

Duluth Township Annual Meeting
Tuesday March 13, 2012

The meeting was called to order at 8:15 p.m.

Pledge of Allegiance

Nomination of Moderator: Dave Mount nominated Corlis West, Corlis accepted the nomination.

Approval of Minutes from the 2011 Annual Meeting: John Green made a motion to accept the minutes, Jana Pastika seconded. Motion passed.

Call for Bank of Deposit: Currently The Lake Bank and North Shore Bank of Commerce.

Dave Mount made a motion to retain the same two banks of deposit, Don McTavish seconded. Motion passed unopposed.

Call for Newspaper of Publication: Currently the Duluth News Tribune.

Dave Miller made a motion to accept the Duluth News Tribune, Jo Thompson seconded. Motion passed unopposed.

Call for Official Posting Places: Currently the Town Hall, Scenic Café, Fire Hall #1, Lighthouse on Homestead and the North Shore Community School.

Dave Mount made a motion to have the Town hall, Scenic Café, Fire Hall #1 and North Shore Community School as our official posting places, Janis Hooey seconded. Motion passed unopposed.

Presentation of Budgets

Dave Mount spoke on process and finances for this meeting, the difference between levied funds (money received through property taxes) and non-levied funds (money that belongs to the town and is administered by the town). Non levied funds come from grants, lease income and distributions from the State and County. The purpose for this evenings meeting is to set the levied budgets; this meeting also serves as a report on the non-levied funds received by the town.

Fund balances are not really "surpluses". Levied funds are received by the town twice a year, July and December, the year end December 31st balance reported at this meeting occurs immediately after receiving 6 months of operating money. The year end balances must last until the next operating funds are received in July.

The Community Center fund: The Township owns the building and grounds of the old North Shore Elementary School as our Community Center, that space is leased to the North Shore Community School. The lease payments received from the North Shore Community School are kept separate from other town funds and are used to cover costs of operation maintenance and improvements. A major addition was completed in 2010.

Motion to accept total budget of **\$343,496.00**: Barry Lobbestael made a motion to accept the overall budget of \$343,496.00 Danny Tanner seconded.

Police Department: Budget **\$52,595.00** as presented by Chief Shawn Padden. The budget increased slightly due to operating supply and fuel increases, next year our vehicle will be up for replacement. Achievements for the year were noted from the 2011 yearly report.

Questions: Not clear on how PERA is calculated.

Answer: Officer Peterson retired from the City of Duluth Police Department. When he retired he no longer paid into the PERA retirement system, he is now collecting his retirement from that system. Officer Peterson will now pay into Social Security instead.

Question: you have listed predatory offender checks. Do we have predatory offenders?

Answer: yes we do. They are not to the level where we have to do predatory notifications but yes we do have predatory offenders in the township.

Fire Department: Budget **\$64,250.00:** Presented by Chief Bob Engelson. In 2011 we actually spent \$114,162.97 however if you review our receipts you will note we received \$62,000.00 in grants. Out of our grant funds we purchased a set of “Jaws of Life and vehicle stabilization”, and we just completed a hose grant which gave us hose racks to store our extra fire hose.

This year Enbridge Pipeline Company donated a pick-up truck and Gold Cross Ambulance donated a retired ambulance to convert into a rescue rig. Our goal is to purchase a fast attack truck through a grant from FEMA however we have been denied 3 years in a row.

At the end of this year our entire radio system will be replaced by the new County wide ARMOR system. For the past 2 years we have set aside funds to cover any costs this might incur not covered by a FEMA radio grant.

Question: How much is the FEMA grant for the radios?

Answer: roughly \$25,000.00

Question: Does the Fire Department do a report like the Police Department?

Answer: St. Louis County does send us a copy of all our calls but often not in time for us to include on in this report.

Shawn Padden: I include all activity for the township in my report which does include the Fire Department calls.

Question: What are charges for services?

Answer: We receive funds from Alden to cover their township.

A “Thank you” to the Fire department members for all their hard work.

General Township: \$127,101.00 Presented by Dave Mount. Our year- end balance increased from \$192,690.00 to \$224,417.00 of which \$13,800 was set aside for painting of the Town Hall and Fire Hall which was delayed by weather to be completed in 2012. We completed our drainage improvement project in 2011 which has really helped cut down on water in the town hall basement.

Stephen Dahl stepped down from the Town Board this past year which left us with a Supervisor position to fill, Barry Lobbestael filled that position. Stephen Dahl’s leaving left a big hole which Barry worked very hard to fill. Dave Mount presented Barry with a small gift and thanked him for the time he spent on the Town Board. We would also like to Thank Linda Holliday who revamped the Townships website.

