

**REGULAR ROSEAU CITY COUNCIL MEETING  
MONDAY – September 14, 2015 @ 5:00 P.M.  
ROSEAU CITY CENTER COUNCIL CHAMBERS  
121 Center Street East Suite 201  
Roseau, MN 56751**

The Regular monthly meeting of the Roseau City Council was held on the above date, time and place. Members present were, Mayor Jeff Pelowski, Council members Pat Novacek, Don Ross, Amy Bassingthwaite and Jane Evans. Absent: none. Others present were Community Development Coordinator Todd Peterson, City Superintendent David Drown, City Attorney Pat Moren, Assistant City Attorney Michelle Moren, Police Chief-Ward Anderson, Liquor Store Manager – Linda Roseborough, Fire Chief – Jeff Ballard, Clerk-Treasurer Beth Hellquist, Roseau County Commissioner Jack Swanson - WILD102 Radio, Promotions Director Lyle Grindy, Mark Wilson – Oak Crest Senior Housing, Tim Kofstad, Roger Hites- Hites Building and Bruce Stone.

Mayor Jeff Pelowski called the meeting to order and the Pledge of Allegiance was said.

Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to approve the August 3, 2015 Regular meeting minutes as written.

Council member Don Ross motioned, Council member Jane Evans seconded and it was carried by unanimous vote to approve the following Consent Agenda:

1. Presentation of Accounts Payable claims August 1st, 2015 through August 31st, 2015 batch AP083115.
2. Presentation of daily checks August 1, 2015 through August 31, 2015.
3. Presentation of Receipt entries July 1, 2015 through July 31, 2015.
4. Presentation of Journal entries JV063015.
5. Audit Committee review of June, 2015 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:
  - a. October 5th, 2015 Regular council meeting at 5:00 p.m.
7. Approve the use of alcohol in the Community Center-none
8. Investment–Roseau EDA Hi Fi as of 08/31/2015 is \$48,006.67.
9. Cash in bank-DNR Escrow as of 08/31/2015 is \$2,000.00.
10. Cash in bank-Regular checking as of 08/31/2015 is \$2,212,956.47.
11. Investment-Regular Hi Fi as of 08/31/2015 is \$1,518,409.59.
12. Investment Certificate of Deposit as of 08/31/2015 is \$773,176.20.
13. Investment Certificate of Deposit as of 08/31/2015 is \$777,234.88.
14. Investment Certificate of Deposit as of 08/31/2015 is \$779,867.59.
15. Investment Certificate of Deposit as of 08/31/2015 is \$786,712.66.
16. Cash in bank-Airport Fuel Sales Credit Card as of 08/31/2015 is \$28,402.66.
17. Investment-Roseau EDA Money Market as of 08/31/2015 is \$236,754.53.
18. Cash in bank-Pine to Prairie Birding Trail as of 08/31/2015 is \$11,830.80.
19. Cash in bank-Roseau EDA as of 08/31/2015 is \$3,284.79
20. Fair Board-Thank you letter
21. LMCIT-New Executive Director
22. Roseau Fire Department – LG220 Application for Exempt Permit
23. Order Approving Annexation Ordinance
24. Ambassador Talking Points.

25. CGMC - Agenda
26. Heatshare Program Agreement
27. Volunteer Fire Relief Association Investment Report Card
28. Fire Relief Association Lump-Sum Pension Plans Reporting Year 2015
29. Briggs and Morgan Bond Council Letter.
30. Amended Policy for Ensuring the Security of Not Public Data
31. Minnesota Regional Parks and Trails Commission
32. Airport Project Status Report
33. Resolution #32-15 Authorization to Execute Minnesota Department of Transportation Grant Agreement.
34. August 2015 Liquor Store Revenue & Expenditures
35. August 2015 City Revenue & Expenditures
36. EPA's Final CO2 Rules

### **Delegations**

Roger Hites presented to council a Roseau Commercial Rehabilitation Loan Program Mortgage that was filed on the Eagles Aerie #3882 of Roseau building. Mr. Hites stated that there were two loans that need to be cleared up before he can sell it. Darrin Smedsmo has made Mr. Hites an offer of \$90,000 to purchase the building.

