

**BUDGET & FINANCE COMMITTEE
CITY HALL CONFERENCE ROOM
AUGUST 13, 2012
5:30 P.M.**

AGENDA

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1) – to be emailed out prior to or distributed at the meeting.
- III. NEW BUSINESS
- IV. OLD BUSINESS
 - A. 2013 Budget (page 2)
 - 1. Stearns County Sheriff's Office Letter – Transcription (page 4)
 - 2. 2013 Certified LGA (page 5)
 - B. Audit RFP (page 6)
- V. INFORMATIONAL
- VI. ADJOURN

*****Please contact Renee Eckerly if you can't attend the meeting.*****

Voting Members: Jean Soine, Belinda Ludwig, Elliot LaBeau, Dennis Zimmerman, and Renee Eckerly.

This agenda has been prepared to provide information regarding an upcoming meeting of the Paynesville Budget & Finance Committee. This document does not claim to be complete and is subject to change.

BARRIER FREE: All Paynesville Budget & Finance Committee meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual need for special services. Please contact City Hall (320) 243-3714 early, so necessary arrangements can be made.

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: Budget & Finance Committee

Committee/Council Meeting Date: August 13, 2012

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: III - A

ITEM DESCRIPTION: Minutes

Prepared by: Staff

COMMENTS:

Please review the attached minutes from the July 9, 2012 Budget & Finance Committee meeting.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the minutes from the July 9, 2012 Budget & Finance Committee meeting.

2013 Levy Calculation						
As of 8-10-12						
2013 Expenses	\$1,798,595.00					
2013 Revenue	(\$1,175,809.00)		market value included			
Difference needed to Balance Budget	\$622,786.00					
Levy 2013	\$622,786.00					
2013 estimated Fair Market Value	\$0.00					
2013 estimated Mobile Home Homestead C	\$0.00					
Levy 2012	(\$542,945.00)	this line is previous yr property tax, market value credit & mobile home credit				
Levy Increase	\$79,841.00					
Levy Increase	\$79,841.00	divide by	\$542,945.00 (Levy 2012)=	0.147052		
Note: this is with Market Credit in Levy amount - County deducts Market Credit from full levy amount before sending statements residents						
2012 property tax amount \$542,945; market value \$0.00; mobile home \$0.00						

CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JUNE 30TH, 2012

100-GENERAL FUND
 POLICE PROTECTION

EXPENDITURES	2012				2013		PERCENT VARIANCE	
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET		VARIANCE
100-5-4110-1000 SALARIES	258,480	257,523	242,574	240,578	109,199	235,151	(5,427)	2.26-
100-5-4110-1020 TEMPORARY SALARIES	0	0	0	0	0	0	0	0.00
100-5-4110-1060 FICA WITHHOLDINGS	1,975	2,014	336	670	279	675	5	0.73
100-5-4110-1070 PERA WITHHOLDINGS	33,882	33,333	33,273	33,871	14,206	33,084	(787)	2.32-
100-5-4110-1080 MEDICARE WITHHOLDINGS	3,607	3,595	3,275	3,488	1,559	3,410	(79)	2.26-
100-5-4110-1090 HEALTH INSURANCE	34,319	35,165	33,925	35,594	14,846	35,158	(436)	1.22-
100-5-4110-1290 PROFESSIONAL SERVICES (SAFETY)	483	158	197	300	0	200	(100)	33.33-
100-5-4110-1300 PROFESSIONAL SERVICES (LEGAL)	23,284	23,515	22,929	25,000	10,488	25,000	0	0.00
100-5-4110-1310 PROFESSIONAL SERVICES (AUDIT)	0	880	106	880	70	400	(480)	54.55-
100-5-4110-1311 PROFESSIONAL SERVICES (GENERAL)	689	102	263	379	120	12,400	12,021	3,171.77
100-5-4110-1350 PHYSICALS	0	0	0	0	0	0	0	0.00
100-5-4110-1351 MEDICAL	96	96	0	0	0	0	0	0.00
100-5-4110-2000 POSTAGE	544	385	437	400	57	400	0	0.00
100-5-4110-2010 RADIO SERVICE	100	100	75	200	0	200	0	0.00
100-5-4110-2020 TELEPHONE	3,729	4,050	3,525	4,000	1,608	4,000	0	0.00
100-5-4110-2100 PRINTING & PUBLISHING	1,205	504	185	700	83	500	(200)	28.57-
100-5-4110-2101 ADVERTISING	0	0	249	300	0	300	0	0.00
100-5-4110-2200 UTILITIES	2,956	2,152	2,559	2,800	1,048	2,884	84	3.00
100-5-4110-2300 TRAVEL & SCHOOLS	3,325	1,374	1,803	2,000	1,292	2,000	0	0.00
100-5-4110-2400 MAINTENANCE & REPAIR OF EQUIP	5,844	3,506	3,715	3,500	2,198	3,500	0	0.00
100-5-4110-2402 COMPUTER SUPPORT FEES	4,671	4,769	5,087	4,800	3,564	5,000	200	4.17
100-5-4110-2500 MAINTENANCE & REPAIR OF BLDG	125	443	1,842	1,800	66	1,800	0	0.00
100-5-4110-3000 GENERAL/OFFICE SUPPLIES	3,790	2,332	2,462	3,500	558	3,000	(500)	14.29-
100-5-4110-3300 MOTOR FUELS & LUBRICANTS	8,649	11,423	13,227	12,000	4,628	13,500	1,500	12.50
100-5-4110-3811 UNIFORMS	1,003	448	819	1,200	0	1,000	(200)	16.67-
100-5-4110-3830 CUSTODIAN	378	0	0	0	0	0	0	0.00
100-5-4110-4100 INSURANCE AND BONDS	2,032	3,675	3,015	4,060	0	4,060	0	0.00
100-5-4110-4110 WORKERS' COMP INS	3,970	7,020	6,954	9,114	(1,807)	8,900	(214)	2.35-
100-5-4110-4300 SUBSCRIPTIONS & MEMBERSHIPS	270	230	570	320	180	500	180	56.25
100-5-4110-4600 LICENSES & TAXES	131	240	223	225	90	225	0	0.00
100-5-4110-4601 STATE GEN FUND ADMIN FINES	0	1,740	800	500	0	500	0	0.00
100-5-4110-4602 POLICE STATE ADMIN FINES	0	0	0	500	0	500	0	0.00
100-5-4110-5200 NEW EQUIPMENT	47	931	403	2,000	127	2,000	0	0.00
100-5-4110-5300 EQUIPMENT RENTAL/LEASE	171	413	321	375	122	375	0	0.00
100-5-4110-5400 TF TO CAPITAL IMP	3,500	2,000	5,000	5,000	5,000	5,000	0	0.00
100-5-4110-8020 MISCELLANEOUS	0	0	0	0	0	0	0	0.00
TOTAL POLICE PROTECTION	403,251	404,115	390,151	400,054	169,581	405,621	5,567	1.39

