

CITY OF CASSELTON
Monday, August 19, 2013
SPECIAL MEETING 7:00 P.M.
Council Chambers

Present: Mayor Edward McConnell, Councilmen Lee Anderson, Kent Buss, Paul Spooner, Fred Wangler, Joan Carvell and Mike Eberhardt. Also present: Jan Brekken, Sheila Krueger, Sheila Christianson, Julie Nelson, City Auditor Sheila Klevgard, Public Works Supervisor Kevin Mayer and City Attorney Del Losing.

Preliminary Budget

State revenue share will be increased next year because the financial institution tax has been changed to an income tax. The 24% share that is given to the park district will be affected by the increase received by the city, therefore the decision must be made as to whether the city should try to make an agreement with the park board for a lower percentage share.

Taxable value of the city went up just about \$200,000. Generally the city collects only 93% of what is levied so we need to levy 77.09 mills to meet the needs of the individual funds. Pension and social security amounts are based on a 3% wage increase and levy amount is larger due to only collecting 93% of the levy. The sheriff contract is a 1% increase and group insurance is expected to be a 13.2% increase.

Street – drainage includes dike repair and may need to be increased to repair some of the deficiencies identified by the CORP. SWIF would only apply if the city had to coordinate with another entity so there is no delay in the deadline to make repairs. The city paid for the easements already but they didn't get filed with the county. They were supposedly turned over to Brad Burgum to be filed, but no file has been found by Losing. Moore will file the easement documents since that has been paid for already. There doesn't seem to be that much benefit to remaining in the CORP program other than the annual inspection. Program involvement also doesn't affect the FEMA maps because FEMA only recognizes the dike as a dirt berm. The estimate to remove poles is \$30,000 and to remove trees by the railroad on the west side of town is \$12,000 and does not include those behind 13th Avenue which are expected to be fine. The gopher holes should be fixed and the trees removed because water can follow the tree roots, but maybe the poles will be left alone. Mayer believes the city can opt out of the program but could fix things anyway and opt back in with a new survey later. The current drainage budget of \$4,000 will cover 1st Avenue repairs only. Consensus was to increase it by \$12,000 to take care of the trees. It was questioned whether the \$10,000 donation to Summerfest was necessary since most of the events are hosted by other groups. The car show would happen as long as it stays on Thursday night. The CBA dinner is usually provided at a loss. Their costs include bounce toys, toilets and advertising. A request was made to get a financial report of the 2013 Summerfest event.

Sanitation – tipping cost increase from City of Fargo of \$3 per ton is included. Recycling is a volatile market and inert waste may not be that big this year due to not as many beans planted in the area. Employee costs include a 3% increase. Seasonal is for the landfill operator; since it is open 6 days per week he is not busy on a steady basis but there have been no complaints that residents can't get in.

Sewer – rates have just been adjusted so no idea what actual revenue will be. Budget numbers for permanent employees are based on actual current wages and the quarterly reclassification has not been made yet for third quarter.

Water – if conservation efforts work, the income could easily swing \$50,000.

Library – last year it was agreed to give them \$5,000.
The city almost always beats the budgeted income by 4-5%.

A request was made to research the dollar amount of state revenue share in 1996 and how much was shared with the park district. While Losing searched for the NDCC related to the state revenue share, discussion proceeded to developing more land for housing. The city will not do the specials like the Martins and Morningside developments

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were handled. JDA is working on enticing someone to come out to develop land.

Councilman Anderson made a motion, seconded by Councilman Wangler to approve the preliminary budget with an increase of \$12,000 in the street drainage budget item. All voted aye on roll call vote; **motion passed.**

Street Project Bond Resolution

The bond is set for \$3,460,000 with a rate of 3.4% for a 20 year bond with a call feature after 2018. The rate is 17 basis points higher than anticipated (0.17%). Councilman Eberhardt made a motion, seconded by Councilman Buss to authorize issuance of \$3,460,000 in improvement bonds. All voted aye on roll call vote; **motion passed.**

Assessments rate is usually 1% with a maximum of 1.5% over the bond rate. Councilman Wangler made a motion, seconded by Councilman Anderson to set the assessment rate for this bond at 4.4%. All voted aye on roll call vote; **motion passed.**

Next regular meeting September 9, 2013 at 7:00pm.

Councilman Wangler made a motion to adjourn at 8:22pm.

Respectfully Submitted,

Sheila K Klevgard
City Auditor