

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
THURSDAY, SEPTEMBER 7, 2000
8:30 A.M. - CITY HALL

The Council for the City of Crosslake met in the Council Chambers of City Hall on Thursday, September 7, 2000 at 8:30 A.M. The following Councilmembers were present: Mayor Darrell Swanson, Charles Miller, Irene Schultz, Dean Swanson and Richard Upton. Also present was City Administrator Thomas Swenson, Deputy Clerk Darlene Roach and Park and Recreation Director Jon Henke.

Mayor Swanson called the Special Meeting to order at 8:35 A.M. and stated that the purpose of the meeting was to discuss the 2001 budget.

City Administrator Tom Swenson requested that the Council review the Lease Agreement which was prepared by City Attorney Paul Sandelin for the Pre-School's use of the Community Center. Since the sessions were scheduled to begin today, City Administrator Swenson felt it was an emergency situation that could be addressed at the budget meeting. Discussion ensued regarding the lease agreement. Jon Henke stated that the Pre-School has not obtained liability insurance. City Administrator Swenson suggested that the Council place a timeframe on their obtaining this insurance. Mayor Swanson asked about non-payment and whether the lease would be terminated in this situation. It was noted that while the agreement addresses non-payment it does not state when the rent is due. The Council also requested that waiver releases be provided to the Park and Recreation Director no later than the first day of student enrollment. The Council directed Park and Recreation Director Jon Henke to review the changes with the City Attorney. MOTION 09S-01-00 WAS MADE BY CHUCK MILLER AND SECONDED BY IRENE SCHULTZ TO APPROVE THE LEASE AGREEMENT FOR THE PRESCHOOL CONTINGENT ON THEIR OBTAINING LIABILITY INSURANCE NO LATER THAN SEPTEMBER 22, 2000, THAT HOLD HARMLESS WAIVERS BE SIGNED NO LATER THAN THE FIRST DAY OF STUDENT ENROLLMENT AND THAT PAYMENT OF RENT IS DUE NO LATER THAN THE TENTH DAY OF EACH MONTH. MOTION CARRIED WITH ALL AYES.

City Administrator Tom Swenson presented some recommended changes which, if approved by the Council, would allow him to prepare the preliminary tax levy worksheet which could be adopted at the September Regular Council Meeting.

Mayor Swanson advised the Council to review each item as identified by City Administrator Swenson. The revised areas include: 1.) -\$300 for Cellular Communication for Council; 2.) +\$2,921 for PERA in Administration due to wrong percent used during first budget meeting; 3.) -\$15,000 for Capital Outlay for the Fire Department; 4.) -\$4500 for tables/chairs/chair rack for Park and Recreation Department; 5.) -\$2,000 reduction for Downtown Development in General Government and; 6.) -\$3000 reduction in signs for Public Works. Based on these reductions, City Administrator Swenson prepared a 2000 – 2001 Preliminary Budget Comparison. Based on the 2001 proposed revenues and

expenditures, the levy would reflect an increase of 8.2%. Mayor Swanson stated that the improvement of approximately 16 miles of roads, salaries and benefits represent the largest increases.

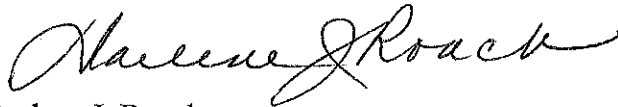
Councilmember Swanson noted that although the 2001 budget reflects an increase in excess of \$90,000, a report generated from the Crow Wing County Auditor's Office projects that the City could increase the levy by \$131,734.92 without showing an increase in the City tax rate. Councilmember Swanson stated that he was comfortable with the budget and the other Councilmembers concurred.

Mayor Swanson asked if a press release should be prepared which would explain the increase in levy. Councilmember Upton was in favor of being pro-active. City Administrator Swenson suggested that the Mayor read a memo at the public hearing. Which approach will be taken will be discussed between Mayor Swanson and City Administrator Swenson.

Mayor Swanson stated that he has spoken with Chuck Crist regarding the "Oberstar Money" and whether it is available. According to Mr. Crist, the funding is in the Senate version, but not in the House version. It appears that the bill has passed with no funding available.

MOTION 09S-02-00 WAS MADE BY CHUCK MILLER AND SECONDED BY DEAN SWANSON TO ADJOURN THIS SPECIAL COUNCIL MEETING AT 9:23 A.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by:



Darlene J. Roach
Deputy Clerk