

**MINUTES
SPECIAL COUNCIL MEETING
2011 PROPOSED BUDGET AND LEVY
COOK CITY COUNCIL
NOVEMBER 18, 2010 – CITY HALL – 5 PM**

PRESENT: Acting Mayor Karen Hollanitsch, Councilors Jody Bixby, Dan Manick and Elizabeth Storm
ABSENT: None
OTHERS PRESENT: Administrator Clerk/Treasurer Theresa Martinson, Deputy Clerk/Treasurer Cindy Palm, and Maintenance Supervisor Bud Ranta

Acting Mayor Hollanitsch called the special council meeting to order at 5:00 p.m.

The purpose of this meeting is to hold monthly special study sessions to discuss budget planning for 2011. The November study session focuses on the budgets for Water and Sewer.

Water and Sewer budgets were reviewed with Maintenance Superintendent Bud Ranta. Current water meter issues (LABCO) and a lift station replacement could reduce the budget by \$5900 annually. The maintenance garage is in need of replacement and losing funds due to excessive costs to heat the building. All other expenses were reviewed and are necessary to operate the water and sewer system.

A rate study is in progress to determine if utility rates will be increased for 2011. The budget will focus on reducing operating expenses, raising utility fees for new connections, water turn on and off charges and charging a base fee for inactive accounts on the current system. The current budget shows a consistent loss for operating expenses and the debt for replacement of the infrastructure will take a long time to pay down. Debt restructuring will be considered for some of the smaller loans and the liquor store funds will also be considered in reducing some of the debt.

Ninety five percent of the current infrastructure system was replaced in 2005. The city has developed a plan for future replacement of the infrastructure and will need to continually monitor the replacement fund for this plan. The water meters have a ten year life and will need to be addressed for future replacement as well.

The sewer system is in need of a lift station replacement and grant funding has been applied for but the city will still have to designate funds towards this replacement.

The 2011 General Fund Budget has proposed the following for the November Study Session Special Meeting:

Proposed Revenues \$406,480.00

Current Levy \$302,485.25

3.5% \$313,072.23 \$10,586.98

Proposed Expenses

General \$365,442.00

Airport Transfer \$ 0.00

Storm Sewer Loan \$ 44,000.00

Lift Station Replacement \$ 0.00

Equipment Replacement \$ 7,500.00

Deficit \$(10,462.00)

Motion by Manick, second by Storm to adjourn the meeting at 5:47 p.m. **MOTION CARRIED**

Respectfully submitted,

Cindy Palm
Deputy Clerk/Treasurer