



**City of Moorhead**  
**Advisory Budget Work Group**  
**Meeting Minutes**  
**April 18, 2017 at 8:30 AM**  
**City Hall – Boardroom (1<sup>st</sup> Floor)**

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Pursuant to due call and notice thereof, a regular meeting of the Advisory Budget Work Group was held in the City Hall Boardroom, on April 18, 2017, at 8:30 AM.

**Attendees:**

Council Member: Melissa Fabian  
Council Member: Joel Paulsen  
Council Member: Sara Watson Curry  
Staff: Chris Volkers, City Manager  
Wanda Wagner, Finance Director  
Amy Wohlwend, Accountant

**1. Citywide Revenue Sources Discussion**

- a. Wanda Wagner, Finance Director led a detailed discussion on all the different sources of revenue that come into the City. Local Government Aid (LGA) was the first revenue discussed and has stayed pretty much the same with no large increases anticipated. Wanda noted that there was a meeting in the past that showed the trend of the past years of LGA. The Council members present requested a link be sent to them for this meeting so they can go back and listen to it.
- b. Wanda explained that interest revenue has increased and will continue to increase as we will be doing more investing this year.
- c. Wanda explained what types of grant revenue are included in the budget. She also noted that a lot of grants are not included in the budget because they are so unknown. When a new grant is approved, then it must go to council for approval and budget adjustments are made. It was noted that most grants do have a local match. Chris Volkers, City Manager, brought up the fact that when new grants come to the council for approval, Council members should be asking questions about what the ongoing costs of the projects will be after the grant is up and this should be taken into consideration when approving the grant. Council Member Fabian brought up an idea of looking into getting some kind of grant to help the Hjemkomst Center get geothermal heat to cut down on the cost of utilities of the facility. Council Member Paulsen noted that there are grants out there through the Land and Legacy Amendment that would provide for this type of project, but that it was competitive for the funds. This is something to definitely look into.
- d. Wanda explained that the special assessment revenue that comes in is used to make the special assessment bond payments. Council Member Paulsen asked the question of whether deferred special assessments expire after a certain time. He thought he had heard they would expire after 20 years. Wanda noted that there are deferred assessments outside the city limits of about 10 million and deferred assessments within the city limits of about 36 million. Paulsen was wondering if we are at risk of losing any of that revenue because they will expire. Wanda is going to look into this and find out for sure what assessments and when they would expire.
- e. Wanda mentioned that franchise fees are made up of Xcel Energy, Cable One, and Midcontinent. Council Member Fabian noted that many people are switching from cable and this could affect our revenues in the future. We may have to keep an eye on it and try to come up with additional alternatives for any lost revenue from this.
- f. Other revenue sources that were explained included interfund transfers, reserves, other revenue, tax increments, licenses and permits, charges for services, and fines and forfeits.

## 2. Other topics

- a. The topic was brought up about maintenance of the bike paths, walking paths, roads, etc. Council Member Fabian suggested getting more community involvement in maintaining these paths or a better way of notification when things need to be maintained. Council Member Paulsen brought up that the City of Fargo has an app called FargoOne and citizens can report problems that need fixing via the app by taking pictures and sending them in. This eliminates having staff drive around and assess the conditions and also makes it easier for citizens to report problems instead of emailing their council member and then the council member having to track down the appropriate person. The members present suggested having City staff look into this type of app or some other way of communication along the same lines.
- b. There are some unbudgeted revenues that the City receives. Wanda would like to have a presentation with this group on what these revenues are and how they should be spent. One of these items is the revenue from tax forfeit lots and how it should be used. This discussion will be held once all the information is available.
- c. Chris Volkens, City Manager, let the group know that she has been having discussions with the Moorhead School District about the possibility for the school to buy the Sports Center. Because it is attached to the school and it is not locked, the school is not able to have their facility completely secure. She will be meeting with the school district in the near future to have further discussion on this topic and the future of the Sports Center.
- d. Council Member Fabian is meeting with Holly Heitkamp, Parks & Recreation Director to talk about ways we could possibly make more revenue from the Meadows Golf Course. She is also meeting with Bluestem and trying to coordinate getting the Renaissance Festival moved to Moorhead and share the revenues generated from the event.
- e. Our next meeting will be discussing the Citywide Uses. Council Member Fabian brought up a few areas that she would like clarification when we go through this.
  - i. These areas include:
    1. Printing costs - Wanda noted that the bulk of printing costs are advertising, but other things as well. Fabian said maybe the Calendar and Insights printing costs could be cut somehow.
    2. Telephone services - The City has had a detailed analysis of the telephone lines recently and those expenditures are accurate.
    3. Credit card processing fees - Chris Volkens stated that if we are paying more than 2.5%, we should look at going out for bid to get at least 2.5% or lower.
    4. Uniforms - Fabian would like clarification on who gets uniform allowances, are they bought in bulk, or is there a way to cut those costs at all.
  - ii. Council Member Paulsen asked if the City is a part of the National Joint Powers Association where we could combine and buy things in bulk at cheaper costs. Wanda stated we are a part of that and have used it in the past, as well as the State Contract, and others.

## 3. Next steps

- a. Tuesday, April 25<sup>th</sup>, at 3:30 PM, City Hall Boardroom (1<sup>st</sup> Floor)
  - i. City Wide Uses
  - ii. Debt Detail Discussion

## 4. Future Meeting Schedule

- a. Tuesday, April 25, 3:30 PM, City Hall Boardroom (1<sup>st</sup> Floor)
- b. Tuesday, May 16, 3:30 PM, City Hall Boardroom (1<sup>st</sup> Floor)
- c. Tuesday, June 20, 3:30 PM, City Hall Boardroom (1<sup>st</sup> Floor)
- d. Tuesday, July 25, 3:30 PM, City Hall Boardroom (1<sup>st</sup> Floor)
- e. Tuesday, August 15, 3:30 PM, City Hall Boardroom (1<sup>st</sup> Floor)
- f. Tuesday, September 19, 3:30 PM, City Hall Boardroom (1<sup>st</sup> Floor)