**SPECIAL MEETING**

February 8, 2017

Aurora, MN

A Special Meeting of the Town of White Board of Supervisors was called to order by Chairman Ed Kippley on Wednesday, February 8, 2017 at 5:00 PM in the City/Town Government Center pursuant to MN Statute §366.20 to examine and audit the fiscal affairs of the town ending December 31, 2016.

**ROLL CALL**

**Present: Supervisors-Kippley, Skelton, Anttila; Clerk-Knaus; Treasurer-Krikelas; Foreman-Hinsz;**

The 2016 receipt books, disbursements, bank statements, and Treasurer’s annual reconciliation of the accounts at the First National Bank of Gilbert and Northern State Bank of Aurora along with the 2016 Treasurer’s Financial Statement were ratified, examined and affirmed.

**IT WAS MOVED BY KIPPLEY, SUPPORTED BY ANTTILA TO ACCEPT THE 2016 TREASURER’S REPORT OF RECEIPTS AND DISBURSEMENTS AS PRESENTED. UNANIMOUSLY CARRIED**

The Board reviewed and discussed the Salaries Payable for PPE 12/31/2016 spreadsheet,

2016 Budget Reports & Graphs, 12/31/16 Statement of Receipts, Disbursements, and Balances report (Schedule 1A), 2016 Year-end Interim Financial Report by Object Code, 2017 Proposed Budget Report, Investments and Indebtedness records and recommended year end transfers presented by the town clerk.

 **IT WAS MOVED BY KIPPLEY, SUPPORTED BY SKELTON TO ACCEPT THE 2016 CLERK’S REPORT AS PRESENTED. UNANIMOUSLY CARRIED**

**IT WAS MOVED BY SKELTON, SUPPORTED BY ANTTILA TO APPROVE THE FOLLOWING YEAR END TRANSFER:**

 **GENERAL FUND TO CAPITAL PROJECTS FUND: $217,153.34**

 **IT WAS MOVED BY KIPPLEY, SUPPORTED BY ANTTILA TO APPROVE THE FOLLOWING YEAR END TRANSFER:**

 **DEBT SERVICE FUND TO SEWAGE ENTERPRISE FUND: $9,230.73**

 **UNANIMOUSLY CARRIED**

The Board reviewed the Fund Balance Worksheet prepared by Clerk Knaus and the Fund Balance Policy and recommended no changes.

 The Board reviewed the 2017 Budget, status of current contracts and prioritized 2017 capital projects.

 **IT WAS MOVED BY KIPPLEY, SUPPORTED BY ANTILLA TO ADOPT RESOLUTION 2017-002 DESIGNATING FUND BALANCES:**

**WHEREAS,** the Town of White Board of Supervisors understands it has a responsibility to maintain prudent financial operations to ensure the stability of township operations; and

**WHEREAS,** fund balance reserves are an important component in ensuring the overall health of a community; and

 **WHEREAS,** the Office of the State Auditor (OSA) position on fund balances states that at year-end local governments designate fund balances as Restricted, or Unrestricted-subcategories: (a) committed (b) assigned and (c) unassigned; and

 **WHEREAS,** the OSA position statement on fund balances states that local governments must identify restricted and unrestricted fund balances separately; and

 **WHEREAS,** the OSA recommends that at year-end local governments maintain an unrestricted fund balance in their general and special revenue funds of 35% to 50% of fund operating expenditures;

**NOW, THEREFORE, BE IT RESOLVED,** that the Town of White Board of Supervisors, St. Louis County, Minnesota, set the priorities for the General and Special Revenue fund balance for the year end 2016 as follows:

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| **Restricted**  | The *restricted* fund balance classification includes amounts that can be used only for the specific purpose determined by formal action of the Town of White Board of Supervisors. (All funds for which there is a legally binding external commitment.) |
|  | 1. Tandem Truck Purchase $ 72,000.00
2. Salaries Payable Shortage $ 72,576.30
3. Grader Payment $ 49,563.77
4. Loader Payment $ 30,977.40
5. Public Works Garage $ 87,357.60
6. Excavator Payment $ 42,200.92
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| **Unrestricted**1. **Committed**
 | The *Unrestricted/Committed* fund balance classification includes amounts that are used for specific purposes pursuant to constraints imposed by formal action of the Town Board. Once the action has been taken, committed funds cannot be used for any other purpose unless the commitment is rescinded by the same type of action that previously committed the funds. |
|  | * Note: The Board needs to pass a resolution committing funds for a specific purpose prior to the end of the year, although the exact amount need not be determined at that time.
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| **Unrestricted**1. **Assigned**
 | The *Unrestricted/Assigned* fund balance classification includes amounts that are intended to be used by the township for specific purposes but do not meet the criteria to be classified as restricted or committed. |
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| **Unrestricted** **(c) Unassigned**  | All funds for which no legally binding commitment has been made. There has been no resolution passed by the town board designating the funds for a specific purpose. This is the component that meets the town’s day-to-day cash flow needs for five to six months of township operations between its receipt of property taxes and state aid distributions. |
|  | * 50%
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|  |  |

 **RESOLVED FURTHER**, that it is the Town Board’s continuing intent to establish and retain a 50% annual cash balance with the objective that full cash flow designation be accomplished in (3) three budget years.

**UNANIMOUSLY CARRIED**

Potential Projects for 2017 and beyond: Pavilion Kitchen & Floors Upgrade, PAS Culvert Study Result Implementation, Capital Improvement Plan Projects (Stepetz Road, Bodas Road), Roofing Fire Department & Public Works, Lift Station Back-up Generator, Columbarium Landscaping, Track Excavator, Pick-up with Plow, Safety Jackets for Public Works, Shirts for Board;

 **IT WAS MOVED BY KIPPLEY, SUPPORTED BY SKELTON TO ADJOURN THE MEETING AT**

**6:15 P.M.**

ATTEST: APPROVED:

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Jodi L. Knaus, Clerk Edward F. Kippley, Chairman