City of Fargo
Finance Committee Meeting Minutes
June 4, 2004

The monthly meeting of the Finance Committee was held on June 4, 2004 at 7:30 p.m. in the Mayors Office.

Members Present: Furness, Cosgriff, Zavoral, Bittner, Costin and Sprague
Members Absent: None

Minutes Approved

The minutes from the May meeting were approved as drafted.

Disposition of Shotguns from Police Department Surplus Property

A request was made by the Police Department to consider selling surplus shotguns to law enforcement employees, including the Fargo PD. They have been selling them to other law enforcement agencies, however, would like to offer the remaining inventory to employees. They were concerned that a weapon, if sold externally, may fall into the hands of a criminal. Costin said that he has the authority in the ordinance to make decisions on asset dispositions for items less than $5,000 however; he wanted input from the Committee because of the sensitive nature of this request. There was further discussion about asset dispositions in other City departments and past precedents in how items have been disposed of. **Furness moved that a third party transaction and not an employee sale would be the cleanest way to get rid of them. Committee concurred with this recommendation.**

Bluemont Lakes Agreement

Bittner presented a draft agreement from the Bluemont Lakes Association regarding shoreline improvements. He said that the association wants a formal easement and the City has the right to store water there. They are also requesting an annual maintenance contribution. There are price increases in the project from original cost estimates because of the need for longer and heavier metal sheets and price increases. The concern is how to document any maintenance responsibilities in the agreements. There are some properties that have been built lower than others may need to be looked at and compared to lake fluctuation levels. Zavoral suggested that he thinks that the 10% construction contribution which is more than the 5% in the engineering study could be considered a one time contribution towards maintenance. City Attorney, Gary Stewart is comfortable with our existing documents and does not support the suggestions of the Association. Furness recommended that Bittner work with the Association's engineer to see how the 2' storage level will affect low properties.

Accounting & Reporting for Tax Increment Financing District 2001-01

Costin reviewed accounting and reporting documentation that was prepared for the Matrix tax increment district. This document clearly delineates what the funding priorities are for future tax increment revenues, identifies existing liabilities and also documents special assessment agreements. This can be used by Finance and Special Assessment staff as a reference manual as transactions occur in the future. He said that the amortization schedules will have to be updated annually as payments are applied to the various financial obligations. Other deferral agreements in the TIF that are not with Matrix need to be included in the interim financing schedule related to the deferrals. Clapp deferrals were noted. Cosgriff suggested that Costin contact the Fargo Park District about amending the Zoo special assessment joint powers agreement to cover the issue of property resale or commercial development to assure that the District does not get a windfall from the City funded special assessments. **Committee approved the document.**

Springsted Memo on Tax Limitation Initiative

Costin forwarded a memo prepared by our Financial Advisor, Springsted, Inc. relating to the current tax limitation initiative. It outlines issues related to governmental backing of bond issues with tax levy authority and how our debt issuance might be impacted by they type of legislation. No action taken as this was an informational item.

Special Assessment Calendar

The 2004 assessments processing calendar was reviewed by the Committee. The assessments have been broken down into three individual runs. There are 30 projects ready to assess totaling approximately $ 20 million.

Programming of Surplus Debt Service Funds for Technology

Zavoral and Costin presented the concept of using some of the debt service residuals to for software and hardware related to the overall mapping, drawing, and technology support of the base land inventory. Ron Gronneberg has reported that they are short on software licenses. Costin said that several departments are starting to use imaging software technologies and that additional licenses and application development will start to rise as more is being done through these systems. Furness stated that he does not want to start funding operational costs from this source, however, capital items could be considered. **The Committee decided to review the IT funding situation at mid year during the budget process.**

ND Horsepark TIF Request

Zavoral presented bills in the amount of from the ND Horsepark Foundation project that he thought could be paid out of the TIF. He said that district has a cap of $1,070,000 but felt that the landscaping charges would be TIF eligible. Costin reported that they are two years behind on payment of drain taxes and felt that they should pay their taxes before any more money is disbursed. **Furness moved to pay the bills, contingent upon paying their taxes for the past two years. All voted in favor.**

Mosquito Control Budget and Joint Powers Agreement with Cass County

Zavoral reported on a meeting recently held with Keith Berndt of Cass County regarding Vector control funding agreements. He said that an amount has been recommended for the Fargo Park share to come out of the vector control utility fee at $50,000. The City would also pick up the cost to apply larvacide in the parks and golf courses; however, spraying the courses would be a FPD financial responsibility. The City will still employ nine employees and will cover the chemical costs citywide, plus the cost for aerial spraying, as needed. He will work with Keith on a written contract and Costin will inform the FDP of their financial obligations for Vector Control. The anticipated total cost for budget purposes will be $ 275,000.