5-4110-1311 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
 7-3-12 Renee - Stearns County estimates \$400.00 per month charge for transcription.
 8-6-12 RENEE - STEARNS CO SENT A LETTER STATING THE TRANSCRIPTION COSTS WILL BE \$1,000 PER MONTH. INCREASED TO \$12,000

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Stearns County Sheriff's Office

John Sanner, Sheriff • Bruce Bechtold, Chief Deputy

LAW ENFORCEMENT CENTER

807 Courthouse Square
P.O. Box 217
St. Cloud, MN 56302-0217

August 6, 2012

Mayor Jeff Thompson
City of Paynesville
221 Washburne Avenue
Paynesville, MN 56362

Dear Mayor Thompson:

In early March we discussed using our available technology to assist the Paynesville Police Department as they addressed their records management concerns. We implemented a pilot program that has been fully operational for approximately three months. This system allows your licensed police officers far more time to perform patrol functions and enhance public safety for the citizens of Paynesville, and far less time sitting in the office preparing reports and other support staff functions.

However, there is a cost involved. As promised Stearns County has absorbed the additional workload and cost as the pilot program was set up, implemented, and monitored. We have tracked our actual cost for the past 14 weeks, which has averaged just over \$1000 per month.

As the city ponders long-term solutions, our only agenda is to be a strong public safety partner and the records service that we have provided is merely an option for your consideration. If the current records relationship is your choice for the future, we would pursue a contract for service calling for a monthly reimbursement of \$1000.

As you manage your overall city budget, it would be my request to initiate a service contract starting September 1, 2012.

Thank you for the opportunity to assist the City of Paynesville during a transition time within your police department.

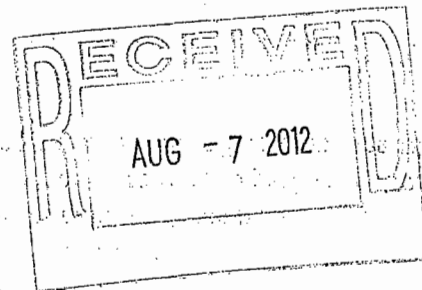
Any questions or concerns, please do not hesitate to call me at 320-259-3702.

