

**MINUTES
BUDGET & FINANCE COMMITTEE**

JUNE 7, 2016

Jean Soine called the meeting to order at 4:00 p.m. Other members present were Neil Herzberg, Elliot LaBeau, Belinda Ludwig, Finance Specialist; and Renee Eckerly, City Administrator. Also in attendance were Ron Mergen, Public Works Director; George Davis, Marv Niedan, Vinal Christofferson, and Monte Eastvold, Northland Securities.

Motion was made by Herzberg to approve the minutes from the April 8, 2016 and April 25, 2016 Budget & Finance Committee meetings. Seconded by Ludwig and unanimously carried.

COMMUNITY GARDENS

The gardens were started in 2007 at which time the City was requested to pay the water bill. In 2009 the garden club paid for part of the water usage. Since 2009 the City has paid the water bill in exchange for mowing the Community Park. Park mowing is now difficult because it is rough ground and they need to drive slowly. There are 30 garden lots now and the charge is \$25.00 per lot. Currently the club's expenses are \$300.00 - \$400.00 annually. Davis is in charge of the water usage. There are 2 lots available at this time. The gardens are a benefit to the City.

Motion was made by Eckerly to pay up to \$300.00 from May 1, 2016 to September 30, 2016 for water and recommend such to the City Council. Seconded by LaBeau and unanimously carried.

Ludwig will send a bill to the garden club board.

MEETING ROOM RESERVATION FEES

Eckerly reported that the rental fee is low due to the renter setting up and cleaning up the room, but last time it was rented it took four hours of staff time.

Motion was made by Ludwig to charge:

**Local Non-Profit = FREE with a \$50.00 deposit to be returned if cleaned up
Local Business = \$100.00 with a \$50.00 deposit to be returned if cleaned up
Out of Town Non-Profit = \$100.00 with a \$50.00 deposit to be returned if cleaned up
Out of Town Business = \$100.00 with a \$50.00 deposit to be returned if cleaned up
and recommend such to the City Council. Seconded by Herzberg and passed 4:1
(Soine, yes; Herzberg, yes; Ludwig, yes; Eckerly, yes; and LaBeau, no).**

NORTHLAND SECURITIES – PUBLIC FINANCE AGENT (BONDING)

Monte Eastvold, Northland Securities was in attendance and wanted to know why the City switched to Springsted. Springsted has lost a lot of customers. Northland has been involved with the City for over 20 years.

Eckerly and Soine both stated that the concern was that Northland was both the underwriter and financial advisor. Others can't do something such as immediately refinance. Rated by Moody's on current the bond gives the lowest rating to the City. S & P gives the City a higher rating.

Eastvold further stated that in 1989 he started working with the City of Paynesville and has a connection to Paynesville.

Soine and Eckerly further explained that it is nothing negative, just wanted to see what other companies have to offer.

Eastvold requested that Northland Securities be considered for future bond sales.

NEXT MEETING

The next meeting will be Tuesday, July 12, 2016 at 4:00 p.m. with the proposed 2017 budget as the major agenda item.

There being no further business, the meeting was adjourned at 4:40 p.m.