The general town budget for 2013 is at \$127,101.00 compared to \$148,255.00 for 2012. There were some notable increases such as the Assessor’s office which increased their financial requirement and some notable decreases in Insurance, Elections, floor maintenance and the removal of Recreation Coordinator from General budget. We maintained \$6,000.00 for lawnmowing and snowplowing at the Community Center.

There is no “pot” of money set aside for anticipation of error or breakdown in General Fund.

Question: Is that auditing a complete audit?

Answer: That is the County Auditors audit.

Planning and Zoning: \$20,550.00 presented by Sue Lawson. One of the things we are going to do in 2012 is to look at the Comprehensive Land Use Plan (comp plan) to see if we have a need to make any changes. Assistant Director John Kessler still works for the town, answers all the phone calls and reviews all land use permits as they come into the township. We have three new Planning Members, but we also have three outgoing members we would like to acknowledge and thank for their years of service: Dave Chura, Jan Green and Bill Lannon. Jan worked on the original comp plan in 1976. Our new in coming members are: Wayne Dahlberg, Don Sitter and Lynn Holatz all of whom will be starting beginning in April. Thanks to everyone for their hard work.

Our major accomplishments included looking at statutory changes, interim use permits and some errors from the first ordinance. We held a public hearing and the Town Board is now in the process of making a decision on those ordinance updates. We had a Conditional Use Hearing (CUP) for the Sami Cultural Center which was approved and a variance request from the Seeds of Hope Indoor arena which was denied. The Seeds of Hope Ranch appealed their denial and then withdrew their appeal. In 2011 there were 11 accessory

structures, 4 alterations of structure, 5 single family dwellings, 1 single family and accessory structures for a total of 21 total structures.

Question: What is the bottom line (of the document)?

Answer: mobile homes

We are deciding whether we need to update the Comprehensive Plan, it has been about 10 years since its adoption and are just now determining if we are getting where we want to go. The first step is to determine what has been accomplished and are we still headed in the right direction, we need to identify elements that can be monitored and evaluated to answer this question. The second step is to determine if there is anything that has developed since the adoption of the plan that would significantly lead the Town to change the direction or strategies of the Comp Plan.

Question: Was there a budget in 2001?

Answer: yes but it was all grant.

Thanks to Sue Lawson for all her work for the Town in Planning.

Question: Did the Town Board increase wages?

Answer: the town board used the cost of living index which comes from Social Security and adjusted the town employees according to that schedule.

The Planning Commissions stipends have not increased in years.

Cemetery: \$5000.00 presented by Dave Mount. Thank you to Dan Tanner and Val Brady for their work on the cemetery grounds and records. In 2011 we hired Molly Tillotson as the new sexton/caretaker. The Cemetery balance increased from \$16,466 to \$17,516 with the budget holding steady at \$5000.00. We do have maintenance issues looming: headstones, fences and storage building repair.

Road and Bridge: \$64,000.00 presented by Dave Miller. Dave Miller is the new supervisor taking over responsibility for roads. Dave Mount presented the budget portion of the Road and Bridge budget, Dave Miller presented the accomplishments and what we plan on doing next year.

Question: the biggest problem we had was the Olson Road?

Answer: No, the ditch is holding. One of the cut off culverts at the top of the road needs to be adjusted a bit but other than mulching the road is fine.

Question: Did you calcium chloride the West Clover Valley road last year?

Answer: Spot chloride. Chloride builds up on the roads and eventually packs the road down creating another problem with grading.

Question: are these new ditches or cleanouts?

Answer: both. There are some ditches which are very shallow, the water is going down the hill so fast the ditch is going to undermine the road so we are going to dig the ditches deeper.

Question: On the tax issue, have we had any negative feedback on the up and down on the gas tax levy.

Answer: No not on the gas tax levy. Under receipts the \$8647.33 is Road Aid applied for in 2010 but received in 2011.

The roads are in good shape we are building on what we have.

Dave Mount would like to thank Dave Miller for taking on the road department it is one of our hot button departments. Dan Tanner started working on road projects, Dave Miller has continued.

Community Education: \$2,000.00 presented by Dave Mount who began with a brief history of the Community Education fund. The department was begun with \$2000.00 seed money from the general fund has become a new item in the budget this year. The Community Education coordinators have not asked for this change but the Supervisors felt it was time the Community Education department received additional funding.

Mary Ann Sironen, Jo Thompson and Michelle Libby are the coordinators for the department. Our goal is to provide local low cost opportunities for everyone, some of the offered programs are: snowmobile, 4 wheel and hunting safety courses for kids, we also offer driver safety for ages 55 and up and we have provided informational programs for Knife and Sucker rivers. We have also partnered with our local "Locavore" program to bring additional growing and food knowledge to the Township.

Question: since we own the school why do you have to pay a fee to use the school?

