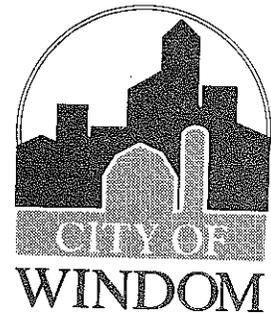


**City Council Meeting
Tuesday, April 15, 2008
City Council Chambers
7:30 p.m.
AGENDA**



Call to Order
Pledge of Allegiance

1. Approval of Minutes
 - Council Minutes – April 1, 2008
2. Consent Agenda
 - Receipt of Board & Commission Minutes
 - Utility Commission – April 2, 2008
 - Street Committee – April 8, 2008
 - Library Board – April 8, 2008
3. Public Comment
 - Legacy Grant Project & Event Update
4. Department Heads
5. LMCIT Annual Insurance Renewal – Ken Hoffman
6. 2008 Seal Coat Bid Award
7. Disposition of Surplus Equipment - Skid Loader – Bids Received
8. Parking Violations Base Fine Recommendation
9. Resolution Accepting Donation – Jim & Coralee Krueger
10. Spring Cleanup and County Electronic Recycling Dates
 - May 2 & 3 – Electronic Recycling - Drop off at County Hwy Shop
 - May 10 & 17 – Curbside Pickup
11. Regular Bills
12. Unfinished Business
13. New Business
14. Council Concerns
15. Adjourn



Council Meeting
Windom City Hall, Council Chamber
April 1, 2008
7:30 p.m.

1. Call to Order: The meeting was called to order by Mayor Tom Riordan at 7:30 p.m

2. Roll Call: Mayor: Tom Riordan

Council Members: Jean Fast, Kirby Kruse, Robert Messer,
Bradley Powers and JoAnn Ray

Council Members Absent:

City Staff Present: Steve Nasby, City Administrator; Jim
Kartes, Building Official; Aaron Backman,
EDA Director; Al Baloun, Recreation
Director and Jeremy Rolfes, Telecom

Public Present: Rahn Larsen

3. Pledge of Allegiance

4. Approval of Minutes:

**Motion by Powers, second by Fast, to approve the March 18, 2008 minutes.
Motion carried 5 – 0.**

5. Approval of the Consent Agenda:

**Motion by Messer second by Fast, to approve the Consent Agenda. Motion
carried 5 – 0.**

6. Department Heads:

Al Baloun, Recreation Director, said that the Summer Recreation programs and
Community Education booklets were coming out in the next two weeks via mail
and that the information would also be available on the City's website.

7. License Applications:

Dance Permit – Windom Fire Department

Riordan said that this was for the April 19th Firefighter's Dance.

Motion by Powers, seconded by Ray, to approve the dance permit for the Windom Firefighters for April 19, 2008. Motion carried 5 – 0.

Authorization to Dispense Liquor at the Windom Community Center

Riordan said there is an application from the Eagle's Club for April 19th.

Motion by Powers, seconded by Fast, to approve the liquor permit for the Eagle's Club on April 19, 2008. Motion carried 5 – 0.

Riordan said that there were applications from the Laker Grill for June 7th, July 12th, August 16th and September 27, 2008. He asked if the Council would like to approve these separately or together. Council consensus to do them all together.

Motion by Powers, seconded by Ray, to approve the liquor permit for the Laker Grill on June 7th, July 12th, August 16th and September 27, 2008. Motion carried 5 – 0.

8. Second Reading of Ordinance No. 130, 2nd Series – Amending Chapter 13 (Public Nuisance):

Kartes said that this ordinance had been adopted in March 2002 and the proposed ordinance includes clarifications and technical corrections to Chapter 13.

Motion by Kruse, seconded by Powers, to approve the second reading of Ordinance No. 130, 2nd Series. Motion carried 4 – 1 (Messer voting no).

Kartes requested that the Council consider a motion to approve the publication of the title and summary of the ordinance, as permitted by state law, in lieu of publication of the entire ordinance. He said by publishing the title and summary the cost for publication would be greatly reduced. Copies of the ordinance would be available for public inspection and review in the Public Library and at the City Building & Zoning office.

Motion by Ray, seconded by Powers, to approve publishing the title and summary for Ordinance No. 130, 2nd Series as permitted by state law. Motion carried 5 – 0.

9. Economic Development Authority Annual Report:

Aaron Backman, EDA Executive Director, noted that 2007 was a very good year for the EDA. The goals completed included the hiring of a new EDA Director, sale of the River Bend property for commercial development, sale of an industrial lot (Ron's Electric), sale of one of the River Bluff homes, the development of

marketing signs and increasing marketing efforts to prospective businesses. Also accomplished were the placement of an LED welcome and community events sign and the reduction in EDA debt by about 40 percent due to the income from the land sales previously noted.

Riordan asked about the EDA's 2008 goals. Backman said that the 2008 goals included the following: 1. Selling the spec building, 2. continuing marketing and outreach, 3. selling one River Bluff home, 4. recruiting one business for the North Windom Industrial Park and 5. an application for another round of Small Cities Development Program (SCDP) funds.

Messer congratulated Backman on an excellent job. The Council thanked Backman for his work and the presentation.

10. Personnel Committee Recommendations:

Riordan said that there were two recommendations from the Personnel Committee. The first was a proposal to conduct a Compensation and Classification Study for all City employees. He said the Personnel Committee made this recommendation as there have been a number of requests recently for compensation or classification reviews. He noted that the union contracts are also up at the end of this year and this may be a good tool in assisting with those negotiations. Riordan said that the Utilities Commission had also briefly discussed the need for a compensation and classification study and they were supportive of the idea, while realizing they would incur a significant portion of the cost of the study. The Personnel Committee had reviewed and considered three proposals. The costs ranged from \$16,000 to \$32,000 however the scope of services was different for each and additional or indirect costs would be incurred with two of the proposals. Riordan said that the Personnel Committee recommended the Fox Lawson & Associates proposal as it included the most complete review of the job positions, had the most extensive employee input process, included the proposed revision of job descriptions as needed and had a not to exceed cost which included indirect costs, travel, etc.

Ray asked about the cost of \$32,000 and how it would be paid for. Riordan said that he understands the concern with the cost, but the study is needed and the cost per full-time employee is about \$600 and would be spread out over each department proportionally. The Utility Commission is supportive of the proposal and they would have a significant share of the cost.

Powers asked about implementing the findings of the study. Riordan said that it would be up to the Council on what changes to pursue.

Fast asked when the last time the City's pay plan and classifications were looked at by a third party. Nasby said that the information he has gotten from staff is that it had not been done, but a review was done and placement when the City went to

having a union. Nasby noted that this was a number of years ago. Messer and Kruse thought that may be it was in the mid-late 1980's or early 1990's.

Fast asked if this was a top to bottom review as this is what other cities do. She said that she had talked to the City of Jackson, who had just completed a similar study and she also called Fox Lawson & Associates. Riordan said this was planned for all City employees. Nasby noted that the temporary or seasonal positions the City has would likely not be included.

Fast said that a position could be recommended for a reduction. Riordan and Kruse said that "yes" that could happen, but it will be up to the Council to take action. Fast noted that the Council had said "no" to a new police officer for the 2008 budget so we really need to take a look at this proposal. If it helps that is great, but it is a lot of money.

Ray said she agrees with Fast on the police officer funding request and this proposal costs a lot of money.

Powers said he concurs regarding the cost of the study.

Motion by Messer, second by Kruse, to approve the City Administrator to enter into an agreement with Fox Lawson & Associates for a Compensation and Classification Study as outlined in the proposal. Motion carried 3 -2 (Powers and Ray voting no).

Riordan said the second recommendation from the Personnel Committee was to allow the City Administrator to set wage rates for part-time, seasonal\temporary help. He said that with the changes in the minimum wage to \$6.55 changes would be needed for life guards and\or park help.

Motion by Messer, second by Fast, to authorize the City Administrator to set the wage rates for part-time, seasonal\temporary employees. Motion carried 5 - 0.

11. Hospital Board Appointment:

Riordan said he was nominating Peggy Pfeffer for appointment to the Hospital Board.

Motion by Powers, second by Kruse, to approve the appointment of Peggy Pfeffer to the Hospital Board. Motion carried 5 - 0.

12. Regular Bills:

Motion by Fast, seconded by Ray, to approve the Regular Bills. Motion carried 5 - 0.

Preliminary

13. Unfinished Business:

None.

14. New Business:

None

15. Council Concerns:

Fast wished the best to the Windom Band and Choir on their trip to Florida.

Powers thanked Jim and Coralee Krueger for their donation to the Ambulance Department.

16. Adjourn:

Motion by Powers, seconded by Ray, to adjourn. Motion carried 5 – 0.

Meeting adjourned at 7:56 p.m.

Tom Riordan, Mayor

Attest: _____
Steve Nasby, City Administrator

UTILITY COMMISSION MINUTES
City Hall
April 2, 2008

Call Meeting to Order: The Utility Commission meeting was called to order at 10:00 a.m., on April 2, 2008 in the City Hall Council Chambers.

Members Present: Utility Commission Chairperson: Mike Schwalbach

Members Present: Keith Bloomgren
Chris Johnson

City Council Liaison: Jean Fast

City Staff Present: Steve Nasby, City Administrator; Brigitte Olson, Assistant City Administrator; Marv Grunig, Electric Utility Manager; Mike Haugen, Water/Wastewater Superintendent; and Bruce Caldwell, Street Superintendent

Others Present: Dennis Johnson and Craig Mueller, Wenck Associates; and Paul Hintze

APPROVAL OF MINUTES:

Motion by Bloomgren, seconded by Schwalbach , to approve the April 2, 2008 minutes. Motion carried 2-0. Absent Chris Johnson

WATER/WASTEWATER ITEMS:

- Paul Hintze requested City of Windom services, such as electric, water and sewer, at a parcel outside of the city limits. He is requesting to receive water and sewer services through and adjoining property in the Kalash Addition; these services have been stubbed in and paid for by the property owner. Hintze indicated that he has met with Schwalbach, Nasby, Haugen and Grunig regarding this request. Grunig said that he is having Windom's service area surveyed by Zieske Land Surveyors. When this is completed he would be able to determine if the property in question is in Windom's service area or South Central Electric's service area.

Johnson arrived.

Motion by Johnson, seconded by Bloomgren, to approve providing the property in the Kalash Addition with electric, water and sewer services, with the owner to be responsible for any costs associated with the electric service. This is to be contingent on language in a deed restriction that will be attached to the abstract of all parcels, stating that only one single family dwelling may be serviced by this connection. Motion carried 3-0.

- Craig Mueller, Wenck Associates said that Todd Brand at 862 4th Avenue had a sewer problem after the 2007 Improvement Project. He had a water closet in the basement of his building break and was running continuously, causing 187,000 gallons to flow through the sanitary sewer in one month. This in turn caused his sewer to plug, and backup slightly into his basement. Schwalbach's routed the new service line and the private property owner's line and Wenck had the line televised. At this time they located a one inch sag in the new service line, and the private line was badly deteriorated. Mueller said that Hjerpe was willing to correct this issue with one of the following steps.

1. Hjerpe Construction would repair the one inch sag in the service line.
2. Hjerpe Construction would extend the one year warranty to five years.

Motion by Bloomgren, seconded by Johnson, to have the one inch sag repaired in the service line. Motion carried 3-0.

- Landfill – Haugen informed the Utility Commission that the landfill aeration was turned off on March 13, 2008.
- Hay Land Bid – Haugen said that the hay land rental will be in the Citizen and Shopper, and the bids are due by April 22, 2008.
- Sewer Billing Issue - Haugen said that he had a landlord that has a five-plex, and is receiving sewer charges for five apartments, and feels that he should not be billed when tenants move out. It was unanimously agreed upon that the minimum charges are not for usage but to pay for the wastewater treatment plant and other capital expenses, and that there are other landlords in the City of Windom with this issue. Therefore they agree to leave the bills as policy of billing a minimum for each dwelling unit is in place for all properties

ELECTRIC ITEMS:

- BSP II Power Sales Agreement – Grunig asked to have this agreement removed from the agenda, as the percentages of power purchased has changed, therefore items in the contract may be incorrect, and if they are substantive, they will need to be reviewed by the City Attorney.
- 2008 Energy Conservation Improvement Program - Grunig reviewed the 2006 and 2007 Conservation Improvement Program (CIP) with the Utility Commission.
- City of Windom/Central MN Municipal Power Agency Market Participant Agreement – Grunig gave an overview of the Market Participant Agreement, and how the City of Windom Utilities got to this point. He also reviewed when our wholesale power contracts terminate. Grunig reviewed with the Utility Commission how Midwest Independent System Operator (MISO) works in the

day ahead energy marketing, and how he needs to review the cost of power daily and hourly on peak days, because real time prices change every five (5) minutes, seven (7) days a week.

- Itron – Grunig said that this is the new equipment and software that is used to read the utility and water meters. He said that the Windom Utilities were unable to use this equipment for a year, and therefore the warranty had run out. However, he spoke with the company and was able to get that warranty extended for six (6) months. He was also requesting approval of payment for the annual maintenance contract to Itron in the amount of \$2,844.84.

Motion by Johnson, seconded by Bloomgren, to approve payment of the maintenance contract to Itron in the amount of \$2,844.84. Motion carried 3-0.

- Western Area Power Agency (WAPA) – Grunig informed the Utility Commission that WAPA is proposing a rate increase of 10% for 2009. Grunig said that this increase follows a 25% increase in 2008.

REGULAR BILLS:

Motion by Johnson, seconded by Bloomgren, to approve payment of the invoice to Wenck Associates in the amount of \$1,585.70. Motion carried 3-0.

OLD BUSINESS: None

NEW BUSINESS:

Jean Fast said that the Request for Proposal from Fox & Lawson for the Compensation and Classification Study was approved by the Windom City Council at their April 1, 2008 meeting. She indicated that it would cost \$600 per employee.

Next meeting date was set for April 23, 2008

On motion meeting was adjourned at 12:15 p.m.

Mike Schwalbach, Chairperson

Attest: _____
Steve Nasby, City Administrator

**STREET DEPARTMENT COMMITTEE
MINUTES APRIL 8, 2008**

1. Call to Order: The meeting was called to order at 4:06 p.m. in the council chambers at city hall.

2. Attending: Committee Members: JoAnn Ray & Bob Messer

City Staff Present: Mayor Tom Riordan, Street Superintendent Bruce Caldwell, City Administrator Steve Nasby, Wenck Representatives Vincent T. Vander & Craig Mueller, Mike Haugen WWTP Superintendent

Public: Kurt Hjerpe, Brett Curry

3. Items Discussed

a. Sewer Service Issues 862 4th ave

The committee discussed some problems with the new sewer service at the above address. They watched a video that was taken of the new service and also the private line inside the building. After much discussion with Wenck engineers and Kurt Hjerpe project contractor the committee recommendation as follows; engineers design a procedure list prior for repairs, provide a more detailed video that will show footage in order to find exact area where repairs are needed. Minimize traffic down time and inconveniences to area business during repairs. If available use alternate technology that could make it possible to make repairs without digging up the street. If contractor has to dig in the street they need to make sure there is adequate compaction with no voids under concrete road surface. Concrete patch will be doweled to prevent uneven surface.

Motion by Ray; repair the new sewer service line outside the building ASAP using procedures stated above.

Motion Carried 2-0

b. 4th ave Road Surface 2007 Project

The discussion was based on the uneven road surface on 4th ave between 9th and 10th street. After discussion with the Wenck engineers and the contractors, the committees' recommendation is as follows;

Motion by Ray to leave as is.

Motion Carried 2-0

c. 2007 Construction Bills at Windom Ready Mix and Eagles Club Sidewalk

1. The committee was updated on the outstanding bill at Windom Ready Mix
Sub-contractor S & S Southern owes Windom Ready Mix \$7,847.58 for concrete work from the 4th ave recon project. Mr. Hjerpe stated that his sub-contractors have been paid and it is their responsibility to pay their bills accordingly.

Continued Page 2:

2. Eagles Club Assessments

The city did not credit the Eagles Club on their assessments from the 2007 4th ave project concerning the sidewalk replacement. The Eagles Club was billed for all the sidewalk replacement and the items listed below were the city's portion due to utility service lines and replacing the alley approach that would have been done regardless if all the sidewalk was replaced.

1. Removal of concrete drive = 13 square yards at \$12.50 per square yard = \$162.50
2. 4" sidewalk = 260 square feet at \$3.30 per square foot = \$858.00
3. 6" concrete drive = 120 square feet at \$5.00 per square foot = \$600.00

All Total \$1,620.50. This would be the city's portion of the sidewalk work arranged and paid by the Eagles Club previously but should have been paid by the city.

Motion by Ray; pay the Eagles Club \$1,620.50 for the cities portion of the assessments.

Motion Carried 2-0

d. 2008 Seal Coat Project;

The committee reviewed the bids from five contractors.

Motion by Messer; to approve the bid of \$53,450.00 from Bituminous Paving for the 2008 Seal Coat Project.

Motion Carried 2-0

- e. 20th street road repairs update; Caldwell inspected the street and observed several areas that are in bad condition. The worse area is by 850 20th street but the remainder of the street from 9th ave going east to the intersection of 21st street and Abby Park is poor as well. This street was constructed in 1978. Throughout the past several years there has been several water main breaks and the road surface is getting worse each year along this section. It is believed that there are underground water issues and most of the sub-soils are clay.

Motion by Messer to add 20th street from 9th ave to Abby Park to the next street recon project.

Motion Carried 2-0

- f. Closed Session to review the performance of contractors, sub-contractors and engineering.

Meeting adjourned at 6:10 pm.

