

**MINUTES
CITY OF ISANTI
CITY COUNCIL
December 3, 2013
ISANTI CITY HALL**

Mayor Wimmer called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was recited.

Members Present: Mayor George Wimmer, Councilors Sue Larson, Adam Johnson, Steve Lundeen and Dan Collison

Members Absent: None

Staff Present: City Administrator Don Lorsung, City Attorney Clark Joslin, Human Resources/Deputy City Clerk Karissa Henning, Finance Director Sarah Cotton, Police Chief Ron Sager, Police Lieutenant Gene Hill, Economic Development Director Sean Sullivan, and City Engineer Brad DeWolf

D. Adopt Agenda

Motion by Larson, second by Johnson to approve the agenda as presented. Motion carried unanimously.

E. Proclamations/Commendations/Certificate Awards

None.

F. Approve City Council Minutes

Motion by Johnson, second by Lundeen to approve the minutes of the November 19, 2013 regular and closed session meetings of the City Council; along with the November 26, 2013 special meeting of the City Council. Motion carried unanimously.

G. Citizens Input

None.

H. Announcements

Announcements were read.

I. Council Committee Reports

Councilor Larson reported on:

- **Arena Board**
 - Approved to hire FT employee
- **Fire District**
 - Special taxing district
- **GPS 45:93**
 - Closer to creating a rain fund

- **Upcoming Events**

J. Public Hearings

None.

K. Business Items

1. **NO ACTION - Resolution Directing City Staff to Work with the C-I Hockey Association to Explore Options for an Amendment to the Existing Agreement for Maintenance of the Outdoor Hockey Rink**

Mayor Wimmer noted that the costs to maintain the outdoor hockey rink are not budgeted for and that it would take up a lot of additional staff time to maintain the rink. Mayor Wimmer made comment that in the past the City had maintained the rink; however, the City was unable to provide the service level needed to create the proper quality of ice desired by the Hockey Association.

Steve Lindell, from the Hockey Association, was present and shared that the Hockey Association does not have the funds or the time to maintain the rink anymore. Lindell noted it was strictly volunteers maintaining the rink, and that it is hard to get volunteers to commit to the maintenance of the rink. Lindell shared the idea of the Hockey Association relinquishing its rights to the City and to have the rink be solely a public rink.

There was discussion regarding the creation of the rink, the history of the rink, its materials, and the Zamboni used to maintain the ice; and that the City paid for a majority of the rink.

There was discussion on not having the staffing levels needed to support making and maintaining ice for the season.

There was discussion regarding the season already starting and that any amendment to the agreement should have been made this past summer during the budget meetings.

Mayor Wimmer asked if the Association was okay with keeping the agreement as it currently is for the year, because the season has already started and that the Council will be adopting its final budget for the year 2014 at the current (12-03-2013) City Council meeting. Lindell said he could not be certain and would need to talk to the Hockey Association.

Lindell asked of the Council, if the Association was unable to maintain the ice and keep the current agreement, if the City would be able to maintain the rink. The Council replied that they would not be certain whether or not they would be able to maintain the rink for the public.

Mayor Wimmer asked of Lindell to ask the Association if they would be able to maintain the rink and the agreement for another year, and to let the Council know what the Association has decided.

There was no action on the proposed resolution.

2. Discussion on Bike-Walk Trail

Mayor Wimmer reported that he was concerned about an article that he had read in the paper regarding the Bike-Walk Trail. Mayor Wimmer explained that the article made the trail sound like it was tied into the Spirit-River Trail. Mayor Wimmer wanted to make it clear, for the record, that the Bike-Walk Trail is not part of the Spirit-River Trail and that that was never the intention for the trail.

3. 2014 Final Budget and Levy Presentation

- a. Resolution 2013-239 Adopting the Final Budget for Year 2014**
- b. Resolution 2013-240 Adopting the Final 2013 Tax Levy, Collectible in 2014**
- c. Resolution 2013-241 Adopting the Final Budget for the Enterprise Funds for Year 2014**
- d. Resolution 2013-242 Approving a Cost of Living Adjustment (COLA) for Non-Union Employees**

Cotton reported that there were a few changes included in the final budget for the year 2014.

