

MINUTES
SPECIAL COUNCIL MEETING
RECREATION AND AIRPORT – 2015 BUDGET
COOK CITY COUNCIL
OCTOBER 23, 2014 – CITY HALL – 5 PM

TIME AND PLACE: A Special Meeting of the Cook City Council was held at 5 PM on Thursday, October 23, 2014 at the Cook City Hall.

CALL TO ORDER: Mayor Harold Johnston called the Special Council Meeting to order at 5 PM.

ATTENDANCE: Present were Mayor Harold Johnston and City Councilors Kim Brunner, Karen Hollanitsch and Elizabeth Storm. Absent was City Councilor Jody Bixby. Also present was Administrator-Clerk/Treasurer Theresa Martinson, Deputy Clerk/Treasurer Cindy Palm, Recreation Commission Secretary Tammy Palmer and Member Tom Beaudry, Airport Coordinator Ernie Seppala, The Timberjay and Cook News Herald.

The purpose of this meeting is to hold monthly special study sessions to discuss budget planning for 2015. 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 2015.

The October Study Session focuses on the budgets for Airport and Recreation.

Airport

Revenues

Hangar leases were last increased in 2012 and are currently .10 cents per square foot. A new hangar is being built for 2014-15 and another potential customer is considering for 2015. The apartment had been rented out 2009-2014 to the same renter at \$525 per month with the city paying the heating utilities. Advertisements to fill the rental will be published soon with the rent increasing to \$600 per month. Having this apartment occupied is added safety and security for the airport.

State reimbursement is received annually for maintenance and operation expenses to the airport runway. This reimbursement will increase approximately \$1500 per year over the next three years due to legislative monies being reimbursed to the MNDOT Aeronautic Department.

Township funds are received for annual capital improvements and the city continues to be reimbursed by a private donor for the second maintenance position.

Fuel sales have increased for 2014 partly due to a UPS cargo plane utilizing services at the Cook Municipal Airport. Fuel sales and hangar lot leases are a primary revenue source for the airport. Marketing efforts and sales are reviewed to stay on top of these revenues.

Friends of Aviation continue to volunteer and fundraise for the airport. They contribute to a variety of projects and purchases for the airport. In September, the group hosted a fly-in that brought approximately 15 planes in and anticipates hosting this event again in 2015.

Expenses

Building: There are no funded building projects anticipated but there are unanticipated repairs and maintenance included in the 2015 budget. The R&M expense item budget was increased to cover the cost of replacing appliances in the apartment if needed.

Runway: The Master Layout Plan project started in 2014 and will continue into 2015 with FAA funding at 90% and City and MNDOT at 5% each. The crack repair portion bid under this project for \$15,500 was rejected at the September Council Meeting and will be re-bid in 2015 as a separate project which allows more crack sealing and funding availability as advised by S.E.H. Engineering.

In April 2014, the council approved a transfer from the Liquor Store positive cash fund to eliminate negative cash debt for the airport from years of accumulation. Going forward, the cash balance will be reviewed annually, with revenues and expenses adjusted to eliminate negative balances.

Revenues and expenses are proportionate to each other in the airport budget to eliminate any negative balances to be covered by the general fund.

Recreation

The new facility is partially budgeted as if the structure will be in operation for 2015. The council was presented with detailed budget information on what will be needed to operate and maintain the community center building, park, rink and ball fields.

Commission Secretary Tammy Palmer reported that utilizing volunteer labor has been challenging and they have begun to utilize building funds to pay contractors to complete the building. Some contractors are waiting on other contractors to be able to complete the work. Council members suggested the possibility that other contractors be considered if the ones hired cannot complete the work. Once the electrical is completed and inspected, this will be a large step forward towards completion.

The council suggested increased promotion for the building completion to educate the public on completion progress.

Recreation revenues come from townships and some support has been withheld until the building is complete. Other revenues will come from building rental, major events, dedicated funds and concessions when the building is in operation.

Friends of the Park is a volunteer fundraising group who hosts Wings and Things, a Chili Contest and other fundraisers to support the city parks and community center financially as is the mission of Friends of the Park.

The council had allowed funds to be budgeted for December 2014 to prep the skating rink for the 2015 skating season. Commission Secretary Tammy Palmer requested permission to have ice for the 2015 skating season even though the building is not completed. Over the past few years, the council has not allowed the skating ice because of safety issues with building construction and no water or heat. Council members now feel that the situation has changed to reinstate skating. Water is now available to flood the rink and the commission would like to enclose the pavilion and place rubber matting on the concrete floor with temporary heat for the skaters. The Portable John would be relocated near the pavilion for public use. The building will not be open to the public until completely finished.

Lighting may be an issue as the lights have not been on since the rink was last used. For now, daytime skating hours would be posted. A security system was installed in 2014 for interior and exterior surveillance of the property for added safety as well.

Motion by Storm, second by Hollanitsch to allow daytime skating hours for the 2015 skating season by adding \$2500 to the recreation budget. **MOTION CARRIED**

Aglime is replaced every 3 years and due for 2015. A property maintenance account has been established allowing \$2000 annually towards aglime for the ball fields. Research is needed for shared delivery services to minimize the transportation costs to deliver this product. The ISD 2142 contribution of \$1,000 for use of the high school fields used to be contributed towards this. Now that the school has their own fields, more research is needed to replace the school district contribution that was lost.

Youth baseball utilizes the fields from May through mid-July and the annual Timber Days event hosts a softball tournament using the Dan Swanson Field. Rental policies will need to be in place to increase revenues due to the loss of the school district funds.

Pigeon control was completed with problems in the pavilion in 2013.

Snow removal will be needed for the skating season whether it be done in house by city maintenance or contracted out. Currently the ambulance and fire hall are contracted out because it is an emergency service.

The Parks and Beautification Commission offered to contribute any remaining 2014 budgeted funds towards completion of plumbing or electrical work. Most of the materials are already purchased and the funds would cover the labor to complete. The budget will be reviewed towards year end with the auditor to determine an amount and brought to the council for approval.

Commission Secretary Tammy Palmer has requested a future rink attendant at 21 hours per week as was staffed with the previous recreation center. Council members stated that the building needs to be completed before staffing will be considered and that the current high priority is staffing the ambulance service as an essential service versus non-essential service.

In 2013, township donations to the general fund were designated towards a Recreation Programs account. In 2014, funds were not identified for designation through township letters. Designation needs to be addressed for 2015 letters mailed to townships.

Motion by Hollanitsch, second by Storm to identify designation for 2015 township contribution requests for Recreation Program funds that are received into the general recreation fund. **MOTION CARRIED**

The November Budget Study Session will review the remaining general budget.

ADJOURNMENT:

There being no further business brought before the Council, motion to adjourn at 5:50 PM was made by Councilor Storm and second by Councilor Hollanitsch. **MOTION CARRIED**

Harold Johnston, Mayor

Recorder: Cindy Palm, Deputy Clerk/Treasurer

Attest: Theresa Martinson, Administrator-Clerk/Treasurer