Windom Library Board Meeting
Windom Library
April 8, 2008
5:05 p.m.

1. Call to order: The meeting was called to order by Freddie Hoppert at 5:05 p.m..
2. Roll Call:
Members Present: Freddie Hoppert, Kathy Hiley, John Duscher
Anita Winkel, Mary Erickson and Jan Johnson.

Members Absent: Charles Reid

Library Staff Present: Joan Hunter and Dawn Aamot

City Council Member Present: None

3. Agenda and Minutes:

Motion by John Duscher, seconded by Anita Winkel to approve the Agenda and Minutes.

4. Financial Report:

Joan informed the board that the "Maintenance" portion of the budget was already at 50% for the year. When Joan presented the budget to the city last fall it the maintenance portion was submitted at \$10,800.00 The library's cleaning service comes out of the maintenance budget. Sometime after the budget was submitted, the maintenance budget was reduced by \$5,000. No one at the city office can explain why this happened or will they take responsibility for it. This \$5,000 cannot be added back in therefore the budget for maintenance will go over for the year.

The payment to Plum Creek is an annual fee.

The board discussed the bill for roof repair from Kato Roofing for \$754.77. The taller roof from the older portion of the library was draining onto the lower roof causing water to leak into the bathroom. Kato Roofing did roof repair on the library in 2007 and they claim this is a s different problem from what was fixed previously. With that claim of a different problem, they also stated that some pipe was removed from the job in 2007 and they had intended to have a new one made to replace it and this never happened. We believe that this is directly related to the roof leaking into the bathroom. Joan is going to contact Ken Hoffman about a possible claim and to who should be liable for this current repair.

Motion by Freddie Hoppert seconded by Kathy Hiley to approve the Financial Report.

5. Librarians Report:

Joan reported that the the city has hired a firm to do a study on job classification and compensation for city employees. The firm will interview Dawn and have her complete a form to determine a job description for her. The initial cost of hiring this firm if \$32,000 and will be divided among all city departments. This was not budgeted for by any of the city departments. After discussion, the library board feels that this is a waste of city dollars and probably won't be of benefit to the city employees.

Joan completed her annual report to the state. The number of people using the library and the number of books checked out increased only slightly.

Dawn reported that Sonshine School will be visiting the library. She has submitted information about the summer reading program for publication in the upcoming Community Ed book. She is working with the Mountain Lake library to share the expense of having 2 events at the Community Center in July. One is a ventriloquist and the other is Dennis Warner, a singer songwriter. The summer reading program begins June 9th.

Motion by Anita Winkel and seconded by Freddie Hoppert to approve the librarian's report.

6. Old Business:

None

7. New Business:

All board members completed a survey from Plum Creek Library System. The board discussed how the new Plum Creek website *is not* user friendly. Users can't search by author and if a book is checked out it won't come up in a search at all. It needs a lot of work.

8. New Book Suggestions

The board presented their suggestions.

9. Adjourn:

Motion by John Duscher, seconded by Anita Winkel to adjourn.

Meeting adjourned at 5:37 p.m..

Date / Time received: 4/10/08

Agenda Request Form

(This form can be used only once a month by the same individual(s). It is not a venue to bypass policies and procedures of city commissions and committees.)

Name: Cheryl Hanson Telephone No: 831-2752 (Day)

Address: 1279 River Road Windom, MN. 56101

Date of Council Meeting: Tuesday, April 15, 2008 (Agenda must be turned into the city office by Friday noon preceding the Tuesday meeting.)

Subject: Cathy Peterson of the Business, Arts and Recreation Center, Linda Fransen of the Cottonwood County Historical Society and I applied for and received a Legacy Grant from the MN. Sesquicentennial Commission. We would like to explain our project and related events to the Windom Mayor, Councilpersons and City Staff. We are trying to make this presentation to all of the City Councils within Cottonwood County.

Have you brought this to the attention of the appropriate department head? _____ Committee? _____ We have not. I'm not sure that our project is directly under the jurisdiction of a specific department head or committee.

Hand-outs, audio-visual materials (These must be simple and set up directly before you speak and taken down directly afterward): We will be bringing a one-page hand-out that summarizes our project.

This format gives citizens an opportunity to express concerns to the council without expectation of discussion or action. No more than two (2) people should speak on the same topic at one meeting. Remarks should not exceed five (5) minutes per person. They should be directed to the council as a whole and not to any individual member or department head.

Cheryl Hanson
Signature

April 7, 2008

City of Windom
City Officials
444 9th St.
Windom, MN 56101

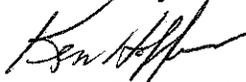
Re: 2008 Insurance Renewal Summary

Attached is the summary of the renewal premiums and coverages of the policies offered by the LMCIT. I have also included policies secured through other markets for coverages that are either more competitive than the LMCIT or not offered by the LMCIT.

I have listed the previous years premiums for your information to see the changes that are taking place.

The LMCIT has declared a dividend to participating cities this year. Windom's dividend is \$17,680 and was paid out in December 2007. I have attached the chart showing the city of Windom's share of the dividends for the past 10 years. As you can see these dividends vary by year to year. This years dividend was higher due to the LMCIT's past estimates of losses in 2006 and 2007 coming in better than projected.

Presented by:



Ken Hoffmann, CIC
Agent of Record

CITY OF WINDOM
RENEWAL PREMIUM SUMMARY

| Coverage | 2007 Prem. Basis | Premium | 2008 | Premium |
|---|--|----------------|--------------|----------------|
| Property | \$36,071,231 | \$64,382 | \$38,237,307 | \$61,290 |
| | Property Values | | | |
| Mobile Property | \$1,031,008 | \$4,716 | \$1,098,202 | \$4,974 |
| | Equipment Values | | | |
| Municipal Liability Inc. Airport Liab. | Various | \$46,392 | Various | \$48,654 |
| | Expenditures, payroll, sq.ft., etc. | | | |
| Automobile Liability | All Units | \$8,803 | All Units | \$8,030 |
| Automobile Physical Damage | | \$8,270 | | \$7,445 |
| | Physical damage is inc. on police, fire, & emerg. veh. No physical damage on other dept. veh. >10 yrs old | | | |
| Equipment Breakdown | \$25,961,331 | \$4,725 | \$27,869,740 | \$5,072 |
| | Total bldg value minus municipal power plant | | | |
| Open Meeting Law | | \$443 | | \$414 |
| | Percent of the municipal liability premium | | | |
| Liquor Liability | Receipts | <u>\$3,100</u> | Receipts | <u>\$2,916</u> |
| | Total | \$140,831 | Total | \$138,795 |

* Refer to the next page for a summary of increases and changes.

CITY OF WINDOM
RENEWAL OF
OTHER POLICIES

| | 2007 | 2008 |
|---|---------------------|---------------------|
| 1. Boiler and Machinery – Municipal Power Plant and Substation | Premium \$37,447 | Premium \$37,447 |
| Limit of \$9,952,900 | | |
| Deductible: \$100,000 on Detroit Allison Gas Turbine \$100,000 on any other object covered by policy | | |
| 2. Miscellaneous bonds as required | \$665 | \$722 |
| Package Premium from previous page | <u>\$140,831</u> | <u>\$138,795</u> |
| Total Premium | \$179,374 | \$176,964 |

PROPERTY AND LIABILITY
CLAIMS SUMMARY
2007 CONTRACT YEAR

| Type of Claim | Total amount paid |
|---------------------------|-------------------|
| Property 1 | \$5,488 |
| Liability 11 | \$5,071 |
| Medical Payments 0 | 0 |
| Auto-physical damage 4 | \$30,130 |
| Auto-liability 2 | <u>\$4,897</u> |
| | \$45,586 |

* The total claims amount paid is based on losses paid to date for the year 2007. Total loss amount includes subrogation amounts if applicable.

WORKERS COMPENSATION

| <u>Year</u> | <u>Payroll</u> | <u>Exp. Mod. Factor</u> | <u>Premium</u> |
|-------------|----------------|-------------------------|----------------|
| 2003 | \$2,252,960 | 1.15 | \$56,857 |
| 2004 | \$2,299,160 | 1.26 | \$69,683 |
| 2005 | \$2,515,187 | 1.31 | \$84,268 |
| 2006 | \$2,755,735 | 1.05 | \$76,862 |
| 2007 | \$3,009,735 | 1.15 | \$95,808 |
| 2008 | \$3,045,443 | .83 | \$73,099 |

10 new claims for 2006
10 new claims for 2007

The experience modification factor decreased to .83 in 2008 from 1.15 in 2007. The experience modification factor is determined by a formula taking into account the actual losses versus the expected losses in each classification and premiums paid. A three year period is used for this formula not including the most recent year. The experience modification factor for 2008 is determined by using data from years 2004, 2005, and 2006.

The city is taking advantage of discounts that are available from the LMCIT such as a 2% managed care option and a 10% non-smoker discount for fire department and police department class rates.

COVERAGE CHANGE FOR 2008

Increased Limits:

Statutory Limits on Municipal Tort Liability: The basic coverage limit has increased from \$300,000 per claimant to \$400,000 per claimant and \$1,000,000 per occurrence to \$1,200,000.

Waiver of Statutory Tort Limit: The city currently does not waive the statutory tort limit of \$400,000 per claimant.

I need a motion to leave this the same or waive the statutory tort limit.

Excess Liability: You can add \$1,000,000 excess liability coverage for an annual premium of \$16,159.

The city has not elected to accept this coverage in the past.

I need a motion to accept or reject the Excess Liability coverage for 2008.

This is a brief description of some of the changes made by LMCIT. This is not a complete list and is not intended for use in determining coverage. Consult the actual policy language for complete coverage description.



RISK MANAGEMENT INFORMATION

LMCIT LIABILITY COVERAGE OPTIONS

Liability Limits, Coverage Limits, and Waivers

LMCIT gives cities several options for structuring their liability coverage. The city can choose either to waive or not to waive the monetary limits that the statutes provide; and the city can select from among several liability coverage limits. This memo discusses these options and identifies some issues to consider in deciding which of the options best meets the city's needs.

What are the statutory limits on municipal tort liability?

The statutes limit a city's tort liability to a maximum of \$400,000 per claimant and \$1,200,000 per occurrence. These limits apply whether the claim is against the city, against the individual officer or employee, or against both.

What are the coverage limits for LMCIT's basic primary liability coverage?

LMCIT's liability coverage provides a limit of \$1,200,000 per occurrence, matching the per-occurrence part of the statutory municipal tort liability limit. Under the basic coverage form the \$400,000 per claimant part of the statutory liability limit is not waived, so if the statutory limit applies to the particular claim, LMCIT and the city would be able to use that limit as a defense.

Beside the overall coverage limit of \$1,200,000 per occurrence, there are also annual aggregate limits (that is, limits on the total amount of coverage for the year regardless of the number of claims), for certain specific risks. Aggregate limits apply to the following:

| | |
|---------------------------------|----------------------|
| Products / completed operations | \$2,000,000 annually |
| Failure to supply utilities | \$2,000,000 annually |
| EMF | \$2,000,000 annually |
| Limited pollution* | \$2,000,000 annually |
| Mold | \$2,000,000 annually |
| Land use litigation** | \$1,000,000 annually |
| Employers liability (work comp) | \$1,200,000 annually |

* Includes sudden and accidental releases of pollutants; herbicide and pesticide application; sewer ruptures, overflows and backups; and lead and asbestos claims. The limit applies to both damages and defense costs.

** Coverage is on a sliding scale percentage basis, and applies to both damages and litigation costs.

If the statute limits our liability to \$1,200,000 per occurrence, why would the city purchase higher coverage limits than that?

There are several different reasons why cities should strongly consider carrying higher limits of liability coverage.

1. **The statutory tort limits either do not or may not apply to several types of claims.** Some examples include:
 - *Claims under federal civil rights laws.* These include Section 1983, the Americans with Disabilities Act, etc.
 - *Claims for tort liability that the city has assumed by contract.* This occurs when a city agrees in a contract to defend and indemnify a private party.
 - *Claims for actions in another state.* This might occur in border cities that have mutual aid agreements with adjoining states, or when a city official attends a national conference or goes to Washington to lobby, etc.
 - *Claims based on liquor sales.* This mostly affects cities with municipal liquor stores, but it could also arise in connection with beer sales at a fire relief association fund-raiser, for example.
 - *Claims based on a "taking" theory.* Suits challenging land use regulations frequently include an "inverse condemnation" claim, alleging that the regulation amounts to a "taking" of the property.
2. **LMCIT's primary liability coverage has annual limits on coverage for a few specific risks.** The table on page 1 lists the liability risks to which aggregate coverage limits apply. If the city has a loss or claim in one of these areas, there might not be enough limits remaining to cover the city's full exposure if there is a second loss of the same sort during the year. Excess liability coverage gives the city additional protection against this risk as well.

However there are a couple of important restrictions on how the excess coverage applies to risks that are subject to aggregate limits:

- The excess coverage *does not apply* to three risks: *failure to supply utilities; mold; and "limited pollution" claims if either the pollutant release or the damage is below ground or in a body of water;* and
- The excess coverage *does not automatically apply to liquor liability* unless the city specifically requests it.

3. **The city may be required by contract to carry higher coverage limits.** Occasionally, a contract might include a requirement that the city carry more than \$1,200,000 of coverage limits. Carrying excess coverage is a way to meet these requirements. (There's also another option for cities in this situation. LMCIT can issue an endorsement to increase the city's coverage limit only for claims relating to that particular contract. There's a small charge for these "laser" endorsements.)
4. **There may be more than one political subdivision covered under the city's coverage.** An HRA, EDA, or port authority is itself a separate political subdivision. If the city EDA, for example, is named as a covered party on the city's coverage and a claim were made that involved both the city and the EDA, theoretically the claimant might be able to recover up to \$1,200,000 from the city and another \$1,200,000 from the EDA, since there are two political subdivisions involved. Excess coverage is one way to provide enough coverage limits to address this situation. Another solution is for the HRA, EDA, or port authority to carry separate liability coverage in its own name.

This issue of multiple covered parties can also arise if the city has agreed by contract to name another entity as a covered party, or to defend and indemnify another entity.

5. **Cities sometimes choose to carry higher coverage limits because of a concern that the courts might overturn the statutory liability limits.** However, those limits have now been tested and upheld several times in Minnesota. While it's always possible that a future court might decide to throw out the statutory limits, this is now less of a concern.

What excess liability coverage limits are available?

Excess coverage is available in \$1 million increments, up to a maximum of \$5 million.

Does the optional excess coverage apply to all types of claims?

No. The excess liability coverage does not apply to the following types of claims: limited pollution, mold, failure to supply utilities, auto no-fault, uninsured / underinsured motorist, workers compensation, disability, or unemployment claims, or claims under the medical payments coverage.

We're just a small city. Isn't excess liability coverage really just something that big cities might need?

Absolutely not. If anything, excess liability coverage is even more important to a small city.

If a city ends up with more liability than it has coverage, the city will have to either draw on existing funds or go to its taxpayers to pay that judgment. A large city faced with, say, a million dollars of liability over and above what its LMCIT coverage pays might be able to spread that \$1 million cost over several thousand taxpayers. The small city by contrast might be dividing that same \$1 million cost among only a couple hundred taxpayers. \$1 million divided among 5000 taxpayers is \$200

apiece – annoying but probably at least manageable for most taxpayers. \$1 million divided among 200 taxpayers is \$5000 apiece – enough to be a real problem for many.

LMCIT now gives the cities who participate in the primary liability coverage the option to waive the \$400,000 per claimant statutory liability limit. What's the effect if we do this?

If the city chooses the “waiver” option, the city and LMCIT no longer can use the statutory limit of \$400,000 per claimant as a defense. Because the waiver increases the exposure, the premium is roughly 3% higher for coverage under the waiver option.

If the city waives the statutory limit, an individual claimant could therefore recover up to \$1,200,000 in damages on a claim. Of course, the individual would still have to prove to the court or jury that s/he really does have that amount of damages. Also, the statutory limit of \$1,200,000 per occurrence would still apply; that would limit the individual's recovery to a lesser amount if there were multiple claimants.

Why would the city choose to pay more in order to get the waiver-option coverage? Does it give the city better protection?

No. Buying coverage under the “waiver” option doesn't protect the city any better. The benefit is to the injured party.

The statutory liability limit only comes into play in a case where

1. the city is in fact liable; and
2. the injured party's actual proven damages are greater than the statutory limit.

Very literally, applying the statutory liability limit means that an injured party won't be fully compensated for his/her actual, proven damages that were caused by city negligence. Some cities as a matter of public policy may want to have more assets available to compensate their citizens for injuries caused by the city's negligence. Waiving the statutory liability limits is a way to do that.

Other cities may feel that the appropriate policy is to minimize the expenditure of the taxpayers' funds by taking full advantage of every protection the legislature has decided to provide. There's no right or wrong answer on this point. It's a discretionary question of city policy that each city council needs to decide for itself.

How would the waiver affect our city's coverage or risk on those claims that the statutory tort liability limits don't apply to?

It doesn't. Waiving the statutory tort limits has no effect on claims that the statutory limits don't apply to.

What's the effect of waiving the statutory limits if we have excess coverage?

If the city has \$1 million of excess coverage and chooses to waive the statutory tort limits, the claimants (whether it's one claimant or several) could then potentially recover up to \$2.2 million in damages in a single occurrence. If the city carries higher excess coverage limits, the potential maximum recovery per occurrence is correspondingly higher.

Carrying excess coverage under the waiver option is a way to address an issue that some cities find troubling: the case where many people are injured in a single occurrence caused by city negligence. Suppose, for example, that a city vehicle negligently runs into a school bus full of kids, causing multiple serious injuries. \$1,200,000 divided 50 ways may not go far toward compensating for those injuries. Excess coverage under the waiver option makes more funds available to compensate the victims in that kind of situation.

