

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
THURSDAY, AUGUST 29, 2013
3:00 P.M. – CITY HALL

The Council for the City of Crosslake met in a Special Session on Thursday, August 29, 2013 for the purpose of discussing the 2014 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, City Clerk Char Nelson, Public Works Director Ted Strand, Police Chief Bob Hartman, Community Development Director Ken Anderson, Parks Director Jon Henke, EDA President Patty Norgaard, and General Manager Paul Hoge. There were no public attendees.

Mayor Schneider called the Special Council Meeting to order at 3:00 P.M. and turned the meeting over to Finance Director/Treasurer Mike Lyonais.

Mr. Lyonais presented an analysis of the City's reserve account and explained how much money has been spent to date on projects and purchases. Mr. Lyonais met with department heads to discuss the purpose and intent of each designated line item and suggested that the City Council transfer approximately \$200,000 to the General Fund for 2013 expenses. John Moengen stated that this was the first time that he had seen this bank account information and stated the Council should be more involved in determining what the reserve account should be used for. Steve Roe stated that having a reserve account allows the City to finance major purchases without any debt. Dan Vogt suggested that the Council create a Capital Outlay account to be used for all projects and purchases rather than tracking many smaller funds.

In order to maintain the 2014 levy at the 2013 rate, the Council would have to make some cuts to the proposed budget. In response to Council discussions at the August 16th budget meeting, Mr. Lyonais proposed various cuts to several departments (see attached for detail) totaling \$547,398. Mark Wessels proposed that the City increase revenues by selling used equipment that is no longer being used and by selling the land near the wastewater treatment plant.

It was the consensus of the Council to set the preliminary levy at \$2.8 million dollars and to continue discussions to reduce that amount by December. The resolution to approve the preliminary levy will be presented at the September 9th meeting.

MOTION 08SP3-01-13 WAS MADE BY MARK WESSELS AND SECONDED BY GARY HEACOX TO APPROVE ORDERING AND MAKING A DOWN PAYMENT ON A 2013 INTERNATIONAL PLOW TRUCK AT A TOTAL COST OF \$139,286.60 FOR THE PUBLIC WORKS DEPARTMENT TO BE PAID WITH EXISTING FUNDS IN THE CAPITAL IMPROVEMENT FUND AND TO REPLENISH THE CAPITAL IMPROVEMENT FUND WITH THE 2014 LEVY. MOTION CARRIED WITH ALL AYES.

MOTION 08SP3-02-13 WAS MADE BY MARK WESSELS AND SECONDED BY DARRELL SCHNEIDER TO APPROVE THE PURCHASE OF A 2013 TAHOE FOR THE FIRE DEPARTMENT TO BE USED AS A RESCUE VEHICLE PENDING RECEIPT OF THE \$30,000 DONATION FROM JOHN HART. MOTION CARRIED WITH ALL AYES.

There being no further business at 4:30 P.M., MOTION 08SP3-03-13 WAS MADE BY MARK WESSELS AND SECONDED BY JOHN MOENGEN TO ADJOURN THE MEETING. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,

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

Charlene Nelson
City Clerk

Deputy Clerk/Minutes/8-29-13

**City of Crosslake
Budget Revisions
8/29/2013**

			<u>Budget Revisions</u>
<u>REVENUES</u>			
Reconcile to Expense Side	101-34952	County Joint Facility Payments	(55,000)
Reduce EDA	502-31100	General Tax Levy - <i>New Account</i>	(23,000)
Total Revenue Adjustments			(78,000)
<u>EXPENDITURES</u>			
41910 PLANNING AND ZONING			
Assumed this position would not be replaced.	101-41910-101	Assistant (Includes Benefits)	(58,897)
Capital Outlay - Removed the vehicle and the GPS	101-41910-500	Capital Outlay	(42,495)
41940 GENERAL GOVERNMENT			
Ordinance Work - Added per Mayor's request.	101-41940-354	Ordinance Codification	23,000
Removed Land	101-41940-500	Capital Outlay	(20,000)
42280 FIRE ADMINISTRATION			
Included only a new tender fire truck	101-42280-550	Capital Outlay - Vehicles	(200,000)
43000 PUBLIC WORKS (GENERAL)			
Reduce Truck Purchase from \$200K to \$130K	101-43000-550	Capital Outlay - Vehicles - New Truck	(70,000)
Reduced County Road 3 project to match latest estimate	101-43000-583	Capital Outlay - Overlays	(136,006)
45100 PARKS AND RECREATION (GENERAL)			
Budget was to reimburse the past?	101-45100-552	Capital Outlay-Land	(20,000)
Reduce EDA		Miscellaneous Projects	(23,000)
Total Expenditure Adjustments			(547,398)