

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
FRIDAY, DECEMBER 29, 2000
9:00 A.M. – CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Friday, December 29, 2000. The following Councilmembers were present: Mayor Darrell Swanson, Irene Schultz, Dean Swanson and Charles Miller. Absent was Richard Upton. Also present was City Administrator Thomas Swenson, City Engineer Dave Reese, Community Development Director Paul Larson, General Manager Kevin Larson and Deputy Clerk Darlene Roach.

1. Call to Order - Mayor Swanson called the special meeting to order at 9:20 A.M.
2. Bills for Approval - MOTION 12S1-01-00 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO APPROVE THE PAYMENT OF BILLS AS SUBMITTED IN THE AMOUNT OF \$44,404.61. MOTION CARRIED WITH ALL AYES.
3. Review/Approve Residency Ordinance – City Administrator Tom Swenson commented that the Personnel Committee has been discussing the need for a Residency Ordinance over the past few months. Samples of Ordinances were obtained from the League of Minnesota Cities which were reviewed. City Attorney Steve Qualley prepared a draft ordinance which would require employees of the Public Works and Police Departments to live within 15 minutes of the City limits. New employees would be required to relocate within six months of employment. Current employees would be grand-fathered in unless they changed their current residence. At that time, they would be required to conform to the Ordinance. MOTION 12S1-02-00 WAS MADE BY DEAN SWANSON AND SECONDED BY CHUCK MILLER TO ADOPT ORDINANCE NO. 137 AMENDING CITY CODE CHAPTER 2, THE PERSONNEL POLICY AND TO PUBLISH A SUMMARY OF THE ORDINANCE. MOTION CARRIED WITH ALL AYES.
4. Memo from Personnel Committee regarding 2001 Non-Union Wage/Benefit Recommendations – Mayor Swanson stated that he would like the Council to review the memo dated December 21, 2000 from the Personnel Committee regarding non-union wage and benefit recommendations. After review and discussion, one motion will be made to approve the wage and benefits if the Council is in agreement with the recommendations. There was some discussion regarding the disability insurance paid by the City for City Administrator Swenson and General Manager Larson. As part of their compensation package, the City agreed to offer each of them an individual disability insurance policy. Based upon the fact that the individual policies currently in force are medically underwritten, it was the recommendation of insurance agent Harlan Johnson that the City continue to pay the full premium on the individual disability policies. It was further recommended that Tom Swenson and Kevin Larson reimburse the City for their portion of the premium on the group policy which has

been in effect since October 1, 2000. This group long term disability policy requires that 100% of the employees be covered under the policy. Both General Manager Larson and City Administrator Swenson are in agreement with reimbursing the City for the premium on the group policy. Councilmember Miller requested that the recommendations contained in the last two paragraphs of the memo be addressed separately. The Council agreed with this request. MOTION 12S1-03-00 WAS MADE BY DEAN SWANSON AND SECONDED BY CHUCK MILLER TO APPROVE THE 2001 NON-UNION WAGE AND BENEFIT ADJUSTMENTS AS RECOMMENDED BY THE PERSONNEL COMMITTEE IN THE MEMO DATED DECEMBER 21, 2000 AND APPROVED IN THE BUDGET. MOTION CARRIED WITH ALL AYES.

Park and Recreation Director Jon Henke joined the meeting at 9:35 A.M. and addressed the Council to request approval to hire Michelle Hathaway as Rink Attendant for approximately seven weeks at a rate of \$6.25 per hour. MOTION 12S1-04-00 WAS MADE BY IRENE SCHULTZ AND SECONDED BY DEAN SWANSON TO APPROVE THE HIRING OF MICHELLE HATHAWAY AS RINK ATTENDANT FOR THE 2000-2001 SEASON. MOTION CARRIED WITH THREE AYES WITH CHUCK MILLER ABSTAINING FROM THE VOTE Jon Henke also requested approval to hire Jeanne Quillen as a part-time Building Assistant at an hourly rate of \$6.25 per hour for approximately fourteen hours per week. MOTION 12S1-05-00 WAS MADE BY IRENE SCHULTZ AND SECONDED BY CHUCK MILLER TO HIRE JEANNE QUILLEN AS PART TIME BUILDING ASSISTANT AT A RATE OF \$6.25 PER HOUR. MOTION CARRIED WITH ALL AYES.

