



# Rathdrum

City Council Minutes

August 12, 2020

6:00 p.m.

Location: City Council Chamber  
8047 W. Main Street  
Rathdrum, ID 83858  
(208) 687-0261

**Zoom Conference information will be on  
the City Website –  
[www.rathdrum.org/councilmeetings](http://www.rathdrum.org/councilmeetings)**

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## WELCOME-PLEASE TURN OFF CELL PHONES- Thank You.

**Physically attending the open meeting:** The City Council Chambers will be open for the meeting. However, please note the following:

1. Limited Seating will be provided at a minimum distance of 6' apart in accordance with guidelines.
2. If you are feeling sick, have been in close contact with someone who has been sick, or are uncomfortable being in physical attendance, please use the video conferencing option.
3. It is **required** those in attendance wear a face mask.

### 1) CALL THE MEETING TO ORDER

Meeting called to order at 6:00 pm

### 2) PLEDGE OF ALLEGIANCE

### 3) ROLL CALL

**PRESENT:** Mayor Holmes, Councilor Hill, Councilor Adams. and Councilor Rickard via Zoom video Conference

**ABSENT:** Councilor Laws

**STAFF:** City Administrator Duce, City Clerk Halligan, City Engineer/Public Works Director Jump, Police Chief McLean, Park and Recreation Director Singer and City Attorney Herrington via Zoom video Conference

- 4) **AMENDMENTS TO THE AGENDA AND DECLARATION OF CONFLICT, EX-PARTE CONTACTS AND SITE VISITS** The declaration and justification of an amendment must be approved by motion of the Council.
- 5) **ACTION ITEM: CONSENT CALENDAR APPROVAL**
- A) Regular Council Minutes of July 22, 2020
  - B) Regular and Special Bills as presented

City Administrator Duce gave a brief presentation on the consent calendar.

Councilor Rickard made a MOTION that we approve the Consent Calendars as presented. Motion seconded by Councilor Hill.

**AYES:** Councilor Rickard  
Councilor Hill  
Councilor Adams

**NAYES:** None

**ABSENT:** Councilor Laws

Passed

6) **CEREMONIES AND REPORTS**

- 7) **VISITORS COMMENTS – An opportunity to address concerns not on the agenda (No formal action allowed – 3-minute time limit per issue) issues may be placed on subsequent agenda. Comments regarding performance by city employees are inappropriate at this time and should be directed to the Mayor, either by subsequent appointment or after tonight’s meeting, if time permitting. Repeated comments of the same or similar topic will be considered out of order and not allowed.**

8) **OLD BUSINESS**

9) **PUBLIC HEARING**

10) **NEW BUSINESS**

- A) **DISCUSSION ITEM:** Presentation of the FY 2019-2020 Audit

Toni Hackwith from Anderson Bros CPA’s gave a brief presentation on the FY 2019-2020 Audit. Power Point is attached. (3 Slides per page.)

- B) **DISCUSSION ITEM:** Resolution calling for a KMPO Ballot Measure November 3<sup>rd</sup>, 2020

Councilor Rickard gave a brief presentation on the Resolution calling for a November 3, 2020 KMPO ballot measure to authorize Local Kootenai County Vehicle Registration Fees. The information from KMPO is attached for more detailed information.

**C) ACTION ITEM:** Consideration for the Professional services Agreement with HMH Engineering for the Latah Street Bridge Construction Inspection

City Engineer/Public Works Director gave a brief presentation on the Professional services Agreement with HMH Engineering for the Latah Street Bridge Construction Inspection. Work is projected to start after Labor Day and should be completed before Veterans Day. Concerns were expressed about the steel that is needed for the project. It is hopeful that it will not delay the project.

Councilor Rickard made a MOTION that we give the Mayor authorization to sign the Professional services Agreement with HMH Engineering for the Latah Street Bridge Construction Inspection. Motion seconded by Councilor Hill.

**AYES:** Councilor Rickard  
Councilor Hill  
Councilor Adams

**NAYES:** None

**ABSENT:** Councilor Laws

Passed

## 11) STAFF REPORTS

- A) Public Works Reporting
- B) Police Department Reporting
- C) Park and Recreation Reporting
- D) City Administrator – In the City Administrator’s report, Mr. Duce informed the Council that the annexation and development projects were brought to the City for review & consideration. By State Law we must present them to P & Z and Council in a timely manner.

