

SPECIAL WORKSESSION MINUTES

July 21, 2003

Council Present: *C. Crichton, T. Daly, E. Kautz, and L. Workman*
Council Absent: *S. Cherney*
Staff Present: *C. Ebeling, S. Olesen, S. O'Malley, and K. Strey*
Others Present: *C. Hoffman and M. Micka of Deloitte & Touche*

ITEM 1. AUDIT COMMITTEE OF THE WHOLE MEETING WITH CITY AUDITOR

C. Hoffman, City Auditor went over the purpose of the meeting and gave some background on the 2002 Comprehensive Annual Financial Report (CAFR).

The following items were reviewed:

- Operating Fund Status
- General Fund Revenues
- General Fund Expenditures
- Enterprise Funds
- Utility Enterprise Fund Comparisons
- Bond Ratings
- Selected Performance Ratios
- Performance Definitions
- Productivity Measure
- Growth in Market Value
- Debt as a Percent of Market Value – 5 year Comparison
- Debt Service Schedule
- Total Tax Capacity vs. Tax Capacity Net of Fiscal Disparities and Tax Increments
- Relative Values of Best Practices in Ratings
 - Add a policy to the Financial Management Plan to address Best Practices (3) that are not listed as being done.
- Worst Practices Having Significant Rating Concern – Burnsville has none
- Competitive Advantages
- Challenges
 - Evaluation of additional finance department staffing
- Capital Budgeting and Rationing
- COSO – Internal Control-Integrated Framework
 - Establishing Compliance Program and Infrastructure
 - Internal Control Effectiveness

M. Micka, Deloitte & Touche, and K. Strey went over the changes in the CAFR.

The Council was supportive of meeting with the Auditors at 5:30 p.m. on August 4, 2003.

The meeting was adjourned at 6:54 p.m.

Respectfully submitted,

Susan P. Olesen, City Clerk

Approved by the City Council of the City of Burnsville this 4th day of August 2003.

Elizabeth B. Kautz, Mayor