

**CITY OF CHATFIELD PERSONNEL / BUDGET COMMITTEE**  
**AGENDA**  
**City Council Chambers, 21 SE Second Street, Chatfield, MN 55923**  
**July 14, 2025, 4:30 P.M.**

- A. Minutes
  - 1. [June 9, 2025 Personnel budget Meeting Minutes](#)  
Review minutes from previous meeting.
- B. Financial Report
  - 1. [June Financial Report](#)  
Review the report as presented.
- C. Continued Business
  - 1. [Water and Sewer Billing](#)  
Consider amendment to billing for the Sewer Utility to align with current ordinances, additional consideration for amending the fee schedule for both Water and Sewer Utilities.
- D. New Business
  - 1. [Resolution 2025-39 Resolution to Establish Water & Wastewater Capital Reserve Funds](#)  
Consider recommendation for council approval.
  - 2. [Personnel Policy Amendment - Section 8.06](#)  
Consider recommendation of drafted amendments.
  - 3. [Service Recognition Program](#)  
Review current policy.
  - 4. [Ambulance Billing Proposal](#)  
Consider recommendation to switch billing companies.



## PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

**Meeting Date:** July 14, 2025

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**Agenda Item:** June 9, 2025 Personnel budget Meeting Minutes

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**Subject | Summary:**

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**Agenda Category:**

**Submitted By:** Michele Peterson

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**Recommended Motion:** Review minutes from previous meeting.

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**Community Engagement and Outreach:**

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**FISCAL IMPACT:**

**Amount:**

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:**

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):**

**Account Code:**

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**Background:**

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**Attachments:**

[2025.06.09 Personnel-Budget Notes.pdf](#)

**Personnel-Budget Committee Meeting Notes****June 9, 2025****Members Present:** Councilor Paul Novotny**Members Absent:** Councilor Mike Urban**Others Present:** Kay Wangen, Beth Carlson, Brian Burkholder, and Michele Peterson.**A. Minutes**

1. Minutes of the May 12, 2025, meeting: Minutes were accepted as presented.

**B. Financial Report**

1. Proposed updates to Finance Policies & Reporting: Kay Wanen reviewed the proposed changes in verbiage, formatting, and Fund balance reflective of annual expenses rather than revenues. It was recommended to forward the discussion to the City Council for June 23<sup>rd</sup>.
2. May Monthly Financial Report: The May Financial report was accepted as presented.

**C. Continued Business**

1. Water and Sewer Billing: Details on suspending the rounding program currently in place were reviewed, as well as the option for property owners to purchase and install a second meter for irrigation purposes. Further review of expenditures and capital plans will take place, ensuring the proper rates are implemented for 2026. Discussion to be continued.

**D. New Business**

1. E&J Underground Lease Agreement: A draft lease agreement was presented for discussion. The agreement will be sent to Council for approval at the June 23<sup>rd</sup> meeting, authorizing a six-month lease agreement.
2. Public Works Job Description Updates: The proposed updates to the Job Descriptions were reviewed, with no concerns noted. Discussion will be forwarded to the City Council on June 23<sup>rd</sup> with the recommendation for approval.

**E. Other**

1. Granicus Proposal: A proposal to update the city website to a .gov site was received. Administrator Peterson will move forward with accepting the quote and updating the domain.
2. CCTV Discussion: A discussion for the transfer of CCTV to the school will be included in the June 23<sup>rd</sup> Committee of the Whole as well as the City Council meeting that evening.



**PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT**

**Meeting Date:** July 14, 2025

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**Agenda Item:** June Financial Report

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**Subject | Summary:**

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**Agenda Category:**

**Submitted By:** Michele Peterson

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**Recommended Motion:** Review the report as presented.

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**Community Engagement and Outreach:**

---

**FISCAL IMPACT:**

**Amount:**

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:**

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):**

**Account Code:**

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**Background:**

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**Attachments:**

[Monthly Finance Cash & Investment Report.2025 06.pdf](#)

