

**FINANCE COMMITTEE REPORT
CITY OF WILLMAR
MONDAY, JANUARY 14, 2013**

The Finance Committee of the Willmar City Council met at 4:45 p.m. on Monday, January 14, 2013, in Conference Room No. 1 at the City Office Building. Chair Denis Anderson called the meeting to order.

Members Present:	Denis Anderson	.....	Chair
	Tim Johnson	.....	Vice-Chair
	Rick Fagerlie	.....	Member
	Ron Christianson	.....	Member
	Charlene Stevens	.....	City Administrator
	Steve Okins	.....	City Finance Director

Others present included Mayor Frank Yanish, Police Chief Dave Wyffels, Audrey Nelson, Ken Warner, Kelly Welch, David Herzer, West Central Tribune Journalist David Little, and Accounting Supervisor Carol Cunningham.

Item No. 1 – Public Comment

Kelly Welch distributed information to the committee regarding the West Central Integration Collaborative revenue sources as well as census data for Kandiyohi County. He also provided a copy of WCCO Reporter Jason DeRusha’s story about Somalis in Minnesota.

Item No. 2 – Quick Funds, Inc. Request (Information)

Staff reported that Darrell Sunvold of Quick Funds, Inc., had called earlier stating he no longer needed to attend this finance meeting because he is now working with the office of the U.S. Attorney General in this matter.

Item No. 3 – State Volunteer Firefighter Retirement Plan Request (Resolution)

Staff explained that the Willmar Fire Department has been a member of PERA’s Statewide Volunteer Firefighter (SVF) Retirement Plan since January, 2012. The SVF Advisory Board is recommending a change to plan provisions to allow survivor benefits to be paid in cases where firefighters die prior to becoming fully vested, which is after five years of service. This provision is already a requirement for relief associations that are not part of the SVF plan, so the change would put the SVF plan in compliance with relief association laws. All 63 fire departments participating in the PERA Volunteer Firefighter Retirement Plan must pass this resolution in order for the plan change to become effective. Once that has been accomplished, this revision will be presented to the State Legislature to review and pass into law. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Johnson and passed to make the following:

RECOMMENDATION: to introduce a resolution to ratify the addition of a provision to the PERA SVF Retirement Plan allowing survivor benefits to be paid to firefighters who die within their first five years of service.

Item No. 4 – Annual Investment Policy Review (Information)

Staff presented the City of Willmar Investment Policy to the Committee for its annual review. This matter was for information only.

Item No. 5 – Electronic Pawn Transaction Fee (Resolution)

Police Chief Dave Wyffels explained that electronic automated pawn transactions are regulated along with a fee schedule which is applied to each pawn transaction. Part of the fee structure charged for pawn transactions is determined by the City of Minneapolis which controls the Automated Pawn System (APS). Willmar has been participating in this program since April, 2006, at which time the automated pawn transaction fee was \$1.50 per transaction. Of that amount, \$1.00 was paid to the City of Minneapolis and \$.50 was retained by the City of Willmar. In 2010, the City of Minneapolis reduced their fee from \$1.00 to \$.60 per transaction. This savings was passed directly back to the local business owners. Now in 2013, notification was received indicating that the City of Minneapolis is increasing their portion from \$.60 to \$.90 per transaction. It is staff's recommendation to increase the fee charged to the affected business owners from \$1.10 to \$1.40 per transaction, of which \$.90 will be forwarded to the City of Minneapolis and \$.50 will continue to be retained by the City of Willmar. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Johnson and passed to make the following:

RECOMMENDATION: to introduce a resolution increasing the fee charged to pawn brokers within the City of Willmar for each electronic reportable pawn transaction from \$1.10 to \$1.40 and to direct the Chief of Police to notify in writing all businesses subject to the Automated Pawn System of this increase.

Item No. 6 – Reports (Information)

The Committee reviewed the following reports: Baseball Stadium Project; CVB November 30, 2012, Financial; Local Option Sales Tax November 30, 2012, Financial; Rice Hospital November 30, 2012, Financial Report; and Rice Trust Activity Report as of November, 2012. This matter was for information only.

Item No. 7 – Discussion of Chamber of Commerce Dues (Information)

Ms. Stevens provided information obtained from the City Attorney as a result of council members' requests that staff research legal opinion regarding the City of Willmar, Municipal Utilities, Rice Memorial Hospital and its subsidiaries, Community Education and Recreation, Willmar HRA, and the EDC paying dues to the Chamber of Commerce. After considerable discussion, council members requested further clarification to be presented at the January 22, 2013, Council Meeting, in anticipation of making a final decision in this matter.

There being no further business to come before the Committee, the meeting was adjourned at 5:38 p.m. upon motion by Council Member Christianson, second by Council Member Fagerlie, and carried.

Respectfully submitted,

Carol Cunningham
Accounting Supervisor