

**ADMINISTRATION AND FINANCE COMMITTEE
CITY COUNCIL CHAMBERS
140 WEST PINE STREET
MISSOULA MONTANA
August 12, 2009 2:35pm**

Members present: Stacy Rye, Chair; Ed Childers; Renee Mitchell; Pam Walzer; Jason Wiener; Dick Haines; Lyn Hellegaard; John Hendrickson; Dave Strohmaier; Jon Wilkins; Bob Jaffe.

Members absent: Dick Haines; Marilyn Marler.

Others present: Brentt Ramharter, Bruce Bender, Dee Kreyve.

I. Administrative Business

A. Approve committee minutes dated: [July 29, 2009](#)-approved as submitted.

B. **Public Comment on items not listed on the agenda-none**

II. Consent Agenda

A. Approve claims (accounts payable). -Consent Agenda (Brentt Ramharter)

Motion: The committee recommends the City Council approve [claims](#) totaling \$344,940.52 (08/04/09) ([Detailed Claims](#)) (Already acted on 08/10/09)

Motion: The committee recommends the City Council approve [claims](#) totaling \$1,203,090.47 (08/11/09) ([Detailed claims](#))

B. Authorize Mayor to execute the professional services agreement for audit preparation assistance with Nicole Noonan ([memo](#)).—Regular Agenda (Brentt Ramharter) (Referred to committee: 08/10/09) **REMOVE FROM AGENDA**

Motion: The committee recommends the City Council approve and authorize the Mayor to sign a Professional Services Agreement with Nicole Noonan, CPA, for FY09 Audit Preparation Assistance for the maximum amount of \$32,500.

Brentt Ramharter, Director of Finance, explained that over the years the audit has grown in complexity, and audit assistance is needed. The requirements placed on governmental agencies to prepare financial statements have increased. As a result we have had to hire additional expert assistance to meet year-end financial reporting requirements in relation to the audit. For several years now it has been Nicole Noonan who has provided us this support and she is now working with Christi Page. The cost is estimated not to exceed \$32,500 (500 hours of assistance). The City will only be invoiced for their hours worked, If the City staff can do more of the work than projected at this point, then the contractors will work less hours than estimated.

Pam Walzer moved to approve the agreement with Nicole Noonan.

Ed Childers asked what the funding source for this agreement is.

Mr. Ramharter said the general fund.

Stacy Rye asked what the status is on the Assistance Finance Director Position.

Mr. Ramharter explained that he has reorganized his office and he does have a staff member that will take over much of the audit preparation; however this first year will be a training year for her.

Renee Mitchell asked who the contractors worked for prior to working for the City.

Mr. Ramharter said they both had worked for Anderson Zurmuehlen in the past, which is the City's audit firm. Because of their work with Anderson Zurmuehlen, they understand the City very well from an audit perspective.

Upon a voice vote, the motion was unanimously approved.

- C. [Resolution](#) to levy a special assessment and tax upon all property situated within pooled sidewalk, curb, gutter and alley approach bonds series 2009A of the City of Missoula, Montana in the total amount of \$645,000 excluding debt service, to defray the cost of installing sidewalks, curbs, gutters, and alley approaches pursuant to Resolution number 7445 awarding the sale of bonds. ([memo](#)) ([Assessment list](#)) ([A&F](#)) (Returned from Council floor: 08/10/2009) **REMOVE FROM AGENDA**

MOTION: The committee recommends the City Council adopt a resolution to levy a special assessment and tax upon all property situated within the pooled sidewalk, curb, gutter and alley approach bond series 2009A of the City of Missoula, Montana in the total amount of \$645,000 excluding debt service, to defray the cost of installing sidewalks, curbs, gutters and alley approaches pursuant to Resolution number 7445 awarding the sale of bonds.

Mr. Ramharter explained that he is in the process of working with a property owner who came forward and said it would be very difficult to pay for the \$21,000 assessment. There are two options available to them; to pay the maximum assessment of \$6,000 which they were interested in, or an income qualified complete waiver. Both applications will be forwarded onto them. At a minimum they would have the assessment reduced by \$15,000, which will become a title lien on the property. When they pass on, the estate would be required to pay it.

Ms. Walzer asked if you are ordered to have sidewalk put in, can you pay the value of just the work and engineering costs and never have to deal with any financing costs.

Mr. Ramharter responded that you can until we sell the bonds. Actually 2/3 of the property owners take advantage of that option. Once the bonds are sold that option is not available, as the process is costly and the assessments get inflated by that amount.

John Hendrickson asked how the process works. Do we complete the work first and then sell the bonds or do we sell the bonds and then complete the work.

Bruce Bender, Chief Administrative Officer, explained that for curb and sidewalk assessments the work is done first and then the bonds are sold. For Special Improvement Districts the bonds are sold first and then the work is completed. Primarily because of the costs involved.

Jason Wiener moved to approve the assessment.

Stacy Rye thanked Mr. Ramharter and staff for working with and providing alternatives for property owners in a hardship situation.

Upon a voice vote, the motion passed unanimously.

III. **Regular Agenda**

- D. [Resolution](#) to levy a final assessment and tax upon all property situated within Special Improvement District Number 541 (Pineview Park Improvements Project) of the City of Missoula, Montana, in the total amount of \$750,000 excluding debt service, to defray the cost of making the improvements in said special improvement district pursuant to resolution 7200 creating said district. ([memo](#)) ([Staff Recommended Revised Assessment List](#)) ([A&F](#)) (Returned from Council floor: 08/10/2009) **HELD IN COMMITTEE**

IV **Held in committee**

- A. [Resolution](#) revising the City's sewer use fee structure and increasing sanitary sewer rates by 5% per year for four years to support infrastructure improvements required to operate the city's

sanitary sewer system. ([A&F](#)) ([Slideshow presentation as a webpage](#)) (Returned from Council floor: 11/03/08)

- B. An ordinance amending the municipal code as it relates to bike licensing. ([A&F](#)) (Returned from council floor: 12/15/08)
- C. Amend City Council Rule 21(a) to clarify quorum requirements ([memo](#)).—Regular Agenda (Jason Wiener) (Referred to committee: 04/28/08) (*Tabled in Committee on 02/11/09*)
- D. Implications of establishing maintenance districts. ([memo](#)) – Regular Agenda (Bob Jaffe) (Referred to committee: 05/11/09)
- E. Review the FY 2010-14 CIP projects in committee ([memo](#)).—Regular Agenda (Brentt Ramharter) (Referred to committee: 03/23/09)
- F. Consider the establishment of Parks and Street Maintenance Districts ([memo](#)).—Regular Agenda (Bob Jaffe) (Referred to committee: 05/04/09)
- G. Clarify position of council member who also serves on the board of a non-profit agency that has dealings with the city. ([memo](#)) – Regular Agenda (Ed Childers) (Referred to committee: 07/20/2009)

IV. **Adjournment**

The meeting was adjourned at 2:50pm

Respectfully Submitted,

Dee Krevey

Administrative Secretary
Finance Department