

CITY OF ERIE  
APPALE TO THE COUNCIL  
ON THE 6TH

AUGUST 06, 2013

PRESENT: Mayor Eric Christensen (absent)  
Council Members: Earl Beattie, Kurt Russell, Stacy Pascoe, Jeff Kelley  
Police Chief: Rod Mohler  
Public Wks Dir: Chuck Lloyd  
City Clerk/Treasurer: Sandy Gaydusek  
City Attorney: BJ Driscoll (absent)

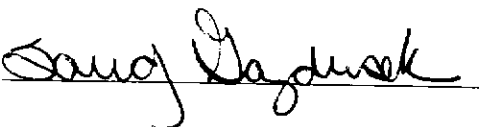
The purpose of this work meeting is to discuss the budget for the upcoming Fiscal Year beginning October 1, 2013 and ending September 30, 2014.

Earl opened the work meeting. The Council discussed the General Fund and how the bond values have decreased, and what that means to the budget. Ryan Malone from US Bank was teleconferenced. He said in May 2013, Ben Bernake came out and discussed interest rates and the investment pool. Ryan said this led to a sale of bonds which changes the value of the bonds. He said when interest rates go up the bond values go down. Ryan said all bonds are held until maturity with a maturity date of less than five years and the full principal is returned. Ryan reviewed the portfolio holdings with the Council. The Council determined the investments of corporate bonds will remain the same for the next year. Sandy said she will not budget any investment interest for the new budget year until we wait and see how the bond values change over the next year. Each department head discussed what items they will need, or have requested for the new budget year. Rod has budgeted for a new vehicle, additional training funds, etc. Chuck budgeted for a water jet pump, spreader, and a shop cut saw. Sandy budgeted for a new copier, digital recorder, computer and overhead projector. Dawn budgeted for new playground equipment. The Council agreed to consider these items during the budget hearing. A tentative budget will be presented to the Council on August 13, 2013 for consideration to adopt so it can be published for the budget hearing on September 4, 2013.

Jeff discussed what ERU's Golden Valley will need during the first phase of their business. The council determined that Golden Valley will be given 39 ERU's for phase one and then be given additional ERU's as needed. The city will initially base the ERU's on the engineers estimate, and then the wastewater discharge permit for Golden Valley will be reviewed on an annual basis and actual flow will be considered. The city will give Golden Valley up to 66 ERU's.

Adjourned 8:07 p.m.

ATTEST:



APPROVE:

