

**Minutes of the Proceedings of the Commission of North Branch Water & Light
Regular Session
December 19, 2017**

CALL TO ORDER: The North Branch Water & Light Commission met in regular session and Matt Falk called the meeting to order at 3:32 p.m.

ROLL CALL: Commissioners present were Matt Falk, Cindy Erickson and Kirsten Hagen-Kennedy. Staff members present were general manager Petsche and office manager Kraemer. City Finance Director Hill and Kathy Aho from Springsted were also present.

APPROVE AGENDA: (.16)

Motion by Erickson, seconded by Hagen-Kennedy to approve the agenda as presented. All voted aye. Motion carried.

PUBLIC COMMENT: (.32)

None

Minutes (.36)

Motion by Erickson, seconded by Hagen-Kennedy to approve the minutes of the November 21, 2017 regular session meeting and the December 7, 2017 special session meeting. All voted aye. Motion carried.

Payment of Bills (1.09)

Motion by Erickson, seconded by Hagen-Kennedy, to approve payment of bills as presented. All voted aye. Motion carried.

Utility Financial Update (1.31)

Hill stated that revenue for water and electric are very similar to last month. Water expenses are tracking close to budget and electric is a little bit under. Debt Coverage and cash continue to improve.

Bond Refunding (3.17)

Kathy Aho was present to inform the commission of the status of the advanced refunding of the Build America Bond. She explained the process and some matters that came to light over the past couple of days.

Discussion.

Aho stated that a legal opinion would be very critical to moving forward.

There was discussion regarding different scenarios of advanced refunding versus waiting until 2020.

Motion by Erickson, seconded by Hagen-Kennedy, to proceed with a legal opinion before moving forward to refinance the bond. All voted aye. Motion carried.

Motion by Erickson, seconded by Hagen-Kennedy, to adopt the following resolution

RESOLUTION NO. 17-06
RESOLUTION RELATING TO THE ELECTRIC SYSTEM:
AUTHORIZING THE ISSUANCE OF UP TO \$3,000,000

ELECTRIC SYSTEM REVENUE REFUNDING BONDS,
SERIES 2017D; AND PROVIDING FOR THE EXECUTION
AND DELIVERY THEREOF.

All voted aye. Motion carried.

Discussion followed.

Wages (53.07)

Falk stated that a decision on wages didn't have to be made at this meeting but it would be nice to have it completed to avoid retroactive pay. Erickson and Hagen-Kennedy agreed. Falk informed the commission of the general manager's circumstances when he was hired.

The commission then looked over the wage information and discussed the change in wages.

Motion by Erickson, seconded by Hagen-Kennedy, to approve the following wage increases:

general manager 7%

line foreman, journey lineman, power plant manager and billing clerk 5%

water operator 3%

water foreman, office manager and city finance director 2%

All voted aye. Motion carried.

General Discussion (1.14.35)

Petsche gave a brief overview of PTO time for employees. He asked the commission if they would consider increasing the number of hours that can be carried over to the new year.

Discussion.

Motion by Hagen-Kennedy, seconded by Falk to increase the number of carry over hours from 300 to 400. All voted aye. Motion carried.

Motion by Hagen-Kennedy, seconded by Erickson to adjourn the meeting.
Meeting was adjourned at 4:58 p.m.

The next regular session meeting is January 16, 2018 at 3:30 p.m.

Cindy Erickson, Secretary