The cost of the excess liability coverage is about 25% greater if the city waives the statutory tort limits. The cost difference is proportionally greater than the cost difference at the primary level because for a city that carries excess coverage, waiving the statutory tort limits increases both the per-claimant exposure and the per-occurrence exposure.

If we waive the statutory tort liability limits, does it increase the risk that the city will end up with liability that LMCIT doesn't cover?

No. The waiver form specifically says that the city is waiving the statutory tort liability limits only to the extent of the city's coverage.

Of course, that's not to say that there is no risk that the city's liability could exceed its coverage limits. We listed earlier a number of ways that could happen to any city. But the waiver doesn't increase that risk.

Can we waive the statutory tort limits for the primary coverage but not for the excess coverage?

No. If the city decides to waive the statutory tort limits, that waiver applies to the full extent of the coverage limits the city has. The city cannot partially waive the statutory limits.

I'm confused. Is there a simple way to summarize the options?

It's not necessarily simple, but the table on the following page is a shorthand summary of what the effect would be of the various coverage structure options in different circumstances.

I'm still confused. Who can I talk to?

Give us a call at the League office. Pete Tritz, Ann Gergen, Doug Gronli, or any of LMCIT's property/casualty underwriters will be glad to talk with you.



CONNECTING & INNOVATING
SINCE 1913

LMCIT Liability Coverage Options

| Coverage structure If the city: | On a liability claim to which the statutory limits apply | | On a liability claim to which the statutory limits do not apply |
|--|--|---|---|
| | This is the maximum amount a single claimant could recover on an occurrence. | This is the maximum total amount that all claimants could recover on a single occurrence. | |
| Does not have excess coverage & Does not waive the statutory limits | \$400,000 | \$1,200,000 | \$1,200,000 |
| Does not have excess coverage & Waives the statutory limits | \$1,200,000 | \$1,200,000 | \$1,200,000 |
| Has \$1,000,000 of excess coverage & Does not waive the statutory limits | \$400,000 | \$1,200,000 | \$2,200,000 |
| Has \$1,000,000 of excess coverage & Waives the statutory limits | \$2,200,000 | \$2,200,000 | \$2,200,000 |

This is the maximum amount of damages which LMCIT would pay on the city's behalf for a single occurrence, regardless of the number of claimants.

LEAGUE OF MINNESOTA CITIES
INSURANCE TRUST

145 UNIVERSITY AVE. WEST PHONE: (651) 281-1200 FAX: (651) 281-1298
ST. PAUL, MN 55103-2044 TOLL FREE: (800) 925-1122 WEB: WWW.LMC.ORG

| 2008 SEAL COAT IMPROVEMENTS WINDOM, MINNESOTA 66101 | | BIDDER | | McLaughlin & Schulz | | BIDDER | | Morris Sealcoat | | Astech | | SMC | | BIDDER | | |
|--|----------|---------------------|----------|---------------------|----------|--------------|----------|-----------------|----------|--------------|----------|--------------|----------|--------------|----------|--------------|
| ENGINEER'S ESTIMATED COST | | McLaughlin & Schulz | | Morris Sealcoat | | Astech | | SMC | | BIDDER | | BIDDER | | BIDDER | | |
| ITEM | QUANTITY | UNIT | COST | AMOUNT | UNIT | COST | AMOUNT | UNIT | COST | AMOUNT | UNIT | COST | AMOUNT | UNIT | COST | AMOUNT |
| BITUMINOUS MAT'L FOR SEAL | 13700 | GAL | \$ 2.38 | \$ 32,606.00 | \$ 3.50 | \$ 47,950.00 | \$ 4.00 | \$ 54,800.00 | \$ 2.50 | \$ 34,935.00 | \$ 4.00 | \$ 54,800.00 | \$ 2.50 | \$ 34,250.00 | \$ 2.50 | \$ 34,250.00 |
| RED ROCK | 600 | TON | \$ 29.48 | \$ 17,688.00 | \$ 47.75 | \$ 28,650.00 | \$ 55.00 | \$ 33,000.00 | \$ 37.39 | \$ 20,976.00 | \$ 37.39 | \$ 22,434.00 | \$ 32.00 | \$ 19,200.00 | \$ 32.00 | \$ 19,200.00 |
| STREET SUBTOTAL | | | | \$ 50,294.00 | | \$ 76,600.00 | | \$ 87,800.00 | | \$ 55,911.00 | | \$ 56,684.00 | | \$ 53,450.00 | | \$ 53,450.00 |
| BINGHAM LAKE | | | | | | | | | | | | | | | | |
| BITUMINOUS MAT'L FOR SEAL | 1450 | GAL | \$ 2.38 | \$ 3,451.00 | \$ 3.20 | \$ 4,640.00 | \$ 4.00 | \$ 5,800.00 | \$ 3.32 | \$ 4,814.00 | \$ 4.00 | \$ 5,800.00 | \$ 3.32 | \$ 4,814.00 | \$ 3.00 | \$ 4,350.00 |
| RED ROCK | 65 | TON | \$ 29.48 | \$ 1,916.20 | \$ 48.00 | \$ 3,120.00 | \$ 55.00 | \$ 3,575.00 | \$ 40.80 | \$ 2,652.00 | \$ 40.80 | \$ 2,652.00 | \$ 32.00 | \$ 2,080.00 | \$ 32.00 | \$ 2,080.00 |
| STREET SUBTOTAL | | | | \$ 5,367.20 | | \$ 7,760.00 | | \$ 9,375.00 | | \$ 6,950.00 | | \$ 7,466.00 | | \$ 6,430.00 | | \$ 6,430.00 |

Memo

To: Mayor and City Council

From: Denise Nichols

CC: Steve Nasby

Date: 4/11/2008

Re: Disposition of Surplus Equipment – 1989 Case 1825 Skid Loader

An advertisement requesting bids for the 1989 Case Skid Loader was placed in the Citizen and Shopper newspapers. Sealed bids were accepted until 5:00 p.m. on Thursday, April 10th.

Six sealed bids were received and the results are as follows:

| | |
|----------------|------------|
| John Holt | \$3,002.00 |
| Bruce Nagorske | \$2,530.00 |
| Bruce Beerman | \$2,250.00 |
| Jeff Becthold | \$2,050.00 |
| Jerry Ambrose | \$1,526.10 |
| Barry Marcy | \$ 505.00 |

Staff recommendation to the Council is to approve the sale of the skid loader to the high bidder John Holt for \$3,002.00.

Windom Police Department

Jeff Shirkey, Chief of Police
444 9th St., P.O. Box 38
Windom, MN 56101

Phone 507-831-6134
Email: jshirkey@windom-mn.com
Cell: 507-830-0512

Fax 507-831-1957

DATE: March 31, 2008

TO: **Windom City Council**
City Administrator Steve Nasby

FROM: Chief Shirkey

SUBJECT: **Base Fine for Parking Violations Under City Ordinance's...**

I would like to recommend that the Base Fine for Parking Violations under the City Ordinance's be raised. (See current Base Fine and Proposed Base Fine)

The current fines were set 30+ years ago and need updating, so that people do have a consequence when they violate these Ordinances. I checked with the city of Redwood Falls and they have their fines set at the \$30.00 amount.

If you have any questions, feel free to call.

Jeffrey A. Shirkey, Chief
Windom Police Department

WINDOM CITY ORDINANCES

| SECTION | OFFENSE | BASE FINE | KT SURCHARGE | LAW LIBRARY | TOTAL |
|----------|--|-----------|--------------|-------------|----------|
| 6.04 (1) | Soliciting | \$55.00 | \$72.00 | \$5.00 | \$132.00 |
| 8.02 | City Truck Route | \$40.00 | \$72.00 | \$5.00 | \$117.00 |
| 8.03 | Bicycle Violations | \$20.00 | \$72.00 | \$5.00 | \$97.00 |
| 8.04 (1) | Exhibition Driving Public Streets | \$40.00 | \$72.00 | \$5.00 | \$117.00 |
| 8.04 (2) | Exhibition Driving Private Property | \$50.00 | \$72.00 | \$5.00 | \$127.00 |
| 8.05 | U Turns | \$30.00 | \$72.00 | \$5.00 | \$107.00 |
| 8.06 | Left Turns Prohibited | \$30.00 | \$72.00 | \$5.00 | \$107.00 |
| 8.06 (1) | Left Turn at Angle | \$30.00 | \$72.00 | \$5.00 | \$107.00 |
| 8.06 (1) | Backing Across Lane of Traffic | \$30.00 | \$72.00 | \$5.00 | \$107.00 |
| 8.30 | Snowmobiles | \$30.00 | \$72.00 | \$5.00 | \$107.00 |
| 9.02 | General Parking - No Parking 2-6 | \$10.00 | \$3.00 | | \$13.00 |
| 9.20 | No Parking in Alley | \$10.00 | \$3.00 | | \$13.00 |
| 9.20 (1) | Parking Over 36 Hours | \$10.00 | \$3.00 | | \$13.00 |
| 9.20 (2) | Time Limit on Parking | \$10.00 | \$3.00 | | \$13.00 |
| 9.21 | Truck Parking | \$20.00 | \$3.00 | | \$23.00 |
| 9.25 | Vehicle Repair on Street | \$30.00 | | | \$30.00 |
| 9.26 | Parking for Advertising or Selling | \$30.00 | \$3.00 | | \$33.00 |
| 9.27 | Parking Restrictions on Co Rd 13 | \$10.00 | \$3.00 | | \$13.00 |
| 9.30 | Snow Emergency | \$15.00 | | | \$15.00 |
| 10.01 | Littering | \$30.00 | \$72.00 | \$5.00 | \$107.00 |

William D. B.
Deans Subbrary
went down!

RESOLUTION #2008-

INTRODUCED:

SECONDED:

VOTED: **Aye:**
 Nay:
 Absent:

**AUTHORIZATION TO ACCEPT A DONATION FROM
JIM & CORALEE KRUEGER FOR THE WINDOM AMBULANCE DEPARTMENT**

WHEREAS, Minnesota State Statute §465.03 requires that any city accepting a grant or gift of real or personal property shall accept such by resolution of the governing body expressing the terms prescribed by the donor; and

WHEREAS, Jim & Coralee Krueger are a supporter of the City of Windom and the Windom Ambulance Department; and

WHEREAS, the City of Windom Ambulance Department has recently received a donation from Jim & Coralee Krueger in the amount of \$5,000 to purchase equipment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, that the City Council hereby accepts the donation of \$5,000 given by Jim & Coralee Krueger for the Windom Ambulance Squad to use for ambulance equipment.

Adopted by the Council this 15th day of April, 2008.

