Swimming Dept – discussion was held on the renovations which is the cost of a new boiler which has been kept working; the Council stated to get it replaced; also the need of a pool cover which Councilperson Pischke will check on; discussion was held on the future of the pool and if at some point a private pool would coop with the City instead of having to invest in a new pool.

Culture & Recreation – discussion was held on cutting all the funded line items; the need to fund these organizations; example of the Museum which would probably close if it didn't receive funding; all these organizations run on shoestring budgets.

Parks Dept – discussion was held on the Grace Coolidge Building plans which will be staining and chinking; future plans for the building and if we need to look at a different building for the Y; this is already being

discussed by their Board; weed spraying budgeted in two areas; supplies; Way Park bathrooms; and the need for a new mower next year.

Capital Projects – the need to purchase equipment to do our own chip/seal projects; if we have enough manpower; the crew would be used for two weeks a summer; getting the roads on a scheduled seven-year rotation ; the amount to contract would double the cost if we do it ourselves.

Liquor Fund – when the new store is built, we will do a supplement from the reserves.

Water Fund – discussion on the depreciation line item and that there are two water loans left.

Wastewater Fund – discussion was held on rebuilding the bridge going to the Treatment plant; National Guard help which has been cut due to the War; the bridge actually being DOT's; pickup truck replacement program; and supplies are up due to increased costs.

Solid Waste Fund – discussion was held on the contract for collections; the remaining balance which could be used to go towards a recycling program with possibilities of working with the Keep America Beautiful group in Hot Springs; \$6,000 line item was added for recycling.

Promotion Fund – discussion was held on the Fireworks Budget which had an addition of \$3,000 to bring it back to \$8,000; the LTRC receiving a Grant to complete Phase 2 of the Skywalk Trail project.

Councilperson Sutton discussed the need for future maintenance needed on the 4th Street bridge which would take at least one year due to design and so on. Councilperson Reetz questioned whether or not we need to budget anything for the TIF which Rex stated all the expenses will be covered by the TIF District.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 8:33 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor