

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, NOVEMBER 13, 2017**

CALL TO ORDER

The Committee of the Whole Meeting held by the Zimmerman City Council was called to order at 7:00 p.m. at City Hall by Mayor Dave Earenfight, followed by the Pledge of Allegiance.

ROLL CALL

Present: Mayor Earenfight, Council Members Nathe, Smith, and Whiting. Member Brisbin was absent. Also present were Clerk/Treasurer Tillmann and Public Works Director Johnson.

AGENDA APPROVAL

Smith/Whiting unanimous to approve the agenda as presented.

OPEN FORUM

There was no one present to address the Council during Open Forum.

ORDER OF DISCUSSION

2018 GENERAL FUND BUDGET & LEVY

Clerk/Treasurer Tillmann started the budget presentation by reiterating that since the original budget was presented in August, wages have been discussed in general terms, but no decision has been made for 2018 wages. The 2018 budget includes a 1-step increase (approximately 3%) for all eligible employees plus a 2% Cost of Living Adjustment for all employees, recommended by Administrative staff. The 2% COLA is based on the current Consumer Price Index, which has risen 2.2 percent in the past 12 months. The Federal Government is also providing a 2% COLA to Social Security recipients, so the suggested 2% COLA for City employees falls in line with what is happening in the current economy. Wages and benefits, as proposed, will increase a total of \$4,369 over 2017 levels, due to employee turnover and elective changes in benefit coverage since the start of 2017.

Currently, the City is covered by Blue Cross Blue Shield for employee health insurance, with the City paying 100% of single coverage and 85% of family coverage. There are three employees on the plan, with 8 employees opting out of coverage, accepting a stipend instead. Staff met with the City's insurance agent regarding 2018 coverage last week and received favorable information regarding the health insurance renewal, which was discussed in detail with the Council. Council requested staff and the City's Insurance Agent discuss the proposed renewal options with affected employees prior to a Council decision on a health insurance package. Based on the renewal information received, staff will be able to reduce the health insurance expense line items in the 2018 budget once a renewal option has been approved.

Discussion was held regarding which employees are eligible for step increases and which are not, and the current salary schedule that the City is operating under. Opinions varied across the Council on increases for employees, with some members in favor of a step increase only, some in favor of a COLA only, and some in favor of both. Action by the Council on 2018 employee wages will be necessary at the November 20, 2017 meeting so budget documents can be finalized in advance of the Public Comment Meeting on December 4. Additional discussion was held regarding a proposed salary study in 2018. Staff has included monies in the Council budget for the completion of a salary study next year, as the last one was completed in 2008. A majority of the Council cannot see the value in a new study at this time, however would like additional discussion at a future meeting to further review the potential for a salary study in 2018 before eliminating it from the budget.

Tillmann reviewed the budget in further detail with Council, referencing the detailed staff memo and budget spreadsheets that were included in the Council packet. Discussion was held regarding the additional \$100,000 approved to be levied for future road projects. Tillmann added that if approved in the final budget, those funds would be committed by Council for future road projects and could not be used for anything other than future road projects unless Council took action to change that.

The preliminary budget and levy was certified to Sherburne County at the end of September as required. The County Auditor/Treasurer will send the notice of proposed property taxes to each taxpayer in the county by November 23. Proposed taxes will be based on the preliminary levy set by Council in September. Amendments can still be made to the budget and levy, however, the levy can only be decreased at this point. While the City is no longer required to hold a Truth in Taxation hearing, a Public Comment Meeting must be held, which has been scheduled for December 4. Adoption of the final budget and levy is scheduled for the second Regular meeting in December.

MAYOR/COUNCIL ITEMS

Mayor Earenfight noted the following upcoming events:

- City-wide winter parking rules are currently in effect. No parking on City streets between the hours of Midnight and 8:00 a.m. until May 1, 2018.
- November 18 – Passing the Bread Food Distribution; 9 – 11 a.m. – UMA Precision Machining
- November 23 & 24 – Thanksgiving Holiday – City Offices Closed

Mayor Earenfight reported long-time resident Butch Frederick passed away on Sunday afternoon. Butch is the husband of the City’s former Mayor, Linda Frederick. Funeral arrangements are pending.

Smith/Whiting unanimous to adjourn the meeting at 7:40 p.m.

Approved this 20th day of November, 2017.

s/s Kary Tillmann, City Clerk/Treasurer

APPROVED 11/20/2017