

**FINANCE COMMITTEE REPORT
CITY OF WILLMAR
MONDAY, AUGUST 26, 2013**

The Finance Committee of the Willmar City Council met at 4:45 p.m. on Monday, August 26, 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
	Audrey Nelsen	.....	Member
	Charlene Stevens	.....	City Administrator
	Steve Okins	.....	City Finance Director

Others present included Mayor Frank Yanish, Council Members Ron Christianson and Bruce Deblieck, Ken Warner, John Sullivan, West Central Tribune Journalist David Little, and Accounting Supervisor Carol Cunningham.

Item No. 1 – Public Comment

John Sullivan expressed the opinion that a Council Planning Retreat would not accomplish anything because council members can't agree to disagree.

Item No. 2 – Tax Forfeited Property (Information)

Staff explained to the Committee that the City was notified about a parcel located within city limits that has been forfeited to the State of Minnesota for non-payment of property taxes. The County has appraised the value of this property at \$3,000. Per Minnesota Statute 282.01, Kandiyohi County is requiring the City to either approve the parcel for public auction or request a conveyance to the City for public use. This is a small corner lot that has no public use, therefore, staff is not recommending conveyance to the City. After discussion, it was determined that further information be brought back to the Committee, including the exact address, whether or not the property has been sold, and outstanding amount of back taxes. This matter was for information only.

Item No. 3 – Leisure Services Budget (Resolution)

Staff explained to the Committee that the local Disc Golf Club has requested that the City install an additional nine holes of disc golf plus a practice hole. The project cost is estimated at \$2,859.89. The Disc Golf Club would like to make a donation of \$1,224.35 to the City of Willmar to help offset these costs. Staff is requesting an increase to the 2013 Leisure Services Budget by \$1,224.35 in both Donations Revenue and Supplies Expenditures. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Nelsen, and passed to make the following:

RECOMMENDATION: to introduce a resolution to accept the donation of \$1,224.35 from the Disc Golf Club and to increase the 2013 Leisure Services Budget by this amount in both Donations Revenue and Supplies Expenditures.

Item No. 4(A) – 2014 Mayor’s Proposed Budget/Memos on Budget Cut Impacts (Information)

Mayor Frank Yanish is proposing reductions in budgeted expenditures for 2014. Three areas include: 1) Reductions in Travel and Training (50%), 2) Memberships and Dues (35%),

and 3) Professional Services (35%). Committee Members raised questions regarding the methodology used for cutting these areas. The Mayor wants these cuts to be across the board. Committee members requested staff compile detail of the 2013 Budget, the 2013 Actual Expenditures to date, and the 2012 Actual Expenditures for Travel/Training, Memberships/Dues, and Professional Services, along with anticipated 2014 Expenditures, noting whether they are mandatory or only beneficial for productivity. The Committee will continue to review and discuss the proposed 2014 budget over the next several meetings prior to the public hearing to be held in December, 2013. This matter was for information only.

Item No.4 (B) – Mayor’s Proposed 2014 Budget, Proposed Levy (Resolution)

Staff reviewed with the Committee the tax levy included in the Mayor’s proposed 2014 Budget. Due to the Levy limit law being reinstated in 2013 for the 2014 tax year, the levy cannot be raised over the 2013 tax levy. The levy proposed of \$4,139,734 may be lowered but not raised after certification to the County Auditor’s office. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Nelsen, and passed to make the following:

RECOMMENDATION: To introduce a resolution setting the preliminary 2014 City of Willmar Property Tax Levy at \$4,139,734 and scheduling the public hearing on the 2014 Proposed Budget for December 2, 2013.

Item No. 5 – Reports

The Committee received the 2nd Quarter Community Foundation Report and the July, 2013, Rice Trust Report. This matter was taken for information only.

Item No. 6 – Old Business (Information)

Chair Anderson acknowledged there was no old business for the Committee to discuss at this time.

Item No. 7 – New Business (Information)

Chair Anderson acknowledged there was no new business for the Committee to discuss at this time.

There being no further business to come before the Committee, Chair Anderson declared the meeting adjourned at 5:55 p.m.

Respectfully submitted,

Carol Cunningham
Accounting Supervisor