## 12) MAYOR’S REPORT/APPOINTMENTS

- A) **ACTION ITEM:** Appointment of Michael Compton to Planning and Zoning

Mayor Holmes would like to suggest the appointment of Michael Compton to the Planning and Zoning Commission. Mr. Compton lives outside city limits but lives in the area of City Impact, which is allowed in Rathdrum City Code.

Councilor Hill made a MOTION to confirm the appointment of Michael Compton to the Planning & Zoning. Motion seconded by Councilor Rickard.

**AYES:** Councilor Hill  
Councilor Rickard  
Councilor Adams

**NAYES:** None

**ABSENT:** Councilor Laws

Passed

### 13) COUNCIL REPORTS

### 14) ADJOURN

Meeting is adjourned 6:50 pm

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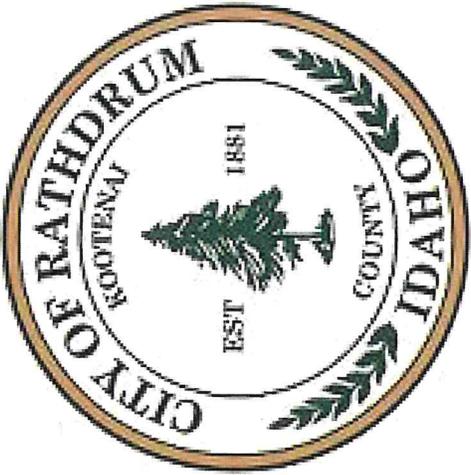
Vic Holmes, Mayor

Attest:

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Sherri L Halligan, City Clerk

**Rathdrum City Hall is an ADA accessible building. Assistance for persons with disabilities will be provided upon 24-hours' notice prior to the meeting.**



*Anderson*  
BROS. CPAs

# CITY OF RATHDRUM

FY2019 FINANCIAL AUDIT PRESENTATION



# Audit Overview

## ▶ Two Reports Issued

- Financial Statements - Unmodified (clean) opinion - pages 1-3
- Report on Internal Control over Financial Reporting - pages 51-52

# General Fund Financial Highlights

- ▶ Net change \$(661,535) FY2019
- ▶ Net change \$1,211 FY2018
  - Revenues \$213K more than prior year
    - Largest increases were in property taxes and intergovernmental revenues

## General Fund Financial Highlights

- Expenditures \$898K more than the prior year
  - Capital outlay increased \$737K
  - Law enforcement increased \$150K
  - Highways and streets decreased \$122K



