

City of LeRoy MN – Council Meeting Minutes, November 15, 2018

A special meeting of the LeRoy City Council was called to order by Mayor Brian Thiel on Thursday, November 15, 2018, at 6:30 PM at the LeRoy Community Center with the following members present: Mayor Brian Thiel, Council Members Kathleen Gottschalk, Gene Miller, Jan Whisler, and City Clerk Patty White. Council Member Ashley Huntley arrived at 6:38 PM. Maintenance Supervisor John Jones was absent.

Also attending: Craig Jacobson

Thiel read the due call for this special meeting and opened the meeting at 6:30 PM.

Council reviewed the results of the City Election held on Tuesday, November 6, 2018. Motion by Whisler, second by Miller to receive and place on file the results of the city election as certified by the election board as follows:

| | |
|-----------------------------------|-----|
| Number who voted in city election | 437 |
| Number of ballots to account for | 437 |

For the Office of Mayor (two-year term):

| | |
|---------------------|-----------|
| Brian Thiel | 334 |
| Scattered Write-Ins | 40 |
| Blank Ballots | <u>63</u> |
| | 437 |

For the Office of Council Member (four-year term, two to be elected):

| | |
|---------------------|------------|
| Ashley Huntley | 231 |
| Gene Miller | 224 |
| Georgena Bird | 135 |
| Daisie Fox | 130 |
| Scattered Write-Ins | 10 |
| Blank Ballots | <u>144</u> |
| | 874 |

The following persons being elected as indicated:

Office of Mayor-2 Year Term, 1/1/19 to 12/31/20

Brian Thiel

Office of Council Member-4 Year Term, 01/01/19 to 12/31/22

Ashley Huntley

Gene Miller

Above motion carried 4-0.

2019 Budget Review:

- Council reviewed the cash and investment balances as of October 31, 2018. Miller noted he had received a request from a school board member requesting a contribution from the city of at least \$10,000 for the swimming pool. Huntley reported she had also been approached for swimming pool funding. Discussion followed; council agreed they would like to see swimming pool

financial information before any funding commitments are made. Gottschalk felt a formal request from the school board needs to be made to the council; the requests should not be made by individual school board members or pool board members.

- Thiel noted the librarian has reached age 65 and has elected to not go on Medicare, Part B. Thiel was told by Social Security Administration that the city cannot discriminate against an employee who has turned 65. The library board has requested the librarian be allowed overtime. It was noted the librarian was hired for 32 open hours per week plus four closed door hours per week. It has been discussed with the librarian to adjust her time to not go over 40 hours in a week. Council noted that the librarian does a fabulous job at the library; the council wants to see the hours worked by the librarian reflected to the number of hours the librarian was hired for. Motion by Miller that no overtime will be approved for the head librarian. After further discussion Miller withdrew his motion. Gottschalk questioned if the library board can undo any action of the city council. White will research this and report back to the council.
- Council discussed the pay and benefits of the city employees and how the pay and benefits are split between different funds for the city clerk and both maintenance employees.
- The question arose if the council can adopt the budget and levy tonight. White questioned if the council wanted to keep the levy appropriations as listed. Council was comfortable with the levy appropriations. White suggested waiting until the regular December council meeting and the Truth in Taxation hearing before adopting the 2019 budget and levy.
- Miller noted that of the \$50,000 appropriated to the LeRoy EDA in the proposed 2019 budget that \$25,000 of that should be returned directly back to the city coffers as payment against the city funds the EDA has used for the Bergan Building demolition and LeRoy City Lines payroll. Miller also noted he didn't feel the motion Thiel had made at the May 29, 2018, special council meeting was worded correctly. The motion read that the council intends to include a \$25,000 budget item in the 2019 budget for a subsidy for LeRoy City Lines. Miller felt these funds should only be appropriated as a fail-safe if funds run short within the operation of LeRoy City Lines. Thiel commented the city pays for other amenities within the city including parks, library, and community center; Thiel felt LeRoy City Lines is also an amenity to the city.
- Miller noted the EDA probably could not keep their contract with CEDA without the \$25,000 that has been appropriated to the EDA for many years. He noted the EDA could lose their cohesiveness without the CEDA contract, but that EDA members will need to step up to keep economic development going. Gottschalk felt this discussion should be given more time to fully address all the CEDA contract brings to the EDA and what good the CEDA contract has brought to LeRoy over the years. Miller noted that \$22,600 is attributed to the Bergan Building demolition with over \$80,000 attributed to LeRoy City Lines payrolls.
- Motion by Miller that the \$25,000 will be paid to the LeRoy EDA with the contingency that these funds be paid back to the city for the exposure the EDA has done to the city. Second by Huntley.
- CEDA has provided a staff person here in LeRoy for over 20 years. Gottschalk commented she doesn't want to lose the benefit of CEDA; Huntley concurred with this statement.
- Miller commented he would like to see a paper trail documentation of funds. Thiel noted the University of Minnesota Extension does offer some assistance; he was not aware if the U of M Extension offers grant writing. Thiel noted he looks at a lot of the things the EDA has done as a net improvement and benefit to the city; he doesn't feel these funds should be repaid.
- Whisler noted the city guarantees the debt at Wildwood Grove and continues to assist with the payment of those bonds; he also noted that some changes will be coming to Wildwood Grove including addressing the waiver program. He does not see selling Wildwood Grove at a loss as the way to go.

- Craig Jacobson read an excerpt from the council minutes addressing the west portion of the Bergan Building demolition funding and an excerpt from the council minutes addressing the appropriation for LeRoy City Lines.
- Thiel noted that the City and EDA are one; he felt the city and EDA would be giving up an advantage of not having the CEDA contract.
- Miller's motion was reread. On a roll call of votes Miller voted aye. Nay votes were cast from Thiel, Gottschalk, Huntley, and Whisler. The motion failed on a 1-4 vote.

Mr. Jacobson reminded council of the Line of Credit the EDA has for Wildwood Grove. This Line of Credit has come due. Mr. Jacobson would like to request the use of the city's investment funds to secure this note. Motion by Huntley, second by Whisler to authorize the use of the city investment funds as collateral for the EDA Line of Credit. Motion carried 5-0.

Whisler made the statement that much has been accomplished in the past few years; things have been good even when we don't all agree.

Thiel updated council about continued conversation with Mayo about telehealth.

Being no further business to come before this special meeting the meeting was adjourned on a motion by Gottschalk, second by Miller at 8:59 PM.

Brian Thiel, Mayor

Attest:

Patty A. White, City Clerk-Treasurer