

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
THURSDAY, AUGUST 21, 2014
2:00 P.M. – CITY HALL

The Council for the City of Crosslake met in a Special Session on August 21, 2014 for the purpose of discussing the 2015 Budget. The following Council Members were present: Mayor Darrell Schneider, Steve Roe, Gary Heacox, John Moengen, and Mark Wessels. Also present were City Administrator/Consultant Dan Vogt, Finance Director/Treasurer Mike Lyonais, Public Works Director Ted Strand, Police Chief Bob Hartman, Fire Chief Chip Lohmiller, Fire Captains Corey Ledin and Dean Olson, and Park and Recreation Director Jon Henke. There were no public attendees.

Mayor Schneider called the Special Council Meeting to order at 2:00 P.M. and turned the meeting over to Finance Director/Treasurer Mike Lyonais.

Mr. Lyonais reported that the City is required to certify its Preliminary 2015 Tax Levy to the County Auditor-Treasurer on or before September 30, 2014. Mr. Lyonais and Department Heads kept the proposed budget similar to the 2014 Budget with a few exceptions and the proposed levy is the same as the 2014 Levy. Major expenditures proposed in the budget and salaries/benefits, sewer study, and road projects.

Fire Chief Chip Lohmiller addressed the Council to request an increase in the 2015 Budget for Fire Department expenditures. One fire truck is 19 years old and experiencing maintenance issues. The cost of a new truck is approximately \$450,000. Discussion ensued regarding establishing a replacement schedule for equipment, financing options and establishing a Capital Fund to offset large capital expenditures.

Chief Lohmiller asked the Council to consider an hourly rate of pay for firefighters rather than the flat rate per call that they receive now. Recruitment and time requirements of the job are difficult. The Council reviewed cost comparisons between flat versus hourly rates. Fire/emergency calls could have an hourly rate and training could have a flat rate. Chief Lohmiller requested that the Council consider raising the City Contribution to the Relief Association from \$650 per firefighter per year to \$850 per firefighter per year. Chief Lohmiller left the meeting at 2:45 P.M.

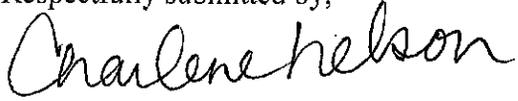
Mike Lyonais noted that the 5-Year Capital Improvement Plan for roads includes construction in 2015 at an estimated cost of \$526,000 and that the Wastewater Treatment Plant is in need of upgrades at an estimated cost of \$735,000. A lengthy discussion ensued on how to pay for capital projects in 2015 and in the future, including levying, assessing, and bonding. Monthly sewer usage rates could be increased to help offset the cost of upgrades to the plant.

Mike Lyonais reviewed capital expenditure requests from other departments.

The next meeting for the Council to consider the 2015 Budget will be held August 28, 2014 at 2:00 P.M. There being no further business at 4:25 P.M., MOTION 08SP1-01-14 WAS MADE

BY MARK WESSELS AND SECONDED BY STEVE ROE TO ADJOURN THE MEETING.
MOTION CARRIED WITH ALL EYES.

Respectfully submitted by,

A handwritten signature in cursive script that reads "Charlene Nelson".

Charlene Nelson
City Clerk

Deputy Clerk/Minutes/8-21-14