Monthly Finance Cash & Investment Report		Jun-25		Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25	Jun-25
100	100 GENERAL FUND	\$ 904,990.95	\$ 1,132,965.16	\$ 534,817.99	\$ 1,503,138.12	53%   YE 50% NY GF Expense Budget or \$1million wchvr >				<div>General Fund Key</div> <div>YE FndCshBlncRvwKey</div> <div>FndBlnc in Range 40-60%</div> <div>SlightVrnce &lt;=10% (10-39%   61-70%)</div> <div>SgnfctVrnce &gt; 10% (&lt;30% &gt;70%)</div>	
211	211 LIBRARY	\$ 35,336.15	\$ 119,087.07	\$ 23,815.26	\$ 130,607.96	39%   YE 20-40% NY expense bdgt.					
212	212 LIBRARY ENDOWMENT FUND	\$ 287,751.19	\$ 4,520.80	\$ -	\$ 292,271.99						
220	220 FIRE - OPERATIONS FUND	\$ 59,425.50	\$ 39,251.51	\$ 18,225.38	\$ 80,451.63	48%   YE 20-40% NY expense bdgt   Annl Twnshp Pymnts					
221	221 FIRE - CAPITAL FUND	\$ 877,112.63	\$ 23,637.11	\$ -	\$ 900,749.74						
230	230 AMBULANCE - OPERATIONS FUND	\$ 160,766.96	\$ 97,951.92	\$ 43,040.26	\$ 215,678.62	48%   YE 20-40% NY expense bdgt   Inclds Emgncy Aid  Annl Twnshp Pymnts					
231	231 AMBULANCE - CAPITAL FUND	\$ 35,005.53	\$ 25,444.47	\$ -	\$ 60,450.00						
240	240 COMMUNITY DEV - OPERATIONS	\$ (27,634.72)	\$ 195,963.77	\$ 135,247.45	\$ 33,081.60	19%   YE 20-40% NY expense bdgt   Annl Alliance Fndng  Slightly Low					
242	242 COMMUNITY DEV - CPTL   358 DG OFFSE	\$ 432,340.32	\$ 36,046.08	\$ -	\$ 468,386.40	801PF \$22,725 Rltn 2025-17 & Schnfldr land rent					
250	250 CCA - OPERATIONS FUND	\$ (19,013.51)	\$ 39,416.68	\$ 4,583.10	\$ 15,820.07	20%   YE 20-40% NY expense bdgt  Annl Mnt Cntrc & Ins + Elvtr Rpr Gas Ln Lk WHV Frz					
251	251 CCA - CAPITAL FUND	\$ 85,805.38	\$ 3,602.82	\$ -	\$ 89,408.20						
323	323 2023A GR&PR   623wtrDS  1MoRsv	\$ 234,285.52	\$ 27,716.17	\$ -	\$ 262,001.69						
325	325 2025A 2026 STRT PRJCT	\$ -	\$ -	\$ -	\$ -						
332	332 2012A-WATER TOWER GO REF 200	\$ 84,051.09	\$ 22,661.11	\$ -	\$ 106,712.20						
334	334 2014A STREET/UTILITY RECONST	\$ -	\$ -	\$ -	\$ -	Cmplt-Close Rsltn 2025-09 MAR 2025					
335	335 2016A REF10A&11A  20%GF  1MoR	\$ 156,458.34	\$ 176,281.31	\$ -	\$ 332,739.65						
336	336 2016B (WTR) 425K GO REV  337SW	\$ 23,242.12	\$ 12,769.55	\$ -	\$ 36,011.67						
338	338 2017A (GF)457K GO TX ABT (IND)	\$ -	\$ -	\$ -	\$ -	Cmplt-Close Rsltn 2025-09 MAR 2025					
339	339 2017B (WTR) GO UTIL REV (IND)	\$ 7,641.59	\$ 7,629.09	\$ -	\$ 15,270.68						
340	340 2018A GO POOL BOND	\$ 111,689.78	\$ 159,339.56	\$ -	\$ 271,029.34						
342	342 2019A GO TAX ABTMNT. ST LIGHT	\$ 31,347.92	\$ 18,984.63	\$ -	\$ 50,332.55						
343	343 2022A StrmGF 18% (wtr82%303)	\$ 88,324.29	\$ 30,504.30	\$ -	\$ 118,828.59						
344	344 2022B TXGO CIP PWFAC	\$ 8,699.76	\$ 36,101.59	\$ -	\$ 44,801.35						
355	355 TIF DIST 2-7 GJERE ADDITION	\$ (1,523.69)	\$ 582.94	\$ 16.92	\$ (957.67)						
356	356 TIF DIST 3-6 GRNDST APT RDV	\$ 130.59	\$ 1.66	\$ -	\$ 132.25						
358	358 TIF DIST 2-5 FAMILY DLLR   242	\$ (299,988.58)	\$ 8,689.91	\$ 3,781.69	\$ (295,080.36)						
359	359 TIF DIST 2-6 CABIN COFFEE REDE	\$ 46.42	\$ 6,385.81	\$ 6,184.37	\$ 247.86						
360	360 REV LOAN FUND - FED/ORIG	\$ 163,169.47	\$ 4,250.96	\$ -	\$ 167,420.43						
361	361 REV LOAN FUND - STATE	\$ 92,913.37	\$ 1,182.70	\$ -	\$ 94,096.07						
423	423 2023A PRSPCT&GRAND ST PROJ	\$ -	\$ -	\$ -	\$ -	Cmplt-Close to 423 Rsltn 2025-06 FEB 2025					
425	425 2025A 2026 STRT PRJCT	\$ -	\$ -	\$ -	\$ -						
443	443 2022A StrmGF 18% (wtr82%403)	\$ -	\$ -	\$ -	\$ -	2025-30 05/2025 Close to 343					
456	456 WHDP GRND ST APT DVLPMNT	\$ -	\$ 316,666.66	\$ 316,666.66	\$ -						
601	601 WATER FUND	\$ 93,252.86	\$ 59,900.97	\$ 89,580.49	\$ 63,573.34	12%   YE 20-40% NY expense bdgt   Slightly Low-Incl  \$150,000 IFL frm 602 12/2024   Project #601WT					
602	602 SEWER FUND	\$ 328,883.59	\$ 107,599.61	\$ 173,457.62	\$ 263,025.58	25%   YE 20-40% NY expense bdgt					
603	603 REFUSE (GARBAGE) FUND	\$ 27,283.13	\$ 29,406.52	\$ 28,362.49	\$ 28,327.16						
614	614 CABLE ACCESS - OPERATIONS FUN	\$ 60,370.33	\$ 9,631.21	\$ 4,965.37	\$ 65,036.17	97%   YE 20-40% NY expense bdgt   Will be closing & Splitting with School					
615	615 CABLE ACCESS - CAPITAL FUND	\$ 16,394.21	\$ 1,715.05	\$ -	\$ 18,109.26						
801	801 CAPITAL GOODS FUND	\$ 1,100,586.25	\$ 389,462.42	\$ 382,683.69	\$ 1,107,364.98						
803	803 ATV TRAIL	\$ -	\$ 5,300.28	\$ 5,300.28	\$ -						
806	806 SE MN TMO-II	\$ (20,604.43)	\$ -	\$ 45,507.51	\$ (66,111.94)	806 Added 04/2024   Pndng Qtrly Reimb					
900	900 MEMO FUND	\$ 19,571.11	\$ 51,570.01	\$ 71,141.12	\$ -						
910	910 PAYROLL PASSTHROUGH	\$ (17,450.14)	\$ 96,755.45	\$ 92,912.19	\$ (13,606.88)						
BANYON	Banyon Monthly Fund Cash Balance   Combin	\$5,140,661.28	3,298,976.86	1,980,289.84	\$6,459,348.30						

