

**MINUTES
BUDGET & FINANCE COMMITTEE**

FEBRUARY 13, 2012

Jean Soine called the meeting to order at 5:30 p.m. Other members present were Dennis Zimmerman, Elliott LaBeau, Belinda Ludwig, and Renee Eckerly. Kent Kortlever, Police Chief was also present.

Motion was made by Zimmerman to approve the minutes of the January 4, 2012, Budget & Finance Committee meeting. Seconded by LaBeau and unanimously carried.

POLICE TOWNSHIP CONTRACT/AGREEMENT

Kortlever presented the agreement and contract options. The agreement is for 5 years and is coming due on April 10, 2012. The contract is renewed annually which has the cost updated for the officer's hours requested by the Township. Kortlever has met with Don Pietsch on the proposals.

Proposal A – This proposal has fewer hours to work with since staff reduction and the hours divided into the expenses; therefore, the cost is more. Last year the percentage was 10.2% and this year it would be 11%. The 2012-2013 cost for 1080 hours would be \$33.75 per hour. This formula has a lot of fluctuation due to hours changing from having a fulltime secretary to not having a secretary.

Proposal B – This is the 2011 actual costs and revenues of the Police Department which is \$32.83 per hour. Stearns County is a \$50.00 per hour flat fee. The squad purchase amounts are not in this proposal because the amount is transferred to Capital Improvement and that amount is an expense that is included for the year.

Kortlever reported that Pietsch would like to stay at 1080 hours. If the City does not approve Township coverage and Stearns County is not in the area, the City is still the closest and will be dispatched as the first to respond. The City will incur the costs with no reimbursement and these costs can't be billed back to the Township. The Contract helps cover the costs the City incurs. Pietsch is discussing this tonight at the Township Board meeting. Kortlever would like to get the contract on the calendar year so calculations would be on a full fiscal period instead of half actual and half budgeted. Township is open to going back to January 1, 2012 and paying the new cost forward.

Kortlever recommends amending the current Contract back to January 1, 2012 (old amount \$32.48 to new amount \$32.83) and to be put on a calendar basis.

Motion was made by Zimmerman to recommend back dating the contract to January 1, 2012 from old amount of \$32.48 to new amount of \$32.83 and renewing on a calendar year and to renew the Joint Powers Law Agreement for 5 years and recommend such to the City Council. Seconded by Ludwig and unanimously carried.

The Committee discussed a termination clause.

DISCUSS/REVIEW INSURANCE AGENT CONTRACT FOR POSSIBLE CHANGES

Eckerly reported on the previous agreement. The Committee discussed percentages and the history with the agency. The Committee directed Eckerly to meet with Gary Rothstein to see if he is willing to continue at a percentage or flat rate and report back to the Committee.

2013 BUDGET

Eckerly reported that Local Government Aid (LGA) projected for 2013 is \$655,273.00. Eckerly presented an email from the House Research Department stating that based on the City population it looks like the City will be going down about \$10,000 or so per year for the next 3 years to get back on the formula. She also reported that GASB is reviewing a new possible rule to require a 5 year budget.

Kortlever will be researching a new squad car, since new models are now available. None of the current equipment will fit any of the new squad models. Len Gilmore was going to look to see if he can find one of the older models sitting on a lot that has not been sold. Kortlever would like all wheel drive then the department could surplus the Explorer. Purchasing a car was discussed last year but Kortlever didn't have the time to get it done. The 2008 is the one to be replaced and Kortlever would like to see it done within the next 6 months.

The Public Works Vehicle, Water Plant and Wastewater Treatment Facility Upgrades were tabled.

IQM2 INTELLIGENT MEETING MANAGEMENT SOFTWARE

Eckerly reported that she was able to negotiate a better price for a short term. This software would streamline the process for agendas and minutes and be a benefit to all Committees. The Committee decided to wait on this.

OTHER

Ludwig reported that the audit is ahead of schedule.

There being no further business, the meeting was adjourned at 6:40 p.m.