City Attorney Pat Moren informed Mr. Hites and council, one loan in the amount of \$37,000 has been satisfied. A flood loan in the amount of \$12,500 has not been satisfied.

CDC Todd Peterson informed council there were two \$50 payments made. The remaining balance is \$12,400.

Mr. Hites asked council to forgive the remaining balance of \$12,400.

CDC Todd Peterson stated there were 25-30 Flood loans administered by Wynne Consulting. None have been forgiven. The building that houses the Roseau Bakery is in a similar situation as Mr. Hites.

Assistant City Attorney Michelle Moren, though sympathetic to Mr. Hites, advised council not to forgive the loan as the City of Roseau may encounter issues on the other 25-30 Flood loans.

After council discussion it appears this situation is a legal issue between Mr. Hites and the Eagles club.

No action taken.

### **Committee Reports**

#### **Roseau Promotions Director**

Roseau Promotions Director Lyle Grindy informed council on the following items:

- Roseau Crazy Days was held August 6<sup>th</sup> and 7<sup>th</sup>. The weather was not the best on Thursday but over-all the merchants were pleased with traffic and sales.
- The Civic and Commerce held their monthly meeting and worked on the budget and year end plans.
- Upcoming events are:
  1. The 3<sup>rd</sup> Annual "Wine Walk" will be Saturday September 19<sup>th</sup>. Last year they had 27 businesses and 80 walkers. This year looks to exceed both numbers.
  2. Another Man's Treasure or the "Junk Sale" was held at the fairgrounds September 11<sup>th</sup> and 12<sup>th</sup>.
  3. Fall Madness will be the full week of October 5<sup>th</sup> thru the 10<sup>th</sup>.
  4. Saturday September 26<sup>th</sup> will be the annual Pumpkin Fest at the City Center. Roseau Dough will be given to the first and second largest pumpkins. There will also be a Pumpkin Seed Spitting Contest and Hay rides.
  5. The Roseau Area Community Fund is sponsoring the "Bike-A-Thon Fundraiser" Saturday the 26<sup>th</sup>.

**Planning Commission-**

CDC Todd Peterson informed council the Planning Commission did not meet in August as there was no business to discuss.

CDC Peterson also stated Shane McFarlane will be a new member of the Planning Commission.

**Roseau County Commissioner –**

Roseau County Commissioner Jack Swanson informed council the County meets a week from Tuesday to discuss the County budget. The last five years the County has budgeted in the red but has ended the years in the black. The 2016 Levy will remain frozen.

Commissioner Swanson informed council he will be attending an Association of Minnesota Counties fall policy meeting in Pequot Lakes. The proposed EPA restrictions will be one of the issues discussed.

**Operation Committee –**

CDC Todd Peterson informed council the Operations Committee met in August. The committee had received an ISO report. Based on the ISO's findings, the ISO was going to down grade the City of Roseau's rating for building code enforcement. Building Official Kevin Wiskow sent the ISO new information and filed a response to that report in hopes of getting the City of Roseau's Building Code ISO ratings back to its previous level.

**Oak Crest Golf Course –**

Council member Don Ross informed council the golf course has had a good year. The grass is still green. Among the users are Canadians and various church groups.

**Airport Committee –**

CDC Todd Peterson informed council LifeCare Medical Center has entered into an agreement with Valley Air Med/AMRG to provide Valley Air Med/AMRG the first option to take patients needing air evacuation. Valley Air Med would like exclusive use of the "old" main hangar at the airport. There are currently two lease agreements for that hangar through the end of the year.

CDC Peterson recommended to the City Council that the City exercise its option to terminate the two leases for the old hangar (with 30-day's notice) and enter into a new lease agreement with Valley Air Med/AMRG for their air ambulance helicopter beginning on November 1, 2015.