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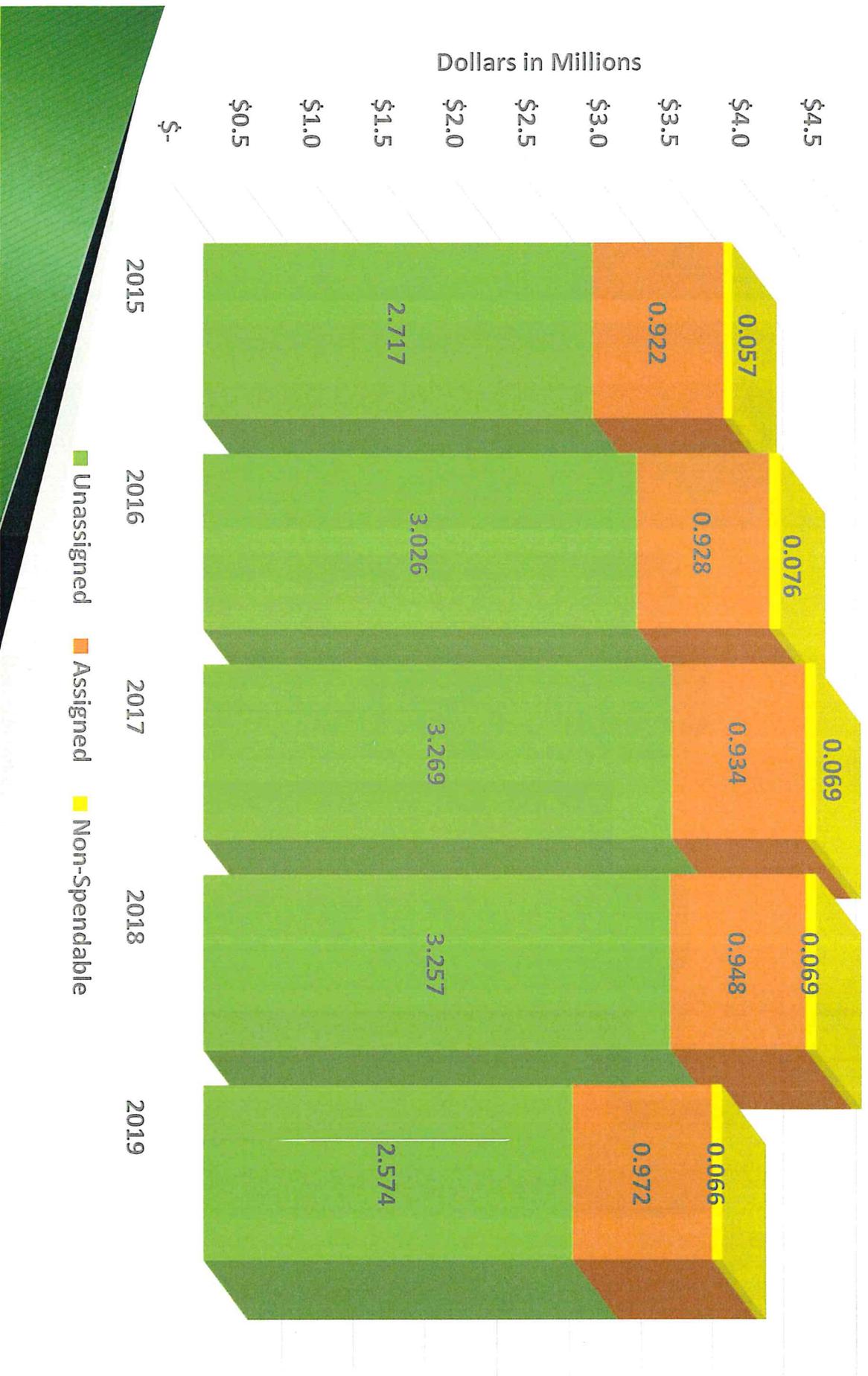
# GENERAL FUND

## Revenues & Expenditures



## GENERAL FUND

### Fund Balance by Classification



# Fund Balance

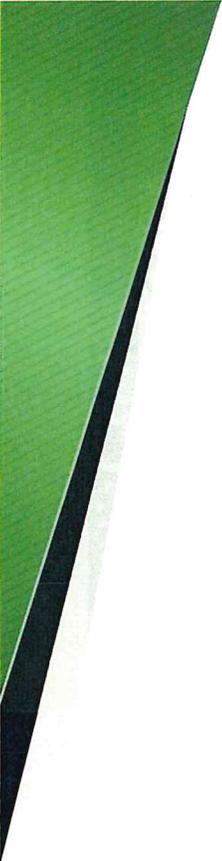
- ▶ Why is a Fund Balance Important?
  - Revenue stream is not consistent month to month (property taxes received in July and January)
  - **Provide prudent resources to meet unexpected emergencies (recessions) and protect against catastrophic events**
  - Meet uncertainties of State and Federal funding
  - Protect the City from unnecessary borrowing
  - Help ensure a credit rating that would qualify the City for lower interest costs (in case of needed borrowing)
  - Help ensure future financial stability