Tom Riordan, Mayor

Attest: _____
Steven Nasby, City Administrator

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|--------------------------|----------------------|-----------|
| MAYOR & COUNCIL | LEAGUE OF MN CITIES | REGISTRATION | 20.00 |
| | Total for Department 101 | | 20.00* |
| CITY OFFICE | LEAGUE OF MN CITIES | REGISTRATION | 40.00 |
| CITY OFFICE | MII LIFE | VEBA | 194.30 |
| CITY OFFICE | STEVE NASBY | EXPENSE | 70.60 |
| CITY OFFICE | MN NCPERS LIFE INSUR | INSURANCE | 80.00 |
| | Total for Department 103 | | 384.90* |
| P & Z / BUILDING OFF | MII LIFE | VEBA | 145.72 |
| P & Z / BUILDING OFF | MN NCPERS LIFE INSUR | INSURANCE | 24.00 |
| | Total for Department 106 | | 169.72* |
| CITY HALL | SANDRA HERDER | CLEANING | 339.28 |
| CITY HALL | MELISSA PENAS | CLEANING | 339.28 |
| | Total for Department 115 | | 678.56* |
| POLICE | MII LIFE | VEBA | 1,372.76 |
| POLICE | MN NCPERS LIFE INSUR | INSURANCE | 144.00 |
| POLICE | VOYAGER FLEET SERVIC | GAS | 115.58 |
| | Total for Department 120 | | 1,632.34* |
| FIRE DEPARTMENT | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 600.00 |
| FIRE DEPARTMENT | MIDWEST WIRELESS | TELEPHONE | 27.04 |
| FIRE DEPARTMENT | VOYAGER FLEET SERVIC | GAS | 48.93 |
| FIRE DEPARTMENT | NESTER PALM | EXPENSE | 68.68 |
| | Total for Department 125 | | 744.65* |
| STREET | AMOCO OIL COMPANY | GAS | 584.00 |
| STREET | MII LIFE | VEBA | 923.22 |
| STREET | MN NCPERS LIFE INSUR | INSURANCE | 89.00 |
| | Total for Department 140 | | 1,596.22* |
| PARKS | MII LIFE | VEBA | 182.23 |
| PARKS | MN NCPERS LIFE INSUR | INSURANCE | 32.00 |
| PARKS | DENNIS PURRINGTON | REFUND SHELTER HOUSE | 80.00 |
| | Total for Department 165 | | 294.23* |
| | Total for Fund 01 | | 5,520.62* |
| LIBRARY | SANDRA HERDER | CLEANING | 339.27 |
| LIBRARY | MELISSA PENAS | CLEANING | 339.27 |
| | Total for Department 171 | | 678.54* |
| | Total for Fund 03 | | 678.54* |
| AIRPORT | MN DEPT OF ADMINISTR | TELEPHONE | 19.60 |
| AIRPORT | SO. CENTRAL ELECTRIC | POWER COST | 665.05 |
| | Total for Department 174 | | 684.65* |
| | Total for Fund 11 | | 684.65* |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|----------------------|--------------------------|------------|
| POOL | COMMERICAL POOL AND | REGISTRATION | 229.00 |
| | | Total for Department 175 | 229.00* |
| | | Total for Fund 12 | 229.00* |
| AMBULANCE | ALLAN REMPEL | EXPENSE | 16.00 |
| | | Total for Department 176 | 16.00* |
| | | Total for Fund 13 | 16.00* |
| MULTI-PURPOSE BUILDI | MII LIFE | VEBA | 376.53 |
| MULTI-PURPOSE BUILDI | MN DEPT OF ADMINISTR | TELEPHONE | 19.60 |
| MULTI-PURPOSE BUILDI | MN NCPERS LIFE INSUR | INSURANCE | 48.00 |
| MULTI-PURPOSE BUILDI | VOYAGER FLEET SERVIC | GAS | 81.40 |
| | | Total for Department 177 | 525.53* |
| | | Total for Fund 14 | 525.53* |
| LIQUOR | BEVERAGE WHOLESALERS | MERCHANDISE | 5,362.73 |
| LIQUOR | HAGEN DISTRIBUTING | MERCHANDISE | 9,284.80 |
| LIQUOR | MII LIFE | VEBA | 364.46 |
| LIQUOR | MN NCPERS LIFE INSUR | INSURANCE | 28.00 |
| | | Total for Department 180 | 15,039.99* |
| | | Total for Fund 60 | 15,039.99* |
| WATER | H P SUDS | BILLING CONTRACT SERVICE | 173.96 |
| WATER | LEAGUE OF MN CITIES | REGISTRATION | 10.00 |
| WATER | MIDWEST DATA, INC | UTILITY BILL - JAN/FEB 2 | 1,230.99 |
| WATER | MII LIFE | VEBA | 549.72 |
| WATER | MN NCPERS LIFE INSUR | INSURANCE | 40.00 |
| WATER | VOYAGER FLEET SERVIC | GAS | 161.42 |
| | | Total for Department 181 | 2,166.09* |
| | | Total for Fund 61 | 2,166.09* |
| | RACHEL HAKEN | REFUND - UTILITY PREPAYM | 125.00 |
| | | Total for Department | 125.00* |
| ELECTRIC | AMOCO OIL COMPANY | GAS | 608.60 |
| ELECTRIC | H P SUDS | BILLING CONTRACT SERVICE | 173.96 |
| ELECTRIC | MIDWEST DATA, INC | UTILITY BILL - JAN/FEB 2 | 1,230.99 |
| ELECTRIC | MII LIFE | VEBA | 1,029.43 |
| ELECTRIC | MN NCPERS LIFE INSUR | INSURANCE | 89.00 |
| ELECTRIC | VOYAGER FLEET SERVIC | GAS | 208.07 |
| | | Total for Department 182 | 3,340.05* |
| | | Total for Fund 62 | 3,465.05* |
| SEWER | AMOCO OIL COMPANY | GAS | 57.71 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|----------------------|--------------------------|------------|
| SEWER | H P SUDS | BILLING CONTRACT SERVICE | 173.96 |
| SEWER | LEAGUE OF MN CITIES | REGISTRATION | 10.00 |
| SEWER | MIDWEST DATA, INC | UTILITY BILL - JAN/FEB 2 | 1,230.99 |
| SEWER | MII LIFE | VEBA | 914.14 |
| SEWER | MN NCPERS LIFE INSUR | INSURANCE | 72.00 |
| SEWER | VOYAGER FLEET SERVIC | GAS | 80.90 |
| | | Total for Department 183 | 2,539.70* |
| | | Total for Fund 63 | 2,539.70* |
| ARENA | MII LIFE | VEBA | 182.23 |
| ARENA | MN NCPERS LIFE INSUR | INSURANCE | 25.00 |
| ARENA | VOYAGER FLEET SERVIC | GAS | 143.37 |
| | | Total for Department 184 | 350.60* |
| | | Total for Fund 64 | 350.60* |
| | BANK MIDWEST | LOAN PAYMENT | 4,000.00 |
| | | Total for Department | 4,000.00* |
| ECONOMIC DEVELOPMENT | AARON BACKMAN | EXPENSE | 120.19 |
| ECONOMIC DEVELOPMENT | MII LIFE | VEBA | 230.81 |
| ECONOMIC DEVELOPMENT | MN NCPERS LIFE INSUR | INSURANCE | 24.00 |
| | | Total for Department 187 | 375.00* |
| | | Total for Fund 67 | 4,375.00* |
| | MIDWEST DATA, INC | UTILITY CONVERSION - ROU | 1,000.04 |
| | | Total for Department | 1,000.04* |
| TELECOMMUNICATIONS | AT & T | USAGE CHARGES | 120.00 |
| TELECOMMUNICATIONS | JEFFREY DAHNA | INTERNET ACCESS | 96.00 |
| TELECOMMUNICATIONS | DISH NETWORK | SERVICE | 3,400.00 |
| TELECOMMUNICATIONS | FOOD NETWORK | SUBSCRIBER | 5.50 |
| TELECOMMUNICATIONS | HGTV HD | SUBSCRIBER | 5.50 |
| TELECOMMUNICATIONS | H P SUDS | BILLING CONTRACT SERVICE | 521.87 |
| TELECOMMUNICATIONS | MIDWEST DATA, INC | UTILITY BILL - JAN/FEB 2 | 3,692.97 |
| TELECOMMUNICATIONS | MIDWEST WIRELESS | TELEPHONE | 1,324.17 |
| TELECOMMUNICATIONS | MII LIFE | VEBA | 652.90 |
| TELECOMMUNICATIONS | MN NCPERS LIFE INSUR | INSURANCE | 80.00 |
| TELECOMMUNICATIONS | ONVOY | BANKWIDTH BILLING | 4,444.62 |
| TELECOMMUNICATIONS | ONVOY | SS7 SERVICE | 1,992.13 |
| TELECOMMUNICATIONS | VOYAGER FLEET SERVIC | GAS | 86.57 |
| | | Total for Department 199 | 16,422.23* |
| | | Total for Fund 69 | 17,422.27* |
| | AFSCME | UNION DUES | 225.96 |
| | LOCAL UNION #949 | UNION DUES | 1,533.58 |
| | MN NCPERS LIFE INSUR | INSURANCE | 32.00 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|------------|-------------|----------------------|------------|
| ----- | | | |
| | | Total for Department | 1,791.54* |
| | | Total for Fund 70 | 1,791.54* |
| | | Grand Total | 54,804.58* |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|------------------------------|-----------------------|-----------|
| MAYOR & COUNCIL | COTTONWOOD CTY RECOR SERVICE | | 46.00 |
| | Total for Department 101 | | 46.00* |
| CITY OFFICE | ELECTRIC FUND | UTILITIES | 228.07 |
| CITY OFFICE | STEVE NASBY | EXPENSE | 31.82 |
| | Total for Department 103 | | 259.89* |
| P & Z / BUILDING OFF | ELECTRIC FUND | UTILITIES | 78.35 |
| P & Z / BUILDING OFF | MN DEPT OF LABOR & I | BLDG PERMIT SURCHARGE | 21.24 |
| | Total for Department 106 | | 99.59* |
| CITY HALL | JUSTIN DERICKSON | SNOW REMOVAL | 170.00 |
| CITY HALL | ELECTRIC FUND | MAINTENANCE | 18.26 |
| CITY HALL | ELECTRIC FUND | UTILITIES | 508.93 |
| | Total for Department 115 | | 697.19* |
| POLICE | ELECTRIC FUND | UTILITIES | 79.42 |
| | Total for Department 120 | | 79.42* |
| FIRE DEPARTMENT | ELECTRIC FUND | UTILITIES | 27.16 |
| | Total for Department 125 | | 27.16* |
| STREET | ELECTRIC FUND | UTILITIES | 3,298.83 |
| STREET | ERICKSON OIL CO | GAS | 1,528.06 |
| | Total for Department 140 | | 4,826.89* |
| PARKS | ELECTRIC FUND | UTILITIES | 30.78 |
| PARKS | ERICKSON OIL CO | GAS | 159.66 |
| | Total for Department 165 | | 190.44* |
| | Total for Fund 01 | | 6,226.58* |
| LIBRARY | ELECTRIC FUND | UTILITIES | 276.65 |
| | Total for Department 171 | | 276.65* |
| | Total for Fund 03 | | 276.65* |
| AIRPORT | RED ROCK RURAL WATER | WATER | 24.20 |
| | Total for Department 174 | | 24.20* |
| | Total for Fund 11 | | 24.20* |
| AMBULANCE | ELECTRIC FUND | UTILITIES | 23.11 |
| AMBULANCE | MN EMERGENCY MED SER | DUES | 200.00 |
| AMBULANCE | ALLAN REMPEL | EXPENSE | 14.20 |
| AMBULANCE | CARMEN JONES | REFUND | 9.00 |
| | Total for Department 176 | | 246.31* |
| | Total for Fund 13 | | 246.31* |
| MULTI-PURPOSE BUILDI | ELECTRIC FUND | UTILITIES | 1,216.52 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|--------------------------|--------------------|------------|
| MULTI-PURPOSE BUILDI | LIQUOR FUND - RIVER | MERCHANDISE | 137.60 |
| | Total for Department 177 | | 1,354.12* |
| | Total for Fund 14 | | 1,354.12* |
| N IND PARK | CIRRUS COMMERCIAL | CONSULTING SERVICE | 529.60 |
| | Total for Department 147 | | 529.60* |
| | Total for Fund 18 | | 529.60* |
| LIQUOR | BELLBOY CORP | MERCHANDISE | 16.99 |
| LIQUOR | BEVERAGE WHOLESALERS | MERCHANDISE | 4,246.60 |
| LIQUOR | ELECTRIC FUND | UTILITIES | 740.81 |
| LIQUOR | GRIGGS COOPER | MERCHANDISE | 2,158.48 |
| LIQUOR | HAGEN DISTRIBUTING | MERCHANDISE | 5,153.80 |
| LIQUOR | JOHNSON BROS. | MERCHANDISE | 4,093.22 |
| LIQUOR | MN ENERGY RESOURCES | HEATING | 804.23 |
| LIQUOR | PHILLIPS WINE & SPIR | MERCHANDISE | 1,467.71 |
| LIQUOR | QUALITY WINE SPIRITS | MERCHANDISE | 3,876.40 |
| | Total for Department 180 | | 22,558.24* |
| | Total for Fund 60 | | 22,558.24* |
| WATER | ELECTRIC FUND | UTILITIES | 5,437.04 |
| WATER | GOPHER STATE ONE CAL | LOCATE | 1.94 |
| WATER | MN DEPT OF HEALTH | WA SUR CHARGE | 3,013.00 |
| WATER | WENCK ASSOCIATES, IN | LANDFILL | 1,585.70 |
| | Total for Department 181 | | 10,037.68* |
| | Total for Fund 61 | | 10,037.68* |
| ELECTRIC | ELECTRIC FUND | UTILITIES | 264.65 |
| ELECTRIC | ERICKSON OIL CO | GAS | 83.39 |
| ELECTRIC | GOPHER STATE ONE CAL | LOCATE | 1.94 |
| ELECTRIC | BRAD BUSSA | CLEANING | 184.60 |
| ELECTRIC | KATHY BECKER | ENERGY REBATE | 100.00 |
| ELECTRIC | ORV BERKNESS | ENERGY REBATE | 100.00 |
| ELECTRIC | LOREN DEFRIES | ENERGY REBATE | 200.00 |
| ELECTRIC | JEFF EVERS | ENERGY REBATE | 100.00 |
| ELECTRIC | DOUGLAS JACOBSON | ENERGY REBATE | 100.00 |
| ELECTRIC | JEFF JOHNSON | ENERGY REBATE | 100.00 |
| ELECTRIC | JIM JOHNSON | ENERGY REBATE | 100.00 |
| ELECTRIC | CLYDE MORET | ENERGY REBATE | 100.00 |
| ELECTRIC | NORBERTO OREA | ENERGY REBATE | 100.00 |
| ELECTRIC | EVONNE PETERSON | ENERGY REBATE | 100.00 |
| ELECTRIC | CAROL ROSS | ENERGY REBATE | 100.00 |
| ELECTRIC | BRIAN SPENCER | ENERGY REBATE | 100.00 |
| ELECTRIC | KERMIT TWAIT | ENERGY REBATE | 100.00 |
| ELECTRIC | CHAR VARILLEK | ENERGY REBATE | 100.00 |
| ELECTRIC | TOM WHITE | ENERGY REBATE | 100.00 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|-----------------------------|--------------------------|------------|
| ELECTRIC | ROBYN WILLARD | ENERGY REBATE | 100.00 |
| ELECTRIC | SCOTT ZAMZOW | ENERGY REBATE | 100.00 |
| | Total for Department 182 | | 2,334.58* |
| | Total for Fund 62 | | 2,334.58* |
| SEWER | ELECTRIC FUND | UTILITIES | 14,589.15 |
| SEWER | ERICKSON OIL CO | GAS | 214.60 |
| SEWER | GOPHER STATE ONE CAL LOCATE | | 1.93 |
| | Total for Department 183 | | 14,805.68* |
| | Total for Fund 63 | | 14,805.68* |
| ARENA | AL BALOUN | EXPENSE | 11.55 |
| ARENA | ELECTRIC FUND | UTILITIES | 5,663.52 |
| | Total for Department 184 | | 5,675.07* |
| | Total for Fund 64 | | 5,675.07* |
| ECONOMIC DEVELOPMENT | AARON BACKMAN | EXPENSE | 86.86 |
| ECONOMIC DEVELOPMENT | ELECTRIC FUND | UTILITIES | 184.75 |
| ECONOMIC DEVELOPMENT | MARK MARCY | SNOW REMOVAL | 560.00 |
| ECONOMIC DEVELOPMENT | MN ENERGY RESOURCES | HEATING | 92.78 |
| ECONOMIC DEVELOPMENT | SNICKS SIGNS | SIGN | 2,274.55 |
| | Total for Department 187 | | 3,198.94* |
| | Total for Fund 67 | | 3,198.94* |
| RIVERBLUFF ESTATES | MARK MARCY | SNOW REMOVAL | 100.00 |
| | Total for Department 166 | | 100.00* |
| | Total for Fund 68 | | 100.00* |
| | MN 9-1-1 PROGRAM | 911 SERVICE | 778.91 |
| | CAROLYN HARRINGTON | ACCOUNT CREDIT REFUND-CA | 2.94 |
| | Total for Department | | 781.85* |
| TELECOMMUNICATIONS | DISCOVERY DIGITAL NE | SUBSCRIBER | 58.51 |
| TELECOMMUNICATIONS | ELECTRIC FUND | UTILITIES | 1,358.22 |
| TELECOMMUNICATIONS | FOOD NETWORK | SUBSCRIBER | 5.30 |
| TELECOMMUNICATIONS | FOX SPORTS | SUBSCRIBER | 4,807.36 |
| TELECOMMUNICATIONS | GOPHER STATE ONE CAL LOCATE | | 5.79 |
| TELECOMMUNICATIONS | HGTV HD | PROGRAMMING CHARGE | 5.30 |
| TELECOMMUNICATIONS | KARE 11 TELEVISION | SUBSCRIBER | 284.80 |
| TELECOMMUNICATIONS | LIFETIME | SUBSCRIBER | 627.45 |
| TELECOMMUNICATIONS | LIFETIME MOVIE NETWO | SUBSCRIBER | 30.00 |
| TELECOMMUNICATIONS | NATIONAL CABLE TV CO | SUBSCRIBER | 22,705.09 |
| TELECOMMUNICATIONS | QWEST COMMUNICATIONS | LEXIS BILLING SERVICE | 425.62 |
| TELECOMMUNICATIONS | RFD TV | SUBSCRIBER | 399.90 |
| TELECOMMUNICATIONS | TOWER DISTRIBUTION C | SUBSCRIBER | 210.81 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|--------------------|--------------------|--------------------------|------------|
| TELECOMMUNICATIONS | CAROLYN HARRINGTON | ACCOUNT CREDIT REFUND-CA | 2.73 |
| | | Total for Department 199 | 30,926.88* |
| | | Total for Fund 69 | 31,708.73* |
| | | Grand Total | 99,076.38* |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|--------------------------|----------------------|--------------------------|-----------|
| MAYOR & COUNCIL | MCDONALD & SCHRAMEL | LEGAL FEES | 247.00 |
| MAYOR & COUNCIL | PAMIDA | SUPPLIES | 65.97 |
| MAYOR & COUNCIL | WORTHINGTON DAILY GL | ADVERTISING | 65.00 |
| Total for Department 101 | | | 377.97* |
| CITY OFFICE | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 58.79 |
| CITY OFFICE | BEIM CONSULTING | WEB SITE MAINTENANCE | 50.00 |
| CITY OFFICE | CITIZEN PUBLISHING C | ADVERTISING | 285.00 |
| CITY OFFICE | DAN'S OFFICE SUPPLY | SUPPLIES | 55.44 |
| CITY OFFICE | DAVIS TYPEWRITER | MAINTENANCE CONTRACT | 39.69 |
| CITY OFFICE | LEWIS FAMILY DRUG #5 | SUPPLIES | 9.37 |
| CITY OFFICE | SUNSHINE FOODS | SUPPLIES | 3.90 |
| CITY OFFICE | HEARTLAND TECHNOLOGY | BILLING SYSTEM FIRE WALL | 40.00 |
| CITY OFFICE | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.78 |
| CITY OFFICE | PITNEY BOWES | POSTAGE METER | 59.50 |
| CITY OFFICE | VET'S WHOA N'GO | GAS | 32.13 |
| CITY OFFICE | BANK MIDWEST INSURAN | SURETY BOND | 224.00 |
| Total for Department 103 | | | 863.60* |
| P & Z / BUILDING OFF | DAN'S OFFICE SUPPLY | SUPPLIES | 1.45 |
| P & Z / BUILDING OFF | DAVIS TYPEWRITER | MAINTENANCE CONTRACT | 284.32 |
| P & Z / BUILDING OFF | HEARTLAND TECHNOLOGY | BILLING SYSTEM FIRE WALL | 40.00 |
| P & Z / BUILDING OFF | MCDONALD & SCHRAMEL | LEGAL FEES | 123.50 |
| P & Z / BUILDING OFF | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.78 |
| P & Z / BUILDING OFF | PITNEY BOWES | POSTAGE METER | 59.50 |
| P & Z / BUILDING OFF | VET'S WHOA N'GO | GAS | 92.17 |
| Total for Department 106 | | | 606.72* |
| CITY HALL | AMERIGAS - WORTHINGT | WATER TREATMENT | 23.38 |
| CITY HALL | COTTONWOOD COUNTY SO | RECYCLING PICK UP | 12.00 |
| CITY HALL | WASTE MANAGEMENT OF | HAUL GARBAGE | 79.09 |
| CITY HALL | HEARTLAND PAPER COMP | SUPPLIES | 338.20 |
| CITY HALL | LAMPERTS YARDS, INC. | MAINTENANCE | -18.22 |
| Total for Department 115 | | | 434.45* |
| POLICE | COTTONWOOD CO TREASU | DISPATCHING | 275.00 |
| POLICE | COTTONWOOD CO TREASU | RENT | 1,200.00 |
| POLICE | GALLS | SUPPLIES | 499.93 |
| POLICE | MCDONALD & SCHRAMEL | LEGAL FEES | 4,313.00 |
| POLICE | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 22.50 |
| POLICE | NEW STAR SALES & SER | COPIER MAINTENANCE | 449.00 |
| POLICE | PITNEY BOWES | POSTAGE METER | 59.50 |
| Total for Department 120 | | | 6,818.93* |
| FIRE DEPARTMENT | COTTONWOOD CO TREASU | DISPATCHING | 212.50 |
| FIRE DEPARTMENT | GALLS | SUPPLIES | 91.54 |
| FIRE DEPARTMENT | SUNSHINE FOODS | SUPPLIES | 16.02 |
| FIRE DEPARTMENT | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.78 |
| FIRE DEPARTMENT | MN WEST COLLEGE - MA | REGISTRATION | 120.00 |
| FIRE DEPARTMENT | QUEST | TELEPHONE | 117.32 |
| FIRE DEPARTMENT | LINDA ORTMAN | CLEANING | 55.00 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|--------------------------|----------------------|------------|
| FIRE DEPARTMENT | SOUTH CENTRAL COLLEGE | REGISTRATION | 595.00 |
| FIRE DEPARTMENT | VET'S WHOA N'GO | GAS | 66.32 |
| FIRE DEPARTMENT | CARQUEST AUTO PARTS | MAINTENANCE | 57.16 |
| | Total for Department 125 | | 1,336.64* |
| EMERGENCY MANAGEMENT | COTTONWOOD CO TREASU | DISPATCHING | 12.50 |
| EMERGENCY MANAGEMENT | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 200.00 |
| | Total for Department 130 | | 212.50* |
| ANIMALS | COTTONWOOD-SLAYTON V | VETERINARY SERVICE | 10.65 |
| | Total for Department 135 | | 10.65* |
| STREET | COTTONWOOD COUNTY LA | GARBAGE | 170.00 |
| STREET | COTTONWOOD CO TREASU | DISPATCHING | 125.00 |
| STREET | CRYSTEEL TRUCK EQUIP | MAINTENANCE | 702.96 |
| STREET | WASTE MANAGEMENT OF | HAUL GARBAGE | 121.31 |
| STREET | DIAMOND VOGEL PAINT | MAINTENANCE | 2,609.78 |
| STREET | FOX BROTHERS | TRUCK | 439.96 |
| STREET | WINDOM AUTO VALU | MAINTENANCE | 291.85 |
| STREET | JOHNSON HARDWARE | MAINTENANCE | 42.82 |
| STREET | MCDONALD & SCHRAMEL | LEGAL FEES | 57.00 |
| STREET | MACQUEEN EQUIP. CO. | MAINTENANCE | 519.79 |
| STREET | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.78 |
| STREET | MESSER MACHINE & MFG | MAINTENANCE | 53.39 |
| STREET | MIDWEST WIRELESS | TELEPHONE | 101.75 |
| STREET | QUEST | TELEPHONE | 117.32 |
| STREET | PITNEY BOWES | POSTAGE METER | 59.50 |
| STREET | RUNNING'S SUPPLY | MAINTENANCE | 107.74 |
| STREET | SANFORD LABORATORIES | TESTING | 32.56 |
| STREET | SCHWALBACH HARDWARE | MAINTENANCE | 49.39 |
| STREET | VET'S WHOA N'GO | GAS | 1,279.20 |
| STREET | UNITED RENTALS | SUPPLIES | 129.79 |
| STREET | WENCK ASSOCIATES, IN | SEAL COAT | 1,079.00 |
| STREET | BOSSHART COMPANY, IN | TRAINING | 108.00 |
| | Total for Department 140 | | 8,203.89* |
| RECREATION | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 29.33 |
| | Total for Department 150 | | 29.33* |
| PARKS | COTTONWOOD CO TREASU | DISPATCHING | 37.50 |
| PARKS | FAST DISTRIBUTING, IN | MAINTENANCE | 75.65 |
| PARKS | MESSER MACHINE & MFG | MAINTENANCE | 67.01 |
| PARKS | MTI DISTRIBUTING COM | MAINTENANCE | 125.30 |
| PARKS | CARQUEST AUTO PARTS | MAINTENANCE | 3.16 |
| | Total for Department 165 | | 308.62* |
| | Total for Fund 01 | | 19,203.30* |
| LIBRARY | AMAZON.COM | BOOK | 28.94 |
| LIBRARY | CENTER POINT LARGE P | BOOKS | 40.14 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|------------|--------------------------|--------------------------|-----------|
| LIBRARY | COTTONWOOD COUNTY SO | RECYCLING PICK UP | 12.00 |
| LIBRARY | DAN'S OFFICE SUPPLY | SUPPLIES | 23.12 |
| LIBRARY | JUSTIN DERICKSON | SNOW REMOVAL | 170.00 |
| LIBRARY | GALE | BOOKS | 239.59 |
| LIBRARY | INGRAM | BOOKS | 1,723.34 |
| LIBRARY | J & K WINDOWS | CLEANING | 15.00 |
| LIBRARY | KATO ROOFING, INC | REPAIR | 754.77 |
| LIBRARY | MICROMARKETING | BOOKS/AUDIO | 308.26 |
| LIBRARY | PLUM CREEK LIBRARY | LICENSE FEE/BAR CODES | 2,225.71 |
| LIBRARY | POPULAR MECHANICS | SUBSCRIPTION | 26.00 |
| LIBRARY | RECORDED BOOKS, LLC | BOOKS | 76.40 |
| LIBRARY | READERS SERVICE | BOOKS | 35.66 |
| LIBRARY | READERS DIGEST - AUD | CASSETTE | 23.40 |
| LIBRARY | TASTE OF HOME | SUBSCRIPTION | 19.98 |
| LIBRARY | DISCOVER | SUBSCRIPTION | 29.95 |
| LIBRARY | TEEN VOGUE | SUBSCRIPTION | 9.97 |
| LIBRARY | THE LAND | SUBSCRIPTION | 20.00 |
| | Total for Department 171 | | 5,782.23* |
| | Total for Fund 03 | | 5,782.23* |
| | CLEARWATER RECREATIO | TEGALS PARK PLAYGROUND | 2,918.93 |
| | Total for Department | | 2,918.93* |
| | Total for Fund 04 | | 2,918.93* |
| | EAGLES CLUB | REIMBURSE FOR 07 STR PRO | 1,620.50 |
| | Total for Department | | 1,620.50* |
| | Total for Fund 07 | | 1,620.50* |
| AIRPORT | WINDOM AUTO VALU | MAINTENANCE | 4.41 |
| AIRPORT | RUNNING'S SUPPLY | MAINTENANCE | 7.86 |
| AIRPORT | CARQUEST AUTO PARTS | MAINTENANCE | 20.62 |
| AIRPORT | WINDOM WRECKING | MAINTENANCE | 42.40 |
| | Total for Department 174 | | 75.29* |
| | Total for Fund 11 | | 75.29* |
| POOL | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 29.33 |
| POOL | CITIZEN PUBLISHING C | ADVERTISING | 534.38 |
| POOL | MCDONALD & SCHRAMEL | LEGAL FEES | 28.50 |
| | Total for Department 175 | | 592.21* |
| | Total for Fund 12 | | 592.21* |
| AMBULANCE | ARROW MANUFACTURING | MAINTENANCE | 1,323.51 |
| AMBULANCE | KATE AXFORD | CPR REFRESHER | 105.00 |
| AMBULANCE | COTTONWOOD CO TREASU | DISPATCHING | 200.00 |
| AMBULANCE | EMERGENCY MEDICAL PR | SUPPLIES | 95.50 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|--------------------------|----------------------|-----------|
| AMBULANCE | HIGLEY FORD | MAINTENANCE | 291.30 |
| AMBULANCE | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.78 |
| AMBULANCE | MIDWEST WIRELESS | TELEPHONE | 92.81 |
| AMBULANCE | QUEST | TELEPHONE | 117.33 |
| AMBULANCE | PRAXAIR DISTRIBUTION | SERVICE | 456.10 |
| AMBULANCE | VET'S WHOA N'GO | GAS | 1,570.27 |
| AMBULANCE | WINDOM AREA HOSPITAL | SERVICE | 1,606.00 |
| AMBULANCE | WINDOM FARM SERVICE | MAINTENANCE | 69.54 |
| AMBULANCE | MAS MODERN MARKETING | MAINTENANCE | 166.52 |
| | Total for Department 176 | | 6,099.66* |
| | Total for Fund 13 | | 6,099.66* |
| | LAMPERTS YARDS, INC. | MAINTENANCE | 292.51 |
| | Total for Department | | 292.51* |
| MULTI-PURPOSE BUILDI | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 29.33 |
| MULTI-PURPOSE BUILDI | CITIZEN PUBLISHING C | ADVERTISING | 90.00 |
| MULTI-PURPOSE BUILDI | COLE PAPER INC. | SUPPLIES | 290.74 |
| MULTI-PURPOSE BUILDI | WASTE MANAGEMENT OF | HAUL GARBAGE | 105.30 |
| MULTI-PURPOSE BUILDI | DAN'S OFFICE SUPPLY | SUPPLIES | 40.15 |
| MULTI-PURPOSE BUILDI | SUNSHINE FOODS | SUPPLIES | 6.36 |
| MULTI-PURPOSE BUILDI | HEARTLAND PAPER COMP | SUPPLIES | 640.09 |
| MULTI-PURPOSE BUILDI | KDOM RADIO | ADVERTISING | 147.40 |
| MULTI-PURPOSE BUILDI | J. H. LARSON | MAINTENANCE | 31.83 |
| MULTI-PURPOSE BUILDI | MCDONALD & SCHRAMEL | LEGAL FEES | 152.00 |
| MULTI-PURPOSE BUILDI | MIDWEST WIRELESS | TELEPHONE | 13.73 |
| MULTI-PURPOSE BUILDI | SCHWALBACH HARDWARE | MAINTENANCE | 100.30 |
| MULTI-PURPOSE BUILDI | STONER INDUSTRIAL, I | SERVICE | 125.91 |
| MULTI-PURPOSE BUILDI | SUPERIOR PRODUCTS | MAINTENANCE | 260.80 |
| MULTI-PURPOSE BUILDI | WINDOM AREA CHAMBER | LAUNDRY TABLECLOTHS | 28.97 |
| MULTI-PURPOSE BUILDI | ALPHA DISTRIBUTORS, | MAINTENANCE | 255.26 |
| | Total for Department 177 | | 2,318.17* |
| | Total for Fund 14 | | 2,610.68* |
| LIQUOR | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 69.81 |
| LIQUOR | ENVIROMASTER, INC. | SERVICE | 39.41 |
| LIQUOR | CITIZEN PUBLISHING C | ADVERTISING | 50.40 |
| LIQUOR | COCA-COLA BOTTLING C | MERCHANDISE | 405.30 |
| LIQUOR | CULLIGAN | SERVICE | 7.67 |
| LIQUOR | WASTE MANAGEMENT OF | HAUL GARBAGE | 44.46 |
| LIQUOR | A H HERMEL CANDY & T | MERCHANDISE | 351.34 |
| LIQUOR | HOLT'S CLEANING SERV | SERVICE | 265.00 |
| LIQUOR | PEPSIAMERICAS | MERCHANDISE | 186.30 |
| LIQUOR | S&K LINES | FREIGHT | 533.85 |
| LIQUOR | SCHWALBACH HARDWARE | MAINTENANCE | 46.84 |
| LIQUOR | TOTAL REGISTER SYSTE | SUPPLIES | 63.58 |
| | Total for Department 180 | | 2,063.96* |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|--------------------------|----------------------|--------------------------|------------|
| Total for Fund 60 | | | 2,063.96* |
| | HD SUPPLY WATERWORKD | MAINTENANCE | -548.47 |
| Total for Department | | | -548.47* |
| WATER | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 58.66 |
| WATER | CITIZEN PUBLISHING C | ADVERTISING | 64.00 |
| WATER | COTTONWOOD CO TREASU | DISPATCHING | 100.00 |
| WATER | DAN'S OFFICE SUPPLY | SUPPLIES | 210.34 |
| WATER | DATA-PAC MAILING SYS | MAIL METER RENTAL | 52.25 |
| WATER | HAWKINS, INC | CHEMICALS | 1,256.44 |
| WATER | SUNSHINE FOODS | SUPPLIES | 11.84 |
| WATER | HACH COMPANY | SUPPLIES | 229.06 |
| WATER | H P SUDS | BILLING CONTRACT SERVICE | 124.17 |
| WATER | KEMNA-ASA AUTO PLAZA | MAINTENANCE | 207.25 |
| WATER | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.78 |
| WATER | MN VALLEY TESTING | TESTING | 56.25 |
| WATER | NORTHERN WATER WORKS | CAMERA | 181.55 |
| WATER | QUEST | TELEPHONE | 117.32 |
| WATER | PITNEY BOWES | 1/4 PAYMENT-MAILER/INSER | 576.40 |
| WATER | PITNEY BOWES | POSTAGE METER | 59.50 |
| WATER | RIVERSIDE LAUNDRY | SERVICE | 15.98 |
| WATER | RUNNING'S SUPPLY | MAINTENANCE | 82.15 |
| WATER | SCHWALBACH HARDWARE | MAINTENANCE | 71.32 |
| WATER | HD SUPPLY WATERWORKD | MAINTENANCE | 2,519.86 |
| WATER | THEIN WELL CO. | OIL | 51.60 |
| WATER | WINDOM TOWING CO | TIRES | 329.41 |
| Total for Department 181 | | | 6,381.13* |
| Total for Fund 61 | | | 5,832.66* |
| | BORDER STATES ELECTR | MAINTENANCE | 13,433.95 |
| | DIRECT ELECTRIC SUPP | MAINTENANCE | 209.50 |
| | J. H. LARSON | MAINTENANCE | 308.65 |
| | RESCO | INVENTORY | 1,161.60 |
| | STAPLES OIL CO | FUEL | 1,124.51 |
| | WERNER ELECTRIC | MAINTENANCE | 182.11 |
| | WESCO DISTRIBUTION, | SUPPLIES | 2,542.07 |
| | STACY MARSH | REFUND - UTILITY PREPAYM | 125.00 |
| Total for Department | | | 19,087.39* |
| ELECTRIC | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 29.33 |
| ELECTRIC | AMERICAN PUBLIC POWE | MAINTENANCE | 383.25 |
| ELECTRIC | BLACKBURN MFG. CO. | MAINTENANCE | 522.95 |
| ELECTRIC | CITIZEN PUBLISHING C | ADVERTISING | 216.00 |
| ELECTRIC | COTTONWOOD CO TREASU | DISPATCHING | 187.50 |
| ELECTRIC | WASTE MANAGEMENT OF | HAUL GARBAGE | 78.72 |
| ELECTRIC | DAKOTA SUPPLY GROUP | MAINTENANCE | 201.29 |
| ELECTRIC | DATA-PAC MAILING SYS | MAIL METER RENTAL | 52.25 |
| ELECTRIC | DHL EXPRESS | FREIGHT | 6.01 |

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|------------|--------------------------|--------------------------|------------|
| ELECTRIC | DITCH WITCH OF MN | MAINTENANCE | 212.25 |
| ELECTRIC | GDF ENTERPRISES, INC | MAINTENANCE | 14.72 |
| ELECTRIC | HIGLEY FORD | MAINTENANCE | 86.18 |
| ELECTRIC | H P SUDS | BILLING CONTRACT SERVICE | 124.16 |
| ELECTRIC | WINDOM AUTO VALU | MAINTENANCE | 262.45 |
| ELECTRIC | KDOM RADIO | ADVERTISING | 224.40 |
| ELECTRIC | MCDONALD & SCHRAMEL | LEGAL FEES | 142.50 |
| ELECTRIC | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.78 |
| ELECTRIC | MN POLLUTION CONTROL | AIR EMISSIONS FEE | 120.45 |
| ELECTRIC | QUEST | TELEPHONE | 110.42 |
| ELECTRIC | PITNEY BOWES | 1/4 PAYMENT-MAILER/INSER | 576.40 |
| ELECTRIC | PITNEY BOWES | POSTAGE METER | 59.50 |
| ELECTRIC | PRAXAIR DISTRIBUTION | SERVICE | 89.17 |
| ELECTRIC | RUNNING'S SUPPLY | MAINTENANCE | 63.61 |
| ELECTRIC | SANFORD LABORATORIES | TESTING | 65.12 |
| ELECTRIC | SCHWALBACH HARDWARE | MAINTENANCE | 179.09 |
| ELECTRIC | SKARSHAUG TESTING LA | SUPPLIES | 198.25 |
| ELECTRIC | STONER INDUSTRIAL, I | SERVICE | 101.94 |
| ELECTRIC | THE STAG CLOTHIERS | CLOTHING | 240.00 |
| ELECTRIC | WERNER ELECTRIC | MAINTENANCE | 119.44 |
| ELECTRIC | WESCO DISTRIBUTION, | SUPPLIES | 58.92 |
| ELECTRIC | DEPARTMENT OF ENERGY | POWER COST | 59,545.04 |
| ELECTRIC | WINDOM AREA DEVELOPM | INDUSTRIAL DEVELOPMENT | 1,200.00 |
| ELECTRIC | WINDOM FARM SERVICE | MAINTENANCE | 232.06 |
| | Total for Department 182 | | 65,709.15* |
| | Total for Fund 62 | | 84,796.54* |
| SEWER | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 122.74 |
| SEWER | CITIZEN PUBLISHING C | ADVERTISING | 84.00 |
| SEWER | COTTONWOOD COUNTY LA | GARBAGE | 10.00 |
| SEWER | COTTONWOOD CO TREASU | DISPATCHING | 100.00 |
| SEWER | WASTE MANAGEMENT OF | HAUL GARBAGE | 79.09 |
| SEWER | DAN'S OFFICE SUPPLY | SUPPLIES | 217.94 |
| SEWER | DATA-PAC MAILING SYS | MAIL METER RENTAL | 52.25 |
| SEWER | HAWKINS, INC | CHEMICALS | 695.88 |
| SEWER | HOLT'S CLEANING SERV | SERVICE | 603.00 |
| SEWER | H P SUDS | BILLING CONTRACT SERVICE | 124.16 |
| SEWER | JIFFY-JR. PRODUCTS | SUPPLIES | 495.78 |
| SEWER | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.77 |
| SEWER | MN VALLEY TESTING | TESTING | 1,831.20 |
| SEWER | DUANE W. NIELSEN | SERVICE | 459.07 |
| SEWER | NORTH SHORE ANALYTIC | TESTING | 125.00 |
| SEWER | NORTHERN WATER WORKS | CAMERA | 181.56 |
| SEWER | QUEST | TELEPHONE | 383.05 |
| SEWER | PITNEY BOWES | 1/4 PAYMENT-MAILER/INSER | 576.40 |
| SEWER | PITNEY BOWES | POSTAGE METER | 59.50 |
| SEWER | RUNNING'S SUPPLY | MAINTENANCE | 68.62 |
| SEWER | SANFORD LABORATORIES | TESTING | 32.56 |
| SEWER | SCHWALBACH HARDWARE | MAINTENANCE | 122.05 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|----------------------|--------------------------|--------------------------|-----------|
| SEWER | CARQUEST AUTO PARTS | MAINTENANCE | 49.35 |
| SEWER | WINDOM TOWING CO | TIRES | 329.41 |
| | Total for Department 183 | | 6,808.38* |
| | Total for Fund 63 | | 6,808.38* |
| ARENA | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 29.33 |
| ARENA | CITIZEN PUBLISHING C | ADVERTISING | 200.00 |
| ARENA | COCA-COLA BOTTLING C | MERCHANDISE | 215.64 |
| ARENA | CULLIGAN | SERVICE | 380.75 |
| ARENA | WASTE MANAGEMENT OF | HAUL GARBAGE | 243.36 |
| ARENA | FERRELLGAS | GAS | 111.35 |
| ARENA | JOHNSON HARDWARE | MAINTENANCE | 4.99 |
| ARENA | KDOM RADIO | ADVERTISING | 70.00 |
| ARENA | LAMPERTS YARDS, INC. | MAINTENANCE | 154.29 |
| ARENA | MANKATO MOBIL RADIO | MAINTENANCE CONTRACT | 5.77 |
| ARENA | PITNEY BOWES | POSTAGE METER | 59.50 |
| ARENA | SCHWALBACH HARDWARE | MAINTENANCE | 154.83 |
| ARENA | STONER INDUSTRIAL, I | SERVICE | 9.52 |
| ARENA | CARQUEST AUTO PARTS | MAINTENANCE | 75.90 |
| | Total for Department 184 | | 1,715.23* |
| | Total for Fund 64 | | 1,715.23* |
| ECONOMIC DEVELOPMENT | AARON BACKMAN | EXPENSE | 224.96 |
| ECONOMIC DEVELOPMENT | CITIZEN PUBLISHING C | ADVERTISING | 90.00 |
| ECONOMIC DEVELOPMENT | DAN'S OFFICE SUPPLY | SUPPLIES | 176.89 |
| ECONOMIC DEVELOPMENT | DAVIS TYPEWRITER | MAINTENANCE CONTRACT | 284.34 |
| ECONOMIC DEVELOPMENT | HEARTLAND TECHNOLOGY | BILLING SYSTEM FIRE WALL | 40.00 |
| ECONOMIC DEVELOPMENT | PITNEY BOWES | POSTAGE METER | 59.50 |
| ECONOMIC DEVELOPMENT | LAMAR | SIGN EXPENSE | 500.00 |
| | Total for Department 187 | | 1,375.69* |
| | Total for Fund 67 | | 1,375.69* |
| RIVERBLUFF ESTATES | UNITED PRAIRIE BANK | LOAN PAYMENT | 889.79 |
| | Total for Department 166 | | 889.79* |
| | Total for Fund 68 | | 889.79* |
| | COMP USA | COMPUTER | 1,351.99 |
| | Total for Department | | 1,351.99* |
| TELECOMMUNICATIONS | A & B BUSINESS EQUIP | MAINTENANCE CONTRACT | 87.99 |
| TELECOMMUNICATIONS | B B C AMERICA | SUBSCRIBER | 7.75 |
| TELECOMMUNICATIONS | WASTE MANAGEMENT OF | HAUL GARBAGE | 71.96 |
| TELECOMMUNICATIONS | DATA-PAC MAILING SYS | MAIL METER RENTAL | 156.75 |
| TELECOMMUNICATIONS | E-911 | MONTHLY 911 SERVICE | 87.60 |
| TELECOMMUNICATIONS | FIBER INSTRUMENT SAL | FIBER PADS FOR MAIN LINE | 110.50 |
| TELECOMMUNICATIONS | GODFATHER'S PIZZA | EXPENSE | 25.54 |