Council discussed the tremendous asset an air ambulance will be to the community and surrounding areas. After discussion Council member Pat Novacek motioned, Council member Jane Evans seconded and it was carried by unanimous vote to terminate the two current leases at the main hangar and enter into a new lease agreement with Valley Air Med/AMRG.

In addition, Valley Air Med/AMRG proposed terms to assume operation and maintenance of the Municipal Fuel Farm at the Roseau Municipal Airport.

- This would be a Five year agreement with annual options to renew thereafter.
- AMRG will provide personnel and expertise to maintain and operate the aviation fuel farm at no cost to the City. This will include all day-to-day monitoring, regular maintenance, and pump or other equipment replacement.
- AMRG will purchase using industry contacts and contracts, all fuel for use and sale through the fuel farm at AMRG sole expense.
- AMRG will be allowed to fuel its own aircraft at cost and with no City markup to AMRG.
- AMRG will split all profit on fuel sales to third parties 50/50 with the City.
- AMRG will be allowed to take a .25 cent per gallon maintenance credit on fuel sales in determining profits.
- AMRG will provide a quarterly accounting and payment to the City.

This would take all of the liability of the fuel away from the City.

After discussion, Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to direct the airport committee to work out an agreement with AMRG to assume operations and maintenance of the Municipal Fuel Farm at the Roseau Airport.

CDC Todd Peterson informed council, there is nothing back on the lease agreement with Polaris on the new hangar.

CDC Todd Peterson informed council that the first meeting of the master plan advisory committee was held. The consulting engineer performing the study is in the data collection phase right now.

#### **Beautification Committee –**

Dawn Johnson from the Beautification Committee notified Todd and David of her concerns and suggestions. Current members have served over ten years and would like to retire. The current duties have expanded from the original vision. The Beautification committee cannot find competent help and due to time and money restrictions cannot accomplish all that is needed.

Dawn Johnson had a few suggestions such as; incorporating Beautification into the Parks and Rec board, hiring a professional to do the planting and maintenance, or have the owners of each area plant and maintain the flowers in their area.

CDC Todd Peterson and City Superintendent David Drown informed council there are no groups interested in taking over. Hiring someone to organize and coordinate the ordering and planting would increase the current budget of \$18,170. Once planted the City crew would do the watering.

Council discussed various options. The hanging baskets, flowered store fronts and little parks really add to the attraction of the city.

No action taken

#### **EDA –**

CDC Todd Peterson informed council the EDA met Aug 27<sup>th</sup> 2015. The EDA reviewed one loan application, more information was needed on the loan application, the EDA did not act.

Council member Jane Evans inquired as to the EDA's involvement in recruiting people into the area as they are the economic development committee for the city. CDC Todd Peterson informed council the EDA does not have a lot of funds to use for marketing. The \$5000 budget for the EDA basically covers its meetings. Now that the city will no longer be in the flood plain it is a good time to look at this issue.

There will be further discussion at the upcoming budget meetings.

No action taken.

### **Department Reports**

#### **Liquor Store-**

Liquor Store Manager Linda Roseborough requested council approve a new architect to redraw the plans for the liquor store expansion. The RRA architect that was working on the plans for the liquor store expansion passed away and the Karvako architect that took over for him does not seem to know if the plans were final and cannot or will not answer questions to the satisfaction of the city staff. These plans were drawn up under the direction of the previous liquor store manager and changes need to be made to the existing drawings to address some outstanding issues. Liquor Store manager Roseborough requested approval to hire DSGW Architects. DSGW is required to redraw the plans as copyright laws prevent them

from using the old drawings. Significant changes need to be made so new plans would have to be drawn either way.

CDC Peterson informed council the City has experience with DSGW as they were the firm that designed the City Center building.

After discussion Council member Pat Novacek motioned, Council member Don Ross seconded and it was carried by unanimous vote to authorize CDC Todd Peterson obtain more information and proceed with hiring DSGW.

