

AGENDA
MAPLEWOOD CITY COUNCIL
MANAGER WORKSHOP
5:15 P.M. Monday, May 14, 2012
Council Chambers, City Hall

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF AGENDA

D. UNFINISHED BUSINESS

E. NEW BUSINESS

1. Presentation of Comprehensive Annual Financial Report – 2011
2. Declaration of Intent to Close Meeting – Attorney-Client Privilege (Minn. Stat 13D.05, Subd. 3(b)
 - a. Review of Flood Litigation

F. ADJOURNMENT

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AGENDA REPORT

To: Jim Antonen, City Manager
From: Gayle Bauman, Finance Manager
SUBJECT: **Receipt of Comprehensive Annual Financial Report (CAFR) for 2011 and Presentation by Auditor Kern, DeWenter, Viere, Ltd.**
Date: May 3, 2012 for May 14, 2012 council workshop

BACKGROUND

Members of the City Council have received a copy of the Comprehensive Annual Financial Report (CAFR) and an electronic version is available on our website as well.

The CAFR will be submitted to the State Auditor's Office after acceptance by the Council. The due date is June 30th.

A representative with the firm of Kern, DeWenter, Viere, Ltd. will present the results of the audit at the May 14th workshop. The council will be asked to formally accept the CAFR at the May 14th regular meeting.

HIGHLIGHTS

The General Fund had an increase in its fund balance of \$627,472. From 2010 to 2011, revenues of the general fund increased 5.4% while expenditures increased 2.5%.

The General Fund balance at the end of 2011 is \$7,945,327. Of this amount, \$253,030 is designated for carryovers, \$136,550 is designated for encumbrances and \$46,370 is designated for next year's budget. Fund Balance is required to fund operations during the first half of the following year until the next property tax payment is received from Ramsey County.

The legal debt limit at the end of 2011 is \$105,526,407. The city has \$78,017,297 in outstanding bonds. Of that amount, \$3,940,000 is subject to the legal debt margin.

Debt service funds decreased by \$4,751,388; from \$15,049,610 to \$10,298,222 mainly due to paying off three refunded issues.

The unrestricted net assets in the six proprietary funds total \$221,181. Four of the six proprietary funds have positive balances. The Community Center Operations Fund and Ambulance Service Fund have deficit balances.

The Employee Benefits Fund net assets increased from (\$447,554) to (\$269,095). Increases are expected to continue over the next few years to take care of the remaining deficit balance.

FINDINGS

The three findings noted in the 2010 audit were all addressed during 2011. Two findings have been identified for 2011:

- The City has been carrying a difference between its books and the County records with regard to Special Assessments receivable. With the help of our auditors, we were able to determine that some rolls had dropped off the County records, which have since been corrected. The City will continue to work with the County on reconciling the remaining differences.
- A Performance Bond or Payment Bond was not received for a drilling and testing contract. The contract has been fulfilled. City staff has been made aware of this finding and will obtain the necessary bonds for contracts subject to MN Statutes.

RECOMMENDATION

No action is requested at this time.

AGENDA REPORT

TO: City Council
FROM: Charles Ahl, Assistant City Manager
SUBJECT: **Discussion on Flood Litigation**
 ■ Declaration of Intent to Close Meeting
DATE: **May 8, 2012**

INTRODUCTION

The City Council will discuss strategy for addressing litigation that is a result of the July 2011 flooding. A discussion on strategy and settlement options will be considered.

Because of the confidential nature of this litigation, the staff and City Attorney will be recommending that the City Council close this session as allowed by state statute.

Recommended Action

The City Council should discuss the litigation. No action is recommended.