General Manager Kevin Larson and Office Manager Debby Floerchinger recommended that Tina Moroni be removed from probationary status and granted permanent full time status at Crosslake Communications. MOTION 12S1-06-00 WAS MADE BY DEAN SWANSON AND SECONDED BY CHUCK MILLER TO APPROVE REMOVING TINA MORONI FROM PROBATIONARY STATUS AND BE GRANTED PERMANENT FULL TIME STATUS. MOTION CARRIED WITH ALL AYES.

5. Recommendations for year-end transfers – City Administrator Tom Swenson read a memo dated December 27, 2000 where he requested approval on various year end transfers. The recommendations are as follows: (1) \$10,000 from General Fund Fire Department Capital Outlay Vehicles to Capital Outlay Fund Fire Department Vehicle Replacement Fund; (2) \$3000 from General Fund Public Works Bridge Account to Capital Outlay Fund Bridge Repair/Replacement Fund; (3) \$2400 from General Fund Emergency Management Expense to Capital Outlay Fund Emergency Management Reserve Account; (4) \$9000 from General Fund Capital Outlay Building to Capital Outlay Fund Building Reserve Account to be used toward the purchase of a generator for the Emergency Services Center/Municipal Building; (5) \$2500 from General Fund Enhanced 911 Account to Capital Outlay Enhanced 911 Reserve Account to be used toward final payment to the County for addressing the City of Crosslake; (6) \$11,600

from General Fund Public Works (\$1600 Tire Account and \$10,000 Capital Outlay – Vehicles) to Capital Outlay Fund Public Works Vehicle Replacement Reserve Account to be used towards the replacement of the wheel loader; (7) \$2500 from General Fund Park and Recreation Master Plan Account to Capital Outlay Fund Park Master Plan Reserve Account; (8) \$9000 from General Fund to Capital Outlay Planning and Zoning Mapping Reserve Account; (9) \$30,000 from Capital Outlay Sewer Project Land Purchase Reserve Account to the General Fund to reimburse funds used to purchase land for the sewer plant. Community Development Director Paul Larson addressed the Council and gave a brief description of digital mapping which he would like implemented for the City. Currently, half section maps are being utilized which have not been updated by the County since 1995. Paul Larson stated that he has reviewed digital mapping with ProWest and if approved, could be available in the City before Spring, 2001. Councilmember Swanson stated that he would like to see a presentation by ProWest prior to approval by the Council. Councilmember Miller commented that the information provided to the Council in the packet gave a good explanation of what digital mapping could be utilized for in the City. City Administrator Swenson stated that quotes have not yet been obtained so additional information or a presentation could be obtained from the vendors. MOTION 12S1-07-00 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO APPROVE THE YEAR END FUND TRANSFERS AS PRESENTED. MOTION CARRIED WITH ALL AYES.

6. Crosslake Park and Recreation Staff Report – Jon Henke requested approval of a contract with Donna Keiffer to provide aerobic instruction from January 2nd through February 16th at a cost of \$617.30. MOTION 12S1-08-00 WAS MADE BY IRENE SCHULTZ AND SECONDED BY CHUCK MILLER TO APPROVE CONTRACTING WITH DONNA KEIFFER TO PROVIDE AEROBIC INSTRUCTION FROM JANUARY 2ND THROUGH FEBRUARY 16TH AT A COST OF \$617.30. MOTION CARRIED WITH ALL AYES. Approval was also requested to contract with Kelli Thull for evening aerobic instruction from January 2nd through February 22nd at a cost of \$280.00. MOTION 12S1-09-00 WAS MADE BY IRENE SCHULTZ AND SECONDED BY CHUCK MILLER TO APPROVE CONTRACTING WITH KELLI THULL TO PROVIDE EVENING AEROBIC INSTRUCTION FROM JANUARY 2ND THROUGH FEBRUARY 22ND AT A COST OF \$280. MOTION CARRIED WITH ALL AYES.

