

Minutes of the Proceedings of the City Council of the City of Champlin in the County of Hennepin and the State of Minnesota  
Pursuant to Due Call and Notice Thereof

Worksession I  
July 25, 2016  
Council Conference Room

- Call to Order                    The Champlin City Council met in Worksession and was called to order by Mayor ArMand Nelson at 6:00 p.m.
- Roll Call                        Present were Mayor ArMand Nelson and Councilmembers, Kara Terry, Ryan Karasek, and Bruce Miller.
- Excused Absent: Councilmember Eric Johnson.
- Staff Present: City Administrator Bret Heitkamp, Finance Director June Johnston, Assistant Finance Director Reidun Zollicoffer, City Attorney Scott Lepak, and City Clerk Roberta Colotti.
- Approval of Agenda  
(July 25, 2016)  
Motion                         Motion by Councilmember Terry and seconded by Councilmember Miller to approve the agenda for the July 25, 2016 Worksession as presented. Voting in favor were Mayor Nelson, Councilmembers Karasek, Terry and Miller. Voting against: none. Motion carried.
- Financial Management  
Plan (FMP)                    The Finance Director reported that at the June 27<sup>th</sup> Work Session, Ehlers & Associates Representative Stacie Kvilvang presented the Council with two different methods of financing City operations, specifically including capital expenses. The City has historically used a “pay-as-you-go” or PAYGO system and the alternate is a “pay-as-you-use” PAYUSE system. The difference between the systems is the PAYGO requires savings for purchases and the PAYUSE uses bonds (debt) to fund purchases. The City has historically only used bonds for larger capital projects. It was suggested by Ms. Kvilvang that the City use bonds for all of its capital expenses. The Finance Director outlined the pros and cons of the two systems.
- Council Consensus  
It was the consensus of the Council to continue to use the PAYGO as a hybrid system with certain significant capital expenses funded through bonds.
- Adjournment                 The Champlin City Council adjourned the Worksession at 6:33 p.m.

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ArMand Nelson, Mayor

Attest:

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Roberta Colotti, CMC, City Clerk