

**FINANCE COMMITTEE REPORT
CITY OF WILLMAR
MONDAY, DECEMBER 10, 2012**

The Finance Committee of the Willmar City Council met at 4:45 p.m. on Monday, December 10, 2012, in Conference Room No. 1 at the City Office Building. Chair Denis Anderson called the meeting to order.

Members Present:	Denis Anderson	.....	Chair
	Rick Fagerlie	.....	Vice-Chair
	Jim Dokken	.....	Member
	Ron Christianson	.....	Member
	Charlene Stevens	.....	City Administrator

Others present included Mayor Frank Yanish, Council Member Bruce Deblieck, Audrey Nelson, John Sullivan, and Accounting Supervisor Carol Cunningham.

Item No. 1 – Public Comment

Chair Anderson acknowledged that no one present wished to address the committee at this time.

Item No. 2 – Lakeland Drive Intent to Reimburse (Resolution)

Staff explained that the Lakeland Drive Interceptor/Minn West lift station project is scheduled for construction in 2013. Engineering work on this project has begun and the proposed routine resolution is necessary for the City to reimburse itself from bond proceeds. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Christianson and passed to make the following:

RECOMMENDATION: to introduce a resolution establishing procedures relating to compliance with Reimbursement Bond Regulations under the Internal Revenue Code.

Item No. 3 – Western Collector Final Budget (Resolution)

Staff reported that design approval and bidding have been completed for the construction of the sanitary sewer interceptor on the western side of the community. Council action is required to approve the final budget outlining the estimated costs and funding sources for the project which is comprised of approximately \$1.3 million of LOST funds, \$649,000 of Capital Reserves, and \$2.57 million in PFA Loans. Following discussion, it was moved by Council Member Christianson, seconded by Council Member Fagerlie and passed to make the following:

RECOMMENDATION: to introduce a resolution approving the Final Budget for the Western Interceptor Project as presented.

Council Member Dokken arrived at this time.

Item No. 4 – First Street Bridge Funding (Resolution)

Staff explained that it has been determined that the City has not reimbursed the State of Minnesota for non-eligible State Aid costs associated with the relocation of water lines on the First Street Bridge Project. The State has made several unsuccessful attempts requesting this reimbursement in the amount of \$50,785.19. It is staff recommendation to authorize payment out of Capital Reserves from the Community Investment/Capital Improvement Fund. Council Member Dokken would like to review the

file on the First Street Bridge Project. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Dokken and passed to make the following:

RECOMMENDATION: to introduce a resolution authorizing reimbursement to the State of Minnesota for non-eligible State Aid costs incurred for the First Street Bridge Project in the amount of \$50,785.19.

Item No. 5 – Police Department 2012 Budget Amendment (Resolution)

Staff explained that the Council has previously approved Arbitration requirements for the Police Department LELS group. A resolution is needed to amend the 2012 Budget to reflect the additional costs associated with that settlement by transferring \$53,724 from Non-Departmental Uncompensated Absences to Police Department Salaries (\$45,251), Pensions (\$7,021), and Insurances (\$1,452). Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Dokken and passed to make the following:

RECOMMENDATION: to introduce a resolution transferring \$53,724 from Non-Departmental Uncompensated Absences to Police Department Salaries, Pensions, and Insurances as presented.

Item No. 6 – Reports (Information)

The Committee reviewed the Rice Trust Third Quarter Report, the Willmar Municipal Utilities Financial Report as of September 30, 2012, and the Rice Hospital Financial Report as of October 31, 2012. This matter was for information only.

Item No. 7 – Miscellany (Information)

Council Member Christianson referred to a discussion held at a previous council meeting regarding the City not being allowed to pay dues to the Chamber of Commerce. He was wondering whether it was also illegal for the Willmar Municipal Utilities, Rice Memorial Hospital, Community Education and Recreation, and the Willmar HRA to pay dues to the Chamber of Commerce as well. This matter will be referred to the City Attorney for a determination.

There being no further business to come before the Committee, the meeting was adjourned at 5:00 p.m. upon motion by Council Member Fagerlie, second by Council Member Christianson, and carried.

Respectfully submitted,

Carol Cunningham
Accounting Supervisor