#### **Fire Department-**

Fire Chief Jeff Ballard informed council on the following items:

- Oct 10<sup>th</sup>, 2015 is the date of the Fire Departments ball.
- An application for a \$2500 DNR grant will be signed and submitted.
- Along with Mayor Pelowski and CDC Peterson, Fire Chief Ballard will be attending the Senate Bonding Committee meeting in East Grand Forks to seek funding for the proposed the fire hall expansion.

#### **Police Department –**

Police Chief Ward Anderson informed council a new part time officer was hired to the Roseau Police Department. Police Chief Anderson requested permission to hire a fourth part time officer. This officer is an officer for Roseau County Sheriff's Office so there would be no added training expense, just the cost of the uniforms.

Council felt hiring the fourth part time police officer was up to Police Chief Anderson's discretion.

No action taken.

#### **Superintendent-**

City Superintendent David Drown informed council Zavoral Construction is interested in purchasing the two 8" pumps Zavoral's have been renting. The City of Roseau has seven - 8" pumps. With the diversion ditch completed there should not be a need to have that many pumps on hand. City Superintendent Drown stated two of the pumps are float pumps that will always stay with the city as they can be used in other areas, particularly for the lift stations.

Assistant City Attorney Michelle Moren stated, as the price will be over \$25,000 they will have to be advertised before they can be sold.

Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to approve the advertising and sale of two- 8" pumps for a minimum of \$24,000 for each pump.

#### **Streets**

City Superintendent David Drown informed council the black top for the city projects should be done Wednesday, Thursday and Friday of this week. The State Highway 11 should open tomorrow, September 18<sup>th</sup>.

#### **City Attorney-**

Assistant City Attorney Michelle Moren informed council she had reviewed the Oak Crest Senior Housing Project Bond Sale documents and found them to be in order.

#### **Oak Crest Senior Housing Project Resolution No. 33-15**

The following Council members were present: Mayor Jeff Pelowski, Council members

Pat Novacek, Don Ross, Amy Bassingthwaite, and Jane Evans.

and the following were absent: none

Council member Patrick Novacek then introduced and read the following written resolution and moved its adoption:

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A  
SENIOR HOUSING REVENUE NOTE  
(OAK CREST SENIOR HOUSING PROJECT), SERIES 2015

The motion for the adoption of the foregoing resolution was duly seconded by Council member Jane Evans, and upon vote being taken thereon the following voted in favor thereof: Mayor Jeff Pelowski, Council Members Patrick Novacek, Don Ross, Amy Bassingthwaite, and Jane Evans

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted.

RESOLUTION NO. 33-15

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A  
SENIOR HOUSING REVENUE NOTE  
(OAK CREST SENIOR HOUSING PROJECT), SERIES 2015

BE IT RESOLVED by the City Council of the City of Roseau, Minnesota (the “City”), as follows:

Authority. The City is, by the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 462C and Section 471.59, as amended (collectively, the “Act”), authorized to issue and sell its revenue bonds in the form of notes or other obligations for the purpose of financing the cost of the acquisition, construction and equipping of certain senior housing facilities, and to enter into agreements necessary or convenient in the exercise of the powers granted by the Act.

Proposal. The City Council has received a proposal from Oak Crest Senior Housing, a Minnesota nonprofit corporation (the “Borrower”) that the City undertake to refinance a certain project as herein described pursuant to the Act, by the issuance by the City of its Senior Housing Revenue Note (Oak Crest Senior Housing Project), Series 2015 (the “Note”) in a combine principal amount not to exceed \$3,665,000.

Description of Project. The Borrower has requested the City to enter into the Loan Agreement with the Lender under the provisions of the Act and to loan the proceeds of the Note to the Borrower to refinance the outstanding principal balance of the City's \$2,645,000 Senior Housing Revenue Bonds, Series 2006 (Oak Crest Senior Housing Project) (the "Prior Bonds") and the \$1,500,000 Promissory Note from the Borrower to the United States of America, acting through the Rural Housing Services, United States Department of Agriculture dated November 20, 2006 (the "USDA Loan") which were issued to provide permanent financing for acquisition, construction, and equipping of a 43-unit senior housing facility located at 201 10<sup>th</sup> Street SE in the City (the "Project"). The Project is owned and operated by the Borrower.