Cash & Money Fund Accts	Description	BB   OrigVI	(+)	(-)	End Bal
10200	Petty Cash	\$ 150.00			\$ 150.00
10100   4100078	RRSB CB STMNT BLNC	\$ 798,401.06	\$ 2,569,252.58	\$ 884,062.14	\$ 2,483,591.50
10101   4000008	F&M MM	\$ 118,295.19	\$ 53,221.17	\$ 50,000.00	\$ 121,516.36
10102   767-154947	Northland MM	\$ 1,073,057.54	\$ 4,269.05		\$ 1,077,326.59
10104   35529-101	4M Portfolio	\$ 788,879.38	\$ 102,992.24		\$ 891,871.62
Subtotal	Institution Cash & Money Fund Accts Total	\$ 2,778,783.17	\$ 2,729,735.04	\$ 934,062.14	\$ 4,574,456.07

CD's   Bonds #	Description	BB   OrigVI	(+)	(-)	End Bal   OrigVI
10402   02589A-BM-3	AMRCN EXP NATL BK - Mtrd Mar 2025	\$ -			\$ -
10402   856285-TQ-4	STATE BK INDIA NEW - Mtrd May 2025	\$ -			\$ -
10101   33847E-3L-9	FLAGSTAR BK FSB TROY - Mtrd May 2025	\$ -			\$ -
10401   702091	F&M CD 60Mo	\$ 50,000.00	\$ 3,088.79	\$ 53,088.79	\$ -
10400   35668	CD 35668 - 60MO - Mtrd Jun 2025	\$ 50,000.00	\$ 3,066.96	\$ 53,066.96	\$ -
10400   35671	CD 35671 -60MO	\$ 425,000.00	\$ 36,338.62	\$ 461,338.62	\$ -
10400   35954	LIBRARY 14Mo	\$ 174,286.88			\$ 174,286.88
10402   73319F-AS-8	PPPY BK SNTA RSA - 66Mo	\$ 200,000.00			\$ 200,000.00
10401   702108	F&M CD 60Mo	\$ 130,000.00			\$ 130,000.00
10401   702127	F&M CD 60Mo	\$ 250,000.00			\$ 250,000.00
10401   702128	F&M CD 60Mo	\$ 250,000.00			\$ 250,000.00
10402   300185-LM-5	EVGRN BK GRP OAK BOOK IL - 42Mo	\$ 140,000.00			\$ 140,000.00
10402   564759-RS-9	MNFCTRS&TRDRS CO - 48Mo	\$ 245,000.00			\$ 245,000.00
10402   T-FN-2	CPTL ONE BK USA NTL - 60Mo	\$ 100,000.00			\$ 100,000.00
10402   61768E-JR-5	MRGN STNLY PRVT BK NATL ASSN - 60Mo	\$ 113,000.00			\$ 113,000.00
10402   254673L38	DSCVR BK GRNWD - 60Mo	\$ 100,000.00			\$ 100,000.00
10402   3130ASN96	APY FDRL HM LN BKS - 84 Mo	\$ 200,000.00			\$ 200,000.00
10402   3130ATGQ4	FDRL HM LN BKS - Called Feb 2025	\$ -	\$ -		\$ -
Subtotal		\$ 2,427,286.88	\$ 42,494.37	\$ 567,494.37	\$ 1,902,286.88