MOTION 12S1-10-00 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO ADJOURN THIS SPECIAL MEETING AT 10:02 A.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by,



Darlene J. Roach
Deputy Clerk/Treasurer

28 Dec 2000
Thu 1:40 PM

Unpaid Summary Check Register
CITY OF CROSSLAKE

Page 1

Check Number	Date	Vendor	Amount
T00001		00423 ANDY ANDERSON	75.00
T00002		00651 BUSINESS FORMS & ACCOUNTING	120.94
T00003		00605 CAROL ROQUETTE	35.51
T00004		00662 CELLULAR ONE	163.91
T00005		00629 CROSSLAKE AGGREGATE, INC.	2,741.42
T00006		00103 CROSSLAKE AUTO	77.69
T00007		00009 CROSSLAKE COMMUNICATIONS	1,057.63
T00008		00743 CROSSLAKE COMM (REIMBURSEMENT)	1,489.50
T00009		00348 CROW WING COUNTY RECORDER	409.50
T00010		00002 CROW WING POWER	464.00
T00011		00111 CULLIGAN	25.56
T00012		00185 DARLENE ROACH (PETTY CASH)	29.02
T00013		00560 DEAN BRODIN	50.00
T00014		00271 DELTA DENTAL PLAN OF MN	794.50
T00015		00067 ECHO PUBLISHING & PRINTING	209.37
T00016		00234 EHLERS & ASSOCIATES	343.75
T00017		00399 ELAN FINANCIAL SERVICES	1,071.02
T00018		00478 ERIK LEE	12.44
T00019		00739 FORTIS BENEFITS INSURANCE CO	144.60
T00020		00288 JACK WEBSTER	50.00
T00021		00561 JAMES TRAUTMANN	75.00
T00022		00706 JIM NAUMAN	25.00
T00023		00454 JON HENKE (PETTY CASH)	33.96
T00024		00072 JOSEPH ULSCHMID	6.35
T00025		00758 KELLI THULL	200.00
T00026		00202 LAKES AREA RENTAL	56.39
T00027		00453 LAKEWOOD BANK	30,000.00
T00028		00073 MARCO BUSINESS PRODUCTS	656.97
T00029		00062 MINNESOTA LIFE	354.80
T00030		00231 MINNESOTA NCPERS 407200	108.00
T00031		00098 NANCY KOCH	50.00
T00032		00248 NORTHWOOD TURF & POWER	464.83
T00033		00617 PEQUOT AUTO PARTS	162.75
T00034		00080 POSTMASTER	141.96
T00035		00554 QUILL CORPORATION	1,769.22
T00036		00597 RANDY GODEKE	25.00
T00037		00182 REED'S MARKET	69.31
T00038		00055 SIMONSON LUMBER	10.64
T00039		00415 THE LIGHT DEPOT	154.59
T00040		00057 THE OFFICE SHOP	97.27
T00041		00131 UNIFORMS UNLIMITED	288.86
T00042		00345 VIKING COCA COLA	48.72
T00043		00777 VIKING INDUSTRIAL NORTH	239.63

Grand Total 44404.61

MEMO TO: City Council
FROM: Personnel Committee
DATE: December 21, 2000
SUBJECT: NON-UNION 2001 WAGE/BENEFIT RECOMMENDATIONS

We hereby recommend the following non-union wage/benefit adjustments:

- (Eric Swanson) Move from 2000 Step 4 (\$13.03) to 2001 Step 5 (\$13.83) effective January 1, 2001.
- (Robert Willard) Attached please find a letter from Bobby Willard to Chief Hartman notifying the City that he established his permanent residence in the area on November 27, 2000. Bobby was not advanced when he came off probation as it was Tom and Bob's feeling that officers living in the area are more valuable to the City for emergencies than officers living out of the area. The Personnel Committee felt at that time, when and if, Bobby or Jay established a permanent residence in the area that we would consider a step increase. Therefore, it is our recommendation that Bobby Willard move from 2000 Step 1 (\$11.48) to 2000 Step 2 (\$11.99) effective November 27, 2000 and that he be moved from 2000 Step 2 (\$11.99) to 2001 Step 3 (\$12.77) effective January 1, 2001.
- (Jay Lorch) Move from 2000 Step 1 (\$11.48) to 2001 Step 2 (\$12.23) effective January 1, 2001.
- (Erik Lee) Increase annual salary from \$35,000 to \$37,500, plus up to \$25 per pay period matching contribution into the City offered Deferred Compensation Program effective January 1, 2001.
- (Bob Hartman) Increase annual salary from \$43,000 to \$45,500, plus up to \$25 per pay period matching contribution into the City offered Deferred Compensation Program effective January 1, 2001.
- (Paul Larson) As Paul will be on probation until February 2001, there is no salary adjustment recommended at this time. We do, however, recommend that the City provide basic cable and internet service to Paul's residence effective the January 2001 billing and contribute up to \$25 per pay period matching contribution into the City offered Deferred Compensation Program effective January 1, 2001.
- (Darlene Roach) Increase annual salary from \$30,000 to \$33,000 effective the last pay period of 2000, plus up to \$25 per pay period matching contribution

into the City offered Deferred Compensation Program effective January 1, 2001.