Plan of Financing. It is proposed that the Note will be purchased by Citizens Bank of Roseau (the "Lender"). The City and the Lender will enter into a Servicing Agreement (the "Servicing Agreement"). The proceeds of the Note will be loaned to the Borrower pursuant to a Loan Agreement among the City, the Borrower and the Lender (the "Loan Agreement"). Repayment of the Note will be secured by certain collateral including the Mortgage, Security Agreement and Fixture Financing Statement and Assignment of Leases and Rents, from the Borrower to the Lender (the "Mortgage"), by which the Borrower grants to the Lender a mortgage lien on and security interest in the Project, as security for the payment of the Notes and assigns to the Lender its interests in all leases and rents with respect to the mortgaged property.

Public Hearing. As required by the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the City held on September 14, 2015 a public hearing on the issuance of the Note to finance the Project at which all person at the hearing were given an opportunity to express their view with respect to the Project.

Forms of Documents Submitted. Forms of the following documents related to the Note have been submitted to the City:

The Loan Agreement; and

The Servicing Agreement.

Findings. It is hereby found, determined and declared that:

Based on Borrower representations to the City, the Project constitutes a senior rental housing project authorized by and described in the Act.

There is no litigation pending or, to the City's actual knowledge, threatened against the City relating to the Note, the Loan Agreement or the Servicing Agreement (collectively, the "City Note Documents") or questioning the due organization of the City, or the powers or authority of the City to issue the Note and undertake the transactions contemplated hereby.

The execution, delivery and performance of the City's obligations under the City Note Documents do not and will not violate any order of any court or other agency of government of which the City is aware or in which the City is a party, or any indenture, agreement or other instrument to which the City is a party or by which it or any of its property is bound, or be in conflict with, result in a breach of, or constitute (with due

notice or lapse of time or both) a default under any such indenture, agreement or other instrument.

It is desirable that the Note be issued by the City upon the terms set forth in the Servicing Agreement under the provisions of which the City's interest in the Loan Agreement will be pledged to the Lender, as security for the payment of principal of, premium, if any, and interest on the Note.

Under the provisions of the Act, and as provided in the City Note Documents, the Note is not to be payable from nor charged upon any funds other than amounts payable pursuant to the Loan Agreement and amounts realized under the Mortgage and moneys in the funds and accounts held by the Lender which are pledged to the payment thereof; the City is not subject to any liability thereon; no owners of the Note shall ever have the right to compel the exercise of the taxing power of the City to pay the Note or the interest thereon, nor to enforce payment thereof against any property of the City; the Note shall not constitute a general or moral obligation of the City or a charge, lien or encumbrance, legal or equitable, upon any property of the City (other than the interest of the City in the loan repayments to be made by the Borrower under the Loan Agreement); and the Note issued shall recite that the Note, including interest thereon, shall not constitute or give rise to a charge against the general credit or taxing powers of the City.

The City hereby designates the Note as a "qualified tax exempt obligation" under Section 265(b) of the Code.

Approval and Execution of Documents. The form of the Note and the City Note Documents are approved. The City Note Documents are authorized to be executed in the name and on behalf of the City by the Mayor and the City Clerk-Treasurer, at such time, if any, as they may deem appropriate, or executed or attested by other officers of the City, in substantially the form on file, but with all such changes therein, not inconsistent with the Act or other law, as may be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof; and then shall be delivered to the Lender. Modifications to the forms of the Mortgage and other collateral security documents may be made at the discretion of the parties thereto.