TOTAL	Institution Combined Cash   Money Fund &	\$ 5,206,070.05	\$ 2,772,229.41	\$ 1,501,556.51	\$ 6,476,742.95
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Monthly Reconciliation				
Beg	(+)	(-)	End Bal	
DEPOSITS IN TRANSIT (BEG.) +bb/+ex	\$ -		\$ -	0.00
DEPOSITS IN TRANSIT (END.) +rev/+eb		\$ -		0.00
OUTSTANDING CHECKS (BEG) -bb/-ex	\$ (65,408.77)		\$ (65,408.77)	0.00
OUTSTANDING CHECKS (END) +ex/-eb			\$ 17,394.65	-17,394.65
MONTHLY RECONCILIATION TOTALS	5,140,661.28	2,772,229.41	1,453,542.39	6,459,348.30
OUT OF BALANCE AMOUNT	\$ -	\$ 526,747.45	\$ 526,747.45	\$ -
ACTL OpsCB BLNC	mm Blnc Gdln \$750,000 (3yr avg mnthly ops wd)		98%	\$ 2,466,196.85

CB Blnc Frmt Key:

Prj# Dept	Reserve Fund "Bucket" Detail	Beg	(+)	(-)	End Bal	Comment	% of Portfolio by Institution	EB   Est. Crntt Value
801CD 42500	Civil Defense 39226	\$ -			\$ -	To 801SEQ	40% RRSB	\$ 2,662,864.14
801CHP 43100	Chip Sealing 39214   Crckfllng	\$ 92,511.98	\$ 12,592.36	\$ 29,025.50	\$ 76,078.84		12% F&M	\$ 772,954.47
801CLK 41500	Administration *use \$7,000 for MN DOT Prprty	\$ 36,780.61	\$ 3,005.89		\$ 39,786.50	E&J Rmb MnDOT PrpSoilTest	34% Northland	\$ 2,274,433.61
801CMP 41910	Comprehensive Plan	\$ 13,183.66	\$ 169.79		\$ 13,353.45		14% 4M	\$ 891,871.62
801EnD 41100	Enterprise Drive -39101 (Sale Fxd Asst -500 Rebat	\$ 30,413.77		\$ 30,413.77	\$ -	Rsltn 2025-42 To 242HTBI	100% TTL Holdings	\$ 6,602,123.85
801HRT 46323	Heritage 39201 (Haven Wall Funding)	\$ -			\$ -	Rsltn 2025-15 To 242		
801HS 41200	Historical Society R 34030  frm 100-41200-450	\$ 28,747.32	\$ 370.23		\$ 29,117.55			
801HT4 43100	Hilltop 4th Escrw   R 32214   E 310	\$ (1,004.79)		\$ 12.94	\$ (1,017.73)			
801IT 49950	IT Shared Tech 39204   435 500 (Server / Comp /	\$ 17,931.56	\$ 5,282.46	\$ 1,000.00	\$ 22,214.02	Cisco SmartNet	Est BB   Face Value \$ 6,346,736.00	
801MB 41940	Municipal Building 39220 (Inc SNR CTZNS RES 2	\$ 130,506.21	\$ 9,333.08		\$ 139,839.29		EB   Est. Crntt Value \$ 6,602,273.85	
801OVR 43100	Overlay 39215 (Incl Small Cities Assist - Should gc	\$ 94,433.26	\$ 9,066.01		\$ 103,499.27		Est Yield 4.03%	
801PD 42110	Police 39206 Vehicls & Cmptre Equip / Sftwr	\$ 228,388.08	\$ 12,541.97		\$ 240,930.05	Body Cam Dplymnt	vg 3Mo Daily Trsry Par Yield Curve Rate 4.41%	5/30/2025
801PF 46630	Parade Float   Tourism 39201	\$ -			\$ -	Rsltn 2025-17 To 242	Slightly Short -0.38%	
801PRK 45200	Park Imp & Ded. Fees 39219   37252   500 (inc BND Shl	\$ 108,704.16	\$ 13,777.81	\$ 4,901.32	\$ 117,580.65	BNNR   MCP GATE	home.treasury.gov/resource-center/data-chart-center - Daily Treaury Par Yield Cur	
801SEQ 43100	Street Equip 39221   550 / Signs 240   39260 / Tre	\$ 85,543.75	\$ 26,687.22	\$ 64.32	\$ 112,166.65	LMCIT-ACT < Quote   Snwpsshr		
801SP 45124	Swimming Pool 39201   500	\$ 109,259.31	\$ 4,572.39		\$ 113,831.70			
801SS 43100	Storm Sewer 39227   408 763 765	\$ 18,154.35	\$ 10,241.38	\$ 9,412.11	\$ 18,983.62	2024 FLDNG STRM		
801SWK 43100	SDWLK 39213 SIDEWALK   CROSSWALK	\$ 10,822.26	\$ 6,750.00	\$ 34,020.98	\$ (16,448.72)	Pdstrn Ramps		
801UND 41100	Legislative Undesignated   39201   500	\$ 95,523.17	\$ 1,230.24		\$ 96,753.41			
PDBRDG 45200	Pedestrian Bridge 45200)	\$ 687.54	\$ 8.85		\$ 696.39			
801 CAPITAL GOODS FUND		\$ 1,100,586.20	\$ 115,629.68	\$ 108,850.94	\$ 1,107,364.94	\$ 1,107,364.98		