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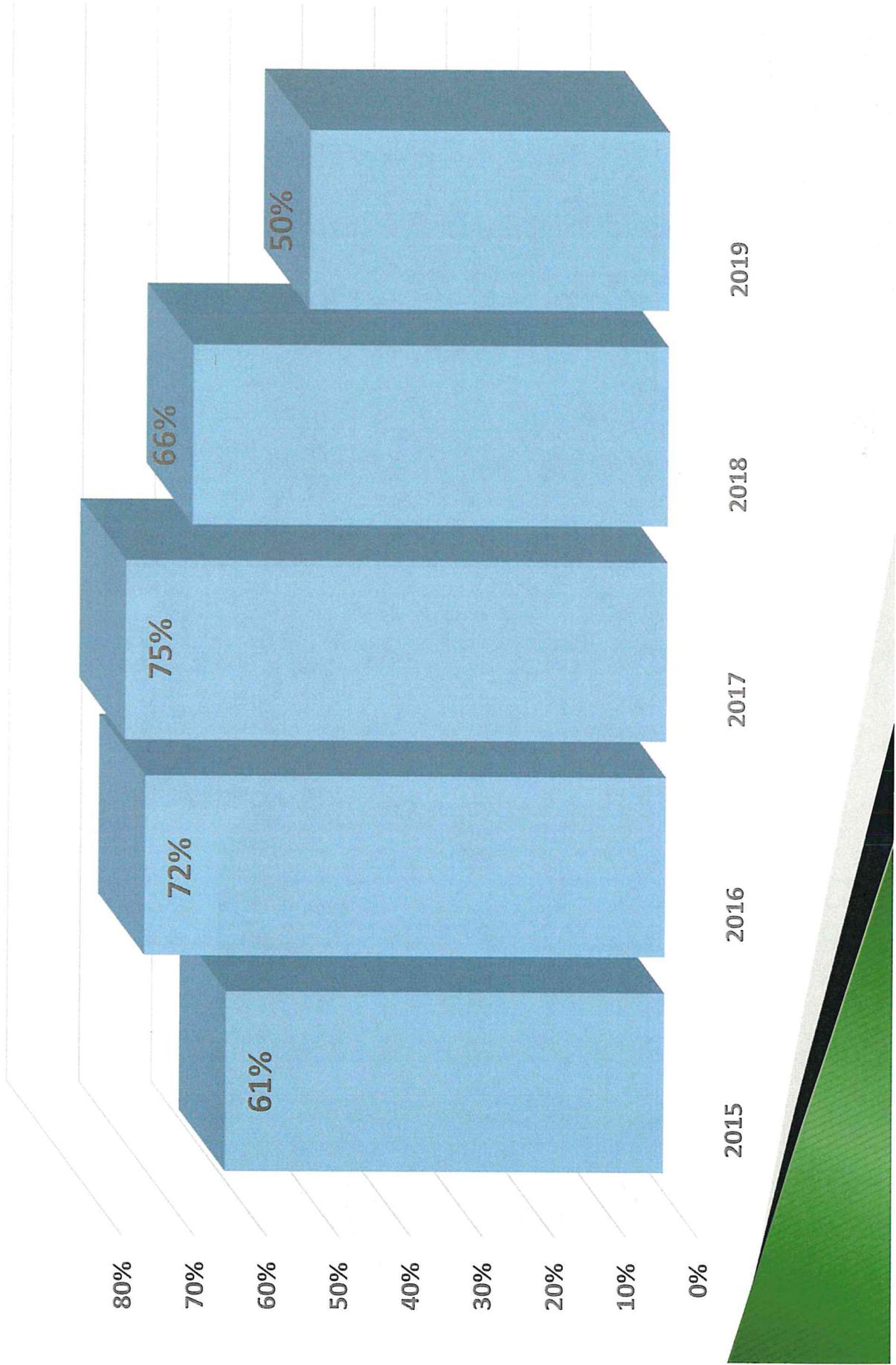
# Fund Balance

- ▶ The Government Finance Officers Association recommends at a minimum, that governments, maintain an unreserved fund balance in their general fund of no less than fifteen percent of regular general fund operating revenues, or no less than 60 days of regular general fund operating expenditures.

