

**Case #2: Review Stipend Paid to Various Board and Commission Members**

Finance Officer Hart stated that the Finance Committee was presented, at their April 23, 1996 meeting, with information pertaining to stipends paid to various board and commission members. At that meeting, the Committee determined it should be reviewed again. The stipend currently paid is \$25 per month to the Chair and \$20 to the other members. The EDC waives their stipends and the Charter Commission does not have any stipend offered them nor does the Fire Board.

Councilmember Beyer commented that there is only one person on the Fire Board who is a citizen volunteer, the others are members of the Fire Department and they are paid for a meeting night as the Fire Board meets on the same night as a regular Department meeting.

Ms. Hart inquired if the Committee felt that the City should increase the stipends and offer a stipend to the one citizen member on the Fire Board, the members of the EDC, and the Charter Commission.

Councilmember Beyer responded that she is in favor of increasing these stipends. This was the rate of pay originally adopted about 12 years ago. She felt it would not "break" the City to increase the stipends \$5, \$10 or \$15 a member.

\* Mayor Hardin pointed out that only six of the 42 cities interviewed pay stipends. He recalled discussion suggesting the elimination of the stipend.

\* Administrative Services Manager Waite Smith stated that the City of Rosemount is eliminating their stipends and will recognize their commission members with a volunteer dinner.

Mayor Hardin suggested that the Commission members could submit request for reimbursements for expenses if there is more than one meeting a month.

Councilmember Peterson inquired if the other cities stated what the pay was based on to which Ms. Waite Smith replied no.

\* Mayor Hardin noted that most people who are involved on a Commission do not do it for the money.

Councilmember Peterson stated he would be in favor of offering a stipend to those currently not receiving one.

Councilmember Zimmerman added that if you are a member of the Planning Commission, besides attending meetings, you are expected to visit sites also.

\* Councilmember Peterson cautioned not getting compensation mixed up with stipend. The commissioners are basically non-salaried by law. He did not know what other expenses they may incur other than travel.

Mayor Hardin inquired if it is the intent to have them fill out an expense sheet.

Ms. Hart replied they fill out their attendance sheets at the meeting.

Councilmember Zimmerman commented that the total amount paid out to them is not that much and he felt it shows them we care about them.

Motion by Councilmember Zimmerman and seconded by Councilmember Beahen to include the Horse Care Board, the Charter Commission and the volunteer on the Fire Board in the offer of stipend and that they have the opportunity to turn it back in to the City or to keep it.

Motion carried. Voting Yes: Mayor Hardin, Councilmembers Zimmerman, Beahen, Beyer and Peterson. Voting No: None.

Motion by Councilmember Beyer and seconded by Councilmember Zimmerman to recommend Council increase the amount of stipend for Commissioners, effective July 1, 1996, to \$30 for the Chair and \$25 for the rest of the members.

Further discussion: Councilmember Zimmerman commented that it's been quite awhile since we have looked at what's happened here. Inflation is a part of it. He did not want the commissions to feel like we are forgetting about them. Let them know we appreciate them -boost their morale.

Motion carried. Voting Yes: Mayor Hardin, Councilmembers Beyer, Zimmerman, Beahen and Peterson. Voting No: None.

**Case #3: Consider Policy for Donations of Property or Cash (Unsolicited and Solicited)**

Finance Officer Hart pointed out that over the years, the City has accepted a wide variety of donations in the form of property, cash designated for specific purposes and cash for unidentified purposes. Some of these donations have been solicited, others are given as a good will gesture. While this is a common practice for cities, it is recommended that a policy be in place, especially with the ethics laws that were passed in recent legislative sessions. There is also the perception issue of someone other than the City Council making these types of decisions. Certain departments have been receiving donated property over the years that have not made it onto the list of fixed assets. These assets would not be currently funded on an annual basis for replacement purposes. Ms. Hart reported that she surveyed a number of cities plus the League of Minnesota Cities and most did not have a written policy in place. Some of the policies and practices in other organizations did not allow for the donation of actual property, but rather required the donation in the form of cash with designations attached. She suggested that the policy should detail the steps that must be taken when someone wishes to donate property or cash to the City and when any City representative solicits a donation (other than those authorized for specific events and approved during that process). The policy should also take into consideration the cost benefit of accepting certain donations (maintenance, insurance, staff time, and other associated costs). She presented a draft policy for review and comment.

Councilmember Zimmerman inquired if the City has received any major donations in the last ten years.

Mr. Hart replied yes - mainly the Fire Department - things we didn't know about until they came to see if a new one was funded.

Mr. Schroeder stated that we are not saying it's bad to receive donations and, generally, the Fire Department has been very good about informing us of these things. He suggested that a gift costs the City about 10% the cost of it per year.

Councilmember Zimmerman suggested that more damage could be done by refusing a donation.

Councilmember Peterson commented on a couple of donations and added that adopting this would offer a procedure to follow.