10 mill County Road Levy

Zavoral reported that the County Road levy that generates the City pothole fund will expire this year. Keith Berndt has stated that the county intends to continue the levy, however, it will now compete with other general fund obligations at the county level and may be subject to budget risk. He felt that the County will continue to honor the financial amounts generated in the pothole fund. Bittner stated that this issue may not be worth jeopardizing the potential for a sales tax extension.

Errors & Omissions Insurance

Furness wanted to know about potential personal liability for elected officials as they conduct City business and serve on related governmental functions. Costin provided the NDCC section that deals with governmental immunity. He was wondering if it might be prudent to consider errors & omissions insurance for key City personnel. **Committee thought that we should look into this or at least get an opinion from the City Attorney.**

Special Assessment Districts in the Osgood Addition

Mark Bittner wanted to know what the City's position should be on current and future assessment districts in the Osgood development. He said that there are currently thirteen districts open and more are being planned for this year and construction contracts are pending award. He wondered if they will need to recreate the districts that were created before the judges ruling that invalidated our previous annexation in this area. Cosgriff

thought that we were likely compliant because we did the process initially. Water and sewer projects can be place outside of City limits and will be fine; however, other project types may need to be reconsidered. Sprague felt that recreating the districts might be the safest alternative. **Furness suggested that we proceed with getting legal advice on how to proceed.** Bittner said he will have Gary Stewart draft an agreement with Kevin Christianson for districts in process and will hold off on creation of new districts until the legal review is completed.

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Members Absent: None

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City of Fargo
Finance Committee Meeting Minutes
July 8, 2004

The regular monthly Finance Committee meeting was held on July 8th at 7:30 a.m. in the Mayor's Office. All members were in attendance. Guests: Ron Gronneberg, Erik Johnson, Gary Stewart.

Approved minutes from the June meeting.

Zavoral reported that the developer's agreement with Schlossman has been signed for the Horsepark TIF and that he had talked with Keith Berndt from Cass County about the 10 mill road levy. **Minutes were approved as presented.**

Software Licensing

Gronneberg reported on the status of software licenses for the City. Currently we have 100 licenses of concurrent for Office suite. New desktops are being implemented by purchasing new licenses as they are ordered. This year more licenses were needed because of the shortage in approved licenses. Microsoft no longer offers concurrent usage licensing. Ron said that he is considering upgrading to Office 2003. $100k was spent in 2004 to get software licensing to the correct level. No action taken, information item only.

AON Report on Public Officials Liability and Crime Coverage

Costin reviewed a report by AON Risk consultants discussing the merits and pitfalls of obtaining public officials liability coverage, and crime (money & securities) liability coverage. AON was not recommending obtaining public officials liability coverage because of the NDCC immunity laws currently in place. They did recommend buying crime insurance to cover large catastrophic crime incidents. **Finance Committee recommended checking into the crime coverage and reporting back with a pricing proposal.**

Request to Sole Source Procure an Asphalt Zipper

Zavoral presented a request on behalf of the Street Department to consider a sole source procurement on a special asphalt removal equipment called a zipper. This could be used to completely remove asphalt in areas needing repair. They have demonstrated the unit and are requesting acquisition of this item. A three year lease purchase was proposed with the first year coming from street rehabilitation funds, and subsequent years payments budgeted in the Street Department's budget. **Zavoral motioned to approve, seconded by Furness, all voted in favor.**

2004 Budget Update

Costin reviewed the year to date budget revenue and expenditure reports with the Committee. Revenues are closer to mid year budget projections than have been in the recent past. Further discussion on health insurance coverage and upcoming GASB reporting of liabilities related to post employment participation, (i.e. retiree cost). Cosgriff suggested that now might be the time to look at bidding a commercial product. He is concerned that in the future when very difficult financial decisions might need to be made that political interests might hinder the process. Bittner suggested that he thinks that the plan is inferior because of the employee cost and that the City is loosing applicants because of the cost share. **Committee decided to wait for the issuance of the AON annual plan review report before making any changes. No action taken.**

2005 Budget Update

Furness reported on the status of the 2005 budget process. He stated that the process has gone very well so far and that there were less personnel requests this year.

