

**MINUTES
BUDGET & FINANCE COMMITTEE**

JULY 9, 2012

Dennis Zimmerman called the meeting to order at 5:30 p.m. Other members present were Jean Soine (5:40 p.m.), Elliott LaBeau, Belinda Ludwig, and Renee Eckerly. Also present was Ron Mergen, Public Works Director/Airport Manager.

Motion was made by Zimmerman to approve the minutes of the February 13, 2012 with noted changes and March 19, 2012 Budget & Finance Committee meeting. Seconded by Ludwig and unanimously carried.

WATER TOWER ANTENNA

Mergen reported on the building at the water tower property which contains communication equipment for the City, Xcel energy, the hospital and the ambulance service. Xcel energy pays for the electricity to the building, the generator and propane. The Committee discussed charging the hospital rent for the housing of their communication equipment since most of building is being occupied by them.

Motion was made by LaBeau to charge the hospital \$150.00 per month rental for the use of the building to store the communication equipment at the water tower property and recommend such to the City Council. Seconded by Zimmerman and unanimously carried.

PARKS – LIFEGUARDS

The Committee discussed the parks and lifeguards with Mergen.

AUDIT RFP

Eckerly presented an updated Request For Proposal (RFP) for approval since the contract with CliftonLarsonAllen will be expiring. The Committee discussed whether to advertise for RFP's or contact CliftonLarsonAllen and obtain a proposal to continue working with them. The Committee directed Eckerly to contact CliftonLarsonAllen and bring back a proposal.

POLICE CHIEF POSITION

Eckerly reported on the status of the Police Chief hiring process.

EMERGENCY MANAGEMENT DIRECTOR

Eckerly reported on feedback from people interested in the position. Persons do not want to give up their entire summer having to stay in town and watch for storms. It would be better if the person could rotate with another individual and they could share the position. Eckerly made a proposal in regard to hiring 2 individuals for the position. The Committee discussed offering one weekend off per month and staying with one person.

2013 BUDGET

Eckerly presented the 2013 budget and reviewed the major areas of change:

Revenue

Interest income increased from \$2,000 to \$10,000 due to the amount of money that is in reserves. The interest allocation is a large amount.

Local Government Aid was decreased from \$629,593 to \$605,273. The State certification will be received at the end of the month, but currently using \$655,273 as the amount for 2013.

Compost Permit Fee was decreased from \$6,000 to \$4,100. The City has not received the full amount that is contracted to the Hockey Association from selling permits, so was reduced to a more accurate amount.

Rental of Buildings was decreased from \$4,000 to \$2,000. The fire hall lease is expiring in 2013.

Police Protection was decreased from \$35,000 to zero due to the Township cancelling their contract.

City Hanger Rental was increase from \$24,000 to \$36,000. This was increasing hanger rent to \$125.00 to cover expenses.

Building Permit Fees was increased from \$10,000 to \$15,250. This was for an increase in building activity.

Reimbursements to St/Park Dept was decreased from \$9,500 to \$5,000 due to the Township no longer purchasing road salt from the City.

Expenditures

Council Salaries increased from \$21,500 to \$22,729. This increase was approved by the Council.

Assessor was decreased from \$16,500 to \$15,500.00. The average bill for the last 3 years \$14,529.

Municipal Building/New Equipment was increased from \$1,000 to \$2,579 to upgrade the sonicwall. The one we currently have is no longer supported.

Police/Professional Service General was increased from \$379 to \$5,200 for Stearns County to do the transcription and computer input at \$400.00 per month.

Police/Motor Fuels was increased from \$12,000 to \$13,500. This is increase was due to 3 cars and fuel prices rising.

Fire Dept/Salaries was increased from \$34,990 to \$36,017 due possible increase in call outs.

Fire Dept/Work Comp was increased from \$5,399 to \$6,679. This was a rate increase.

Building Inspector Contract was increased from \$9,675 to \$15,000 due to increase in permits.

Compost/Contractual Services was increased from \$800 to \$2,400 due to RotoChopper increasing their price to come and chop. The Committee discussed other options and/or burning the piles.

Compost/New Equipment is increased from zero to \$1,000 for a new fence or trees.

Streets & Alley/Salaries is increased from \$32,338 to \$33,853 due to step advancements.

Streets & Alley/Capital Improvements is increased from \$10,000 to \$12,000 for future projects.

Snow & Ice/Blading was increased from \$25,000 to \$26,000.

Snow & Ice/Sand & Salt was decreased from \$6,000 to \$3,000 due to the Township purchasing their own.

Street Lighting/Utilities was increased from \$42,000 to \$44,000 due to the lighting on the Hwy 23 Bypass.

Airport/Utilities was increased from \$4,000 to \$5,000 due to the increase use of electricity for the PAPI & Reils.

Airport/Insurance was increased from \$13,405 to \$19,428 due to the addition of the second T-hangar building.

Airport/Capital Improvement was increased from \$9,000 to \$15,000 due to the City needing to have the matching funds available for the NPIS funding.

The Committee didn't see any red flags in the budget, but would like to keep the LGA at the \$605,000 from the estimated \$655,273. Eckerly will go back and review it with the departments and see if any more can be cut.

HWY. 23 BYPASS

The Committee discussed the Hwy 23 Bypass opening.

There being no further business, the meeting was adjourned at 6:42 p.m.