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

| Department | Vendor Name | Description | Amount |
|--------------------|--------------------------|--------------------------|-------------|
| TELECOMMUNICATIONS | GRAYBAR ELECTRIC CO | MAINTENANCE | 90.77 |
| TELECOMMUNICATIONS | HEARTLAND PAPER COMP | SUPPLIES | 30.61 |
| TELECOMMUNICATIONS | H P SUDS | BILLING CONTRACT SERVICE | 372.51 |
| TELECOMMUNICATIONS | WINDOM AUTO VALU | MAINTENANCE | 90.18 |
| TELECOMMUNICATIONS | KDOM RADIO | ADVERTISING | 88.00 |
| TELECOMMUNICATIONS | LAMPERTS YARDS, INC. | MAINTENANCE | 15.09 |
| TELECOMMUNICATIONS | LOCATORS & SUPPLIES, | SUPPLIES | 445.86 |
| TELECOMMUNICATIONS | NATIONAL CABLE TV CO | EQUIPMENT | 413.62 |
| TELECOMMUNICATIONS | NEW STAR SALES & SER | COPIER MAINTENANCE | 30.00 |
| TELECOMMUNICATIONS | QWEST COMMUNICATIONS | DIRECTORY LISTING | 344.68 |
| TELECOMMUNICATIONS | OLSEN THIELEN & CO., | PROJECT MISSOULA SERVICE | 298.17 |
| TELECOMMUNICATIONS | ONVOY | BANDWIDTH BILLING | 4,691.63 |
| TELECOMMUNICATIONS | ONVOY | SS7 SERVICE | 2,131.54 |
| TELECOMMUNICATIONS | PAMIDA | SUPPLIES | 19.48 |
| TELECOMMUNICATIONS | PITNEY BOWES | 1/4 PAYMENT-MAILER/INSER | 1,152.80 |
| TELECOMMUNICATIONS | PITNEY BOWES | POSTAGE METER | 59.50 |
| TELECOMMUNICATIONS | JEREMY ROLFES | SERVICE INTERNET | 51.20 |
| TELECOMMUNICATIONS | RUNNING'S SUPPLY | MAINTENANCE | 160.72 |
| TELECOMMUNICATIONS | RUSHMORE INDUSTRIES, | FREIGHT | 7.54 |
| TELECOMMUNICATIONS | SCHWALBACH HARDWARE | MAINTENANCE | 973.36 |
| TELECOMMUNICATIONS | STONER INDUSTRIAL, I | SERVICE | 57.21 |
| TELECOMMUNICATIONS | VET'S WHOA N'GO | GAS | 85.29 |
| TELECOMMUNICATIONS | WENCK ASSOCIATES, IN | FIBER OPTIC | 325.00 |
| TELECOMMUNICATIONS | WINDOM FIRE DEPT. | AD - CALENDAR | 275.00 |
| TELECOMMUNICATIONS | WINDOM QUICK PRINT | CONNECTION | 1,957.20 |
| TELECOMMUNICATIONS | WOODSTOCK TELEPHONE | SERVICE | 186.67 |
| TELECOMMUNICATIONS | COMP USA | MAINTENANCE | 220.46 |
| TELECOMMUNICATIONS | DATARAM CORPORATION | MAINTENANCE | 500.00 |
| TELECOMMUNICATIONS | FIRE FIGHTER DETECT | MAINTENANCE | 210.00 |
| | Total for Department 199 | | 15,832.18* |
| | Total for Fund 69 | | 17,184.17* |
| | COLONIAL LIFE INSURA | INSURANCE | 22.05 |
| | Total for Department | | 22.05* |
| | Total for Fund 70 | | 22.05* |
| | Grand Total | | 159,591.27* |

CGMC ACTION ALERT

April 7, 2008

Last week, we were disappointed when the House passed a budget resolution that did not provide for an increase in the Local Government Aid program, but with your help, there is still a chance for property tax relief in 2009.

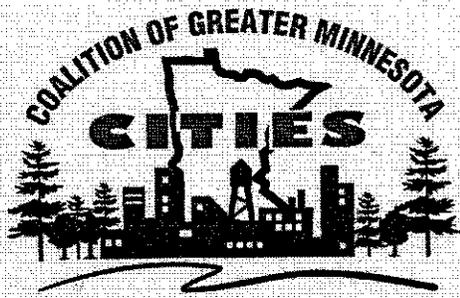
Rep. Paul Marquart (DFL-Dilworth) is authoring a bill, House File 3756, which would add an additional \$90 million to the LGA program. This bill is scheduled to be heard in the House Property Tax Division – chaired by Marquart – on Friday, April 11, but the House DFL Caucus will probably meet earlier in the week to decide the bill's ultimate fate.

Unfortunately, some legislators are content to point to last year's vetoed bills as proof of their commitment to property tax relief, so now is the time to follow the lead of the CGMC Board of Directors. The board met by conference call on Thursday to approve sending the attached letter to all Greater Minnesota House members. The board also recommended that all CGMC cities take the following action:

- Contact the following legislators:
 - **Your local House member(s)**
 - **Rep. Margaret Anderson Kelliher** – rep.margaret.kelliher@state.mn, 651-296-0171
Speaker of the House
 - **Rep. Loren Solberg** – rep.loren.solberg@state.mn, 651-296-2365
Chair, Ways and Means Committee
 - **Rep. Ann Lenczewski** – rep.ann.lenczewski@state.mn, 651-296-4218
Chair, Tax Committee

- Contact your constituents and your local press in one or more of the following ways:
 - Mail a letter to your constituents asking them to contact legislators (*sample letter attached*).
 - Send a letter to the editor or a guest column to your local newspaper asking citizens to contact legislators.
 - Meet with your local newspaper and/or appear on your local radio station to talk about the importance of LGA to your community and asking citizens to contact legislators.
 - Discuss property tax relief and LGA at your next city council meeting again asking citizens to contact legislators.

- Use the following points in communicating with the public and the press:
 - During these times of economic downturn, recession, declining housing values and home foreclosures, it is more important than ever to keep property taxes on an even keel. This is the wrong time to institute property tax increases.
 - The Senate was able to pass a tax bill and budget deficit reduction plan that contains \$70 million in new funding for LGA; we expect no less from the House.
 - Funding for LGA increases will not be made available until the second half of 2009, which is in the state's next biennium. Increasing LGA will not affect the current state budget year.
 - For more talking points, see attached handout (*City Organizations Agree*).



Dedicated to a Strong Greater Minnesota

April 7, 2008

**Letter Distributed to All
House Greater Minnesota
Legislators**

<<Title>> <<First_Name>> <<Last_Name>>
<<State_Address>>
<<State_Address_2>>
<<State_City>>, MN <State_Zip>>

Dear <<Title>> <<Last_Name>>:

On behalf of the 78 cities in the Coalition of Greater Minnesota, I must tell you that our organization is extremely concerned about the direction the Minnesota House of Representatives is taking this year with respect to Local Government Aid and the property tax relief the program provides.

Legislators from both sides of the aisle who feel that the \$935 million budget deficit will somehow excuse inaction on property tax relief are ignoring the needs of their constituents. The property taxpayers in our cities are struggling to cope with a very serious economic recession. Housing values are in retreat at the very time property taxes are increasing. Since 2003, when the Legislature reduced LGA funding by \$150 million, residential property taxes statewide have increased an average of 70 percent. If more money is not made available for LGA, local property taxes will almost certainly escalate ever higher while needed services continue to be cut.

Ignoring the need to increase LGA funding by \$90 million is not an acceptable response to this very serious problem. Make no mistake, legislative failure to increase funding for LGA is tantamount to increasing taxes on taxpayers who live in lower-wealth communities or communities with high needs. Continued disinvestment in Local Government Aid will lead to even more unequal government services and property tax burdens. It is a strategy that can only undermine greater Minnesota and further burden its taxpayers.

Last session, both the House and Senate passed an Omnibus Tax Bill that contained a \$70 million increase in LGA funding. Gov. Tim Pawlenty's decision to veto that bill does not

<<Title>> <<First_Name>> <<Last_Name>>

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release House lawmakers from their responsibility of offering property tax relief by increasing funding for LGA this year.

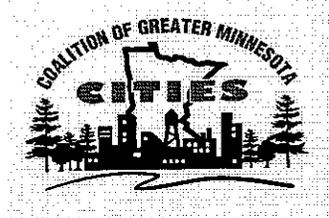
For the first time in years, cities have been able to unite behind a proposal to increase funding for Local Government Aid and change the program's aid distribution formula. The League of Minnesota Cities, Metro Cities, the North Metro Mayor's Association, the Minnesota Association of Small Cities and the Coalition of Greater Minnesota Cities this year are of like mind: LGA funding must be increased by \$90 million and the formula changes must be enacted.

We do not accept the notion that nothing can be done for property tax relief this year. If the Senate can pass a tax bill and budget deficit reduction plan that contains \$70 million in new funding for LGA, the House should be able to offer a bill that does at least as much. Moreover, the funding adjustment would have no impact on the current budget deficit because the funding would not be made available until the second half of 2009, the next biennium.

Promises were made to voters in the last general election that must be honored. Empty excuses offer precious little comfort to the people who struggle today to make ends meet.

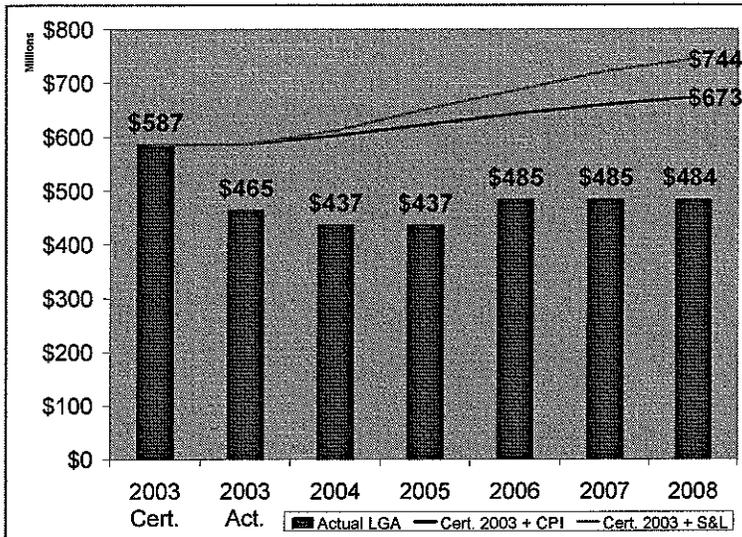
Sincerely,

Wadena Mayor Wayne Wolden,
Vice President, Coalition of Greater Minnesota Cities



City Organizations Agree: Support the Marquart/Skoe City LGA Unity Proposal HF 3756/SF 3234

Increase LGA by \$90 million – Even in a Deficit



Source: Minnesota Department of Revenue

- **Minnesota cities lost \$150 million in the 2003 budget deficit** –LGA appropriation is still \$190 million less in 2008 – with inflation factored in – than it was in 2003
- **LGA was not increased last year** - A \$70 million LGA increase in the 2007 tax bill was vetoed by the Governor
- The 2003 cuts and continued disinvestment in local governments have led to a 70% increase in residential property taxes since 2002.¹

If the LGA appropriation increased with inflation for state and local governments, the program would be funded with an additional \$260 million (green line).

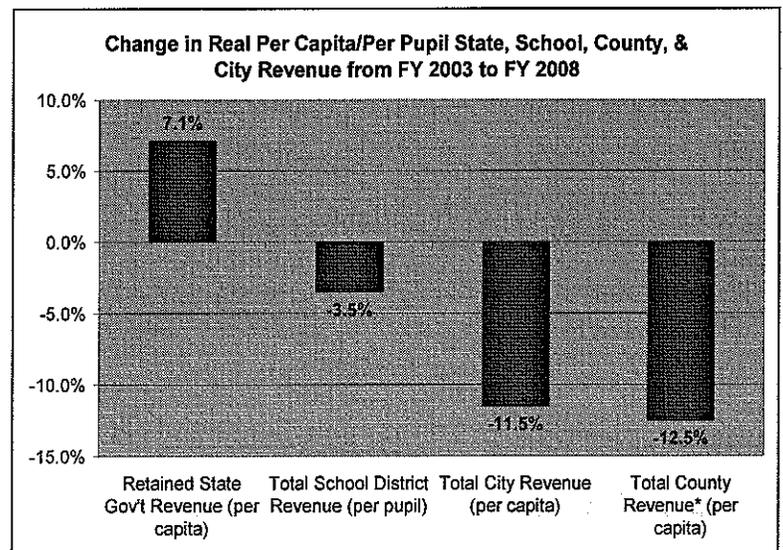
The LGA appropriation is \$190 million less than if it kept up with inflation for consumers (blue line).

Legislators promised property tax relief and they should deliver.

The state should pay for the increase in LGA by closing foreign operating corporation tax loopholes, similar to what the Legislature passed in the 2007 vetoed tax bill.

The state has cut \$497 per person in state aid to local governments since 2003 causing local governments to raise taxes and cut services.¹ The state's retained revenue since 2003 has actually increased when local aids are subtracted.

The state should balance its budget by cutting its own spending or raising its own revenue. Local governments and their taxpayers cannot afford another year without property tax relief.



County revenue estimates incorporate an approximate adjustment for the state takeover of the court administration costs.

¹ Adjusted for inflation. Source: Minnesota 2020, Jeff Van Wychen



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A weekly legislative update from the League of Minnesota Cities

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Registration still open for LMC legislative conference next week

Registration remains open for "Strengthening the Partnership" the 2008 LMC legislative conference and local government lobby day at the Capitol April 9-10 in St. Paul. This event is hosted in conjunction with the county, township, and school board associations. In addition to a full conference of policy and legislative updates, a free bus service will take attendees between the conference and the Capitol to advocate for local government-friendly legislation. To learn more and register go to www.lmc.org/conf/legconf2008.cfm. The conference agenda is online at www.lmc.org/pdfs/Conferences/LegConf08.pdf

House approves their version of the supplemental budget bill

Beginning around noon on Thursday and extending until after 2:30 a.m. on Friday morning, the House debated more than 50 amendments to their 370-page omnibus supplemental budget bill. After more than 14 hours of debate, the bill was ultimately approved on an 83 to 49 vote.

The bill is intended to reprioritize the state's existing budget and eliminate the state's projected \$935 million state budget deficit. The bill reduces the deficit by tapping reserves, increasing revenues and cutting expenditures, including cuts to a variety of state programs and state agency budgets. The bill also increases funding for some priorities including some additional funding for K-12 education.

The House bill also redirects the state's \$350 million cash flow account and reduces the state's budget reserve by \$250 million. The bill will increase state general fund revenues by approximately \$267 million through a combination of tax compliance enhancements, revenue increases and transfers from other funds including a transfer of \$14 million from the worker's compensation special fund.

For cities, the bill may be most notable for what is does not include. Despite a projected \$935 million projected state budget deficit, the bill does not cut Local Government Aid (LGA) or the market value homestead credit (MVHC).