Osgood Development Special Improvement Districts

There was a discussion relating to the special assessment districts affected by the recent ruling relating to our annexations. Bittner said that wanted some legal guidance on how the districts might be perfected to assure that problems do not arise in the future. Water and Sewer projects should not be a problem as the City can order these in, however, paving and other infrastructure projects are less clear. Gary suggested that we enact on resolution to affirm all of the projects. **Committee referred this issue to legal counsel.**

Cityscape Draft Developers Agreement

Zavoral requested clarification on how the developer's agreement should be applied to the tax increment districts. He wanted to know if the priority on tiff funds should be kept in place as previously discussed with the Matrix agreement, or should it be concurrent. Cosgriff thought it should be handled concurrently. Furness motioned to apply the pipeline relocation funding for Gander Mountain concurrently with other tax increment projects, however, interest should be charged on the deficits. **All voted in favor.**

EG Clapp Paving Assessment District

Bittner reported that a paving district for 39th street. The petition was to do 39th street only, however, it has been expanded to do the entire area. He is expecting strong protests. The east side of the project requested paving. The Sharon side of the street has smaller lots. **No action taken.**

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City of Fargo
Finance Committee Minutes
August 31, 2004

The regular monthly Finance Committee was held on Tuesday, August 31, 2004 in the Mayor's Office at 7:30 a.m.

Members Present:	Furness, Cosgriff, Zavoral, Costin, Sprague
Members Absent:	Mark Bittner
Guests Present:	Mike Domitrovitch, Cityscape Development

Minutes from July meetings approved as presented.

Presentation by Cityscape Development

Mike reviewed a proposal for development of 26 lots in the Industrial Park, north of the landfill and south of the Sheyenne Industrial Park. There is presently $303,000 in special assessments outstanding on these parcels. He was wondering if the City would consider using a tax increment financing district to assist future development on this property. They currently do not have a tenant or an active project. Furness suggested that it would be better if they were bringing an actual proposal forward instead of simply anticipation of a project. Cosgriff thought that they should be working with the FCCEDC as primary sector employment would likely arise in this area. Furness thought it was a good idea to talk with FCCEDC. Cosgriff commented that a continuation of the existing rail spur might be important as well. Erik or Gary will check on the ability to fund "pre-existing" special assessments in a development proposal using tax increment funds. Committee felt that consideration should be given to setting up the tax increment district so that it is ready to go if a good project comes along in the future.

Special Assesmsent Deferral Agreements Approved

The Committee reviewed and approved special assessment deferral agreements with the Beach Family Partnership, LLP for projects 5375 a water main project, 5416 sanitary sewer, and 5546 sewer and water mains. The tract is north of 52nd Ave just east of 53rd street south. There were also 8 large tracts of land in the Osgood area where 10 year deferrals were approved. Also in this area were two residential lots where the standard 135' assessment model would be used. A deferral for Matrix relating to paving on 30th Ave South from 41st street to 39th street was also approved, subject to final review by the City Engineer. Costin stated that he was concerned about the financial impact of the deferral and the fact that the deferral period would run longer than the current sales tax authorization for infrastructure and that sales tax funds may not be available in the future

to pay for the interest on the deferred assessments Motion by Zavoral, second by Furness to approve the requested deferrals. All voted in favor.

Cityscape Development Agreement for Gander Mountain Project

Zavoral reported on the status of the development agreement and wanted the Committee to know how the agreement was being structured for priority of payments for outstanding tax increment obligations in that development area. Tax increment fund priorities would be the powerline relocation first, zoo specials second, and then the Gander Mountain area pipeline relocation using a concurrent payment methodology, with a one to two year deferral for the relocation element. He said that there should be sufficient amounts of tax increment funds to cover these liabilities. No action taken as this was an informative item only.

