Special Meeting
September 18, 2014
6:30 p.m.

With due call and notice thereof, the September 18, 2014 Special Council Meeting of the City of Eden Valley was called to order by Mayor Korman at 6:30 p.m. in the Civic Center meeting room. Present were Mayor Korman, Councilors Gabrelcik, Bradshaw, Thielen and Kern and Clerk Haag. Also present Chief Junker. Mayor Korman presided.

The purpose of the special meeting was to review and adopt a proposed budget and levy for 2015.

The 2015 proposed general fund budget and city levy were reviewed. Haag reviewed issues discussed at the September regular meeting for those Council members that had been absent, including the legal fees question raised at the August 26th budget workshop and proposed increases based on discussions at the budget workshop including $4200 in the Police Department to add 10 hours/week of part-time coverage during the summer months, $5000 in the Street Department for sweeping services, $8000 for street repairs, and $2500 in various departments for natural gas expense. Haag reported the $4200 increase in the Police budget was based on wages for a part-time officer at Step 1 on the pay scale, and if the additional hours were based of Officer Peterka's wages there would be an additional expense of approximately $535. Total proposed budgeted expense in the general fund is $861,835, and revenue is $836,690, with approximately $25,000 in expense over revenue. 2014 general fund budget projected $18,000 expense over revenue to be taken from reserves. General Fund reserves at the end of 2013 were projected to cover 8 ½ months of operating expenses, at an estimate of $60,000 to $65,000 per month and Council goal is to retain at least 6 months of reserves. As she had done at the last regular meeting, Haag suggested the Council consider leaving the 2015 general fund levy the same as 2014, and use reserves to cover any excess of expense over revenue, and only increase the bond levies for 2015. Haag reported the bond levy needed in 2015 for the street project that is underway is $60,000, and the 2003 Bond levy has increased $500, resulting in a proposed total levy increase $60,500 over 2014 total levy, a 15.125% increase. The proposed 2015 general fund budget has a 2.52% increase in expenses in the amount of $21,185 over the 2014 budget and a 1.72% increase in revenue in the amount of $14,170. Review and discussion of the proposed budget and levy followed, and Public Works Director Rademacher arrived during discussion. Mayor Korman questioned if fire relief pension changes were related to the budget and should be considered, and Clerk Haag explained it should not be related, since the funding for pension should be covered in the Fire Relief pension funds, but the city would be responsible for any shortages that may occur in the Fire Relief pension funds. For this reason, the Council needs to be conscious of the potential liability the City would incur based on any increases in pension they consider for approval in the future. Mayor Korman reminded the Council the proposed levy adopted at this meeting could be lowered at the December meeting, but could not be increased.

After discussion, Resolution #2014-13 was introduced and proposed for adoption by Thielen as follows:

RESOLUTION APPROVING PROPOSED TAX LEVY

BE IT RESOLVED, by the City Council of the City of Eden Valley, Counties of Meeker and Stearns, Minnesota, that the following sums of money be levied for the current year, collectible in 2015, upon the taxable property in the City of Eden Valley, for the following purposes.

GENERAL FUND LEVY	$	383,500.00
2003 GO IMPROVEMENT BOND	$	5,000.00
2007 GO IMPROVEMENT BOND	$	12,000.00
2013B GO IMPROVEMENT BOND	$	60,000.00
TOTAL LEVY TO BE CERTIFIED	$	460,500.00

The city clerk is hereby instructed to transmit a certified copy of this resolution to the county auditors of Meeker and Stearns Counties, Minnesota.

Motion was seconded by Kern. Voting in favor were Gabrelcik, Bradshaw, Korman, Thielen and Kern; against: none, whereby Resolution #2014-13 was duly adopted.

A motion was made by Gabrelcik to adopt the proposed 2015 General Fund budget as presented. Motion was seconded by Kern, and carried unanimously.

The hearing date for consideration of final adoption of the 2015 City Budget and Levy was scheduled for December 3, 2014, at 7:00 p.m. in the Civic Center.

As there was no further business, the meeting was adjourned at 7:30 p.m. on a motion by Thielen, seconded by Kern.

Attest:

Mona Haag, Clerk/Treasurer

Peter Korman, Mayor