Rep. Joe Atkins (DFL-Inver Grove Heights) offered an amendment to remove the provision that would have permitted local units of government located within ten miles of the site of the Republican National Convention to allow on-sale licensees to serve alcohol until 4 a.m. and to allow off-sale licensees to sell alcohol on Sunday between 8:00 a.m. and 10:00 p.m. from August 29 to September 8, 2008. The amendment was approved on a voice vote.

Rep. Bud Heidgerken (R-Freeport) successfully offered an amendment to allow bar owners to provide smoking shelters outside of their establishments for shelter for patrons choosing to smoke. The amendment would not allow employees to serve food or beverages to persons in the shelter. Rep. Huntley challenged whether the amendment was germane but given the extensive nature of the bill, Speaker Kelliher could not rule the amendment out of order. He went on to suggest that the amendment would be the first step in erosion of the Freedom to Breathe Act and that given recent unintended use of the theater exemption, he urged members to oppose the amendment as a potential new hole in the law. The amendment was approved on a 73-59 vote.

Rep. Laura Brod (R-New Prague) and Rep. Morrie Lanning (R-Moorhead) unsuccessfully offered an amendment that would create an 8-member local mandate review board that would process challenges by local units of government to state-imposed unfunded mandates. The amendment failed on a 59 to 72 vote.



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The amended bill includes a number of provisions that are of interest to cities:

- Creates a credit enhanced bond program under the direction of the Public Facilities Authority that would allow the state to provide loans to governmental units funded by the purchase of general obligation bonds of the governmental unit to finance all or a portion of the costs of facilities for wastewater, drinking water, storm water, streets, street lighting, curbs, gutters and sidewalks, energy conservation or alternative energy sources, telecommunications facilities and public safety buildings projects. The bill also includes state credit enhancement for local government bonds through an expansion of the state's credit enhancement program that currently applies only to county building debt.
- Establishes standards for replacing or installing outdoor lighting fixtures with state funds in order to reduce light pollution.
- Reduces Peace Officer Standards and Training (POST) Board funding in FY 2008 and increases it by 50,000 in FY2009.
- Extends the less restrictive local government salary cap to state employees.
- Creates a new set of public pool safety requirements including a requirement that public pool owners install anti-entrapment equipment in new and existing public pools and a requirement that each pool operator inspect drain covers on a daily basis. The provisions in the supplemental budget bill are based on legislation proposed in HF 3812 by Rep. Paul Thissen (DFL-Minneapolis).
- Transfers \$14 million from the Workers' Compensation Special Fund to the state's general fund. The transfer from the fund will increase the assessment applied to all employers, including cities.

The House bill will now be sent to a conference committee to negotiate the differences between the House bill and the Senate bill, SF 3813. The Senate bill increases revenues by approximately \$150 million, reduces state expenditures by a net of \$335 million and uses the \$350 million state cash flow account and \$100 million of the state's budget reserve.

The governor has suggested that neither the House nor the Senate approach would solve the state deficit in a manner that he could support. The Legislature and the governor will have approximately six weeks to find a compromise.

Questions? Contact Gary Carlson at 651.281.1255 or gcarlson@lmc.org

Senate gives preliminary approval to omnibus supplemental budget bill

The full Senate granted preliminary approval to their omnibus supplemental budget bill, SF 3813, on Thursday after several hours of debate. The supplemental budget bill consists of 25 articles and encompasses all areas of state budget. It addresses the state's projected \$935 million deficit. The bill reduces general fund spending by \$832 million by cutting funding for state agencies, increasing non-tax revenues and reducing the budget reserve by \$100 million and the cash flow account by \$350 million. The bill's chief author, Sen. Richard Cohen (DFL-St. Paul), said the bill contains more cuts than Governor Tim Pawlenty's (R) proposal and relies on less one-time money.

The Senate debated approximately 30 amendments before passing their supplemental budget bill. In an attempt to shorten the debate on the bill, Senate Majority Leader Larry Pogemiller (DFL-Minneapolis) offered an amendment stripping the bill of most policy provisions. The amendment was adopted. This could make it more difficult for the Senate and House to reach agreement on a supplemental budget bill, because the House's bill



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HF 1812 (Carlson, DFL-Crystal) includes several policy provisions.

The Senate supplemental budget proposal contains key differences from the governor's. The governor proposed over \$517 million in cuts to the human services budget, using a combination of cuts and a sizable transfer from the healthcare access fund. The Senate is proposing a total of \$196 million in cuts and revenue changes to this portion of the budget, which is \$320 million less than the governor's. The governor also proposed a cut of approximately \$30 million to Metro Transit, which the Senate bill does not include. The Senate includes a transfer of \$25 million from the Worker's Compensation Special Fund to the state's general fund. The House bill includes a similar provision, but only transfers \$14 million. The governor did not recommend a transfer from the fund.

Several amendments relating to the City of St. Paul were offered over the course of the bill debate. Sen. Amy Koch (R-Buffalo) offered an amendment to delete a section providing for loan repayment forgiveness for the St. Paul RiverCentre. The amendment failed 31-33. Sen. David Senjem (R-Rochester) unsuccessfully offered an amendment to provide a \$14 million guarantee for the Republican National Convention. The \$14 million would be used as a guarantee to fundraisers if not enough funds were raised for the convention. The measure is included in the House supplemental budget. Last year's tax bill, which was vetoed by the governor, contained a \$40 million guarantee. Since then, the federal government has provided money for the Democratic National Convention in Denver and the Republican National Convention in St. Paul. The amendment failed 26-36.

The supplemental budget bill raises \$1.2 million by increasing traffic citation surcharges. At the request of the League of Minnesota Cities, Sen. Mee Moua (DFL-St. Paul) sponsored an amendment requiring uniform traffic tickets to give notice of the fact that, if convicted, the person must pay a state imposed

surcharge. The amendment failed on a voice vote. Another \$500,000 was raised by increasing water use permit fees.

SF 3813 also creates a credit enhanced bond program to provide loans to local governments to finance local projects. The Public Facilities Authority is charged with managing and administering the credit enhancement bond program. A similar provision is included in HF 1812.

The Senate increases the maximum amount of financial assistance an individual or family may receive in loans to assist in mortgage payments. The measure is intended to help homeowners stay in their homes and to help stabilize communities.

The Senate can take up final passage of SF 3813 as soon as Tuesday. The House passed HF 1812 (their supplemental budget bill) on vote of 83 to 49 after a day-long debate and numerous amendments. When the Senate has taken action, a conference committee will be appointed to negotiate the differences between SF 3813 and HF 1812.

Cohen said the measures in the bill are not pleasant, but ones that must pass in order to balance the budget.

Questions? Contact Hue Nguyen at 651.281.1260 or hnguyen@lmc.org, or Anne Finn at 651.281.1263 or afinn@lmc.org.

Bonding bill sent to governor

The House and Senate have sent a bonding bill, HF 380, to the governor. The bill contains \$925 million of projects, which is \$100 million more than the governor had listed as the maximum amount he would support due to the Minnesota's longstanding practice of limiting general obligation debt to 3% of the state's general fund.

Wastewater, sanitary sewer and drinking water infrastructure grant and loan programs received a



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total of \$45 million, which assures that we will not lose any federal matching funds, but does not make a big dent in the more than \$3 billion projected funding needed for water projects. Programs for public infrastructure improvements associated with the Clean Water Legacy Act received low levels of funding, with \$2 million going to the Total Maximum Daily Load Grants program and \$1.5 million going for the Small Community Wastewater Treatment grant and loan program. The Phosphorus Reduction grant program, which pays for up to 75% of the cost if cities are required to add phosphorus treatment to their wastewater treatment facilities, received no funding. Apparently, funding for these important programs will depend on whether the proposed dedication of three-eighths of a cent increase in the state sales tax passes as a Constitutional amendment on the ballot this fall.

On the economic development front, two Department of Employment and Economic Development (DEED) programs receive funding in the bill so far. The Redevelopment account, will get \$8.5 million under HF 380 with only minimal earmarking, and is allocated 50/50 split between Greater Minnesota and the metro area. The Greater Minnesota Business Development Public Infrastructure grants program received \$30 million in the final bonding package.

The governor has until Monday to either veto or sign the bill. He could also line item veto specific projects, presumably to bring the bill's total bonding down to \$825 million.

Questions? Contact Craig Johnson (water infrastructure) at 651.281.1259 or cjohnson@lmc.org or Jennifer O'Rourke (economic development funding) at 651.281.1261 or jorourke@lmc.org.

Senate processes more than 100 bills

This week, the Senate cleared more than 100 bills from their calendar. The list of approved legislation includes a number of bills that are of interest to

cities, and many are bills the League initiated or has monitored closely. The full House has yet to process these bills.

Firefighter arbitration procedures modified

SF 2948 (Larson) repeals final offer total package arbitration procedures for professional firefighters. The League testified in opposition to this legislation. Passed 54-12. House companion is HF 3365 (Atkins). AF

Prohibition on trespassing on utility property clarified

SF 2828 (Moua) modifies certain prohibited conduct upon property containing a critical public service facility to include trespassing on property containing a utility or pipeline in an underground structure and not open to the public for pedestrian use without claim of right or consent. Passed 61-5. House companion is HF 3228 (Paymar). AF

Emergency Management Assistance Compact modified to include local employees

SF 3119 (Olseen) authorizes local government employees to participate in interstate assistance under the Emergency Management Assistance Compact (EMAC). This bill was initiated by the League of Minnesota Cities, and it protects local units of government from liability when local employees respond to emergencies outside of Minnesota. Passed 66-0. House companion is HF 3456 (Tschumper). GC

Conflict of interest rules clarified

SF 2806 (Saxhaug) clarifies conflict of interest rules for local economic development authorities and provides criminal penalties. Passed 66-0. House companion is HF 3295 (Solberg). JO

Notice of heat source disconnection required

SF 2775 (Foley) requires utilities to provide notice to the city when a customer's heat source is disconnected. The League participated in negotiations on this bill. Passed 65-0. House companion is HF 3229 (Nelson). HN



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Discharge of charter commission procedures provided

SF 2654 (Betzold) provides for discharge of a charter commission; authorizes charter amendments by ordinance; provides for water and sewer charges. This bill was initiated by the League of Minnesota Cities. Passed 63-1. House companion is HF 3904 (Tillberry). AH

Evidentiary thresholds modified for public nuisance

SF 2399 (Higgins) makes changes to public nuisance law affecting evidentiary thresholds and numbers of triggering incidents required for specific offenses. Passed 44-22. House companion is HF 2627 (Hilstrom). AF

Definition of "dependent" modified

SF 960 (Higgins) modifies the definition of "dependent" for purposes of group benefits for local government officers and employees. The League testified in support of this legislation due to the fact that it was structured as a local decision. Passed 43-22. House companion is HF 1097 (Dawnie). JO

Allowable representation for police officers modified

SF 3362 (Foley) permits police officers to be represented by an attorney and a union representative at disciplinary hearings (current law permits an attorney *or* a union representative). Passed 65-0. House companion is HF 3483 (Mullery). AF

Health insurance for injured public safety officers provision modified

SF 2403 (Betzold) modifies the provision relating to continued health insurance benefits for peace officers or firefighters injured in the line of duty. The League initiated this legislation. Passed 66-0. House companion is HF 3503 (Nelson). AF

Data practices provisions modified

SF 3235 (Olson, M.) classifies data and authorizes data sharing; makes technical changes; regulates practices of business screening services; provides

for civil penalties and remedies. Passed 67-0. House companion is HF 3553 (Simon). AH

False emergency calls misdemeanor offense

SF 2576 (Dille) classifies the crime of a false police or fire emergency call as a misdemeanor offense. Passed 66-0. House companion is HF 3217 (Shimanski). AF

Emergency communications permit exemption provided

SF 3647 (Pariseau) makes certain emergency responders exempt from the permit requirement for emergency communications equipment. Passed 67-0. House companion is HF 3374 (Bunn). AF

Minnesota Responds Medical Reserve Corps created and Emergency Management Assistance Compact modified to include local employees

SF 3135 (Higgins) creates the Minnesota Responds Medical Reserve Corps; adds volunteer protections for the Minnesota Responds Medical Reserve Corps volunteers; establishes volunteer health practitioner status during an emergency declaration; authorizes local government employees to participate in interstate assistance under the Emergency Management Assistance Compact (EMAC). The League worked with the author to amend language clarifying the Emergency Management Assistance Compact application to local government employees. Passed 65-2. House companion is HF 3654 (Winkler). GC

Dangerous dog provisions modified

SF 2876 (Anderson) changes provisions regulating dangerous dogs and allows dogs at certain eating establishments. Passed 66-1. House companion is HF 2906 (Paymar). JO/AF

Towing provisions modified

SF 3082 (Olseen) permits the sale of impounded vehicles and contents after voluntary title transfer; provides for notice of impound, right to reclaim contents, and waiver of right; establishes right to retrieve contents without charge in certain cases; limits deficiency claims; provides for permit for



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oversize and overweight tow trucks in certain cases; provides for disclosure of damage to older vehicles. Passed 50-17. House companion is HF 2940 (Hortman). AF

Uniform Municipal Contracting Law threshold modified

SF 3622 (Olseen) changes the contract threshold amounts subject to certain requirements of the Uniform Municipal Contracting Law. The League has worked with the Minnesota Association of Townships on this legislation. Passed 64-3. House companion is HF 3646 (Marquart). GC

Long-term disability parking provisions modified

SF 3372 (Doll) establishes minimum requirements for a city's permit program for long-term disability parking. The League worked with member cities and the bill's authors to modify this legislation to protect city interests. Passed 67-0. House companion is HF 3727 (Madore). AF

Note: the initials of the appropriate Intergovernmental Relations staff contact is included at the end of each bill summary.

Questions? Contact Gary Carlson at 651.281.1255 or gcarlson@lmc.org, Anne Finn at 651.281.1263 or afinn@lmc.org, Ann Higgins at 651.281.1257 or ahiggins@lmc.org, Jennifer O'Rourke at 651.281.1261 or jorourke@lmc.org, Craig Johnson at 651.281.1259 or cjohnson@lmc.org, or Hue Nguyen at 651.281.1260 or hnguyen@lmc.org.

Moratorium on local option sales taxes heard in committee

Friday morning, the House Property Tax Relief and Local Sales Tax Division took up HF 4146 (Marquart, DFL-Dilworth) which would essentially prohibit any new local option sales tax efforts until 2012. Rep. Marquart, Chair of the Property Tax Relief and Local Sales Tax Division, was the only one to speak in favor of the bill which was the last one on the agenda after five hours of testimony on other bills. Other than the testimony from city

interests, there was not any discussion from committee members.

The League of Minnesota Cities (LMC) testified first against the bill based on the Revenue Diversification policy developed by the LMC Improving Fiscal Futures Policy Committee. Mankato City Manager, Pat Hentges, testified next citing their use of the local option to fund their civic center and arena project without state dollars. The mayor of Lanesboro, Steven Rahn, wrapped up the testimony against HF 4146 by explaining their experience with a tourism-based economy and the fact many of his residents go on to pay a local option sales tax when shopping in nearby Winona and Rochester.

Last year, similar language was brought forward during Conference Committee discussions in an amendment form. The League then testified against the language, but the provision ultimately became part of the tax bill that was later vetoed by the governor.

At this point, there has not been a companion bill introduced in the Senate. The only co-author on the bill is the House Tax Chair, Rep. Ann Lenczewski (DFL-Bloomington).

Questions? Contact Jennifer O'Rourke at 651.281.1261 or jorourke@lmc.org.

Minnesota receives more funds to address foreclosures

On April 1, Governor Pawlenty held a press conference to announce efforts to help Minnesota homeowners stay in their homes. The governor announced that Minnesota received a \$4.3 million federal grant for foreclosure counseling. In addition, the governor announced a \$500,000 grant from Marquette Financial Companies for foreclosure prevention deferred loans in the metropolitan area.



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The money from the federal government is the second largest awarded to any state. The Minnesota Housing Finance Agency (MHFA) will use this money to work with the Home Ownership Center (HOC) to hire an additional 37 counselors statewide. HOC is a nonprofit organization that works with low and moderate income Minnesotans to purchase and maintain homes. Recently, HOC has begun partnering with cities and counties in their foreclosure prevention counseling efforts. Julie Gugin, the Executive Director of HOC said that they have been successful in negotiating with lenders on behalf of homeowners because they have more access to lenders than a typical individual. Gugin stated that counselors have been able to negotiate on behalf of homeowners to freeze interest rates, extend mortgage terms, and negotiate new mortgage amounts. It is estimated that 7,500 foreclosures will be prevented as a result of the increased number of counselors.

For more information on the Home Ownership Center or how they can assist local governments with foreclosure prevention counseling visit www.hocmn.org or 1-866-462-6466.

In addition to the \$4.3 million federal grant, Pawlenty also announced a \$500,000 grant made by Marquette Financial Companies to MHFA to be used for loans to homeowners who with a little financial assistance can become current on their loans. This is the second grant given by Marquette Financial Companies to MHFA.

Questions? Contact, Hue Nguyen at 651.281.1260 or hnguyen@lmc.org.

Pension Commission to hold hearings next week

The Legislative Commission on Pensions and Retirement (LCPR) will convene on Tuesday and Wednesday next week to process approximately 30 bills, among them a proposal to address a deficiency in the Post Fund, the pool of assets

transferred from the three statewide retirement systems when employees retire.

The LCPR consists of five House members and five Senate members, and makes recommendations to the Legislature. All public pension legislation is reviewed by the commission before action in policy making committees. The LCPR has met only once since the Legislature convened in February of this year. Since deadlines for committee work have passed, recommendations of the LCPR can proceed this session only with the approval of the House Rules and Legislative Administration Committee and the Senate Rules and Administration Committee.

