

MINUTES OF THE REGULAR MONTHLY MEETING
OF THE MANHATTAN BEACH CITY COUNCIL
September 5th, 2017

The regular Monthly Meeting of the Manhattan Beach City Council was held on Tuesday September 5th, 2017 in the City Hall at 7:07pm. The following officers were present: Paul Allen-Mayor; Janis Allen, Marlene Yurek, Barb Hanson-Wannebo-Council Members; Amy Wannebo-Clerk-Treasurer; 1 member of the press and approximately 7 citizens.

The Pledge of Allegiance was recited.

Agenda Amendments: MOTION WAS MADE BY MARLENE AND SECONDED BY JANIS TO APPROVE THE AGENDA. MOTION CARRIED.

Approval of Meeting Minutes August 1st 2017: MOTION WAS MADE BY JANIS AND SECONDED BY MARLENE TO APPROVE THE MINUTES AS PRINTED. MOTION CARRIED.

Clerk-Treasurer's Report: Amy stated that she had just received the invoice for Nick's Lawn Service that day and asked that it be included in the claims for approval. Mayor Allen asked why there was a negative balance in the "TIF Fund". Amy explained that when the TIF was decertified and the check was issued to Crow Wing County, there were not enough funds in the TIF account to cover it. She said that the council would need to make a motion to transfer funds from the general fund into the TIF fund before the end of the year so that there would be a zero balance in the TIF fund. MOTION WAS MADE BY JANIS AND SECONDED BY BARB TO PAY THE BILLS INCLUDING CROW WING POWER AND NICK'S LAWN SERVICE. MOTION CARRIED. MOTION WAS MADE BY MARLENE AND SECONDED BY BARB TO TRANSFER \$675.00 FROM THE GENERAL FUND INTO THE TIF FUND. MOTION CARRIED. Check numbers 3059 through 3068 have been approved for a total amount of \$1,915.62.

Planning & Zoning Report: Darrin Welle; Zoning Administrator was unable to attend the meeting and sent an email. September Report; The Planning and Zoning Commission did not meet in August since there were no items to address. No land use permits were applied for or issued.

OPEN FORUM:

Unfinished Business: 2018 Budget: Mayor Allen stated that he wanted to address the tax levy. He stated that the assessed property values are set by Crow Wing County, approximately 16 million dollars in property values with approximately \$296,587 tax capacity rate. These numbers can change, there is a new building going up here and I would assume that the value will go up. If the city does not take the tax money, the county will. You are going to pay those taxes regardless. The Fund Balance Policy is not state law, it is a recommendation from the Office of the State Auditor. We have to bear in mind that we need to have money to cover costs such as roads. We can't rely on the state. There are things that we need to do here, like adding onto the building for a vault for records. You want us to give all that money back? Barb stated that the city had not raised the taxes since 2007 and Mayor Allen agreed. Mayor Allen stated that the city operates on \$70,000.00 per year, luckily the city had the money to pay back the county for TIF.

Clerk Request for Recording Device: Amy provided an example of a possible recording device. Olympus Digital Voice Recorder, available on amazon.com for \$69.00. She stated that it is not meant to replace written minutes, but to help more accurately record them. And if there were ever a question or dispute that the city would have them to look back on for accuracy. She stated that the recording could be either uploaded onto the city website or on a you tube channel with a link on the city website. Janis

stated that as long as the recordings were not stored on the computer that she had no problem with purchasing a recorder. The last time the city had a recorder and it was stored on the computer, it broke the computer. Barb asked if the recorder would be for minutes accuracy or for posting on the website. Amy stated both, that it is common practice to posted recorded meetings on the city website. Janis stated that she was not in favor of putting the recordings on the city website. MOTION WAS MADE BY JANIS AND SECONDED BY BARB TO PURCHASE A RECORDING DEVICE FOR A WORK RELATED PROJECT ONLY. MOTION CARRIED. Mayor Allen suggested that the recording device not be put into use until a policy is in place. MOTION WAS MADE BY MARLENE AND SECONDED BY BARB TO PURCHASE THE RECORDING DEVICE BUT NOT BE PUT INTO USE UNTIL WE HAVE A POLICY IN PLACE. MOTION CARRIED. Marlene asked that a policy be ready for the October meeting.

