

CITY OF ISLE COUNCIL MEETING

Special Meeting Minutes November 30, 2021

At 5:00 pm the special meeting was called to order.

Council members present: Mayor Ernie Frie, Ginger Houle, David Keding, Monica Keding and Naomi Creech.

Other staff present were: Don Graber and Jamie Hubbell

COVID 19 Social distancing protocols followed.

A **Motion** to approve the November Special Meeting Agenda by Houle; second by D Keding. All in favor, none opposed. Motion carried.

Open Forum: None

Presentations, Announcements, Complaints and Requests:

- a. Graber presented the Revised Liquor budget for council. Proposed an increase revenue total of \$881,950 and increased expense total of \$881,950 for a balanced budget. Cut \$18355 from Capital Improvement expenses to balance. Graber stated that the MN Lottery is ready to go, but he didn't have the right staff to make it happen this year. If he had more staff and more room for a second register, her could make it work. He ended his report with his resignation as of 12/20/2021. Frie and M Keding approved to post the position immediately with and "open until filled" closing date.
- b. Final review of the full budget was discussed in length. Talked about the negative reserve balance for the General fund and the deficit budget for 2022. Reviewed options for tax levy for the full preliminary proposed 10% increase providing \$66,991 to the budget. Discussed not doing the fall hall levy again this year for an additional 5% tax levy increase and to continue using Fund 225 reserves to cover the deficits. Discussed the significant reserve balances for Fund 601 (water) and 602 (sewer) must remain intact due to the pending 2027-2028 balloon GO loan payments and transfer due to Fund 603 (project fund) at the end of the project. Reviewed the eligible uses for Fund 809 and reaffirmed that the forfeiture fund was created strictly for Police Department capital vehicle and vehicle equipment expenses only. Hubbell presented five options to adjust the budget to offset the \$24K deficit. #1 downgrade accounting software purchase, #2 ARPA transfer to the 601/602 fund and increase annual budget transfer to 100. #3 Cash out MIF state funds at 80% transfer to 100 and 20% pay back to the state. #4 Approve the Fire hall levy to pay the fire hall USDA loan and increase the annual budget transfer to 100. #5 Cut repaving Poplar Ave budget for 2022 street improvements. Council determined to go with downgrading the software to cut \$10K from that budget and then cut the repaving of Poplar Ave to redistribute \$21,500 to General. By doing this the council was able to approve the 5% COLA (cost of living) wage increase for all regular city employees (Not including Fire staff) that was figured into the 2022 budget.

Public Hearings: None

Department Reports: None

Unfinished Business: None

New Business: None

Clerk's Report: None

Financials: None

November 30, 2021 – Special Council Meeting

Adjourn Regular Meeting 8:35 PM: Motion to adjourn D Keding, seconded by Houle.
Next regular meeting, December 14th, 2021. All in favor, none opposed. Motion carried.

Dated on this 30th, day of November, 2021
APPROVED on this 14th, day of December, 2021

Ernie Frie – Mayor

ATTEST:

Jamie Hubbell, MCMC Clerk-Treasurer

| CERTIFIED BY VOTE: | | |
|--------------------------|---------------|--------------------------|
| Motion | _____ | |
| Second | _____ | |
| AYE | | NAY |
| <input type="checkbox"/> | NAOMI CREECH | <input type="checkbox"/> |
| <input type="checkbox"/> | ERNIE FRIE | <input type="checkbox"/> |
| <input type="checkbox"/> | GINGER HOULE | <input type="checkbox"/> |
| <input type="checkbox"/> | DAVID KEDING | <input type="checkbox"/> |
| <input type="checkbox"/> | MONICA KEDING | <input type="checkbox"/> |