- (Ted Strand) As Ted is currently on probation, no salary recommendation is being made at this time. We do, however, recommend contributing up to \$25 per pay period matching contribution into the City offered Deferred Compensation Program effective January 1, 2001.
- (Jon Henke) Increase annual salary from \$35,000 to \$38,000, plus up to \$25 per pay period matching contribution into the City offered Deferred Compensation Program effective January 1, 2001.
- (Tom Swenson) Increase annual salary from \$58,000 to \$61,500 and increase matching Deferred Compensation contribution from \$1300 to \$2000 annually effective January 1, 2001.
- (Deb Floerchinger) Increase annual salary from \$40,000 to \$42,500 effective January 1, 2001. Note: The City previously agreed to a \$25 per pay period Deferred Compensation contribution which went into effect in 2000.
- (Dennis Leaser) Increase annual salary from \$62,500 to \$65,000, plus up to \$25 per pay period matching contribution into the City offered Deferred Compensation Program effective January 1, 2001.
- (Kevin Larson) Increase annual salary from \$76,000 plus \$5500 of incentives (\$81,500), to an annual salary of \$82,500 (no incentives), increase matching Deferred Compensation contribution from \$1300 to \$2000 annually, increase car allowance from \$350 per month to \$400 per month, and allow attendance at one out of state conference per year (including spouse expenses not to exceed \$500) effective January 1, 2001.
- The Committee also met with the City Insurance Advisor (Harlan Johnson) to discuss the individual disability policies in force on the City Administrator and General Manager, and how they would interact with the Group Disability Policy covering all City Employees. Based on the recommendation of Harlan Johnson (see attached letter), it is our recommendation that the City assume the full cost of the individual policies on the City Administrator and General Manager provided they reimburse the City for the cost of their portion of the Group Policy Premium.
- The Committee met with Parks and Recreation Director Jon Henke to discuss seasonal hiring needed at the Park. It is our recommendation that the City hire Michelle Hathaway as a Rink Attendant for approximately seven weeks at an hourly rate of \$6.25 and that Jeanne Quillan be hired as a part time Building Assistant at an hourly rate of \$6.25.

- Based on the recommendation of General Manager Larson and Office Manager Floerchinger, it is our recommendation that Tina Moroni be removed from probationary status and be granted permanent full time status at Crosslake Communications.

ROBERT HARTMAN, Chief

POLICE DEPARTMENT
CITY OF CROSSLAKE
CROSSLAKE, MN 56442

Office - 692-2222
Emergency - Dial 911

34658 County Road 114
Crosby, MN. 56441
1-218-764-2558

To: Chief Robert Hartman

From: Officer Bobby Willard

Reference: City of Crosslake Permanent Residence Requirement

Chief Robert Hartman
Crosslake Police Department
37028 County Road 66
Crosslake, MN. 56442

Dear Chief Robert Hartman,

I am writing this letter to inform you that I will be establishing my permanent residence in the Crosslake area on 11-27-00. I have a new address: 34658 County Road 114, Crosby, MN. 56441. My telephone number will be 1-218-764-2558. I will be moved in completely on 11-27-00. I will be living with Officer Swanson at that location.