Meeting Date: July 14, 2025

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**Agenda Item:** Water and Sewer Billing

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**Subject | Summary:**

- Consider request to move to billing for actual usage.
- Consider a new rate structure set to promote conservation, and ensure adequate coverage for fixed costs.

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**Agenda Category:** Continued Business

**Submitted By:** Michele Peterson

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**Recommended Motion:** Consider amendment to billing for the Sewer Utility to align with current ordinances, additional consideration for amending the fee schedule for both Water and Sewer Utilities.

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**Community Engagement and Outreach:**

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**FISCAL IMPACT:**

**Amount:**

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:**

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):**

**Account Code:**

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**Background:**

- Current billing procedure takes the actual usage amounts for January through March to determine an average for the remainder of the year. If actual usage is less than the average the customer is billed for actual usage. If actual usage is higher than the average, then the average usage is billed.
    - This practice allows for approximately 6,000,000 gallons a year not billed for.
  - The proposed rate structure would promote and encourage conservation, while ensuring that fixed costs for the utility are covered.
- 

**Attachments:**

[2025 Water and Sewer Review of Rates.pdf](#)

**Estimated Monthly Examples**

Less than 1000 Gallons monthly		Gallons per Month	Current Rates	Proposed Rates	Change
	Water Usage	720	\$ 19.53	\$ 22.52	\$ 2.99
	Sewer Usage	720	\$ 50.00	\$ 54.16	\$ 4.16
	Water Usage	55	\$ 19.53	\$ 20.19	\$ 0.66
	Sewer Usage	55	\$ 50.00	\$ 52.17	\$ 2.17
Users with 1000-2000 Gallons monthly					
	Water Usage	1437	\$ 19.53	\$ 25.03	\$ 5.50
	Sewer Usage	1437	\$ 50.00	\$ 56.31	\$ 6.31
	Water Usage	1867	\$ 19.53	\$ 26.53	\$ 7.00
	Sewer Usage	1867	\$ 50.00	\$ 57.60	\$ 7.60
Users with 2000-5000 Gallons monthly					
	Water Usage	2785	\$ 24.88	\$ 31.55	\$ 6.68
	Sewer Usage	2785	\$ 58.42	\$ 64.44	\$ 6.01
	Water Usage	4359	\$ 35.59	\$ 40.68	\$ 5.09
	Sewer Usage	4359	\$ 75.31	\$ 77.34	\$ 2.03
Users with 5000-7500 Gallons monthly					
	Water Usage	5808	\$ 45.46	\$ 50.86	\$ 5.40
	Sewer Usage	5808	\$ 90.86	\$ 92.70	\$ 1.84
	Water Usage	7136	\$ 54.51	\$ 61.49	\$ 6.98
	Sewer Usage	7136	\$ 105.11	\$ 109.30	\$ 4.19
Users with 7500-10000 Gallons monthly					
	Water Usage	7921	\$ 59.85	\$ 67.77	\$ 7.92
	Sewer Usage	7921	\$ 113.53	\$ 119.11	\$ 5.58
	Water Usage	9798	\$ 72.63	\$ 82.78	\$ 10.15
	Sewer Usage	9798	\$ 133.67	\$ 142.58	\$ 8.90
Users with over 10000 Gallons monthly					
	Water Usage	10372	\$ 76.54	\$ 87.38	\$ 10.83
	Sewer Usage	10372	\$ 139.83	\$ 149.75	\$ 9.92
	Water Usage	52379	\$ 362.61	\$ 423.43	\$ 60.82
	Sewer Usage	52379	\$ 590.57	\$ 674.84	\$ 84.27

Current Water Rates	
Cost Per Gallon	0.00681
Base Charge	\$ 19.53
Total Est. Rev	\$ 478,651.83
2025 Fixed Expenses	\$ 453,881.00
2025 Variable Expenses	\$ 85,252.00
2025 Total Expenses	\$ 539,133.00

