

**CITY OF HAUSER, IDAHO**

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**CITY COUNCIL MINUTES**

July 9, 2008

6:30 p.m.

**CITY COUNCIL REGULAR MEETING:**

**CALL TO ORDER:** at 6:30 p.m. by Mayor Pro Tem Olita Johnston

Roll Call of City Council Members – Councilmember Bill Madigan, Councilmember Rich Danford, Councilmember Carmen Miller. There was a quorum present.

There were no minutes available for approval.

The financial report was read into the record by the City Clerk. The accounts payable and the claims listed were also read into the record and approved for payment with the exception of Don Werst cell phone reimbursement bill for \$54.86. There was a discussion about the cell phone bill and Council President Johnston expressed concern about paying the bill and stated that the previous Mayor had received payment for his cell phone bill because he worked out of town. After a brief discussion, Councilmember Miller made a motion and it was seconded by Councilmember Danford to deny payment of the cell phone bill for the former Mayor Don Werst.

**FINANCIAL REPORT**

General Fund June 30, 2008	\$27,034.83 (per bank including savings)
Special	\$23,276.05 (Trail, Landscaping, Utilities)
Milfoil Account	\$1,001.73
Street Fund June 30, 2008	\$137,350.17 (per bank including savings and dedicated funds)
All Expenses to be approved	\$6,065.00 (per payables)
All deposits June	\$16,274.43 (per bank)

**STAFF REPORTS:**

City Clerk - There was nothing to report by the City Clerk.

Treasurer – Due to the resignation of the Treasurer, the City Clerk was reviewing the files and the accounts to determine the status of the current financials. There was a discussion from the City Council on the status of the current financials. Councilmember Madigan stated that he believed a complete audit of the books was necessary. Councilmember Danford asked questions related to the status of the financials and the Clerk stated that she would not know the status until she had reviewed in depth. She suggested that we contract with Magnuson and McHugh to review the financial statements and determine the inaccuracies and to assist her in the correct of the books for the City. She presented the proposal for review and a decision by the Council. (attached). After discussion, the Council concluded that it was in the City’s best interest to retain the accounting firm to determine the status of the City’s financial records. A motion was made by Councilmember Danford, seconded by Councilmember Miller to retain Magnuson and McHugh for the sum not to exceed \$5,000 without prior approval of the City Council. Motion carried with Miller, Madigan, Danford and Johnston.

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Code Administration – The Code Administrator discussed the workshop that was held for long range planning and the public comments. She stated that the Planning Commission would be making amendments to the Code and working on the Comprehensive Plan. The first set of amendments would address variance criteria and procedures for the Lake Village District.

Councilmember Danford discussed signing of the Road Maintenance MOU with Post Falls Highway District. The Clerk mentioned that she had forwarded the information to the City attorney for review and the attorney believed that the proposal lacked specificity and needed additional language and a fee structure. Councilmember Madigan stated that he had provided the Clerk and the attorney a proposal that he had worked with between the City of Post Falls and the Post Falls Highway District. The Clerk acknowledged that copies had been provided to the Council and to the City attorney. Councilmember Danford suggested that we continue to review the MOU status and begin exploring the possibility of having the Highway District do maintenance for all of the roads in the City. There was a discussion about the current equipment that the City has and had acquired. The item was moved to the August 13, 2008 agenda.

Councilmember Danford introduced Terry Werner from the Post Falls Highway District Highway District for his presentation on Increasing Vehicle Registration Fees and the transportation service providers request for city support on the ballot initiative. Mr. Werner explained the proposed resolution and the attachments which included the table of revenue that would be produced by this fee increase. Mr. Werner stated that the Association and KMPO believed these fee increases were necessary because of the increase in the cost of maintenance and the population increases. Councilmember Madigan questioned Mr. Werner on the possibility that the State would be putting an fee or tax increase on the ballot and Mr. Werner said that was a possibility but there was no assurance that would happen. The Council discussed the issue. Councilmember Miller made a motion, seconded by Councilmember Danford that the City sign the resolution that would endorse the ability of the KMPO to place the vehicle registration fee on the ballot for the citizens to decide on fee increases. Motion carried with Miller, Madigan, Danford and Johnston.

The Consulting Planner introduced the two requests for fee waivers. The fee waivers were for annexation requests for upcoming subdivision requests (Spuler Estates and Creekside East Estates). The Planner provided copies of Ordinance Number 133 and the Fees Resolution which indicated that waiving of fees was possible by the Council. There was a lengthy discussion on the topic. Councilmember Madigan expressed concern and Councilmember Danford concurred that to waive fees without a justification or a benefit to the community. Councilmember Madigan suggested that a cost-benefit analysis be completed by the applicant to ensure that it would be beneficial to the City to annex property without collecting the application fees. Councilmember Danford concurred. There was a motion made by Councilmember Madigan, seconded by Councilmember Danford to table the item until the next regular Council meeting for the

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applicants to provide an analysis of the benefits to the City in exchange for the fee waiver. Motion carried with Miller, Madigan, Danford and Johnston.

Councilmember Miller made a motion to go into executive session and it was seconded by Councilmember Madigan to discuss personnel issues. The executive session began at 7:45 p.m.

The executive session ended at 7:58 and the Council President brought the meeting back to order. The Council President briefly discussed with the public that since the Treasurer, Robert Runkle had resigned, that they need to continue to have financial duties completed for the City that she would recommend that Cheri Howell take over responsibilities of the Treasurer until such time as the financials were in order and they sought another Treasurer. There was a motion made by Miller, seconded by Madigan to appoint Cheri Howell the Treasurer for the City of Hauser until further notice. The pay would continue the same at \$250.00 per month.

**PUBLIC COMMENTS: (3 MINUTES PER PERSON)**

None

**ADJOURNMENT:** The Council President adjourned the meeting at 8:03 p.m. and informed the public that the Council would move into a budget workshop.

**BUDGET WORKSHOP**

Workshop for FY Budget 2008-2009

Cheri Howell presented the budget worksheet. Several members of the public chose to attend the workshop. John Wallis, Gary Mallon and Dick Coddling asked questions about the budget and were provided worksheets. The Council members asked about the line items. There was a discussion about the Council taking the 3% increase in property taxes, the new construction and the foregone (savings). Council President expressed concern about taking the 3% and the foregone and said that it had been taken the past several years and should not be taken this year. After another discussion, it was decided by the Council to take the 3% and the foregone but to not place the fund balance in the budget proposal. If there were other projects that were necessary this next fiscal year, the Council would need to publish a notice in the newspaper and hold another public hearing to spend savings monies. The Council workshop ended at 9:01. p.m.

Attest:

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Cheri Howell, Clerk

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Council President Olita Johnston