Approval, Execution and Delivery of Note. The City is authorized to issue the Note and other obligations issued in connection with the Project, in an aggregate principal amount of not to exceed \$3,665,000, in the form and upon the terms set forth in the Servicing Agreement, which terms are for this purpose incorporated in this resolution and made a part hereof; provided, however, that the interest rates on the Note shall be as set forth in the final form of the Servicing Agreement, to be approved, executed and delivered by the officers of the City authorized to do so by the provisions of this Resolution, which approval shall be conclusively evidenced by such execution and delivery; and provided further that, in no event, shall such rate exceed eight percent (8%) per annum unless the interest thereon becomes taxable. The Lender has agreed to purchase the Note at par. The Mayor, City Clerk-Treasurer and other City officers are authorized to execute the Note as prescribed in the Servicing Agreement at such time, if any, as they may deem appropriate, and to deliver it to the Lender, together with a certified copy of this



Resolution and the other documents required by the Servicing Agreement, for authentication, registration and delivery to the Lender.

Certificates. The Mayor, City Clerk-Treasurer and other officers of the City are authorized at such time, if any, as they may deem appropriate, to prepare and furnish to bond counsel and the Lender, certified copies of all proceedings and records of the City relating to the Note, and such other affidavits and certificates as may be required to show the facts appearing from the books and records in the officers custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements contained therein.

Governmental Program. The City has established a governmental program of acquiring purpose investments for qualified 501(c)(3) projects. The governmental program is one in which the following requirements of §1.148-1(b) of the federal regulations relating to tax-exempt obligations shall be met:

the program involves the origination or acquisition of purpose investments;

at least 95% of the cost of the purpose investments acquired under the program represents one or more loans to a substantial number of persons representing the general public, states or political subdivisions, 501(c)(3) organizations, persons who provide housing and related facilities, or any combination of the foregoing;

at least 95% of the receipts from the purpose investments are used to pay principal, interest, or redemption prices on issues that financed the program, to pay or reimburse administrative costs of those issues or of the program, to pay or reimburse anticipated future losses directly related to the program, to finance additional purpose investments for the same general purposes of the program, or to redeem and retire governmental obligations at the next earliest possible date of redemption;

the program documents prohibit any obligor on a purpose investment financed by the program or any related party to that obligor from purchasing bonds of an issue that finances the program in an amount related to the amount of the purpose investment acquired from that obligor; and

the City shall not waive the right to treat the investment as a program investment.

Adopted by the City Council of the City of Roseau, Minnesota, this 14th day of September, 2015.

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Mayor

Attest:

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Clerk-Treasurer

**Community Development Coordinator-**

CDC Todd Peterson presented council with a copy of the letter that was sent to Spruce Town Board concerning the future upkeep and maintenance of the two roads that were affected by the annexation of the Smedsmo/Gerulli properties. In order for the City to expend funds in the maintenance and upkeep of these roadways they must be in City ownership or have a maintenance agreement in place with the township.

Spruce Town Board Chair, Torris Bakken, informed CDC Peterson after the Spruce Town meeting, the Spruce Township would like the City of Roseau to annex the small township property and all the streets in the Jensen Subdivision. Spruce Township would deed its property to the City of Roseau but would require the property to be kept as a green space, or park.

City Attorneys Pat Moren and Michelle Moren informed council the City could accept a gift of property but the roads would have to be annexed. There can only be an Annexation every twelve months so the City will have to wait for a year before they can do another Annexation. The Spruce Town Board will need to Petition for Annexation of that property and roads.

It was Council consensus to wait the year and instruct Spruce Township to petition for annexation.

CDC Todd Peterson informed council there had been a holdup on a small portion of the diversion project. Additional rock was needed to stabilize some poor soil around the C. Rd 24 bridge and Zavoral and the Corps have been negotiating a price for that change order.

The Corps will extend the completion date out to the end of October or early November, but does not think it would take that long.

Council feels Zavoral Construction needs to be pressed to get what is ready, paved while the temperature is good and the paving company is in the area. Concrete could be used on the small stretch that is still being worked on if it gets too late to pave it.