Credit Card Counter Payments Implemented

Sprague reported that credit card processing has been implemented at the Collections window. He said that staff has established a $300 per transaction limit for card usage and that many transactions have been processed so far. He wanted some guidance on if the City should consider raising the charge limit to a higher amount and some customers have already requested higher limits. The fee currently being charged by the credit card company is 2%. Committee requested that he report back after year end with utilization results so that this could be discussed in more detail.

One Way Traffic Study Funding

A request from the Planning Office was discussed relating to funding of a one way traffic study. Bob Stein has been working on a RFP for planning services in conjunction with the MCOG. The estimated cost of the study is $60,000. Cosgriff asked if Mark Bittner had changed his mind on this project because when this came up about two years ago it seemed that he was not in favor of changing the traffic flow. Furness commented that he felt that this was alot of money to spend on a study. Committee felt that this should be revised again with Mark Bittner is available to discuss the concept and the impact of changing from one way traffic to two way traffic in the downtown area. No further action taken.

Public Safety Building Funding

Zavoral reported that the current bids for alternatives on the Public Safety Building project are valid through November. His recommended priorities include the emergency management offices and the landscaping. Furness suggested that he meet with the building committee and formulate the plans and priorities and go through the options and then bring a recommendation to the City Commission before November.

City of Fargo
Finance Committee Minutes
October 5, 2004

The regular monthly meeting of the Finance Committee was held on October 5, 2004 at 7:30 a.m. in the Mayor's Office.

Members Present: Furness, Cosgriff, Zavoral, Bittner, Sprague, Costin
Members Absent: None
Guests Present: Lynn Fundingsland, James Gilmour

Minutes from September Meeting

The minutes from the last meeting were approved as drafted.

HRA Special Assessments on Osgood Development Property

Lynn Fundingsland of the Fargo HRA presented an overview of a 30 unit townhome and future projects in their fifteen year plan. They are working with a for profit partner who will be utilizing tax credits. He wanted to notify the City of Fargo and asked for guidance because this was a unique structure that basically transfers ownership to a private party for a period of time with reversion to the HRA at the end of the term. His inquiry was how special assessments should be handled, as typically the City of Fargo pays for these specials out of the City Share of Special Assessments Fund. Bittner asked there were other instances where this model has been used. Lynn said that it was the first time in this area, however, Minot, ND has completed a transaction this way. If the City does not pay the specials they may have to seek other income sources to pay the specials. Furness suggested that we should check this out further. Cosgriff expressed concern about the paying the specials with taxpayer funds while being held by a private for profit party. Zavoral was concerned about the concentration of public housing. This item needs to be resolved by February, 2005. Item was referred to Zavoral & Costin for further research.

Hector Special Assessment Deferral Request

Zavoral presented a letter from Fred Hector requesting a deferral of special assessments on property near the Air Guard. He feels that the property has limited development potential and was requesting a deferral on two lots. The project was for 21st Ave. paving. Cosgriff moved to approve a five year deferral or until development occurs on two lots, with interest accruing. All voted in favor.

One Way Traffic Study

James Gilmour reviewed the present scope of work for the one way study. Currently the budget for Phase I is $60,000 with an 80% federal match from MCOG. He needs a local

share funding commitment to proceed. Bittner thought that we should use a different approach because the traffic is a go or no go situation and it must work. He thought that this was more important than the economic impact analysis. He cited the Moorhead work in their downtown and the loss of parking. Cosgriff said that the as in agreement that the traffic flow critical. A traffic study is more objective and quantifiable, while and economic impact study is more subjective. Bittner scoped the work needed at approximately $150,000 with about 2/3rds of the total associated with traffic issues. He said that traffic signals are typically sales tax funded. Furness stated that spending $150,000 does not make sense and that this should be discussed in more detail with the Downtown Community Partnership (DCP) and questions the value of doing it at all. Furness moved to discuss with the DCP. All voted in favor.

Water Meter Reading RFP

Costin updated the committee on the status of the water meter reading proposals.