Answer: we leave the lights on a little longer and the janitor has to work around us.

Dave Mount thanked Jo and Michelle for their hours and hours of work.

Recreation: \$8,000.00 presented by Dave Mount. This budget category was just created this year in response to a specific request by the electorates. Kevin Pettis was hired to fill the position and is extremely enthusiastic about the position; things at the community center are looking great. On the community center page of the budget report is a breakdown of recreation expenditures. The warming house project was funded through Congressman Dill and all volunteer effort who put the entire project together, thank you to Ray Sundberg and his team of volunteers.

Question: Was there talk about combining Community Education and Recreation together?

Answer: At one time I think there was talk but it didn't happen.

Question: If we have a Recreation budget why are we taking money out of the Community Center?

Answer: The recreation budget was set aside by the electorates at a previous annual meeting to cover the recreation coordinators wages, materials and equipment funds come from the community center.

Question: In the future do you see general maintenance of the equipment to continue to come out of the Community Center fund?

Answer: It has been a \$15,000.00 investment with \$7500.00 coming from levied funds and a matching amount coming from Community Center funds. There are many things we don't know yet we simply aren't sure how many revenues will come from concessions or other potential sources of revenue.

Question: The purpose of that capital improvement fund was for capital improvement, not for combustibles, not for things that can be used. I hope the board is keeping that in mind when the board is asked for funds.

Answer: We can certainly take that under advisement but it is beyond a capital improvement fund.

Question: I am confused about the \$8000.00 line item for 2013. It seems to me when this proposal first came forward we would start it off with \$7500.00 it would then become self supporting. So it is not self supporting and we are continuing to pay?

Answer: the board came away from that meeting with the idea that the \$7500 would be an ongoing thing.

There is a motion on the floor to accept the total budget as presented. George Sundstrom I would call the question, Carolyn Marino seconded. By hand count Yea 13 Nay 14 Motion to call the question failed.

Travis Stolp: I would like to see the township come up with a way to buy a sweeper, but I am against the township taking funds out of the community center fund. Would someone like to have someone check into the purchase of a sweeper?

Dave Miller we looked into a combination lawnmower and sweeper. Our new mower is new we decided not to do that and wait to see how things went through the year. We want a machine that does more than one thing.

Dave Mount I guess the point I would like to make is there are two places to pay for that item the first is out of the levy the second is out of the community center fund there isn't other money.

Val Brady the concession stand raised \$4000.00? No the PTA donated those funds.

Question: If we are going to buy a sweeper, we need to add to the levy today?

Answer: Yes whether we spend the money or not if we don't put the money in today.

Carolyn Marino: if it is levied does that mean my taxes are going up? I am going to retire I am not going to support my taxes going up.

Travis Stolp: I didn't intend to put it on the floor, from a volunteer's perspective I would like to see an effort even if we can go find a used one.

Dave Miller: just a point, we opted to spend money from the community center budget for a sprinkler, once we had the fields in we had to make sure the money is there, we felt the sprinkler system was more important. We had to make a choice.

Jo Thompson: when someone wants to use the gym or someone wants to use the skating rink where do those funds go?

Answer: The funds go into the community center.

9. Motion to approve the Total Budget of **\$343,496.00**. The motion to accept was made before the departments presented their individual budgets, the budget did not change so the motion to approve stands **Motion passed.**

10. Additional Funds: Recycling is paid for by Grant and managed by Carolyn Marino. Dill Grant (Warming House). Township Capital Improvement Fund, Community Center Fund. These are a reporting of balances and what we have done over the past year.

11. Set time and date of 2013 Annual Town Meeting (March 12, 2013 at 8:5 pm). George Sundstrom made the motion Dan Tanner seconded. Motion carried.

12. Set time and date for continuation of the 2012 Annual Town Meeting in the event such a meeting is necessary. August Town Board meeting (August 9, 2012 8:00 p.m). Danny Tanner made the motion Carolyn seconded. Motion passed.

Thank all people who worked on the election today.

13. Election Results: 89 residents voted
3 year term Mary Ann Sironen – 87
1 year term Mary Anne Daniel - 86

14. Concerns from the Audience

- George Sundstrom: when is the last time the township had an outside audit? Danny Tanner: in 2007/2008. George Sundstrom is there any requirement where we must have an annual audit? Janet Johansen: Once we have a levied budget of over \$500,000.00 by State Statute. Last year the state audited our books by requesting specific materials be sent to them, the Town never heard from them once the materials were sent. George Sundstrom thought it was a good idea. It is a \$5000.00 - \$6000.00 budget item to have an audit. George's suggestion is duly noted.

15. This meeting is closed not adjourned in the event this meeting will require reconvening at a later date. Meeting closed at 10:17 p.m.