

Glyndon City Council
10/23/2019

5:00 p.m. 2020 Budget Meeting
Glyndon City Hall – Council Chambers

1. **Call To Order:** Mayor Cecil Johnson called the meeting to order at 5:00 p.m.
2. **Roll Call:** City Council Members present: Dave Owings, Joe Olson, and Kimberly Savageau; City Clerk Wendy Affield; City Engineer Kris Carlson; City Maintenance Supervisor Scott Lofgren; City Police Chief Michael Cline.

Absent: Council Member Justin Schreiber

3. **As per sign in sheet:** None

4. **Budget Discussion:**

Expenditure Budget: Affield began the discussion by stating she had a few items for Council to take a look at. She said the first General Fund budget item to look at is *Professional Services*. Currently the expenditure total is at twenty-one thousand, three hundred eighteen dollars and ninety-eight cents (\$21,318.98). She is asking to increase the total line to twenty-five thousand (\$25,000) for 2020. Olson asked if this is the line from which payments are made to the building inspector and others? Affield said yes. She said it would be better to have a little more in this account than to end up short. Council agreed to the increase. Affield clarified this line item also includes payments to David Drown and other professional services. The next item discussed was the *League of Minnesota Cities/General Liability Insurance*. Affield said for 2020 it is set at forty-two thousand (\$42,000), but she noted there are the two new lift stations to consider as both will need insurance. She is asking Council to agree to an additional one thousand (\$1,000) be added for 2020. Owings asked if those insurance payments come out of the Sewer Department budget funds? Affield said no, it comes out of the general fund. Mayor Johnson clarified the new total would be set at forty-three thousand (\$43,000)? Affield responded yes, stating Council may change what account these funds are pulled from. Lofgren said this line also covers the insurance of every City-owned building, along with all City vehicles. The next items for discussion were *City Specials Principal* and *City Specials Interest*. Affield said with Parke Avenue the City has received three (3) properties which will have special assessments needing to be paid, and the total for those will be fifty-thousand, seven hundred seventy-five dollars and fifty-five cents (\$50,775.55). She said the yearly special payment would be four thousand, seven hundred twenty-seven dollars and ninety cents (\$4,727.90). She is asking for Council to approve using interest made from the loan to pay off one of the specials in order to avoid added interest. Savageau asked if the interest would end up coming back to the City? Affield said it should, although there might be a small administration fee taken out. She listed one assessment at seven thousand, seven hundred sixty-eight dollars (\$7,768), another is twenty-three thousand, four hundred thirteen dollars (\$23,413), and another is nineteen thousand, five hundred ninety-three dollars (\$19,593). If not paid in total, then she will set aside the amount for the yearly payment. Mayor Johnson asked to clarify, is she referring to line items

