

Present: Mayor Steve Stotko – Temporary Acting City Administrator
Council Member Bonnie Quast
Council Member Max Fasching
Council Member Tom Ollig
Council Member George Schulenberg

Staff Present: Ms. Deborah R. Boelter, City Clerk-Treasurer
Mr. Dave Meyer, Public Works Department Maintenance Supervisor

1) Mayor Stotko called the meeting to order at 6:00 p.m.

a) The Pledge of Allegiance was taken.

2) Consent Agenda

Council Member Schulenberg motioned to adopt the Consent Agenda as presented. Council Member Fasching seconded the motion. Motion carried 5-0.

a) Minutes – City Council – Work Session – August 20, 2013

Accepted the minutes of the City Council Work Session of August 20, 2013.

b) Vacation Banking – Ms. Amanda Zeidler

Authorized Ms. Amanda Zeidler, Utility Billing and Payroll Clerk, to bank 65.43 hours of vacation on her employment anniversary date of September 9, 2013, according to the City of Winsted Personnel Policy.

c) Exterior Cleaning, Coating Repair, and Spot Touch-Up of Water Tower

Authorized the exterior cleaning, coating repair and spot touch-up painting of the water tower by Tight Rope for \$4,900.

d) Safety Program Contract – SafeAssure Consultants, Incorporated

Approved a contract with SafeAssure Consultants, Incorporated to provide a safety program for the City of Winsted in the amount of \$2,900.

e) Claims

Approved the Claims List for September 3, 2013.

3) No Public Hearings.

4) No Old Business.

5) New Business

a) Resolution R-13-18 – Year 2014 General Fund Budget and Preliminary Levy

Mayor Stotko presented the year 2014 General Fund Budget and Preliminary Levy.

Mayor Stotko presented the process for the preparation of the year 2014 Budget and Levy:

➤ **May, 2013**

The City Council outlined their goals and priorities for the year 2014 Preliminary Budget and Levy.

- **July 2, 2013** Staff prepared a draft budget for the year 2014 which included the directives from the City Council regarding their goals and priorities.
- **August 20, 2013** The City Council reviewed the draft budget for the year 2014 at their Work Session.
- **September 3, 2013** The City Council reviews the revised year 2014 General Fund Budget and Preliminary Levy at their Work Session.
- **September 3, 2013** The City certifies the year 2014 Preliminary Levy to the McLeod County Auditor.
- **Mid September, 2013** The City will receive updated property values and tax capacity information from McLeod County.
- **October 15, 2013** The City Council will review the year 2014 General Fund Budget and Preliminary Levy with updated data from McLeod County at their Work Session.
- **November 19, 2013** The City Council will review the year 2014 General Fund Budget and Final Levy at their Work Session, prior to the Truth-in-Taxation hearing.
- **December 3, 2013** The City Council will conduct the annual Truth-in-Taxation hearing at their Regular City Council meeting.
- **December 17, 2013** The City Council adopts the year 2014 Final Budget and Levy.

Mayor Stotko presented the following definitions:

- **Revenue:** The money received by the City from taxes, fees, charges for services, permits, fines, liquor licensing, etcetera.
- **Expenditure:** The money spent towards the operation of City Government for services, supplies, repairs, improvements, salaries, utilities, etcetera.
- **General Levy:** The property tax dollars needed to fund the operations of the City otherwise known as the General Fund which includes: the City Council, Commissions, Administration, Public Works, Police, Fire, Parks, Public Library, Building Inspections, Legal Services, and Engineering.
Mayor Stotko stated that Revenue *minus* Expenditures *equals* the General Levy.
- **Debt Levy:** The property tax dollars needed to pay for the debt of the City.

Mayor Stotko stated that the General Levy *plus* the Debt Levy *equals* the Property Tax Levy.

Mayor Stotko presented the proposed General Fund Revenue and Expenditure Budget for the year 2014.

Mayor Stotko presented the City of Winsted's General Fund history:

	Approved Year 2010	Approved Year 2011	Approved Year 2012	Approved Year 2013	Preliminary Year 2014
Revenues	\$1,389,876	\$1,557,681	\$1,543,867	\$1,577,604	\$1,651,518
Expenditures	\$1,395,465	\$1,356,422	\$1,546,467	<i>Projected \$1,575,078</i>	\$1,622,993
	Final Year 2010	Final Year 2011	Final Year 2012	Final Year 2013	Preliminary Year 2014
General Levy	\$732,724	\$747,379	\$744,379	\$777,182	\$776,682

Mayor Stotko presented the City of Winsted's year 2014 Debt Levy:

Debt	Levy Amount
Year 2006 Bond for the Public Works Facility	\$55,000 Will be paid off in the year 2027
Year 2007 Bond for the New City Hall	\$156,000 Will be paid off in the year 2036
Year 2008 Equipment Certificate for the New City Hall	\$29,250 Will be paid off in the year 2017
Year 2008 Bond for the New City Hall	\$40,000 Will be paid off in the year 2027
Year 2012 Bond for the Westgate Improvement Project	\$46,500 Will be paid off in the year 2027
Total	\$326,750

Mayor Stotko presented the City of Winsted's Property Tax Levy history:

Levy	Final Year 2010	Final Year 2011	Final Year 2012	Final Year 2013	Preliminary Year 2014
General	\$732,724	\$747,379	\$744,379	\$777,182	\$776,682
Debt	\$356,250	\$370,250	\$373,250	\$326,250	\$326,750
Total	\$1,088,974	\$1,117,629	\$1,117,629	\$1,103,432	\$1,103,432

Mayor Stotko presented the year 2014 Preliminary Property Tax Levy:

Levy	Final Year 2013	Preliminary Year 2014	Change
General	\$777,182	\$776,682	-\$500
Debt	\$326,250	\$326,750	+\$500
Total	\$1,103,432	\$1,103,432	\$0 (Zero Percent (0%) Increase)

Mayor Stotko presented a chart showing that if the City would increase the General Levy as shown in the years 2013 and 2014; the additional money could be allocated to fund future increases to the debt levy scheduled in the years 2015, 2016 and 2017:

	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
Debt Levy	\$373,250	\$326,250	\$326,750	\$378,250	\$419,750	\$420,250
+/- Year 2012	\$0	-\$47,000	-\$46,500	+\$5,000	+\$46,500	+\$47,000

Mayor Stotko stated that the proposed year 2014 General Fund Budget and Preliminary Levy does include wage increases for staff and maintains their existing insurance benefits. He continued by stating that it also maintains funding for the Brush Site employee in spite of the \$4,250 of funding that the City will no longer receive from McLeod County Solid Waste.

Mayor Stotko presented two (2) outstanding budget requests that the City of Winsted has received in the year 2014:

1. Pioneerland Library System has requested \$6,000.
2. Southwest Initiative Foundation has requested \$1,250.

Mayor Stotko presented the following items in regards to the year 2014 General Fund Budget and Preliminary Levy:

- **State of Minnesota – Local Government Aid (LGA)**
The proposed year 2014 Budget reflects an increase in LGA.
- **Capital Improvement Plan (CIP)**
The proposed year 2014 Budget does not fully fund the City's CIP.
- **Year 2014 Fire Protection Costs**
The year 2014 fire protection costs may change slightly after the Winsted Volunteer Fire Department (WVFD) Board reviews the WVFD's proposed year 2014 Budget and makes a recommendation on the per unit cost to the Winsted City Council.
- **Levy Adjustments**
Once the year 2014 General Fund Budget and Preliminary Levy are approved by the City Council, the levy can be decreased but not increased.
- **Tax Rate**
Draft data from McLeod County shows the overall tax rate for the City slightly decreasing by not increasing the Property Tax Levy.
- **Property Tax Levy History**
The City of Winsted has had a one percent (1%) increase in overall property tax levy for the past five (5) years from the year 2010 through the year 2014.

Mayor Stotko again presented the year 2014 Budget process after the Preliminary Levy is adopted.

- **Mid September, 2013** The City will receive updated property values and tax capacity information from McLeod County.
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Council Member Fasching stated that the City's history of increasing the overall property tax levy only one percent (1%) over the past five (5) years is amazing. He continued by stating that a minimal increase to the City's property tax is a priority for the City Council.

Council Member Quast motioned to adopt Resolution R-13-18 certifying the year 2014 Preliminary Levy in the amount of \$1,103,432. Council Member Schulenberg seconded the motion. Motion carried 5-0.

6) Department Report

a) Winsted Public Works Department

Mr. Dave Meyer, Winsted Public Works Department Maintenance Supervisor, reported on the following:

- **Street Crack Filling and Seal Coating**
Obtained bids for the crack filling and seal coating of certain Winsted streets. The work has been completed.
- **AT and (&) T – Water Tower Warning Light**
AT & T's warning light on the City's water tower was not working. Contacted AT & T to have them repair the light.
- **Downtown Flower Boxes**
 - Planted flowers in the City's flower boxes and placed them in the downtown area.
 - Water flowers on a regular basis.
- **Weed Control**
 - Sprayed the City's parks and airport for dandelions.
 - Sprayed weed killer in the City's parks – ball fields, fence lines, etcetera.
- **Waste Water Treatment Facility (WWTF) – Pond Decommissioning**
Assisted Mr. Phil Robinson, People Service, Incorporated, move the pumps that are being used to assist with the pond decommissioning at the WWTF.
- **Displayed the American Flags for the following:**
 - Holidays.
 - Winstock Country Music Festival.
 - Winsted Summer Festival.
- **Winsted Municipal Airport – Beacon Light**
The beacon light at the Winsted Municipal Airport was not working and needed to be repaired.
- **Black Top Patching**
 - Water main breaks and pot holes resulted in black top patching on some of the City's streets.
- **Winstock Country Music Festival**
Prepared the City of Winsted for the Winstock Country Music Festival.
- **Winsted Municipal Airport – Tie Downs**
Located and marked the tie downs at the Winsted Municipal Airport.
- **Winsted Municipal Airport – Runway Condition**
Evaluated the Winsted Municipal Airport runway condition to determine if the ground was too wet for airplanes to land and/or take-off.
- **Kingsley Street – Sewer Force Main Break**
Assisted with the repair of a sewer force main break on Kingsley Street.
- **Storm Sewer Drains**
Due to the large June, 2013 rain event, the Public Works Department cleaned out several storm sewer drains and assisted Mr. Robinson with portable pumps to remove excess water from the various lift stations.
- **Westgate Sewer Lift Station**
Due to a power outage, a portable generator was moved to the Westgate Sewer Lift Station so it could continue to operate.
- **Water and Sewer Billing**
 - Continue to assist Ms. Amanda Zeidler each month by posting past due water and sewer billing notices.
 - Disconnect water and sewer service from properties that have not paid their bill.
- **Sickle Mow**
Sickle mow grass areas not mowed by the City's contractor, Mathew's Lawn Service.
- **Westgate Park Sign**
Installed the Westgate Park sign.
- **Mill Reserve Park**
Removed some rocks and installed sod at Mill Reserve Park.
- **Winsted Municipal Airport**

- Completed some excavating at the end of the taxiway at the Winsted Municipal Airport.
- Watered the grass areas that were seeded.
- **Brush Site**
Weekly maintenance at the brush site.
- **Baker Avenue**
Dealt with a water main break.
- **Storm Sewer Drains**
Completed cement work around some of the City's storm sewer drains.
- **Public Works Facility**
Moved a bollard safety pole located near the Public Works facility to a location further from the building because frost heave was causing it to lean into the side of the building.
- **Tree Trimming**
- **Well Houses – Minnesota Department of Health**
Met with representatives from the Minnesota Department of Health at each of the City's well houses so they could collect water samples for testing.

Mayor Stotko asked Mr. Meyer when the repairs were going to be completed on Kingsley Street. Mr. Meyer stated that they will be completed sometime in September, 2013.

Mayor Stotko asked Mr. Meyer for an update on the ponds at the Waste Water Treatment Facility (WWTF). Mr. Meyer stated that the ponds have been pumped and are empty. He continued by stating that the excavators have been doing the required dirt work.

Council Member Quast asked Mr. Meyer if some of the distressed trees located throughout the City will survive. Mr. Meyer stated that it is difficult to determine at this time. He continued by stating that he will wait to see if they bud again in the spring, 2014.

Council Member Ollig asked Mr. Meyer if the Public Works Department plans to add sand to the beach at Mill Reserve Park. Mr. Meyer stated that they will likely add sand to the beach in the spring, 2014.

Council Member Ollig asked Mr. Meyer if there was a location where a light could be installed to light the south side of the City's water tower. Mayor Stotko stated that he has discussed the lighting of the south side of the City's water tower with Mr. Craig Remer of CR Electric, Incorporated, and he indicated that he will run some tests to determine if he can install a light pole on the City's property and angle it to light the south side of the water tower. Mayor Stotko stated that if this option does not work, the City will contact the owner of the building at 351 Lewis Avenue West to determine if there is a location that a light can be placed to light the water tower.

Council Member Ollig asked Mr. Meyer if the outside of the water tower has been cleaned. Mr. Meyer stated that he will be contacting the company, Tight Rope, to schedule a date to clean the outside of the City's water tower and spot touch-up paint where needed.

Council Member Ollig asked who made the picnic tables that the City uses in its parks. Council Member Quast stated that Millerbernd Manufacturing made the frames for the picnic tables. Mr. Meyer stated that the frames are in good condition and they replace the boards as needed.

7) **No Open Forum.**

8) **Announcements**

a) **City Administrator – Mr. Clay Wilfahrt**

Mayor Stotko announced that the new City Administrator, Mr. Clay Wilfahrt, will begin working for the City of Winsted on Monday, September 9, 2013.

9) **Adjournment**

Council Member Quast motioned to adjourn the meeting. Council Member Fasching seconded the motion. Motion carried 5-0.

The meeting was adjourned at 6:25 p.m.

Steve Stotko

Steve Stotko
Mayor and Temporary Acting City Administrator
City of Winsted

ATTEST:

Deborah R. Boelter

Deborah R. Boelter, MCMC
City Clerk-Treasurer
City of Winsted