Sales Tax Collections Update

Costin reviewed a spreadsheet of the year to date sales tax collections showing a 10.7% year over year growth. This is a significant increase in collections that mirrors the State wide collection statistics.

On Line Payments Committee

Costin reported that an ad hock committee has been formed to look over internet payments and phone based payment systems to enhance customer payment options. A company that offers this service will be doing a demonstration this month.

Park District Zoo Special Assessments Agreement Amendment

Costin reviewed a draft of the Zoo specials agreement with the Fargo Park District with the Committee. They suggested that the special assessment project numbers that are covered by this agreement be included so that going forward it is very clear what projects are subject to this agreement and which ones are covered. The draft will be amended and presented to the Park District for review.

Public Safety Building Status Report

Zavoral reported completion of the Fire Station is nearing and move in will be completed by mid October.

Fox Run Drain 27 Assessments

Cosgriff raised the issue about Drain 27 assessments in the Fox Run development. Bittner said that these are done by SE Cass and that they are based upon value and acreage, not like City special assessments. He thought that it was related to a reassessment process that they use to pickup new properties not previously assessed.

Adult Bookstore Property Redevelopment

A developer has made in inquiry into the property currently owned by the Adult Bookstore on NP Avenue. Zavoral reported that Colleen Barnick is not interested in selling the adjacent property. Further discussion as to how a tax increment financing district might be applied to this development. Zavoral suggested that the developer needs to make an official request to that it can be addressed by staff in greater detail.

School District Janitorial Contract Extension

Zavoral requested that the existing janitorial contract with the Fargo Board of Education be renewed at the same rate as previously quoted. Departments have been very happy with the level of services provided by the Fargo Board personnel. He may work with a few other Departments that have contracts expiring soon to be amended into this contract. **Committee approved the extension request.**

City of Fargo
Finance Committee Meeting Minutes
November 5, 2004

The regular monthly Finance Committee meeting was held on November 5, 2005 at 7:30 a.m. in the Mayor's Office.

Members Present: All
Guests Present: Jim Gilmour, Robert Stein, Dana Sue Busch

Minutes from the October 5th meeting were approved as presented.

City Employee Association Request to Increase Out State Per Diem

A request received from the CEA for a modification of the out of state travel per diem policy was discussed. Currently, the City uses a flat rate, regardless of the destination City. Costin reviewed the two methods that the Federal Government offers. One is a high-low method that pays based upon the destination City, and then defaults to a lower rate if the destination City is not listed in the higher rate. The high low method caps the total cost per day for lodging and per diem costs. The cap for meals and incidental expenses under the high charts method is $46/ day. The low chart cap is $36 for meals and incidentals. Another alternative we could follow a regular per diem method with rates as published by the General Services Administration (GSA). The rates for GSA per diems vary with the low daily rate being $31. Like the high low method, the GSA per diems offer higher daily per diems for destination Cities listed in the charts. The highest daily rate is $51 for cities in California, and Washington DC.

The Committee discussed how our current policy is structured. Presently, the policy allows for no cap on hotel costs, but requires a receipt to document cost, plus a $38/ day per diem for meals, plus the cost of incidentals, if substantiated by receipts. **It was the consensus of the Finance Committee that the current policy is actually less restrictive than the Federal methodology in most instances and therefore would not be advantageous to implement a change in the travel policy.**

In a related manner, during the research related to this issue it was discovered that the City has been reimbursing per diem meal allowances for long day trips to Bismarck, or Mpls. The IRS guidance suggests that these types of trips do not meet the substantial rest period test "overnight rest" and therefore per diems should not be paid, or if they are they should be reported as taxable to the employee**. Committee agreed to discontinue the daily per diems for travel that does not meet the overnight rest test so that we do not have to report these items as taxable transactions.**

Utility Fee Abatement for ISC World Tournament

A request from the sponsors of the ISC World Softball Tournament was made to consider an abatement of the garbage bill in the amount of $ 1,001. Zavoral said that Walaker advised them that the City would pay for the electricity during the planning sessions for this event and that the garbage bill was not discussed. Furness suggested that we consider splitting the billing. Cosgriff inquired about the nature of any discussions that preceded this event. **Committee approved splitting the billing with the sponsors due to the hardship caused by poor weather conditions.**

