

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF CITY COMMISSIONERS
HELD JULY 10, 2019

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 Wednesday, July 10, 2019 at 12:00 P.M. with the following members present: Commissioners Jacob Volk, Dale Robbins, Rob Hach, Shane Hamre and President Richard Johnson. None were absent. Others present were the Human Resource Consultant, Public Utilities Supervisor, Sanitation Supervisor, Public Ways Supervisor, Police Chief, Fire Chief, City Assessor, City Engineer, Airport Manager, City Auditor, and City Administrator.

President Johnson said that the purpose of the meeting was to discuss the 2020 Preliminary City Budget.

Tanya Wieler, Human Resource Consultant, presented the classification and compensation plan review. Discussion followed on the market study using comparable cities and including Fargo at 90%, compression, width of scale and it being an employee's market.

Commissioner Volk moved to drop Step AA from the salary schedule effective August 1, 2019. The motion was seconded by Commissioner Hamre. On roll call all Commissioners voted aye, and the motion carried.

Tanya Wieler reviewed classification changes for the public utilities supervisor and engineering tech and establishing a water system superintendent. Discussion followed on whether a city of this size needed two engineers and on the probability of hiring an individual with an engineering license if the current employee leaves. The consensus of the City Commission was to leave the engineering classification for a tech at a Grade 13 and to add an assistant city engineer at Grade 15 with only one position being filled depending upon the individual's qualifications.

Commissioner Robbins moved to approve the following classifications changes: changing a public utilities operator II at a Grade 9/10 to a water system superintendent at a Grade 12, changing the public utilities supervisor from a Grade 15 to a Grade 16 and adding an assistant city engineer at a Grade 15; effective July 1, 2019. The motion was seconded by Commissioner Hach. On roll call all Commissioners vote aye, and the motion carried.

Discussion followed on the police department salaries. The human resource consultant recommended keeping a watch on the salaries since the market study indicated there were positions getting close to being behind the market.

The Police Chief indicated he would like to review the salaries for the department's supervisors and for officers when they are field training probationary employees.

The City Administrator reviewed the revenues and expenditures for the Special Revenue Funds, the Debt Service Funds, the Trust and Agency Funds, the Enterprise Funds, and the Airport Fund.

SPECIAL FUNDS – 2000 ACCOUNTS

2001 – Highway Distribution – Highway distribution revenue is based on data received from the League of Cities. The budget includes purchasing a plow truck, heavy duty trailer, snow wing for motor grader and an asphalt recycler. The amount budgeted for snow removal and lease options for a motor grader were discussed.

2003 – City Share of Special Assessments – This fund includes the City's share of different projects.

2006 – Emergency – Balance cannot exceed 5 mills. Since the budget is tight for 2020, no additional mills were levied.

2008 – Cemetery Fund – Budget is the same as current year. The fund has a healthy reserve.

2010 – Temporary Employees Fund – A small increase was added due to the increase in the temporary employees' salary pay scale.

2012 – Equipment Reserve – This is for replacement of equipment.

2021 – Special Assessment on City Property – The special assessment has been paid off, and the funds can be moved to the general fund.

2030 – Penalty & Interest on Special Assessments – These funds can be used for the City's share of a project.

2033 – Infrastructure – The budget includes more scheduled payments for projects. Discussion followed on the sales tax being down, so the amount forecasted for 2020 was decreased.

2034 – Economic Development – Seven percent is allocated for this fund. The amount given to Forward Devils Lake is \$50,000 with the remainder going to the Growth Fund.

2042 – Asset Forfeiture Buy Fund – Funds came from seized assets.

DEBT SERVICE FUNDS – 5000 ACCOUNTS

5001 – Special Assessment Deficiency – This fund is to help balance debt service payments; however, there are no deficiencies in the bond funds. The balance can be transferred to the general fund.

5005 – Non-Bonded Debt Service – This fund is used to cover small projects which are not bonded. The assessments from the projects funded go back into this account.

5101 - Sewer Separation #1 – This fund can be used for sewer projects. Only a couple of assessments are left to collect. Might want to consider adding a fee for storm sewer on the utility bill.

5476 - SRF Bonds 2010 - This fund is for the local share of the embankment raise. Five percent of the sales tax dollars is used to repay the bond.

5477 – Refunding Bonds of 2010 – The last payment for this bond was in 2018. Funds may be moved to general fund.

5478 – Refunding Bonds of 2011 – With this being a tax increment district, this fund was setup to received infrastructure funds in certain years only and not every year.

5479 - Refunding Bonds of 2013 – The tax increment district is doing well, and the City should be able to retire this bond early.

5480 - Refunding Bonds of 2014 – This tax increment district is for Agassiz and will be retired early.

