

**MINUTES
SPECIAL BUDGET & FINANCE COMMITTEE**

OCTOBER 21, 2013

Jean Soine called the meeting to order at 4:30 p.m. Other members present were Kay McDaniel, Belinda Ludwig, Finance Specialist.; Renee Eckerly, City Administrator; and Elliott LaBeau. Also present was Bob Pederson, Koronis Lake Association; and Josh Reed, North Fork Crow River Watershed District; and Ron Mergen, Public Works Director.

Motion was made by Ludwig to approve the minutes from the April 17, 2013 Budget & Finance Committee Meeting. Seconded by McDaniel and unanimously carried.

AIS

A bill was presented by Josh Reed of the North Fork Crow River Watershed District in the amount of \$1,797.16.

The Lake Association has budgeted the City for \$9,000.00 in the Associations' 2014 budget. The City currently has \$3,000.00 in the beach budget for coverage. The Association was looking at the City for coverage for 22 weeks at 40 hours per week. The Association is also requesting the City assist with the \$2,050.00 shortfall from the 2013 season due to them assigning the Water Guards at Veterans Park to cover when the Watershed District was not there. The City didn't budget for this cost, but took action to go up to \$2,600.00 in 2013. The Council didn't approve an agreement with the Water Guards so there is not a way for the City to assist with the shortfall.

Motion was made by McDaniel to approve the 167 hours for \$1,797.71 payable to the North Fork Crow River Watershed District for 2013 and recommend such to the City Council. Seconded by LaBeau and unanimously carried.

The Committee discussed that the Association has a future desire for a decontamination unit with staff at an estimated cost of \$20,000.00. Education to boaters was a huge success this year.

WATER & SEWER PROPOSED 2014 BUDGETS

Mergen reviewed the budgets and the proposed rate increases are as follows:

Water	base charge no increase	bulk rate \$.08
Sewer	base charge no increase	bulk rate \$.13
WAC & SAC	no increase	
Trunk charge	no increase	

Sealing of Well #3 would be done by MPCA. The transfer to Capital Improvement was reduced by \$70,000.00 and put to the debt fund. The 2014 water debt is for the 2014 Street Project at \$10,000.00. There is also an increase in utilities because the equipment is more efficient, but there is more equipment; Equipment Replacement has a 3% increase. The Sewer Budget has \$5,000.00 for the 2014 Street Project

LAND SALE

The land next to the Community Park is going up for sale on a Sheriff's auction. The Committee discussed the City purchasing the property. It is estimated to be about 4-5 acres. Currently it's zoned R2 – Multiple Family Residential surrounded by C2 – Highway Commercial. Eckerly has contacted the LMC and they stated that the Council could hold a Closed Session and make a final motion if the land is purchased.

Motion was made by Eckerly to approve the City bidding at the Sheriff's auction for the land adjacent to the City's park and recommend such to the City Council. Seconded by LaBeau and unanimously carried.

INCODE ON-LINE PAYMENT SYSTEM

Eckerly reviewed the proposal for software, e-statements, and credit card fees. The Committee discussed charging a convenience fee or not. The Committee concluded that they could not make this decision due to the cost of credit card processing. The Committee would like to see lower credit card fees.

(Soine left at 5:35 p.m.)

The Committee discussed whether the software for electronic statements and on-line payments would be beneficial for \$6,200.00.

No action was taken and this was tabled until the next meeting.

CITY HALL OFFICE CHAIRS

Eckerly reported that the current office chairs are 12 years old and is requesting the purchase of:

4	chairs	x	\$200.00 each
3	chairs	x	\$289.00 each

with free delivery for a total of \$1,702.00 to be purchased in 2014.

Motion was made by McDaniel to purchase 7 office chairs from Northern Business in the amount of \$1,702.00 and recommend such to the City Council. Seconded by Ludwig and unanimously carried.

There being no further business, the meeting was adjourned at 6:10 p.m.