

COUNCIL PROCEEDINGS
Crosslake, Minnesota
SPECIAL SESSION - April 17, 1984

The City of Crosslake, Minnesota met in a special session on April 17, 1984 at 4:00 p.m. in the Telephone Companies conference room. The following members were present: Councilmen Nelson, Anderson, Arends and Mayor Bieber. Also in attendance were members of the Telephone Commission, Dennis Speiser of Olsen, Thielen & Co., Ltd. and Ms. Doris Fraser of the Country Echo.

Mayor Bieber called the special session to order and Ms. Hellen Fraser called the special session of the Telephone Co. to order. This joint meeting was called for the specific purpose of reviewing the Telephone Co. audit prepared by Olsen, Thielen & Co., Ltd., Certified Public Accountants.

The letter from Dennis Speiser of March 27, 1984 was introduced and that area referring to the general office salaries and expenses was opened for discussion and explanation. Reasons introduced were the new Telephone Manager's increase in salary, moving expenses, the increased seminars and meetings due to the FCC deregulations plus the car allowance allotted to the Telephone Manager and the consulting fees incurred due to the deregulation. Was explained that Cable Television carried no expenses within this area but the Computer did.

Mr. Speiser was requested to comment on the entire audit. He did so by showing a comparison made with other companies on a similar company type basis and a per access line basis. This comparison was questioned and reviewed and showed a favorable comparison.

The budget for 1984 was reintroduced and concern was expressed regarding the reduced income from investments anticipated and the increased operating expenses of almost five (5 %) percent. Was explained the decrease in operating revenues was explained to be due to the decrease in tolls and decrease in interest income. Was introduced that the net income per audit is shown for 1983 at \$178,367.00 and the net income for the 1984 budget \$140,379.00 showing a \$38,000.00 difference. Concern was expressed regarding these decreases and the operating expenses being incurred by the Telephone Co., example used was such expenses expended on seminars. Was expressed that the expenses of the company be closely watched by the Commission. When concern or question is raised regarding expenses or funds involved in the Telephone Co. operations contact should be made with the Chairman or Vice Chairman.

MOTION NO. 4S-01-84 was introduced by Councilman Nelson that we accept the audit report for 1983 of the Telephone Co. SECONDED BY Councilman Anderson. Upon roll call vote being taken all members of the council voted in favor of said motion and Mayor Bieber declared the motion carried.

MOTION NO. 4S-02-84 was introduced by Councilman Anderson that the March fund report of the Telephone Co. be approved as presented. SECONDED BY Councilman Nelson. Upon roll call vote being taken all members of the council voted in favor of said motion and Mayor Bieber declared the motion carried.

Mayor Bieber introduced the Wilde Construction contract and the agreement to the letter to be placed on the addendum except for the figure used regarding the sales tax. With the Telephone Manager being in control of the invoices there should be no problem involved. A request for a purchasing agent was questioned and was explained that Wilde Construction would be given authorization to purchase for the Telephone Co. and that they would place all invoices with the Telephone Co. Manager for approval and payment of materials purchased for the Cable Television project.

The purchase of a Ditch Witch trailer was introduced and a trailer was introduced at a cost of \$3,507.00. MOTION NO. 4S-03-84 was introduced by Councilman Anderson that the Telephone Commission go ahead and purchase the trailer that A. Mayer has in the garage for \$3,507.00. SECONDED BY Councilman Nelson. Upon roll call vote being taken Councilman Anderson and Nelson voted AYE Councilman Arends abstained and Mayor Bieber voted AYE. Mayor Bieber declared the motion carried on a 3 to 1 vote.

Temporary help was introduced as being required once the cable television project would begin. Was felt that two individuals would be required. MOTION NO. 4S-04-84 was introduced by Councilman Nelson that the Commission go ahead and hire temporary help for the cable television project. SECONDED BY Councilman Anderson. Upon roll call vote being taken all members of the council voted in favor of said motion and Mayor Bieber declared the motion carried.

Question was raised as to when we would possibly get the approvals needed to go ahead with the project. The FCC would probably grant approval around June 1 and the REA did mention that possibly they would grant approval before the FCC therefore giving us the approval to proceed.

The Board of Review to take place on May 10, 1984 at 9:00 a.m. in the Council Room was introduced and requested that two councilmen be present. Councilman Arends volunteered to assist this review.

MOTION NO. 4S-05-84 was introduced by Councilman Arends that the Special Session of the Council be adjourned. SECONDED BY Councilman Anderson. (5:05 p.m.) Upon roll call vote being taken all members of the council voted in favor of said motion and Mayor Bieber declared the motion carried.

A motion was introduced by Commission member Mezzenga to adjourn the Special Session of the Commission. Seconded by Commission member Turner. All voted in favor and meeting was adjourned.

RESPECTFULLY
SUBMITTED


Diana A. Gallaway, City Clerk/Treas.