Online Payments System Status

Costin reported on a software demonstration meeting held with EPOS Corporation that offers online web based and telephony based payment systems. The review Committee was impressed with their offerings and business model that reduces front end costs. Zavoral stated that Patty Roscoe of the City Attorney's Office has reviewed the draft contract and is comfortable with their approach. Costin asked if the Finance Committee felt that we should proceed with offering these services with EPOS**. Committee approved moving forward with this project, however, suggested that staff check out their existing references to make sure they are a solid partner.**

Health Plan Coverage Billing Issue with Robert Stein

Bob Stein requested clarification on a billing issue relating to his college aged son. Dana Sue Busch reviewed the fact related to this issue. He was dropped by BPA for failing to fill out the required paperwork, so Robert Sr. was paying family coverage during a period when BPA was actually carrying just Robert Sr., not JR. Robert Jr. incurred some claims during this time and they were denied because his was not covered. BPA's procedure in a situation would be to retroactively cover Robert Sr. as family coverage because that was his intent to be covered. They will pay for the claims that were previously denied. Robert Sr. was agreeable to this correction, as his concern was that he had been paying family coverage but was actually being carried by BPA as a single contract. **Committee requested that Human Resources tighten up the crosschecking of master file changes in coverage to assure that we stay "in sync" with BPA and the billing.**

52nd Avenue South Funding Issues

Cosgriff presented an update on the 52nd Ave. South funding. A developer would like to bring a SuperWalmart on 52nd Avenue. They will not commit until the 52nd Ave. project is approved, which is currently planned for 2008. This business will generate additional jobs, retail, and sales taxes. Bittner said that the NDOT thought that they could move it up but only to 2007. Under the current CIP South University is listed as a first priority, and 52nd Ave is second. Bittner suggested that it was a good idea to move this up and to

do it now. This would require that the City fund the carrying cost on the project for one year at an estimated cost of $250k. He said that South University project could be moved into 2006, however, the City would have to advanced fund the federal share of the project for two years as cash would not be available until 2008. This is a 9.3 million project. There was more discussion about how this corridor was signed to indicate that it would be a future arterial road. Zavoral asked about the 9th Street project, Bittner said that it would be started in 2007 and completed in 2008. Costin suggested that the City might consider issuing temporary improvement bonds that would be paid back by future federal funds, when they become available. He said that the City has not used this type of financing, however, in this situation it might make sense as up to 36 months could be advanced funded with temporary improvement bonds. **Cosgriff suggested that Costin and Bittner get together and work on how these projects might be advanced in the CIP and financed.**

Mandatory Direct Deposit of Paychecks

Furness and Dana Sue said that the notice of mandatory direct deposit procedure will be on the City Commission agenda on Monday. Bittner questioned why the procedure was being changed and why we could not continue processing paper paychecks. Dana Sue gave some examples of circumstances and problems that have arisen in the past because of lost checks and that direct deposit was a more efficient way of getting paid. Furness suggested that there may be some objection to this policy change from employees at the meeting on Monday night and that he was planning on pulling this off of the consent agenda and changing it to a regular agenda item. **Committee concurred that direct deposit was a better method for payments of employee wages.**

City of Fargo
Finance Committee Meeting
November 30, 2004

The regular monthly meeting of the Finance Committee was held November 30, 2004 at 7:30 a.m. in the Mayor's Office.

Members Present: Furness, Cosgriff, Zavoral, Bittner, Sprague, Costin
Members Absent: none
Guests Present: James Gilmour, Julie Bommelman, Robert Stein, Ron Strand

The minutes from the October meeting were approved as presented.

West Fargo Transit Contract for 2005

James Gilmour requested guidance on the pricing of the West Fargo transit contract for fixed route and paratransit services. Demand is increasing in their paratransit budgets. He is proposing leaving the fixed route rate the same at $40/hr, and increasing the paratransit to a higher rate based upon their utilization of our service. Motion by Zavoral, second by Furness to leave fixed route at $40/hr and increase paratransit from $10 to $12 per ride. All committee members voted in favor.