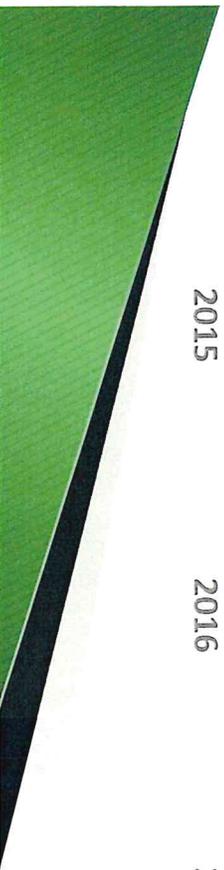
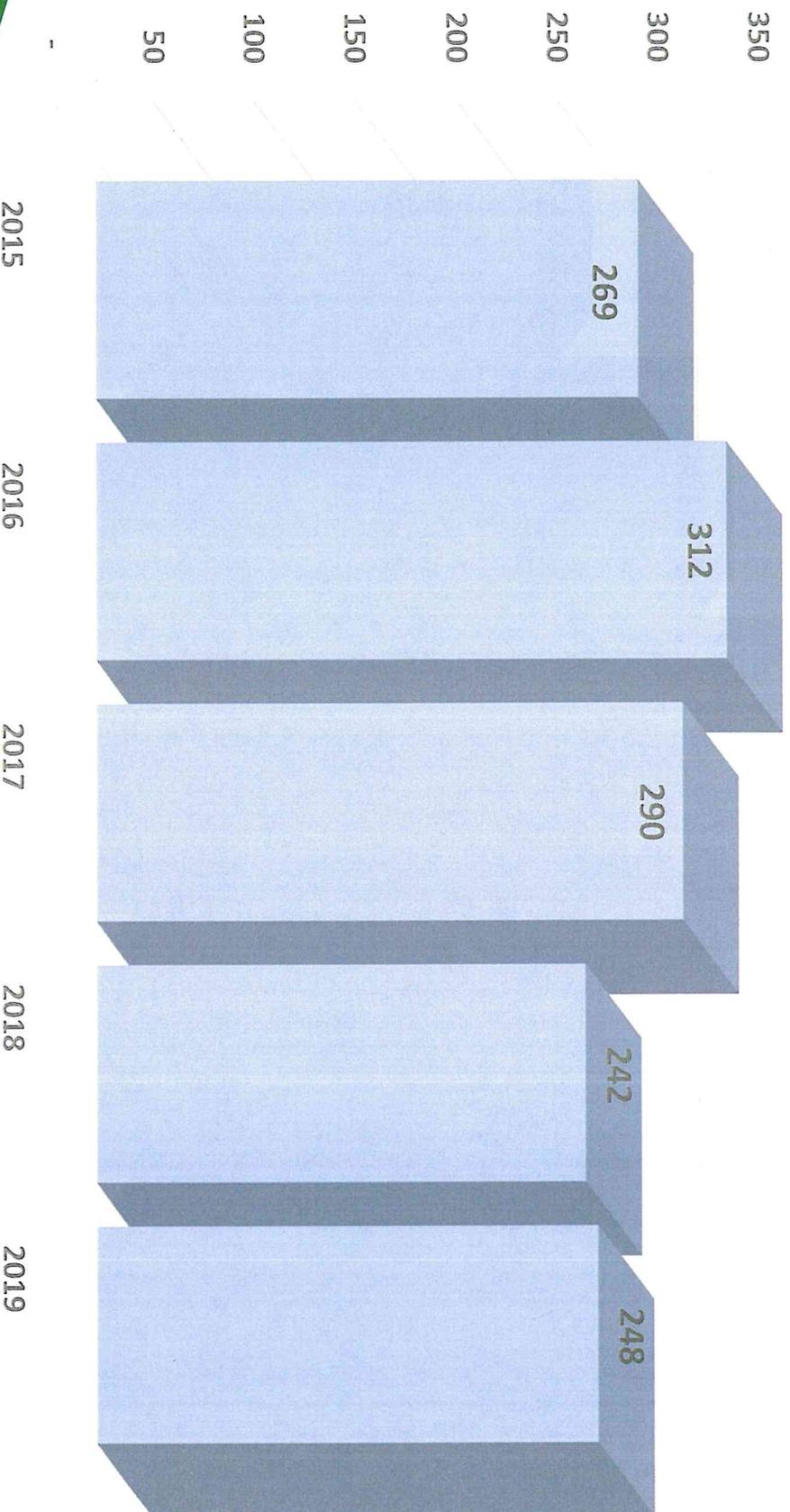


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**GENERAL FUND**  
**Fund Balance as a Percent of Revenues**  
**(Recommended minimum = 15%)**



