

MINUTES OF THE SPECIAL MEETING OF THE  
BOARD OF CITY COMMISSIONERS  
HELD AUGUST 15, 2013

Pursuant to due call and notice thereof, a special meeting of the Board of City Commissioners for the City of Devils Lake, North Dakota was held at the City Offices on Thursday, August 15, 2013 at 12:00 P.M. with the following members present: Commissioners Tim Heisler, Dale Robbins, Rick Morse and President Richard Johnson. Commissioner Craig Stromme was absent. Others present were Fire Chief, Police Chief, City Assessor, City Engineer, Public Ways Supervisor and City Administrator.

President Johnson said the purpose of the meeting was to discuss the 2014 Preliminary City Budget.

The City Administrator indicated the Sanitation Supervisor has been asked to deliver five roll offs to the Wal-Mart site next Thursday. The City usually does not have that many roll offs available. There are two roll offs in Fargo that the City could purchase now. There is enough money in the budget for one; and then the budget would need to be amended at Monday's meeting for \$4,700 for the second one. The City Commission was agreeable to purchasing the two roll offs.

The City Administrator gave the Commission a copy of the revenues and expenditures for the General Fund.

#### **1000 – GENERAL FUND**

**General Fund Revenue** – The property taxes are the same as the last five years, and this will decrease the mills by 10.4. The property tax allocations for the different funds were changed. The lodging tax was down in 2013, but a modest increase is included for 2014. This money is passed through to the Chamber. The sales tax allocated to the general fund was dropped to 35% from 38%. The difference is going into the infrastructure fund to help with projects. The restaurant and lodging was down in 2013, but should come back some in 2014. This is also passed through to the Chamber. The building permits have been running pretty high, but it is estimated conservatively for 2014. The state aid distribution funds received have been a big reason why the City has been able to reduce mills. The cities receive 4/10 of 1% of the State sales tax. The League of Cities is recommending a 6% increase in funds. Thirty percent of the State Aid received by the City is passed through to the Park Board. The street light and mosquito control are on the utility bills. The municipal judge fines are estimated at \$170,000, but hopefully this amount will increase once the office is relocated to city hall and work on collections begins. The credit card convenience fee is a \$3 fee charged to use a credit/debit card, and this money is used to cover the transaction fees the City incurs from having the card machine.

**Transfers in** – The equipment reserve is for the fire truck lease. There are two and one-half years left on the lease. The last payment on the Lemna building will be made in 2014. The \$12,000 listed on the bottom is from the Airport for ARFF support.

#### **General Fund Expenditures**

**Non-Departmental** – Contract labor for Jim Shanks was budgeted at a 2% cost-of-living (COL) increase. The human resource contract was renewed with the City's cost being \$1,000/month. The computer line item was increased to \$15,000 since it is unknown what equipment might be needed when the municipal court clerk is relocated to city hall. The street light item is what the City is billed from Otter Tail Power. Mosquito control is budgeted at what the City brings in from the revenue charge. This year the kind of spray was changed. Discussion followed on how mosquito spraying is handled. The Public Ways Supervisor stated he is setting up a GPS for the mosquito truck so the City will know where and when spraying took place. The Mayor's Committee on Handicap increases each year to the value of a mill. DL Anglers had requested \$6,000 for 2013, and it was kept at \$6,000 for 2014. RSVP and Lake Region Heritage Center are the same amounts as 2013. The budget for Lake Region Heritage Center is included in the packet. The rent for LEC is the same as 2013; however, the boardings vary. State aid is the 30% paid to the Devils Lake Park Board.

**City Commission** – Wages were increased by the 2% COL.

**Municipal Judge** – The City Administrator completed a salary survey because the Judge had requested a raise. The survey results showed his salary was higher than average; therefore, no increase was included for 2014. The clerk will receive a 2% COL. The contract labor has been eliminated since this LEC employee will no longer be assisting the clerk when the clerk is relocated to city hall. The Judge has requested a different cell phone plan so this line item has been increased. Equipment funds are included due to the changes being made in the department.

**Auditing Department** – Same as this year except education and training has been increased.

**City Attorney** – Salary was adjusted for the 2% COL. The State Auditors would like a written agreement for his services.

Discussion followed on the Judge's request to be a City employee versus a contract employee. He does not fit the criteria to be an employee.

**Assessing Department** – Additional funds were added for education for the new inspector.

**Engineering Department** – Same as this year.

**City Hall** – Based on actual numbers to date. Cleaning was increased because the contract will be up at the end of June 2014. Discussion followed on the roof for the city hall and for the storage garage. The City Administrator is expecting a surplus of \$220,000 in the general fund at the end of 2013. He would recommend getting estimates now for the city hall and storage garage and have the work completed in 2013. The City Assessor stated the storage garage needs some roof repairs, flooring and cleaning. Also shelving and cabinets will be needed.

**Police Department** – The temporary salaries were increased by \$5,000 for an intern to assist with the filing system. The Police Chief stated the grant for the task force position will most likely be denied since the funding has been cut. He stated in 2013 an additional officer was budgeted, but never authorized. He would like to keep those funds in the budget for 2014 for the task force position. This position was to be paid for 50% by the City, 25% by Ramsey County and the other 25% split between Benson, Cavalier and Towner Counties. BCI would be the technical advisor and provide the match for the equipment grant. The City Administrator indicated he did not include the funding in the 2014 budget. Discussion followed on whether the City would pursue this without the grant funding, the split of costs between the different entities and how much it would cost the City. Consensus was to leave it out of the budget and amend the budget if it becomes a reality. The gas line item was increased due to price increase and not use increase. The equipment purchases would be for radar replacement.

Retirement has been increased for all departments to 8.5% to coincide with what the City would be required to pay if the City goes with NDPERS.

**Fire Department** – The new employee will start on September 9, 2013. He is currently employed by the Minot Fire Department. The Fire Chief indicated with the expansion of the community on the east side, a siren will be needed for this area. Also, the Prairie View siren needs to be replaced. Each siren costs about \$15,000. Grant funds are available for new sirens, but not for replacing old sirens.

**Street Department** – Gas and oil was increased. The budget includes 6 full-time employees. The Public Ways Supervisor is having trouble filling the current open position, and one employee might retire at the end of the year. He plans to fill the current position, and would like to hire the replacement for the retired person by November 1<sup>st</sup> so they can be trained for the winter work.

Summary:

A surplus of \$223,000 for 2013 and \$92,000 for 2014 is forecasted.

The property tax dollars will be kept the same as the last five years, and the mill levy will decrease 10.39 mills.

Consensus was to hold a meeting next week to meet with the human resource consultant to review NDPERS and other personnel issues.

Discussion followed on COL and retirement increases. If NDPERS was to increase the employer's share of the contribution, the City would need to adjust the COL raise by the increase in the retirement contribution. Also discussed was if the COL would be maintained between 2% and 4%. If COL for the year was less than 2%, employees would receive a 2% raise, and if the COL was greater than 4%, employees would receive a 4% increase.

Commissioner Heisler moved to approve joining NDPERS for retirement, using 2% for the COL, and increasing retirement by .5%. The motion was seconded by Commissioner Morse. Discussion followed on deducting from the COL for future increases in NDPERS, and on the difficulty in recruiting new employees. On roll call all Commissioners voted aye, and the motion carried.

There being no further business to come before the Commission, President Johnson adjourned the meeting at 1:20 P.M.

**LINDA LYBECK**  
**CITY AUDITOR**

**RICHARD S. JOHNSON**  
**PRESIDENT**