Cass County Pothole Tax Allocation Notice

Costin reviewed an email from Cass County on the proposed increases in the Cass County pothole mill levy. The increase was significant and was going to increase from approximately $250k per year to $450K per year. This was discussed during the 2005 budget development process earlier in July and the budget team was aware of the upcoming changes, however, it was decided to amend the budget after knowing exactly how much would be received from Cass County. The budget team was suggesting that the increase be programmed into the Street Rehabilitation budget. Costin stated that earlier in the year an approval was made to purchase an asphalt zipper and at that time lease purchase financing was recommended. He asked that the zipper be funded directly out of street rehab funds because of the increased funding levels. Motion by Zavoral, second by Bittner. **Committee approved a budget amendment to increase the pothole revenue and the street rehab expenditure lines as well as funding the zipper out of the increased allocation.**

2005 Building Permit Fee Increase

James Gilmour discussed proposed fee increases for building permits for 2005. He recommended increasing the plumbing permit fees, the commercial permit fees and leaving the residential fees at the same level as 2004. He felt that they have changed to way that they are doing plan reviews now and are keeping closer track of building values

reported on the building permits. Revenue increases will be experienced by closer permit values to reflect actual market value of construction. Costin questioned how he will hit the 8% overall fee increase programmed into the 2005 budget. He said that there will be new plan review fees associated with the plan reviewer as well as continued demand for new commercial and residential developments. **Zavoral motioned to increase the fees as proposed, seconded by Sprague. All voted in favor.**

One Way Study

Robert Stein updated the Committee on his request for funding for the one way study. He said that the Downtown Community Partnership (DCP) wants to evaluate the economic impact first, before the traffic study. Bittner suggested that the traffic should be studied first because the traffic flows need to work and it would be inefficient to spend money on the economic impact if the traffic issues were not resolved. Stein said that the City of Winnipeg did their studies of both the economic and traffic impacts at the same time with different consultants working on the project. Cosgriff was interested in what the traffic study would reveal. Bittner said that he would like the details of the traffic study to make a decision. His concern is the connection to the north/south pairs and has strong reservations about not doing the detailed traffic study now. Cosgriff thought it made sense to doe separate traffic and economic studies. Zavoral asked how much the DCP was willing to contribute to defray study costs. **Motion by Furness to table this issue, seconded by Bittner. All voted in favor.**

Broadway Mall Assessments

Costin requested that the Finance Committee take a position on the final actions taken by the City Commission relating to the Broadway Mall special assessments. His concern was that the City Commission did not approve the assessments, and therefore, the City would be deficit financing the maintenance costs for 2005 and would be collecting the assessments in arrears in lieu of the current practice of collecting them in advance. The issues surround post construction status of the mall and consistency with the Century Code. Bittner thought that it was really stretching the law to expand the boundary of the original assessment districted created many years ago because it is not a pedestrian mall. Gary Stewart has weighed in on this issue and he also has a concern about compliance with the NDCC language. The other issues that caused some confusion at the time the assessment public hearings were conducted was why the railroad property was excluded, why the assessment methodology was changed from square foot to front foot and the overall confusion expressed by participants at the hearing about what the current assessment is for. The Committee felt that it was the DCP's responsibility to inform their membership about how the maintenance costs are being paid for through the assessments. **Bittner moved to have a meeting with the Special Assessment Commission to answer the questions and then bring it back to the City Commission for a final decision. Zavoral suggested including Stewart in those meetings. All voted in favor.**

Health Plan Stop

Costin reviewed the stop loss renewal information from Warner and additional comments from AON regarding the renewal process. AON feels that the rates are somewhat high as compared to other plans. **Zavoral moved, seconded by Cosgriff to approve renewal plan option #2, which increases the deductible limits slightly and to have Costin negotiate with Warner & Co. regarding pricing. All voted in favor.**

Sick Leave Policy Change

Human Resources is in the process of updating the sick leave policy. Bittner expressed concern about how the policy currently allows sick leave to be paid out if there is a disability, however, nothing if there is a death. A proposal to pay out sick leave in the event of death was discussed. **Committee approved lifting the caps on sick leave restrictions and allowing the accumulated leave to be paid out in the event of death.**