Sincerely,

John L. Sanner
Sheriff

JLS:ml

cc: Council Members: Jeff Bertram, Dennis Zimmerman, Jean Soine, Gene Beavers



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MINNESOTA • REVENUE

2013 LOCAL GOVERNMENT AID NOTICE

July 30, 2012

PAYNESVILLE CITY OF
RENEE ECKERLY
CLERK
221 WASHBURNE AVE
PAYNESVILLE, MN 56362

THE 2013 CERTIFIED LGA FOR YOUR CITY IS:

\$679,593

Based on Laws of Minnesota 2012, Chapter 294, Article 1, Section 3, the following is the determination of your 2013 Local Government Aid (LGA). Cities with a population of 5,000 or more will automatically receive aid equivalent to their 2012 Certified LGA amount. Cities with a population less than 5,000 will receive the greater of: 1) 2012 Certified LGA; or 2) the result of the 2013 LGA formula.

- | | |
|--|-----------|
| 1. 2012 Certified LGA: | \$679,593 |
| 2. 2013 LGA Formula (applicable only to cities <5,000 population): | \$655,273 |
| 3. Greater of 1 or 2: | \$679,593 |
| 4. Certified 2013 LGA (same as 3): | \$679,593 |

If you have any questions regarding this certification, contact Bill Sparks at bill.sparks@state.mn.us or at (651) 556-6095.

AUG - 1 2012

Property Tax Division
Mail Station 3345
St. Paul, MN 55146-3345

Tel: 651-556-6095
Fax: 651-556-3128
TTY: Call 711 for Minnesota Relay
An equal opportunity employer

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CliftonLarsonAllen

CliftonLarsonAllen LLP
510 22nd Avenue East, Suite 501
Alexandria, MN 56308-1977
320-759-5100 | fax 320-759-5150
www.cliftonlarsonallen.com

August 2, 2012

Ms. Renee Eckerly, Administrator
City of Paynesville
221 Washburne Avenue
Paynesville, Minnesota 56362

Dear Honorable Mayor and Council,

Per a request from Ms. Eckerly, we are pleased to provide you with a service extension proposal to our original three year audit agreement. We would provide the same professional auditing services to the City of Paynesville for an additional three year period. The maximum fees for the financial statement audit would be as follows:

For the years ended:	
December 31, 2012	\$20,900
December 31, 2013	\$20,900
December 31, 2014	\$20,900

Additional fees related to an A-133 (Single Audit) are estimated to be \$2,000-\$2,500 per major program tested, if required.

These fees are subject to adjustment if the City has significant changes to operations, service requirements, audit standards and/or federal compliance audit procedures.

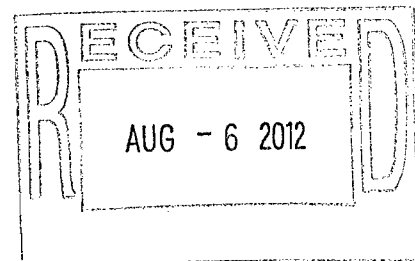
This proposal extension is a 90 day firm offer to the City for the 2012, 2013 and 2014 audit services.

We have appreciated the opportunity to be of service to the City of Paynesville and believe this proposal accurately reflects our desire to continue that relationship. If you approve our proposal, we will prepare engagement letters for both parties' signature. Please let me know if you have any questions.

Sincerely,

CliftonLarsonAllen LLP

Dennis L. Schmidt, CPA
320-759-5100
dennis.schmidt@cliftonlarsonallen.com



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TOTAL ALL-INCLUSIVE MAXIMUM PRICE

Dennis L. Schmidt is entitled to represent the firm, empowered to submit the bid, and is authorized to sign a contract with the City of Paynesville.

	2009			2010			2011		
	Hours	Discounted Hourly Rate	Total	Hours	Discounted Hourly Rate	Total	Hours	Discounted Hourly Rate	Total
Partners	30	120	3,600	30	120	3,600	30	135	4,035
Senior Staff	120	69	8,280	120	69	8,280	110	75	8,250
Staff	120	54	5,890	110	54	5,890	105	56	5,861
Secretarial	8	35	280	8	35	280	8	38	304
Hours / Fee	300		\$17,650	268		\$18,050	253		\$18,450
<i>Out of Pocket Expenses:</i>									
Transportation and Lodging			\$ 500			\$ 500			\$ 500
<i>Other:</i>									
10 Copies of Financial Statements			250			250			250
Process State Mandated Reports			500			500			500
Total Maximum Audit Price			\$18,900			\$19,300			\$19,700
Single Audit (if applicable):			\$ 5,000			\$ 5,000			\$ 5,000

NOTE #1: Additional services as requested will be performed at the above stated rates.

NOTE #2: Additional fees related to A-133 (single audit) are estimated to be \$2,000 - \$2,500 per major program, if required.

NOTE #3: The amounts shown above include all out of pocket expenses.

NOTE #4: Additional fees may be required if new accounting and/or auditing standards are issued and effective during the period of this agreement.