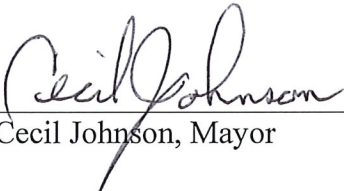
#630 and #631? Affield said yes, but she would need to still add in the yearly assessment payment to the current total. She said Council first needs to decide if they want to pay the specials prior to finalizing the budget. Mayor Johnson asked what the benefit would be to pay off the specials? She said the payments, if not paid in advance you would need to include the numbers in the budget yearly. Owings asked if the yearly payment could be kept in the budget, but then at the next regular Council meeting review to see how much funds are left? Owings does not think we will receive much more interest from the CD with the project coming to a close for the year. Affield agreed, and said Carlson is waiting to hear back from the County about Parke Avenue, wondering if the project is not completed this year, when would the final payment be. She said it is possible the City may be able to carry some of those funds in a CD into next year. The County has not sent a final bill to the City, and so just over four (4) million remains in the CD. Council agreed to keep the yearly specials payment in the budget, and to do a review at the next meeting. The next line item she discussed was the Maintenance Fund: *Mosquito Spraying*. She said Council had previously discussed increasing utility rates in order to cover next year's amount since we are over this year. She said right now the monthly rate for mosquito spraying is at one dollar and fifty cents (\$1.50) per month. Lofgren suggested this rate might be increased by a dollar (\$1.00)? Both Lofgren and Mayor Johnson said there are several residents who have said they would pay more monthly in order to help bring down the number of mosquitoes each summer. Lofgren also mentioned the Council had previously talked about having more aerial applications, as opposed to only the two (2) current sprays. He said each aerial application is roughly three thousand, three hundred dollars (\$3,300). Affield stated the Council still has time to make a final decision, but for now she will include a dollar (\$1.00) increase for mosquito spraying per month. Olson asked if this is including the proposed new fogger? Affield said no, this is for chemicals only, and the funds for the machine would come from a different line. Owings asked if it would be an additional four thousand, six hundred dollars (\$4,600) to the line? Affield said yes, and the approximate total budget amount would be closer to fifteen thousand (\$15,000) for 2020. Olson asked if Lofgren needed any additional funds for larvicide? Lofgren said those funds all come from this same line item. The next line discussed under Maintenance was *Professional Services*. Affield said this year ten thousand, eighty-five dollars (\$10,085) has been spent, but only five thousand (\$5,000) is budgeted for next year. This line item is for sign maintenance and snow removal done by Randall's. Olson asked if the current amount is due to snow removal costs alone, or are other things included? Affield and Lofgren estimated between six and eight (6-8) thousand were for snow removal. Lofgren informed Council the "Glyndon" signs have been repaired by Butch at Superfrog but we have not received a bill yet. Affield is seeking the Council's recommendation on what to increase this line by? Lofgren said it will also depend on what route the Council takes on snow removal this year, whether it be by purchasing a payloader or by paying out for the removal via contract with Randall's. He said the current budget amount of five thousand (\$5,000) will be fine if the City purchases the payloader, but if not then the amount will be far short. Lofgren also wanted to bring attention to the line item regarding *Bobcat Trade-In Yearly*. He said the current machine they are leasing may not be available next year, and so the leasing amount may go up slightly with the new model Bobcat. Lofgren said he is still waiting for official word on the new lease pricing. Savageau asked if the next model will be compatible with all of the department's current attachments? Lofgren stated yes. Owings asked if the new model is capable of handling a bigger load? Lofgren responded yes. Affield said she would at this time also mention to Council the *Maintenance Escrow – RO* item was increased by seven thousand, five hundred

dollars (\$7,500) as well as the Fire Department escrow account. The next line item is the Water Fund: *Full-Time Hourly/Overtime*. Affield said the current amount is running really close to this year's budgeted amount. She said in year's past, overtime was taken as comp time but new employees are using overtime. Lofgren said his main full-time employee is currently on call every week. Owings said this should be changed, but Lofgren said this employee prefers to be on call. Affield said she needs to know for the budget how much to include for overtime. Savageau suggested increasing the line to nine thousand (\$9,000) for 2020. Affield reminded Council the same line under the Sewer Fund would also be increased by the same amount. Savageau then said to change it to eight thousand (\$8,000). The next line item is *Cell Phone*. Lofgren asked Affield if there was still some stipend consideration for employees choosing to use their own phones? She said Moorhead employees receive sixty (60) dollars per month as a stipend. Owings said he receives the same at his place of employment. Lofgren said this would eliminate the City's responsibility if the employee damages or loses their own phone. Mayor Johnson asked if this is for all maintenance employees? Affield responded no, right now only one maintenance employee uses their own phone. Owings said he would not be opposed to starting off at forty-five (45) dollars per month, if only one employee is currently using their own phone primarily for calling or texting, not for emailing. Council agreed. Affield will make the same changes to the sewer funds as she did for the water funds. Affield asked if there were any other expenditure questions before moving on to the revenue items? Mayor Johnson asked if the BNSF *Land Rental* amount goes up every year? Affield responded yes, it goes up every year but she is not sure of the percentage.