Proposed Water Rates	
0-2000 Gallons	0.0035
2000-5000 Gallons	0.0058
5000 and above	0.008
Base Charge	\$ 20.00
Total Est. Rev	\$ 542,816.70

Current Sewer Rates	
Cost Per Gallon	0.01073
Base Charge	\$ 50.00
Total Est. Rev	\$ 1,032,443.86
2025 Fixed Expenses	\$ 986,846.00
2025 Variable Expenses	\$ 108,659.00
2025 Total Expenses	\$ 1,095,505.00

Proposed Sewer Rates	
0-2000 Gallons	0.003
2000-5000 Gallons	0.0082
5000 and above	0.0125
Base Charge	\$ 52.00
Total Est. Rev	\$ 1,058,316.38



## PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

**Meeting Date:** July 14, 2025

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**Agenda Item:** Resolution 2025-39 Resolution to Establish Water & Wastewater Capital Reserve Funds

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**Subject | Summary:** Establish / reestablish capital reserve funds for the water and wastewater departments. This aligns with the practice of accommodating separate operations and capital funds cash balances.

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**Agenda Category:** New Business

**Submitted By:** Michele Peterson

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**Recommended Motion:** Consider recommendation for council approval.

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**Community Engagement and Outreach:**

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**FISCAL IMPACT:**

**Amount:**

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:**

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):** 601 - Water Operations | 611 - Water Capital Reserve  
602 - Wastewater Operations | 612 - Wastewater Capital Reserve

**Account Code:**

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**Background:** In 2020 the operations and capital reserve funds were combined. It has been determined that combined operations and reserve funds do not sufficiently accommodate administrative planning and tracking of cash balance performance.

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**Attachments:**

[Resolution 2025-39 Establish Water & Waste Water Capital Goods Funds.pdf](#)



**City of Chatfield**  
**Resolution 2025-39**  
**Authorize Establishment of Water & Wastewater Capital Reserve Funds**

**Whereas,** the City of Chatfield uses a Fund Accounting system of tracking revenues, expenses, and cash balances relating to various activities, projects, and obligations, and

**Whereas,** the annual budget may be amended by the City Council due to omissions, corrections, or unanticipated expenditures or revenues; and

**Whereas,** the City of Chatfield authorizes the transfer of funds to meet its budgetary obligations, and

**Whereas,** the administrative practice is to have separate funds designated for operations and capital goods reserves for each department for planning, budgeting and monitoring cash balances.

**Now Therefore, Be It Resolved** that the City Council authorizes the following:

1. Establishment / reestablishment of water and wastewater capital reserve funds to provide for ongoing capital goods replacement to sustain the water and wastewater utilities.
2. Administration shall establish in the City's accounting records:
  - a. 611 Water Capital Reserve Fund
  - b. 612 Wastewater Capital Reserve Fund
3. Annual payments (transfers) will be deposited into the capital funds from the operations fund in the amount determined during the annual budgeting process to build a fund balance to provide for future major capital repair and maintenance of water and wastewater equipment and infrastructure for budget year 2026 forward.
4. Also, if the year-end balance of the corresponding operations funds (601 & 602) reach / exceed the cash flow guideline of 20-40% of the following year's expenditure budget, authorization may be requested to transfer "excess" funds to the capital reserve funds.

Approved by the Chatfield City Council this \_\_\_<sup>th</sup> day of July 2025.



## PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

**Meeting Date:** July 14, 2025

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**Agenda Item:** Personnel Policy Amendment - Section 8.06

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**Subject | Summary:** Amendments for section 8.06 of the City of Chatfield Personnel Policy are noted in green print.

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**Agenda Category:**

**Submitted By:** Michele Peterson

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**Recommended Motion:** Consider recommendation of drafted amendments.

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**Community Engagement and Outreach:**

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**FISCAL IMPACT:**

**Amount:**

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:**

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):**

**Account Code:**

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**Background:**

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**Attachments:**

[Personnel Amendment.docx](#)

## Section 8.06 Non-Exempt (Overtime-Eligible) Employees

The city recognizes some employees may be required to work extra hours in emergency situations and during peak workload periods. The scheduling and payment of compensatory time or overtime will be in accordance with the applicable Fair Labor Standards Act and the following:

- The immediate supervisor must give specific approval prior to its being earned or used.
- Pre-authorization may be presumed by employees in emergency situations such as excess snowfall, flood, severe storms, water main breaks, lift stations malfunctions or other similar situations where the immediate response of staff is required to avert endangerment of life, home, or property.
- Compensatory time off must receive prior approval from the immediate supervisor. The supervisor will normally consider workload and the potential for service interruptions when deciding whether it is possible to grant the time off. Compensatory time must be used or paid in cash in the same calendar year in which it is earned. If any compensatory time is remaining at the time of processing the last payroll of the calendar year, the cash value of that compensatory time will be paid to the employee with their regular pay.
- Hourly employees will be compensated at one and one-half (1 ½) times the regular full time employee's regular base pay rate for hours worked in excess of the employee's regularly scheduled shift. Public Works shifts are typically eight hours, and the Police Department shifts are typically 12 hours.
- Overtime hours worked shall be paid either in the form of salary during the pay period in which they were earned or as compensatory time off at the employee's choice. Compensatory time will be earned at a rate of one and one-half (1 ½) times the actual overtime hours worked. Compensatory time may be accumulated to a maximum of Eighty 80 hours for Administration and Public Works / Eight Four (84) hours for PD. Compensatory time will be taken off in the same manner as PTO.
- Overtime will be calculated to the nearest fifteen (15) minutes.
- **Public Works:**
  - If an employee is asked to work before or after the 7:00 a.m. – 4:30 p.m. timeframe, and if that work does not result in overtime pay, the hours worked before or after 7:00 a.m. – 4:30 p.m. will be paid at a rate of 1.10 times the regular rate of pay. (For example, if an employee begins plowing snow at 4:00 a.m. and stops working at 12:00 noon, which would be an eight-hour day, the hours worked between 4:00 a.m. and 7:00 a.m. will be paid at a rate that is 10% higher than the employee's regular rate of pay.)
  - **Public Works staff members will work on a rotating schedule to complete the monitoring and adjustments as necessary for the wells and wastewater treatment facility. For this a staff member will be paid two hours of overtime pay for each day. Additionally, pool rounds will constitute one additional hour at the overtime rate of pay.**
  - **Public works staff members who need to take a phone call or address an alert from the SCADA system will receive 15 minutes of regular pay per incident.**
  - **If public works staff are called out to respond to matters outside of normal working hours, they will be paid a minimum of two hours at their overtime rate of pay.**



## PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

**Meeting Date:** July 14, 2025

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**Agenda Item:** Service Recognition Program

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**Subject | Summary:** Past practice has been to provide "Chatfield Dollars" to team members with a 5, 10, 15, 20, 25, 30, and 35 year anniversaries as a service recognition. The service recognition policy is an important one, however should consideration be given to providing a cash payment in lieu of the "Chatfield Dollars."

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**Agenda Category:**

**Submitted By:** Michele Peterson

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**Recommended Motion:** Review current policy.

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**Community Engagement and Outreach:**

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**FISCAL IMPACT:**

**Amount:**

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:**

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):**

**Account Code:**

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**Background:**

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**Attachments:**



## PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

**Meeting Date:** July 14, 2025

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**Agenda Item:** Ambulance Billing Proposal

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**Subject | Summary:**

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**Agenda Category:**

**Submitted By:** Michele Peterson

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**Recommended Motion:** Consider recommendation to switch billing companies.

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**Community Engagement and Outreach:**

---

**FISCAL IMPACT:**

**Amount:**

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:**

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):**

**Account Code:**

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**Background:**

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**Attachments:**

[Ambulance Billing Discussion.pdf](#)

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**INTEROFFICE MEMORANDUM**

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**TO:** CHATFIELD CITY COUNCIL  
**FROM:** ROCKY BURNETT  
**SUBJECT:** BILLING COMPANY CHANGE  
**DATE:** 7/9/2025  
**CC:**

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The ambulance department is looking to change their billing company. We currently use a company called Expert Billing, our level of satisfaction with them has gone down hill over the last year. Within the last two weeks we have found out that they may be going out of business. I have been looking for a good option to transition to for the last couple of months. With the thought that they may be closing it has brought a little more urgency to the manner. I met virtually with some representatives from Hometown Billing on Wednesday 7/9 and had a good feeling about them and their business model. They are a Minnesota based company that many of the services that use Expert Billing have transition to.

I am recommending we transition from Expert Billing to Hometown Billing. I believe they are a good company that could help increase the amount of revenue we recover from our billing and would have better communication with.

I have attached the welcome letter along with the contract needed to enter into agreement with them. I plan to be at the committee meeting along with council meeting to answer any questions you may have.

As always thanks for your consideration in this matter.

Rocky Burnett



This Agreement is effective \_\_\_\_\_ by and between Chatfield Ambulance Services and Hometown Billing LLC., 1295 Northland Dr., Suite 210, Mendota Heights, MN 55120.

In this Agreement, the party who is contracting to receive services shall be referred to as "Client" and the party who will be providing the services shall be referred to as "Hometown Billing".

Hometown Billing LLC has extensive training and background in medical accounts receivable billing and management and is willing to provide service to Client based on this background.

Client desires to have services provided by Hometown Billing.