One of the agenda items the League will be monitoring at next week's LCPR hearings is HF 3421 (Murphy, M.) / SF 2969 (Betzold), a proposal developed by the Post Fund Committee of the Joint Retirement Systems to address an estimated \$2.4 billion deficit in the Post Fund. Under the recommended plan, the annual inflation adjustment for retiree benefits would be continued, which will provide an increase of up to 2.5 percent per year regardless of the Post Fund investment performance. The proposal adds an "inflation equalizer" provision for individuals who retired in 2001 or later that would be triggered in years when current inflation is less than the 2.5 percent adjustment limit. If the 2.5 percent inflation cap in earlier years prevented these retirees from receiving a full inflation adjustment, the current year adjustment would have an inflation equalizer component, however, the sum of the inflation and equalizer adjustments could not exceed 2.5 percent.

The proposal eliminates the current investment-based adjustment and replaces it with an added inflation component once the Post Fund is fully funded. Under current law, the investment-based adjustment provides retirees with an annual adjustment based on Post Fund investment returns above the amount needed to fund the inflation component and the six percent earnings assumption built in to the Post Fund. The current law



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investment adjustment also averages investment gains and losses over five years to reflect longer-term investment performance. The new, additional inflation adjustment that would replace the investment adjustment would provide up to an additional 2.5 percent increase to cover the impact of inflation. In other words, once full funding is achieved, a retiree could receive up to a five percent inflation increase per year.

The proposal includes financial accounting changes that will reflect any Post Fund deficit or surplus in the accounting for the three active funds. Currently, the status of the Post Fund is not accounted for in determining the funding ratios or required contribution rates for the three active funds.

Finally, the proposal includes a fail safe merger that would apply if the actions identified above are insufficient to address the Post Fund deficit. If the Post Fund falls below a yet-to-be-determined funding level or does not reach full funding before a yet-to-be determined date, the Post Fund would be dissolved and the assets would be divided among the three active funds. If the Post Fund is dissolved under this scenario, an annual increase of 2.5 percent would be applied to all retirees regardless of inflation or investment returns.

The League supports the provisions in the proposal that would reduce benefit increases for retirees, and would prefer an ongoing reevaluation of the Post Fund status before further corrective action is taken.

Questions? Contact Gary Carlson at 651.281.1255 or gcarlson@lmc.org, or Anne Finn at 651.281.1263 or afinn@lmc.org.

JOBZ talks

Political debates over JOBZ have continued this week, and will continue next week as the Senate Tax Committee takes up SF 3115 (Rosen, R-Fairmont) on Tuesday at 8:30 a.m. This is the JOBZ reform bill, drafted largely by the Department of Employment and Economic

Development in response to the criticisms of legislators and the non-partisan Office of Legislative Auditor's (OLA) audit report from earlier this session. The companion, HF 3599, authored by Rep. Paul Marquart (DFL-Dilworth), is also scheduled for Tuesday at 10 a.m. in the House Tax Committee.

On Wednesday and Thursday, during the Senate floor debate on the full tax bill, Senator Rosen led the charge with two different amendments dealing with JOBZ. This omnibus bill, SF 2869, contains an elimination of the JOBZ program with no future deals after Mar 1, 2008. Both Rosen amendments ultimately failed on close votes, after considerable discussion. Her first amendment, would have removed the sunset language for the program. Many rural members weighed in with comments. In defending his position, Sen. Bakk reminded members of his intention to hear her reform bill next week, but asked members to keep his position in the bill. Sen. Rosen went on to express her frustration with the process on the issue of JOBZ, and essentially questioned why you'd kill a program and then go on to reform it the next week. Her second amendment was essentially SF 3115, the JOBZ reform package.

On Monday night, JOBZ had been front and center on the agenda in the full House Tax Committee as Chair, Rep. Ann Lenczewski (DFL-Bloomington) had scheduled the OLA report, along with her HF 4103 (ending corporate subsidies) bill for public testimony. The League of Minnesota Cities testified in support of keeping the program going, not eliminating JOBZ outright, and the frustrations felt by cities when economic development tools are yanked away. The Coalition of Greater Minnesota Cities also weighed in with similar concerns. Similar to the Senate debates, several legislators commented on their frustrations and experiences of the program.

Cities who care about JOBZ should take the time to weigh in with legislators this week, and share your experience. Because JOBZ and the SEED



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legislation are initiatives of the governor, they've become political hot potatoes since their inception. These will continue to be negotiating points in the remaining days of session, so the time to weigh in is ripe.

Questions? Contact Jennifer O'Rourke at 651.281.1261 or jorourke@lmc.org.

"Truth in Ticketing" amendment defeated in Senate

A provision that would have required the uniform traffic ticket to include notice of the state surcharge was defeated Thursday on the Senate floor. The measure was offered as an amendment to the Senate's omnibus supplemental budget bill (SF 3813, Cohen, DFL-St. Paul) by Sen. Mee Moua (DFL-St. Paul). The League requested the amendment in response to a provision in SF 3813 that increases the surcharge on criminal and traffic offenses by \$3.

If the increase becomes law, the surcharge will reach \$75 this year. The surcharge is added to the base fine of approximately \$40, bringing the minimum cost of a traffic ticket to over \$120 when all fees are included. All but about \$10 of the surcharge, and as much as half of the fine, is deposited into the state's general fund.

City officials are concerned that the public has no way of knowing that local units of government have virtually no control over the cost of tickets, and that even when local peace officers issue the costly state tickets, the state takes most of the revenues.

The so-called "Truth in Ticketing" amendment would have required all parts of the uniform traffic ticket to give conspicuous notice of the fact that, if convicted, the person to whom the ticket was issued must pay a state imposed surcharge of \$75. The amendment also would have allowed law enforcement agencies to exhaust their existing supply of tickets before coming into compliance.

This would have eliminated any fiscal impact on individual agencies.

The amendment received no discussion, and was immediately defeated on a voice vote. SF 3813 passed with the surcharge increase intact.

Questions? Contact Anne Finn at 651.281.1263 or afinn@lmc.org.

Town hall meetings

Town hall meetings are a great chance to meet with your legislators and tell your city story. Upcoming meetings in a city near you include:

April 12 in **Rochester** (Dunn Brothers Coffee, 120 Elton Hills Drive NW, 8:30-9:30 am) with Rep Kim Norton

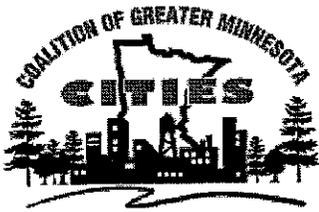
April 12 in **St. Paul** (Hillcrest Community Center, 1978 Ford Parkway, 10am) with Rep. Michael Paymar

April 14, 15, & 16 in **St. Paul** (State Capitol, 10 am) Constituent Day on the Hill for citizens of Senate District 48 with Sen. Mike Jungbauer. Everyone, including children is invited to this chance to learn the political process and discuss the issues. If you have any questions about the event or would like to RSVP, please contact Peder Mewis at 651-296-3733 or at peder.mewis@senate.mn. Senate District 48 includes all or parts of the cities of Anoka, Bethel, East Bethel, Elk River, Oak Grove, and Ramsey.

Check your local newspaper or radio station for additional dates. To receive e-mail notice of upcoming town hall meetings near you, subscribe online at

<http://www.house.leg.state.mn.us/maillist/maillinglist.asp> and

<http://www.senate.leg.state.mn.us/schedule/listserv.htm>



Coalition of Greater Minnesota Cities

CGMC in Brief

April 3, 2008

Contact: John Sundvor
651.225.8840

Senate Passes Tax Bill with \$70 million in New LGA Funding

The Senate passed its Omnibus Tax Bill (S.F. 2869) Wednesday. The bill contains a \$70 million increase in Local Government Aid funding and the City LGA Unity plan supported by the coalition.

To see how your city fares under the Senate tax bill in 2009 go to the CGMC website or use this link below:

http://www.greatermncities.org/propertytax_lga/Advocacy_Docs/LGA_Comparison.pdf

The web page also shows early projections of 2009 LGA payments with no change in state law.

House Passes Its Supplemental Budget Without Extra LGA Funding

The House passed its Omnibus Supplemental Budget Thursday. The legislation balances the state's budget for the remainder of the 2008 – 2009 biennium. The bill uses a combination of budget cuts, budget reserves, and revenue increases gained by tightening the language governing foreign operating corporations (FOCs). Funding for LGA is not increased in the House bill.

The House intends to draft another tax bill later on in the session. To increase LGA funding, however, the Tax Committee must find new revenue. Since the revenue gained from changing the FOCs language has already been used to balance the state's budget, there are few easy revenue options available for LGA.

The CGMC Board of Directors met Thursday, and authorized Flaherty & Hood, P.A., to send a letter urging all rural House members to insist on more funding for LGA. The board also recommended that cities consider sending their residents letters urging them to contact lawmakers and demand the property tax relief that comes from increased LGA funding.

Tim Flaherty told the directors that the House is unlikely to put more money into LGA unless CGMC cities encourage their residents to intervene in the deliberations.

“City officials contacting legislators is not getting the job done,” he said. “We need to involve a larger number of people in the property tax relief campaign.”



House Tax Chair Says Legislature Will Act on JOBZ Program

House Tax Chair Ann Lenczewski told her committee Monday that the Legislature will act on Gov. Tim Pawlenty's JOBZ economic development program this year. Lenczewski, DFL-Bloomington, and Senate Tax Chair Tom Bakk, DFL-Cook, have both offered legislation to end the program.

The House Tax Committee will hold a hearing on JOBZ Tuesday at 10:00 a.m. Please contact Lenczewski's office at 651.296.4218 if your city would like to testify.

Members should come to the hearing with information on the JOBZ zones in their area. They should be prepared to discuss the number of jobs created in the JOBZ zones, the positive benefits the program has provided the community, and explain why the businesses would not have come to the community "but for" the JOBZ program.

The Senate Tax Committee will take testimony on S.F. 3115 at 8:30 a.m. Tuesday. The bill, authored by Sen. Julie Rosen, R-Fairmont, adopts the JOBZ recommendations offered by the legislative auditor.

Members wishing to testify at the Senate hearing should contact Sen. Bakk's office at 651.296.8881. Those planning to testify are asked to contact Holly Thompson at Flaherty and Hood.

During a telephone conference, the CGMC Board of Directors voted to oppose the elimination of JOBZ.

House Approves Technical Changes to Annexation Laws

The House voted unanimously Monday to approve a series of Annexation Taskforce recommendations that make technical changes to Minnesota's annexation laws.

The legislation (H.F. 3357) removes outdated references to the director of the former Municipal Board and transfer's the director's responsibilities to the chief administrative law judge at the Office of Administrative Hearings.

In addition, the bill:

- Requires that the presiding administrative law judge (ALJ) tour a contested case annexation area.
- Clarifies an ALJ's subpoena powers in an annexation proceeding.
- Requires property owners to notify the township prior to filing a petition to incorporate with the state.
- Clarifies what it means when a piece of property is a "designated area" for purposes of an orderly annexation agreement.
- Extends the life of the task force to January 15, 2009.





CONNECTING & INNOVATING
SINCE 1913

March 31, 2008

TO: Chief Appointed City Officials
(Please distribute to other interested city officials)

FROM: Gary Carlson, Director of Intergovernmental Relations, League of Minnesota Cities

RE: LMC 2008-2009 POLICY COMMITTEE MEMBERSHIP

I would like to invite you to serve on a 2008-2009 LMC policy committee. I also ask for your help in sharing this invitation with your mayor, council members, and other interested department heads.

Many questions about the policy development process are answered in this letter, or feel free to contact Brian Strub, LMC Policy Coordinator at 951-281-1256, 800-925-1122 or bstrub@lmc.org.

If you or others from your city have previously served on a committee and wish to continue, **PLEASE RE-REGISTER SO THAT IT IS CLEAR THAT YOU/THEY INTEND TO CONTINUE ON THIS COMMITTEE.** The registration form is enclosed and available on the LMC website.

New committee volunteers are also asked to complete and return the attached form. All are asked to please respond by **May 1, 2008**, using the attached registration form. Thank you.

I encourage you to recruit other officials from your city, as well as those in surrounding cities, to consider joining this statewide policy development process. Mark your calendar, and plan your carpool now. I look forward to seeing you at the first meeting in July.

Thank you for telling your city story! – Gary

Information about the 2008-2009 League Policy Committees

The strength of the League of Minnesota Cities (LMC) is based on the active participation of members. This is your opportunity to help establish legislative policies and direct a comprehensive statewide legislative program defining and defending municipal authority for the coming two-year period.

Who is eligible, can I be a member? Yes. All member cities of the LMC, including both appointed and elected city officials, can participate in the policy development process as members of a policy committee. Your city may even have more than one member on a committee, however when committee votes occur each city receives only one vote on that committee issue.

How do I sign-up? To serve on one or more of the LMC policy committees for 2008-2009, please complete the registration form. You may also contact either Lynn Peterson (651) 281.1254, lpeterson@lmc.org or Brian Strub (651) 281.1256, bstrub@lmc.org or mail to LMC, 145 University Avenue West, St. Paul, MN 55103. You can also call toll-free at 800.925.1122.

Mark your calendars. The following dates have been selected for the 2008 policy committee meetings, when committee members will review and discuss the *City Policies* for 2009.

Improving Service Delivery Committee

| | | |
|--------|-------------------|----------------------|
| Monday | July 7, 2008 | 9:30 a.m. to 12 Noon |
| Monday | August 4, 2008 | 9:30 a.m. to 12 Noon |
| Monday | September 8, 2008 | 9:30 a.m. to 12 Noon |

Improving Local Economies Committee

| | | |
|-----------|--------------------|----------------------|
| Wednesday | July 9, 2008 | 9:30 a.m. to 12 Noon |
| Wednesday | August 6, 2008 | 9:30 a.m. to 12 Noon |
| Wednesday | September 10, 2008 | 9:30 a.m. to 12 Noon |

Improving Fiscal Futures Committee

| | | |
|----------|--------------------|----------------------|
| Friday | July 11, 2008 | 9:30 a.m. to 12 Noon |
| Thursday | August 7, 2008 | 9:30 a.m. to 12 Noon |
| Thursday | September 11, 2008 | 9:30 a.m. to 12 Noon |

Human Resources and Data Practices Committee

| | | |
|--------|--------------------|----------------------|
| Monday | July 14, 2008 | 9:30 a.m. to 12 Noon |
| Monday | August 11, 2008 | 9:30 a.m. to 12 Noon |
| Monday | September 15, 2008 | 9:30 a.m. to 12 Noon |

All meetings will be held in the St. Croix Room at the League office building.

The IGR staff looks forward to working with all of the committee members in setting forth the foundation of the LMC advocacy efforts. Thank you for telling your city-story!

What else do I need to know about the LMC policy development process? First, this is a member-driven, member-focused policy development process. The ideas that become *City Policies* come from city leaders like you. Second, the *City Policies* document addresses more than 100 legislative issues that impact cities and serves as the foundation of the LMC advocacy efforts. Policies are considered, discussed, and revised annually--with considerable member input. Listed below is a brief chronology of the major events in the policy development process.

January The Minnesota Legislature begins the first session of each two-year biennium in January of odd-numbered years. Guided by the *City Policies*, LMC member cities and staff actively advocate for city-friendly legislation. LMC solicits member city officials to serve on the policy committees.

February/March The Minnesota Legislature typically begins the second session of each biennium in February or March of even-numbered years. Despite the later start of second sessions, legislative hearings can begin as early as January.

Serve on an LMC 2008/2009 policy committee

Get involved in the League's policy development process!

Questions? Contact Brian Strub at (651) 281-1256 or bstrub@lmc.org or

Lynn Peterson, at (651) 281-1254 or lpeterson@lmc.org

Please complete and return the form below by May 1, 2008

Schedule for 2008 policy committee meetings

| Service Delivery | Local Economies | Fiscal Futures | HR and Data Practices |
|---------------------------------|------------------------------------|-----------------------------------|----------------------------------|
| Monday, July 7 9:30 – Noon | Wednesday, July 9 9:30 – Noon | Friday, July 11 9:30 – Noon | Monday, July 14 9:30 - Noon |
| Monday, August 4 9:30 – Noon | Wednesday, August 6 9:30 - Noon | Thursday, August 7 9:30 - Noon | Monday, August 11 9:30 - Noon |
| Monday, Sept. 8 9:30 – Noon | Wednesday, Sept. 10 9:30 - Noon | Thursday, Sept. 11 9:30 - Noon | Monday, Sept. 15 9:30 - Noon |

Sign up now to serve on an LMC 2008/2009 policy committee

| | |
|---|---|
| <p>I would like to serve a two-year term on the following committee(s):</p> <p>Local Economies <input type="checkbox"/></p> <p>Service Delivery <input type="checkbox"/></p> <p>Fiscal Futures <input type="checkbox"/></p> <p>HR & Data Practices <input type="checkbox"/></p> <p><i>Note: more than one official from each city may serve on a committee, however, on voting matters, each city has only one vote.</i></p> | <p>Name _____</p> <p>Title _____</p> <p>City _____</p> <p>Address 1 _____</p> <p>Address 2 _____</p> <p>City/Zip _____</p> <p>Work Phone _____</p> <p>Work Fax _____</p> <p>E-mail _____</p> <p>Please return this form by May 1, 2008 to: Lynn Peterson, Intergovernmental Relations Department, League of Minnesota Cities, 145 University Avenue West, St. Paul, MN 55103; fax (651) 215.4115; or email lpeterson@lmc.org</p> |
|---|---|