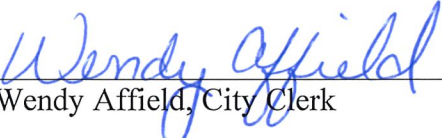
Revenue Budget: Affield directed Council to look at the first line item under the General Fund: *General Property Taxes*. The levy percentage has not been set at this time so the dollar amount will change on December 11th once Council sets the levy. The next item is under Police: *Safe & Sober - TZD*. She is going to bring this line item down to three thousand, three hundred dollars (\$3,300), to be more in line with the actual revenue coming in. The next revenue item is under Maintenance: *Mosquito Fee - RO*. Affield said she will change this line to reflect the extra dollar (\$1.00) per month increase on the utility bills. For Stockwood: *Project Reimbursement*, Affield said this line is where Council will see the twenty-nine thousand, one hundred sixty-three dollar (\$29,163) Xcel transformer reimbursement. Mayor Johnson asked to go back and look at the *Forestry Penalty* line, and what it is for? Lofgren said these funds are used for planting new trees in parks, or if any existing trees have fallen and need removal. Affield mentioned he may want to look at the expenditure sheets, instead of revenue. Mayor Johnson asked if the fire protection payments from the townships are increasing? Affield said yes, they go up every year. Lofgren said he thinks the contracts go up about five percent (5%) each year, and Affield confirmed this is correct. Affield asked if Council wanted to discuss the new incoming Police Chief salary? Mayor Johnson said he feels the City needs to pay the potential candidate based upon experience. Cline directed Council to refer to the sheet from the LOMC showing several different area communities' salary ranges for their Chief of Police. He said the sheet only shows the salary range and the population, but unfortunately does not show what the job duties are of those positions. He explained the pay should be higher if a Chief needs to do his/her own administrative duties, and would need the experience to reflect those skills. Mayor Johnson then asked if a part-time administrative office assistant would save the City money on salary if those duties are then covered? Cline said he is personally responsible for several admin-type duties which if done by an office assistant instead, would save him a lot

of time. Olson asked Cline if there are any changes that could be made to the department to improve efficiency? Cline said he does not anticipate the admin duties to decrease, but only increase as time goes by. If the City can find a way to free up some time for the new Chief in order to spend less time in the office, that would be the most helpful. Savageau asked if it might be a possibility to have one of the current patrol officers take over the admin duties? Cline said the officers already have separate duties assigned to each of them, but the majority of the admin duties happen during the day when those officers are not on duty. Savageau asked about potential growth for the officers, considering there is no upward movement in the department? Mayor Johnson asked Savageau to clarify if she is referring to positions such as lieutenant or sergeant? She said yes. Cline said he would not be opposed, but it is the lack of pay which causes the officers to leave, not the job itself. Savageau said if an officer had the opportunity to move up, and be given a higher job title, then they might be more inclined to stay. Cline said he does not feel the department is big enough for having different job titles. Savageau said she is wanting to explore every option, and spend a bit more time discussing the issue in order to better the chances of keeping officers longer. She asked Cline what he had included for a three-month beginning salary for 2020? Cline responded he included twenty-nine dollars (\$29.00). Savageau asked to clarify if he budgeted this amount for nine months? Cline said it was an estimate at the time when the budget numbers were initially put in. Affield asked if the current line amount is for ten-months pay? Cline responded, he included pay for training the new Chief from January through April 2020. Olson asked Cline what his personal opinion on a proper starting salary should be? Cline said he feels the City should not start anywhere under sixty thousand dollars (\$60,000). Mayor Johnson asked if there was anything else to cover, and when the next budget meeting is? Affield said the next budget meeting is on November 27th, 2019 at 5:00 p.m.

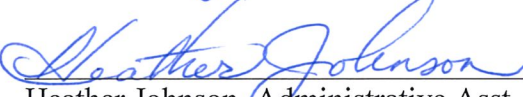
5. Adjournment – A motion to adjourn the General Budget Review Meeting at 5:56 p.m. was made by Kimberly Savageau, seconded by Dave Owings. All in favor.
Motion Carried.



Cecil Johnson, Mayor



Wendy Affield, City Clerk



Heather Johnson, Administrative Asst.

October 23rd, 2019 General Budget Review Meeting Minutes