**GENERAL FUND**  
**Days Expenditures in Unassigned Fund Balance**  
**(Recommended minimum = 60 days)**



# Water & Sewer Financial Highlights

- ▶ These funds (Proprietary Funds) should be self-sustaining as well as provide for excess funds for future capital improvements/repairs.
  - Water fund had net operating income of \$154K; (prior year had operating income of \$187K)
  - Sewer fund had operating income of \$378K; (prior year had operating income of \$365K)

# Water & Sewer Financial Highlights

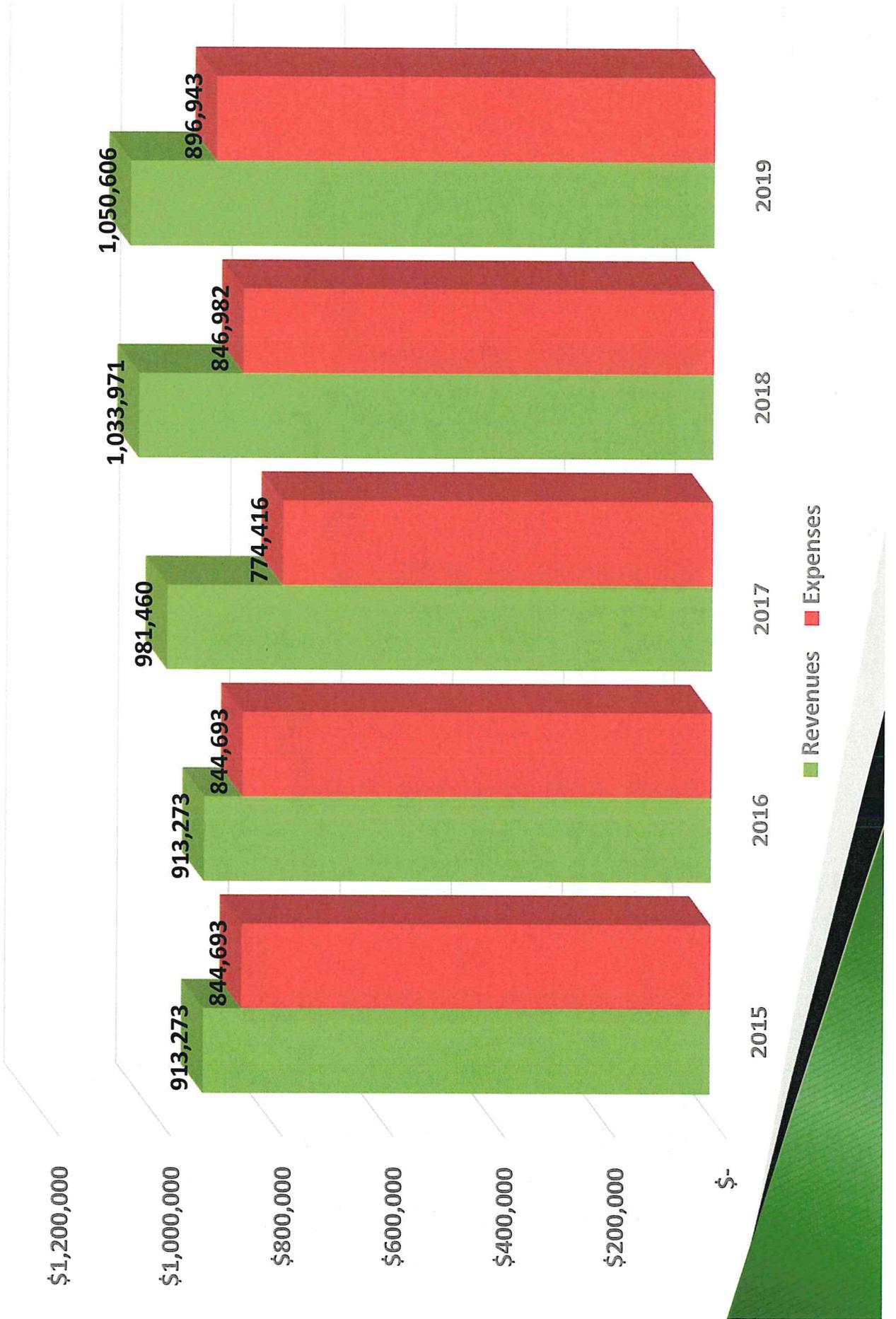
- ▶ Cash flow from operating activities is positive:
  - Water fund \$377K, prior year was \$547K
  - Sewer fund \$335K, prior year was \$823K