5481 – Sales Tax Bond of 2015 – Funds were used for the Cenex project and the watermain project for various areas.

5482 – Refunding Bonds of 2015 – Funds were used for the Cenex project and the watermain project for various areas. The fund includes the tax increment district for the Cenex area.

5483 – Definitive Improvement Warrant 2017 – This infrastructure loan was used for the apartment building at Mauve. It finances itself now, and there are still plans for a 2nd building.

5484 - Sales Tax Revenue Bond 2017 – This infrastructure loan is being used for the west via duct and will be repaid with sales tax.

5485 – Refunding Bonds of 2017 – This infrastructure loan was used for various street projects.

5486 – Sales Tax Revenue Bond 2019 – This infrastructure loan will be used for the City's share of the downtown project.

5488 – Refunding Improvement Warrant of 2019 – This is another infrastructure loan and will be used for the assessed share of the downtown project.

5490 – Landfill Closure Debt Service – Funds were transferred to the reserve account.

TRUST AND AGENCY FUNDS– 8000 ACCOUNTS

8002 – Library Fund – The previous director did the budget before he left; however, the new director wants 6 mills so the assistant director can work fulltime. The library is asking both the City and County to increase the mill by one.

8006 – Parking Authority – The City assesses for maintenance of the downtown parking lots. The amount that can be assessed was increased to \$40,000.

8008 – City Beautification – This fund is used for Christmas decorations, flowers and banners.

8009 – Devils Lake Historical Preservation – Small amount of funds are available from a previous state grant.

8010 – Job Development Authority – Three mills are allocated for this fund. The amount for Forward Devils Lake is for operating expenses.

8011 – Self Insurance Fund – The City is still waiting to receive an estimate from Blue Cross Blue Shield concerning the stop loss premium for next year. The projection is for the family insurance premium to increase to \$2,000/month.

8013 – Lake Region Growth Fund – The amount for loan buy downs will decrease.

8015 – Airport Hangar – The City receives \$1000/month from the current tenant for rent of the hangar.

6001 – WATER DEPARTMENT – The water source replacement fee was moved to here from Fund 6006.

WATER DISTRIBUTION – Funds were included for racking, overhead doors, a pickup and water meter van.

HAMAR WELLS – Skidsteer attachments including a jack hammer and bucket were budgeted.

WATER TREATMENT PLANT – Expenses are about the same as this year except for an increase in electricity and chemical supplies due to the increase in water sales. Funds for testing equipment are included.

TRANSFERS – The water source replacement fee would be transferred to Fund 6006.

6002 – SEWER DEPARTMENT – Similar to this year.

SEWER OPERATIONS – Similar to this year.

STORM SEWER – \$12,500 was budgeted for a lagoon smell study and testing sludge. Discussion followed on the spinners and replacing the duck weed harvester.

SEWAGE TREATMENT – A few small increases in some line items.

EMBANKMENT – Included equipment maintenance.

6003 – SANITATION DEPARTMENT – The can charge will increase \$.50. It was noted recycling revenue has been down.

INERT DISPOSAL – Video surveillance equipment was included for at the landfill.

TRANSFER STATION – Similar to this year.

The Sanitation Supervisor discussed the Grade 5 employees and changing it to a Grade 5/7 for those who get CDLs. Once they have a CDL they fill in when the Grade 7 employees are gone, and last year they helped with snow removal.

Discussion followed on eliminating the Grade 5, on one arm bandit trucks and on other cities having just one drive and one picker per truck.

6006 – WATER SOURCE REPLACEMENT – This loan was paid off last year. Funds can be used for water projects.

9000 – Devils Lake Airport Authority – General Operations – The Airport Manager stated he has requested four mills from the City. He will request three mills from the County. The project for 2020 would be a redesign and testing of the ramp area. Construction would take place in 2021. Discussion followed on entitlements and boardings.

The meeting recessed at 2:27 P.M.

The meeting reconvened at 2:34 P.M.

Lake Region Law Enforcement Center- Rob Johnson reviewed the budget for 2020. Discussion followed on the changes in the 911 budget with it including the dispatchers and two additional dispatchers. Discussion continued on removing the salaries from 911 since the charge employees need to monitor the jail, and it would skew the incarceration rate. Since everyone needs 911 it was discussed about spreading the costs evenly among the entities. For the reentry center, conversation included whether to continue the service if it was operating at a loss since it is not a required service, or switching it to all males due to regulations regarding staffing. Consensus of the City Commission was the expenses need to be cut from the budget.

The next budget meeting is scheduled for Wednesday, July 17, 2019 at 12:00 P.M.

There being no further business to come before the Commission, President Johnson adjourned the meeting at 3:35 P.M.

LINDA LYBECK
CITY AUDITOR

RICHARD S. JOHNSON
PRESIDENT