

Pursuant to due call and notice thereof, a Council Workshop of the North Mankato City Council was held in the Council Chambers of the Municipal Building on September 17, 2012. Mayor Dehen called the meeting to order at 6 p.m. The following were present for the meeting: Mayor Dehen, Council Members Norland, Schindle, Freyberg and Steiner, Interim Administrator Fischer, Finance Director Thorne and City Clerk Gehrke.

Continuation of 2013 Budget Discussions Enterprise Expenditure and Revenue Funds

Finance Director Thorne presented the Enterprise Expenditure and Revenue Funds reporting the projected 2013 water revenues are very close to the 2012 revenues. She reported a water rate calculation reflects a deficit of \$129,225 for 2012 and a deficit of \$161,475 for 2013; a sewer rate calculation reflects a deficit of \$234,068 for 2012 and a deficit of \$323,649 for 2013; a sanitation rate calculation reflects a surplus of \$92,532 for 2012 and a surplus of \$38,721 for 2013; and a storm water rate calculation reflects a deficit of \$108,899 for 2012 and a surplus of \$75,725 for 2013. Council Member Freyberg asked the Finance Director to research the dates of the most recent rate changes for water, sewer and sanitation. The Finance Director requested the Council consider having a formalized rate study completed projecting out revenues and expenditures for the next 10 years prior to user charge increases. The Finance Director reported transfers to the Capital Facilities Fund were included in the proposed 2013 water and sewer budget to provide for future capital purchases. The Finance Director included a 5.00 percent increase in the sanitation fund for the refuse contract.

The Finance Director reported she has received a number of responses to the Request for Proposal (RFP) for auditor services. In response to a question regarding the RFP for the garbage contract, she reported the RFP will be presented at the October 1, 2012 Council meeting for approval.

Five-Year Capital Improvement Plan, 2013-2017

The Mayor requested the Council Members review the Five-Year Capital Improvement Plan prior to the October 1, 2012 Council Workshop and rank their priorities for discussion at this workshop.

Special Assessment Update

As requested by the Council, the Finance Director presented a report outlining deferred special assessments receivable for various debt service funds. She reported Nicollet County will be sending her an updated version of this report since some of the assessments have been repaid. The Finance Director will forward the updated report to the Council.

There being no further business, the Council Workshop was adjourned at 6:52 p.m.

Mayor

City Clerk