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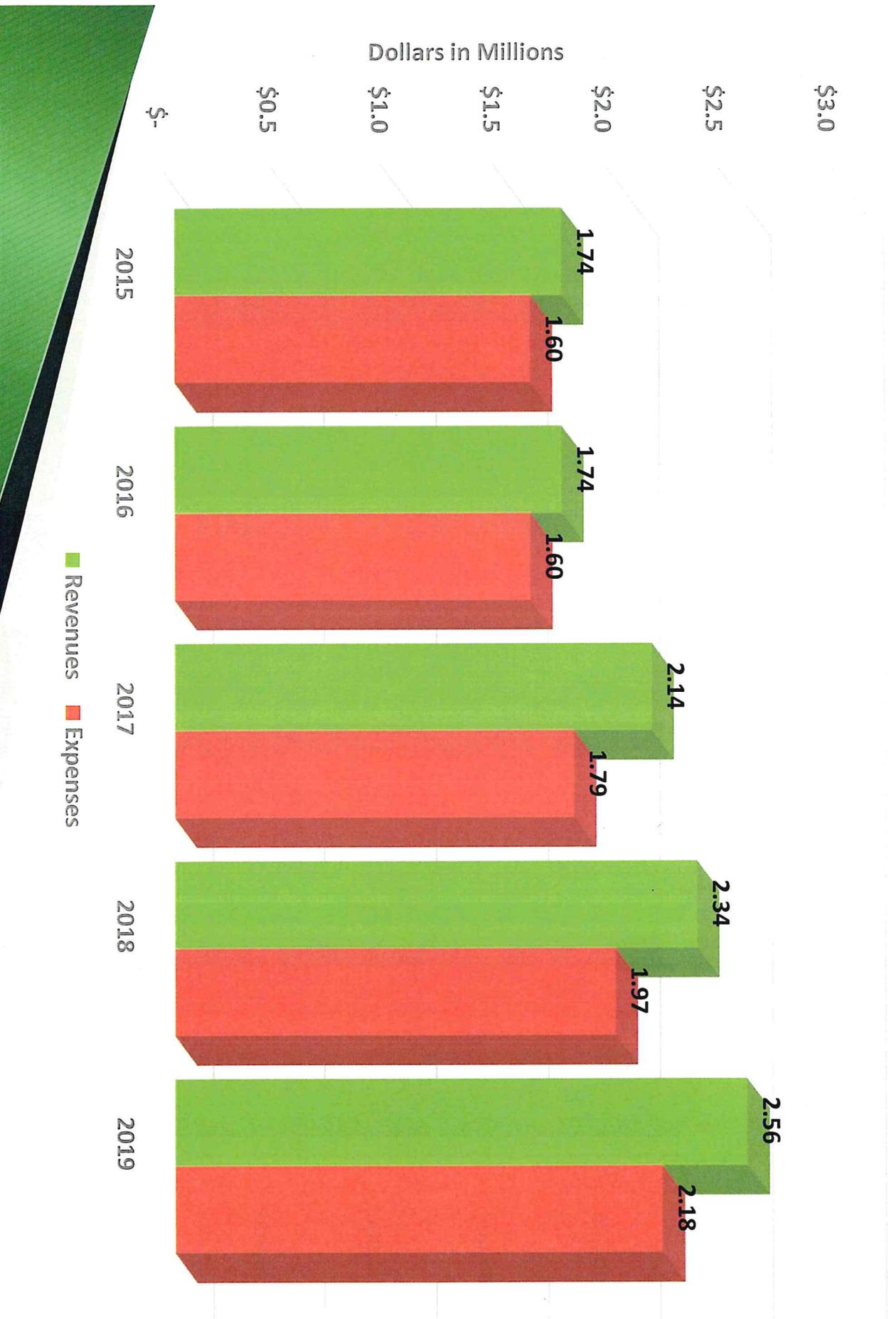
# WATER FUND

## Revenues & Expenses



# SEWER FUND

## Revenues & Expenses



# Questions???