Sincerely,

Officer Bobby Willard #305

Officer Bobby Willard #305

POLICE OFFICER SALARY SCHEDULE

STEP	1	2	3	4	5	6	7	8
1999	11.25	11.75	12.27	12.77	13.29	13.79	14.30	14.80
2000 (+2%)	11.48	11.99	12.52	13.03	13.56	14.07	14.59	15.10
2001 (+2%)	11.71	12.23	12.77	13.29	13.83	14.35	14.88	15.40
2002 (+2%)	11.94	12.48	13.03	13.56	14.11	14.64	15.18	15.71

<u>POSITION</u>	<u>COMPLWORTH PTS</u>	<u>2000 SALARY</u>
GENERAL MANAGER	496	76,000 + 5500 INCENTIVE
CITY ADMINISTRATOR	466	58,000
OPERATIONS MANAGER	363	62,500
POLICE CHIEF	353	43,000
COMM. DEVEL DIRECTOR	353	41,000
PUBLIC WORKS DIRECTOR	332	37-47,000 RANGE
PARK & REC DIRECTOR	282	35,000
POLICE SERGEANT	265	35,000
OFFICE MANAGER	252	40,000
DEPUTY CLERK/TREAS	220	30,000

2001 CITY BUDGET (MANAGEMENT SALARIES)

	<u>ADMINISTRATORS RECOMMENDATION</u>	<u>PERSONNEL COMM. RECOMMENDATION</u>
GENERAL MANAGER	82,500 (NO INCENTIVES)	82,500
CITY ADMINISTRATOR	60,000	61,500
OPERATIONS MANAGER	65,000	65,000
POLICE CHIEF	45,500	45,500
COMM. DEVEL DIRECTOR	44,000	44,000
PUBLIC WORKS DIRECTOR	42,000	42,000
PARK & REC DIRECTOR	38,000	38,000
POLICE SERGEANT	37,500	37,500
OFFICE MANAGER	42,500	42,500
DEPUTY CLERK/TREAS	33,000	33,000

ADMINISTRATOR RECOMMENDATION ALSO INCLUDES INCREASING CITY DEFERRED COMPENSATION CONTRIBUTION FROM $\$50$ TO $\$100$ MATCH PER PAY PERIOD FOR GENERAL MANAGER AND CITY ADMINISTRATOR AND THAT THE CITY CONTRIBUTE UP TO $\$25$ PER PAY PERIOD ON A $\$1$ FOR $\$1$ MATCH FOR ALL OTHER MANAGEMENT POSITIONS. ($\$50 \times 26 = 1300$ AND $\$25 \times 26 = 650$)

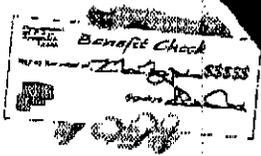
Tom Swenson

From: "Paul Sandelin" <psandeln@lakesarealaw.com>
To: "Tom Swenson (E-mail)" <tswenson@crosslake.net>; <ktlarson@crosslake.net>
Sent: Monday, November 20, 2000 5:05 PM
Subject: Deferred Comp
Tom & Kevin:

I reviewed the Minn Deferred Comp Plan as well as the deferred comp statutes. I agree that the maximum contribution that the employee may make is \$8,000 per year subject to some other exceptions in the statute. In addition I agree that Minn Stat 356.24 limits the matching contribution from the City at \$2,000 per employee per year.

Any questions give me a call.

Paul Sandelin
Gammello, Sandelin & Qualley, P.A.
30849 First Street P.O. Box 298
Pequot Lakes, MN 56472
Phone: 218-568-8481
Fax: 218-568-8444
Email: psandelin@lakesarealaw.com



LIFE INVESTMENTS, INC.

"Seeking Security in an Expensive World"

HARLAN V. JOHNSON, PRES.*

MN Agency Lic. No. 20101589

Friday, December 22, 2000

Personnel Committee
City of Crosslake
Crosslake, MN

RE: Long Term Disability,(LTD), Insurance coordination for Thomas
Swenson & Kevin Larson.

Dear People:

The Individual LTD insurance policies, by UNUM/Provident, for Swenson & Larson, should be left in place.

This negotiated benefit with the City of Crosslake was fully 'health history underwritten', both Swenson & Larson qualified, -and the odds are this coverage could not be replaced in the future.

The new Group LTD plan from Fortis Benefits Insurance Co., requires 100% participation, and so Swenson & Larson must be included.

- This does not equate to "double coverage" for Swenson & Larson.
- In fact, their Individual LTD benefit will be *offset* by the Group LTD benefit.
- I recommend in fairness, -keep the individual policies in-force, as negotiated, -and have Swenson & Larson pay the premiums for the Group LTD plan.

Harlan V. Johnson, LUTCF

Cc: file/HVJLI