

## **Aug. 17th, 2021 FINANCE COMMITTEE MEETING MINUTES**

4:15 pm Council Chamber. Members Present: A. Hraban, J. Pohlman, M. Reynolds

Others Present: A. Christianson, R. Grey, K. Vacho, T. Devine, K. Julien

**Call to Order:** Chair Hraban called the meeting to order at 4:20pm and presided.

### **Review and Action to Approve August's Paid Invoices:**

Committee members discussed and reviewed the monthly paid invoices. Motion by A. Hraban to recommend the invoices to be presented to Council for approval, seconded by J. Pohlman. Motion carries.

### **Discussion and possible action on CMAR financial management report:**

Mr. Devine presented cash flow requirements for the Sewer Department that were prepared by April Anderson. It summarized the cash requirements for Sewer Department operations, debt service, and replacement of Sewer Department assets. Also included was \$43,000 in 'recovery' funds, which are intended to replace the losses that have occurred over the last few years of operating at a deficit. Total cash requirements for a year's operations with these assumptions is \$959,701. In 2020 revenues from services generated \$803,243, and with no significant change in sewer demand, this is expected to remain static. April advised that to cover all assumptions, a 21% increase would be needed.

Concerns expressed involved the impact of a 21% increase on the customers. Mr. Reynolds offered the idea of increase by a set percentage over several years.

Mr. Devine will work with April Anderson to get some more detailed options of percentage increase combinations that would minimize the impact on sewer customers. Then we will revisit this discussion at the August 30<sup>th</sup> Finance Committee meeting.

### **Discussion and possible action to recommend to Council replacing damaged squad car with 2015 Tahoe:**

The 2018 squad car was rear-ended and totaled. Replacing a squad car matching the one that was totaled requires a wait of 6 to 8 months. There is a Tahoe available from Ewald immediately for \$5,710 above the insurance recoveries. Due to a staffing shortage, the Police Department will come in under budget for 2021. It was decided that the 2021 budget set, and being over on one line item, and under on another, doesn't need Council approval, as long as they are within approved amounts.

The 2022 budget for the Police Department was presented at a total of \$982,845. In general, the expenditures are similar to 2021. Wages and fringe are expected to be higher due to a full staff, and previous years had understated fringed in budgeting.

Meeting Adjourned at 6:35pm