

**MINUTES
SPECIAL COUNCIL MEETING
2016 PROPOSED BUDGET AND LEVY
AND
STREETS AND ALLEYS
COOK CITY COUNCIL
AUGUST 27, 2015 – CITY HALL – 5 PM**

PRESENT: Acting Mayor Elizabeth Storm and City Councilors Kim Brunner and Jody Bixby
ABSENT: Mayor Harold Johnston and City Councilor Karen Hollanitsch
OTHERS PRESENT: Administrator-Clerk/Treasurer Theresa Martinson, Deputy Clerk/Treasurer Cindy Palm and Maintenance Supervisor Bud Ranta

Acting Mayor Elizabeth Storm called the Special Council Meeting to order at 5 PM.

The purpose of this meeting is to hold monthly special study sessions to discuss budget planning for 2016. Study sessions will be held at 5 PM prior to the monthly regular council meetings for the remainder of the year to discuss the budget and levy for 2016.

The study session focuses on the budgets for Streets and Alleys and to propose and adopt a Preliminary Budget and Tax Levy for 2016 and set the Truth in Taxation Hearing date.

Streets and Alleys

The 2014 Street Paving has reduced the overall budget for less class five and road maintenance needs. Crack sealing has been budgeted to maintain pavement and the council may want to consider allocating funds annually for future paving replacement. Expected life of pavement is approximately 15 years.

New for 2015 is Small Cities Assistance Funding for road repair received in two annual payments. These funds will be committed and budgeted for future project needs.

The Cook Hospital Maintenance Department inquired about emergency striping on city streets near the hospital. It has been determined by the hospital that the establishment of parking signs and working with employees is more effective than street striping for parking.

Signage

In 2014, St Louis County required communities to create a management method to maintain sign retro-reflectivity. The council adopted a policy at the July 2014 Regular Council Meeting with a yearly Sign Replacement Goal and Budget of 10% (10 year projected life span on signs) and approved an expense of \$1500 for a measuring reflectivity kit. Recorded inventory of street signage is 109 with stop signs 52, street names 44, dead end 7, speed 5 and hospital 1. Bud is to purchase the kit and 10% sign goal for the 2015 budget.

Equipment

The equipment replacement fund is allotted \$7500 annually with a 2014 audited balance of \$9366.

Maintenance Supervisor Bud Ranta has requested that the remaining 2015 budget be used towards the purchase of a new city pickup and plow package. The pickup is almost 14 years old and in decent shape. Bud is requesting a basic work truck with a plow and electric windows. The current pickup would then be sold.

Councilor Bixby requested that the purchase be made locally and Storm asked what options would be considered whether the purchase be leased, new or used. Bud will research options and get quotes from both local dealers.

Motion by Brunner, second by Bixby to authorize the purchase of a pickup and plow package utilizing remaining 2015 budget funds and capital equipment funds if needed, and purchasing locally and selling the old pickup. **MOTION CARRIED**

Maintenance Supervisor Bud Ranta has also recommended replacing the dump truck between now and 2016. He will research bid law requirements, financing/purchasing options utilizing capital equipment funds, and old equipment will be sold. He is requesting authority to purchase at the best deal in lieu of waiting for monthly council meetings and will present purchase opportunities to Administrator Martinson and Mayor Johnston.

Motion by Brunner, second by Bixby to allow authority for Maintenance Supervisor, Bud Ranta, to purchase a dump truck utilizing capital equipment funds and pre-approval review with Administrator Martinson and Mayor Johnston. **MOTION CARRIED**

The grader will be kept and utilized in the event that heavy snowfall impacts the streets. A future snow blower attachment for the skid steer will need replacement as the current is ten years old.

2016 Proposed Budget and Levy

The preliminary budget for 2016 has proposed revenues that include LGA and project taxes to be paid in full.

The presented general fund budget primarily covers operating expenses for the city. Major capital projects need further review and grant opportunities considered. Budgeted project funds are designated separately from operating expenses to avoid substantial increases to the tax levy.

A preliminary levy increase of 8% is proposed to the council. The proposed 2016 levy amount would be \$385,651.

2013 LEVY \$340,080 Final
2014 LEVY \$357,084 Final
2015 LEVY \$357,084 Final
2016 LEVY \$385,651 Preliminary

PROPOSED REVENUES	\$528,753
PROPOSED EXPENSES	<u>\$554,571</u>
Deficit	\$(25,818)

GENERAL FUND	\$(25,818)
LEVY 8%	<u>\$ 28,567</u>
	\$ 2,749

The proposed Truth in Taxation meeting date is December 17 at 6 PM at Cook City Hall.

Miscellaneous

The North River Street Bridge Project remains idle as St. Louis County needs to meet with city officials to discuss the project in detail. Anticipation is to bid project for 2016.

The September Budget Study Session will review the Library and Parks and Beautification budgets.

Motion by Brunner, second by Bixby to adjourn the special study session meeting at 5:45 PM.

CITY OF COOK – Cook, MN 55723

Elizabeth Storm, Acting Mayor

Recorder: Cindy Palm, Deputy Clerk/Treasurer

Attest: Theresa Martinson, Administrator-Clerk/Treasurer