The changes to revenues are as follows:

- Transfer from EDA to Parks, Rec & Culture for the City of Isanti Streets Dances and Farmers Market
- General Fund Balance Reliance

The following changes to expenditures are as follows:

- Debt Service Adjusted for 2010B GO Improvement Refunding Bond
- Salaries and Wages Include a 2.0% COLA for Non-Union Employees and IUOE Local 49 Union Employees
- Salaries, Wages, and Benefits Adjusted for the Restructuring of the Finance Director, Community Development Director/Assistant City Administrator and Community Events/Parks Coordinator Positions
- Salaries, Wages, and Benefits Adjusted for the Offering of the Position of Community Development Director to Ms. Roxanne Achman

Total expenditures for 2014 are \$3,045,547. This is a slight increase from the 2013 Budget of \$3,035,547. Budgeted expenditures for 2014 are less than actual expenditures in 2009.

Cotton explained that City expenditures are divided between different departments, as follows: public safety, which includes police, code enforcement, civil defense, and fire protection, at 41%, making this the largest area of expenditures. General government, representing mayor and council, elections, finance/administration, municipal building, animal control, planning & zoning, building inspections, and economic development is 25% of total expenditures. Public works, which includes general city maintenance, streets, street lights, and sanitation, is combined for 12% of expenditures. Debt Service is at 11%, parks, recreation, and culture is at 9% and transfers/miscellaneous is 2% of the total budget.

The major revenue source for the City comes from property taxes at 59%, and intergovernmental revenues, such as municipal state aid for streets and police aid at 5%. The General Fund Balance accounts for another 18% of revenues, which is primarily attributable to the LGA Flip. The

remaining revenues are expected from sources such as licenses & permits, fines & forfeitures, charges for services, and interest and transfers.

The proposed tax levy is \$1,792,884, which is within the property tax levy limit for 2014. To balance the budget, \$299,154 of the General Fund Balance will need to be utilized.

Mayor Wimmer noted that the 2014 property tax levy is the same as 2013.

Cotton noted that the 2013 Legislature exempted counties and cities from most state sales and use tax starting January 1, 2014. For payable 2014, a separate statement must be enclosed with the proposed tax notices detailing the sales and use tax that was paid or estimated to have been paid in 2012 by each county and each city within the county with a population over 500. The estimated Sales and Use Tax paid in 2012 by the City of Isanti is \$26,703.59.

Mayor Wimmer made comment that the City's goal is to keep the debt payment under \$400,000 and that the City has done a great job at maintaining that goal. Mayor Wimmer added that keeping the debt under control allows the City to increase services without having to raise taxes.

Motion by Larson, second by Johnson to approve Resolution No. 2013-239, 2013-240, 2013-241, and 2013-242 as presented. Motion carried unanimously.

4. Resolution 2013-243 Extending SAC and WAC Deferral Program to December 31, 2014

Motion by Johnson, second by Lundeen to approve Resolution No. 2013-243 as presented. Motion carried unanimously.

5. TABLED - Resolution Approving the Existing Financial Terms for Vision Wake Park (Escrow and Percentage Share of Gross Revenue) as Identified in Resolution No. 2012-068

Mayor Wimmer announced the City received a tax statement for Vision Wake Park and that the City would need to further look into this and recommends tabling this item for now.

Motion by Lundeen, second by Larson to table this item. Motion carried unanimously.

6. Resolution 2013-244 Authorizing Staff to Accept the BlueCross BlueShield Service Co-Op Plan Design Quote for the City of Isanti Employee Health Insurance Plan and Authorization for City Staff to Terminate the Employee Health Reimbursement Arrangement (HRA) with Compensation Consultants; to Terminate Flexible Spending Account (FSA) Services with OptumHealth; and to Enter Into an Agreement with SelectAccount for Employee FSA Administration

Motion by Larson, second by Collison to approve Resolution No. 2013-244 as presented. Motion carried unanimously.

7. Resolution 2013-245 Authorizing the Acceptance of the Labor Agreement Between the City of Isanti, MN and I.U.O.E. Local No. 49, AFL-CIO

Motion by Lundeen, second by Collison to approve Resolution No. 2013-245 as presented.
Motion carried unanimously.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amount of \$35,140.37 and Payroll in the Amount of \$75,572.04
2. Final Minutes of the October 22, 2013 Park, Recreation, and Culture Board Meeting
3. Final Minutes of the October 22, 2013 EDA Meeting
4. **Resolution 2013-246** Not Waving Statutory Liability Limits for the City of Isanti
5. **Resolution 2013-247** to Enter into a Site Use Agreement Between the City of Isanti and Catholic Charities for 2014

Motion by Johnson, second by Lundeen to approve the Consent Agenda as presented. Motion carried unanimously.

Adjournment

Motion by Lundeen, second by Johnson to adjourn. Motion passed unanimously.

Meeting adjourned at 7:40 p.m.

Respectfully Submitted,

Karissa Henning
Human Resources/Deputy City Clerk