Employee vs. Contractor; Mayor Allen read from the League of Minnesota Cities memo; ‘Elected officials are considered to be employees by the Internal Revenue Code and need to be issued W-2s. Whether they pay into Social Security is a separate issue.’ Amy read aloud an email from the LMC; ‘elected officials are employees for tax purposes and should receive W2s and not 1099s. City council members must be paid with a W-2 form because the IRS reserves the 1099 form for independent contractors.’ Barb said that she thought the council needed more information before deciding the council members were employees or contractors. Email, IRS Publication & LMC Memo attached. MOTION WAS MADE BY BARB AND SECONDED BY MARLENE TO TABLE EMPLOYEE VS. CONTRACTOR UNTIL WE HAVE MORE INFORMATION. MOTION CARRIED. Amy said she needed to know specifically what information the council wanted her to get. Mayor Allen said the IRS publications and numbers, contact the insurance agent Mikael Christenson to find out what the threshold is to avoid paying into workers compensation. Barb stated that she wanted to know what the Office of the State Auditor thinks, how they think the city should handle this. Mayor Allen read an email from Mikael Christenson; “I discussed with underwriting how other small cities cover the elected officials with regards to how they are paid. She confirmed the elected officials are covered under the City’s policy for Liability, but if the need for work comp were to arise, we could do a New York Comp policy for \$200 min premium to cover over the elected officials.”

Payroll Services from Justin Clasen & Co; MOTION WAS MADE BY JANIS AND SECONDED BY MARLENE TO TABLE PAYROLL SERVICES UNTIL NEXT MONTH. MOTION CARRIED.

Road Fund & Building Fund-update from Barb; attached minutes from 2008. Barb stated that she could not find a motion or resolution. Mayor Allen was told that the city needed to set aside \$5,000.00 per year for the Road Fund and \$5,000.00 for the Building fund. I agree with the accountant that those fund can come out of the general fund. Since the minutes can’t be found, we need to see what has been set aside and what has been spent. Barb said to deduct the negative balances from the 2016 cash control sheet from each fund to get the remaining balances. MOTION WAS MADE BY JANIS AND SECONDED BY MARLENE TO TABLE ROAD FUND & BUILDING FUND UNTIL NEXT MONTH SO THAT A MOTION CAN BE MADE ON IT. MOTION CARRIED.

OPEN FORUM:

New Business: Liability Waiver; waiver attached. MOTION WAS MADE BY JANIS THAT WE DO NOT WAIVE THE LIMITS. MOTION CARRIED.

Larry & Marilyn Wannebo-TAXES; Larry passed around a handout-attached. He said that we are all in this together. There is something not right about taxing us if we don’t need it.

Speed Control Signage; Mayor Allen said this topic came up after telephone conversations with residents. I like the idea of speed control signs. There is a lot of traffic through our city. I checked with NJPA about buying the signs in a package. The solar powered signs are far more superior to battery powered. Everything needed is included for \$4,350.00, shipping & handling is \$220. This would have to go through Crow Wing County to put these up. We would probably have to budget about \$10,000.00 to put up two signs. All council members agreed that the signs sounded like a good idea. MOTION WAS MADE BY JANIS AND SECONDED BY MARLENE TO PURSUE GETTING QUOTES FOR SPEED CONTROL SIGNS. MOTION CARRIED.

Crosslake Police-possible contracting; Mayor Allen said that he was approached by Crosslake Police Chief Erik Lee about patrolling in Manhattan Beach. Maybe one hour per day they would patrol. If CLPD was contracted they would respond immediately. Mayor Allen asked CLPD Chief Erik Lee to get him numbers. He has not yet received any numbers from CLPD. I believe that these signs will do just as good. Janis stated that she has made multiple medical calls and CLPD has responded within 5 minutes. Both Marlene and Janis agree that the speed control signs seem to be the best first step. MOTION WAS MADE BY MARLENE AND SECONDED BY BARB THAT WE ARE NOT GOING TO PURSUE CONTRACTING WITH THE CROSSLAKE POLICE. MOTION CARRIED.

2018 Budget; Marlene, Janis & Barb all agreed that the budget should stay as it has been at \$70,000.00. MOTION WAS MADE BY JANIS AND SECONDED BY BARB TO SET THE LEVY AT \$70,000.00. MOTION CARRIED.

MOTION WAS MADE BY MARLENE AND SECONDED BY JANIS TO ADJOURN.
MOTION CARRIED. Meeting adjourned at 8:47P.M.

Amy Wannebo Clerk-Treasurer

Mayor/Council Member