

The Cannon Falls City Council met in a work session on Tuesday, November 7, 2017 at 7:50 p.m. in the Council Chambers. Present were Mayor Robby Robinson, Council Members Cedar Abadie, John Althoff, Ken Carpenter, Mike Dalton, LeRoy McCukser and Morris Mattson. Also present were City Administrator Ron Johnson, Finance Director/Assistant City Administrator Lanell Endres, Public Works Director Tom Bergeson, Library Director Nicole Miller, EMS Chief Tim Malchow, Police Chief Jeff McCormick and City Engineer Greg Anderson.

Purpose The purpose of the work session was to review and discuss the 2018 budget.

Discussion The Council discussed several items relating to the proposed 2018 budget. It was noted that the part-time motor vehicle position was removed from the budget as directed and other smaller changes were made. The Council discussed the funding agreement with the Historical Society and consensus was to leave the funding at \$5,000. Discussion was also held on whether or not a 2018 street project should be undertaken. The Council reviewed several options including combining several smaller projects such as Park Street and Evergreen Drive or a larger project such as the East Side II project. After much discussion the consensus was to move forward with the East Side II project.

The Council also discussed reserve balances and possibly transferring excess reserves to the Capital Improvement Project Funds (CIP) for the various departments. It was recommended that it be reviewed when the audit was complete.

Health insurance was discussed and the Council was informed that Blue Cross Blue Shield indicated they needed further information to put together any estimates and so the City will be staying with Health Partners for 2018 and will look into other options for 2019.

The Personnel Committee recommended the Cost of Living Adjustments (COLA) for the next three years be 2018-2.5%; 2019-2.75%; and 2020-3.0%. It was noted that the Committee felt these percentages were necessary in order to keep the City competitive on employee wages. The Council was informed that there will be an application process for employees to file a request for reclassification of placement in the recent classification and compensation study. It was noted that the wages were not based on tenure but rather on duties and responsibilities. They were also informed that it appeared the union negotiations were getting close to settlements and may be brought forth at the next City Council meeting. The consensus of the Council was to agree to the COLA increases as recommended.

It was noted that the Cannon Valley Trail capital request increase was included in the proposed budget and no adjustments were made to their requested amount.

Adjournment The meeting was duly adjourned at 8:35 p.m.

Adopted by the City Council of the City of Cannon Falls on the 21st day of November, 2017.

Lyman M. Robinson, Mayor

ATTEST:

Ronald S. Johnson, City Administrator