

CITY COUNCIL MEETING MINUTES

Regular Meeting - December 12, 2012 – 6:30 p.m.

CALL TO ORDER: 6:37 p.m.

PLEDGE OF ALLEGIANCE: Lead: Mayor Johnston

ROLL CALL: Mallon, present; Lindsay, present; Hatfield, absent; Lefebvre, present.

- MINUTES:**
- **Regular Council Meeting:** November 14, 2012, 6:30 p.m.
Councilmember Mallon moved to approve the minutes of 11/14/12.
Councilmember Lindsay seconded the motion. Roll call: All ayes.
Motion carried.
 - **Special Council Meeting:** November 20, 2012, 4:00 p.m.
Councilmember Mallon moved to approve the minutes of 11/14/12.
Councilmember Lindsay seconded the motion. Roll call: All ayes.
Motion carried.
 - **Special Council Meeting:** November 27, 2012, 5:30 p.m.
Councilmember Mallon moved to approve the minutes of 11/14/12.
Councilmember Lindsay seconded the motion. Roll call: All ayes.
Motion carried

Mayor Johnston asked that Attorney Bill Appleton be added to Reports under the Mayor category. Councilmember Mallon moved to approved adding William Appleton under Item 6, Reports for the Mayor. Councilmember Lindsay seconded the motion. Motion carried.

PRESENTATION: Anderson Bros. CPA's, P.A. – Annie Van Valin
Annie Van Valin distributed the Draft Financial Statements for the years 2010 and 2009 to councilmembers and reviewed pages throughout the draft. Waterford deeds were discussed, and there was much discussion on donated property and values for that property. Ms. Van Valin said she would be sending the depreciation schedule. Budget to Actual comparisons were described. The General Fund and the Street Fund need to be segregated and the practice of splitting bills between the two is not good practice. Ms. Van Valin also said that the deadline for completion of audits is nine months after the fiscal year end. She asked for questions of councilmembers throughout her presentation. She will be putting together the next audit 2010-2011 engagement letter, and stated the audit fee will increase for the next set due to extensive research needed to give an accurate audit. The next two audits will reflect new rules/changes on “non-spendable, restricted, committed, assigned, and unassigned” categories. Mayor Johnston thanked Ms. Van Valin for her thorough presentation.

6. REPORTS:

Mayor: Olita Johnston

- William Appleton Proposal: Councilmember Lefebvre stated that Mr. Appleton was highly recommended by other attorneys in the area. Discussion followed on Mr. Appleton's

proposal. Councilmember Mallon moved to accept the Appleton proposal, and to move him from a temporary position to a permanent full-time position. Councilmember Lefebvre seconded the motion. Roll call: Mallon, aye; Lindsay, aye; Lefebvre, aye. Motion carried. Mr. Appleton asked Councilmembers what is expected. Much discussion followed on the ACI agreement, and City and County P&Z Commissions. Appleton said he wouldn't do work without Council direction. He also asked when his actual contract would begin. Councilmember Lefebvre moved to begin Appleton's contract January 1, 2013. Councilmember Lindsay seconded the motion. Roll call: Mallon, aye; Lindsay, aye; Lefebvre, aye. Motion carried.

a. Treasurer's Report: Ryan Miller

- . Treasurer's Report: Councilmember Lefebvre moved to approve the Financial Statements as presented. Councilmember Lindsay seconded the motion. Roll call: Mallon, aye; Lindsay, aye; Lefebvre, aye. Motion carried.
- . Disbursements: Miller discussed bills for the month. Councilmember Lefebvre moved to pay the bills except for the Macomber Law, LLC and to hold the attorney bill until the City received the final bill. Councilmember Mallon seconded the motion. Roll call: Mallon, aye; Lindsay, aye; Lefebvre, aye. Motion carried.
- . Anderson Bros, CPA: "Adjusting Journal Entries"
Miller said councilmembers received the draft of the 2010-2009 Audit and explained that the Adjusting Journal Entries needed to be approved by Council. Discussion followed. Miller will make copies of the adjusting journal entries for councilmembers to review before the next meeting. More discussion followed on the draft audit. It was decided to review the adjusting journal entries now rather than set up another meeting during the holidays. The review followed. Councilmember Mallon moved to approve the journal entries as presented by Anderson Bros., Annie Van Valin, CPA. Councilmember Lefebvre seconded the motion. Roll call: Mallon, aye; Lindsay, aye; Lefebvre, aye. Motion carried.
- . Miller said he would not be present at the next council meeting but statements would be ready.

b. Councilmembers:

1. **Claire Hatfield, Panhandle Area Council – RC&D Liaison - Absent**
2. **Roger Lefebvre, Special Assignments – Hauser Daze Liaison**
Lefebvre attended a mediation meeting on the Waterford Tort claim. After five hours of negotiations, it was decided to continue mediation until sometime in January 2013.
3. **Rodney Lindsay, City Hall Buildings and Grounds (partner with Gary Mallon)**
No report.
4. **Gary Mallon, Public Works: Streets and Roads - City Hall Buildings and Grounds (partner with Rodney Lindsay)**
Mallon reported the 2-1/2 ton military truck has been sold for \$2,500.00. The funds received should go the Streets and Roads fund per Mallon for work needed on Woodland Beach Drive. Installation of doors for the out building was discussed.

Mayor Johnston asked about the Friends of Our Trails (FOOT) form developed by the City Clerk. Discussion followed. The form will be used as is and a copy was given to Jan Hensch so she can assist in gathering names.

c. Code Administration/Enforcement & Hauser Rinse Station: Cindy Espe

- Espe asked if there were any questions on her report. Mallon asked about the status of the Building Inspector. Espe said Brad Ziel is currently doing inspections on a temporary basis until Scott Weitman returns. Espe said she is doing code violations unless it is a building issue and Ziel does those.
- Mayor Johnston asked where the P&Z commission is on the Development Code. Espe responded that she has been trying to recruit P&Z members since Justus and Wallace resigned, and Steve Hatfield has been away with the Red Cross. She hopes to final the plan in June 2013. Discussion and much explanation followed.
- Espe said she would contact Scott Clark of Kootenai County to let him know that C. Appleton will now be the contact for the ACI agreement.
- Councilmember Lefebvre said he appreciated Espe's efforts in prioritizing the issues.
- Mayor Johnston asked about the easement for Edgewood development to Woodland Beach Drive. Espe said she is reviewing the development agreement again and followed by saying that she thought Edgewood would be responsible for the road improvements and erosion control.

d. City Clerk: Donna Ray

Ray said there were issues with people playing with the audio system. Discussion followed. Ray will lock the case doors and place a do not touch sign on the audio box.

PUBLIC COMMENTS: None

ADJOURNMENT: Councilmember Lefebvre moved to adjourn. Councilmember Lindsay seconded the motion. The meeting adjourned at 8:45 p.m.

Donna Ray, City Clerk

Olita Johnston, Mayor