CDC Peterson informed council that he and the Mayor have had many discussions with the Corps about the new flood plain maps. The Army Corps of Engineers feels it will not be fast, 9 months or longer. The hope is that FEMA will accept the Army Corps of Engineers map and publish it, rather than waiting to incorporate it into FEMA’s new mapping effort before they release the city from the flood plain. The Corps and FEMA plan to meet later this month. The City will have to be involved in this discussion. The Corps will submit four models in October and November. If the map is sufficient for FEMA there is still the question if there will be a wait to physically change the maps.

CDC Todd Peterson informed council it is time to renew the agreement with the Youth Hockey Association on its use of the Memorial Arena. This agreement is for 5 years at \$30,000 per year.

Council member Amy Bassingthwaite motioned, Council member Jane Evans seconded and it was carried by unanimous vote to renew the 5 year agreement with Roseau Youth Hockey for the use of the Memorial Arena.

**Mayor Council**

CDC Todd Peterson presented council with the 2016 Preliminary Budget.

After discussion Council member Jane Evans motioned, Council member Pat Novacek seconded and it was carried by unanimous vote to accept the 2016 Preliminary Budget.

2016 PRELIMINARY BUDGET		
REVENUE	EXPENSES	BALANCE

101 General Fund	\$2,306,574	\$3,581,068	(\$ 1,274,494)
228 Lodging Tax	\$ 45,000	\$ 57,491	(\$ 12,491)
233 2001 TIF	\$ 70,434	\$ 70,434	\$ 0
Water Fund	\$ 421,400	\$ 300,466	\$ 120,934
Sewer Fund	\$ 375,500	\$ 290,937	\$ 84,563
Garbage Fund	\$ 406,900	\$ 381,444	\$ 25,456
Electric Fund	\$4,232,400	\$3,769,457	\$ 462,943
Liquor Fund	\$1,841,250	\$1,531,973	\$ 309,277
Construction Fund	\$ 0	\$ 694,300	(\$ 694,300)
	=====	=====	=====
Total All Funds	\$9,699,458	\$10,677,570	(\$ 978,112)

CDC Todd Peterson presented Council with the 2016 Preliminary Levy.

After discussion Council member Pat Novacek motioned to levy the same amount plus the 3% library increase. The question arose as to whether the bottom line increased or if the general revenue decreased to mirror the library increase.

Council member Pat Novacek withdrew the motion to clarify.

Council member Pat Novacek motioned, Council member Jane Evans seconded and it was carried by unanimous vote to approve the 2016 Preliminary Levy. The Library levy increasing 3%. The General Revenue decreased by the library increase. The Total 2016 Proposed Levy to remain unchanged.

2016	
PRELIMINARY LEVY	
General Levy	\$ 997,501
Bonds and Interest JOBZ Non-Exempt	\$ 5,000
Library	46,741.
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Total 2016 General Levy	\$ 1,049,242

Mayor Pelowski informed council they need to set the 2016 Truth and Taxation Public Hearing date. Mayor Pelowski will not be able to attend the December 7<sup>th</sup> meeting. Council member Pat Novacek will be Acting Mayor.

Council member Amy Bassingthwaite motioned, Council member Don Ross seconded and it was carried by unanimous vote to approve the date of December 7<sup>th</sup>, 2015 for the Truth and Taxation Public Hearing at 6:00 pm.)

**Unfinished Business-**

Council member Jane Evans questioned marked and unmarked intersections. Council discussed new signs reflectivity and stated marking any intersection with new signs needs council approval.

No action taken.

Council member Jane Evans informed council Mr. Gerulli had approached her on the utility hook-up fee issue related to their annexation and requested Council member Evans bring it up at the council meeting. Council member Evans noted that she discussed the issue with CDC Peterson earlier and that Mr. Gerulli was being treated the same as all others that have had the same issue.

Council member Don Ross motioned, Council Member Amy Bassingthwaite seconded, and it was carried by unanimous vote that there was no further business, therefore the meeting be adjourned.

ATTEST:

\_\_\_\_\_  
Clerk-Treasurer

\_\_\_\_\_  
Mayor