Therefore, the parties agree as follows:

1. **DESCRIPTION OF SERVICES.** Beginning on \_\_\_\_\_ Hometown Billing LLC will provide the following services, (collectively the "Services") for Client:
  - Patient and Charge Entry
  - Insurance Submission/resubmission
  - Insurance payment review and appeals
  - Patient Statements
  - Payment, Adjustment and refund posting
  - Monthly Reporting as requested by Client
  - Collection Agency placements and balance maintenance
2. **PERFORMANCE OF SERVICES.** Hometown Billing LLC shall determine the manner in which the Services are to be performed and the specific hours to be worked by Hometown Billing, provided that Hometown Billing LLC shall comply with national professional billing and/or coding standards and all applicable state and federal laws and regulations including but not limited to Medicare guidelines and collections laws. Client will rely on Hometown Billing LLC to work as many hours as may be reasonably necessary to fulfill Hometown Billing's obligations under this agreement.
3. **FEES.** \$500 start up fee 7% of billed and collected funds. The fee for any special services or projects requested by Client will be negotiated on an individual basis. Hometown Billing LLC will present Client with a billing statement by the 10<sup>th</sup> of each month. This statement is due upon receipt.
4. **PAYMENT.** Payment practices are as follows:
  - All payments for services will be made in the Client's name.
  - All payments received at the office of Hometown Billing LLC will be posted to the patients' individual accounts for bookkeeping purposes and the actual checks will be forwarded to the Client.
  - Hometown Billing LLC certifies it will NEVER convert a Client's payment to its own name or for its own use.
  - Client has free and full access to all insurance explanations and remittances.
  - Payments received at the office of the Client may be deposited by the Client. The Client will be responsible for forwarding all payment information and explanations of benefits received at Client's office to Hometown Billing.
  - Refunds requests will be sent to Client to reimburse overpayments.

5. **TERM OF AGREEMENT.** This agreement shall be effective for a term of one (1) year from the date of receiving the initial deposit. The Agreement will automatically renew for successive one (1) year terms unless either party provides written notice of intent to renew at least (30) days prior to the renewal date. Either party may request a review or revision of the Agreement at any time during the term, provided such requests are submitted in writing and allow a minimum of thirty (30) days for review and/or negotiation.
6. **TERMINATION OF AGREEMENT.** Either party may terminate this agreement upon notification in writing to the other. Hometown Billing agrees to give a minimum of 90 days notice to Client if Hometown Billing wishes to terminate the contract. Client must give 90 days notice of cancellation. No further charges will be accepted after the termination date. Hometown Billing has 90 days to pursue all balances after the termination date. All balance will be returned to the Client at the end of the 90 days.
7. **RELATIONSHIP OF PARTIES.** It is understood that Hometown Billing LLC is an independent corporation with respect to Client, and Hometown Billing LLC employees are not employees of Client.
8. **PROPRIETARY RIGHTS.** Client is aware that Hometown Billing LLC claims proprietary rights to any processes, equipment and software provided by Hometown Billing LLC and placed under Client's control. Client agrees to not reproduce, duplicate, or copy in any form, by any means, items that are subject to the claim for proprietary rights.
9. **INJURIES.** Hometown Billing LLC acknowledges their obligation to obtain appropriate insurance coverage for the benefit of Hometown Billing LLC (and Hometown Billing's employees). Hometown Billing LLC waives any rights to recovery from Client for any injuries that Hometown Billing LLC and its employees may sustain while performing services under this Agreement and are a result of the negligence of Hometown Billing LLC or its employees. Furthermore, Hometown Billing LLC agrees to indemnify and hold harmless Client and its officers, directors, employees and agents from and against any and all liabilities, claims, losses, damages, fines, penalties, injuries, costs, or expenses, including reasonable attorney fees, arising out of any breach of this Agreement or any negligent, reckless or intentional acts or omissions by Hometown Billing LLC, its officers, directors, employees, or agents.
10. **CONFIDENTIALITY.** Hometown Billing LLC recognizes that Client has and will have the following information: prices, costs, discounts, future plans, business affairs, process information, patient lists, and other proprietary information (collectively, "Information") which are valuable, special, and unique assets of Client. Hometown Billing LLC agrees that they will not at time or in any manner, either directly or indirectly, use any Information for Hometown Billing's own benefit, or divulge, disclose, or communicate in any manner any Information to any third party without prior written consent of Client. Hometown Billing LLC will protect the Information and treat it as strictly confidential. A violation of this paragraph shall be a material violation of this Agreement. An underlying Business Associate Agreement is also required for all contracts.
11. **UNAUTHORIZED DISCLOSURE OF INFORMATION.** If it appears that Hometown Billing LLC has disclosed (or has threatened to disclose) Information in violation of this agreement, Client shall be entitled to an injunction to restrain Hometown Billing LLC from disclosing, in whole or in part, such Information, or from providing any services to any party to whom such Information has been disclosed or may be disclosed. Client shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.
12. **CONFIDENTIALITY AFTER TERMINATION.** The confidentiality provisions of this Agreement shall remain in full force and effect after the termination of this Agreement.



13. SERVICES TO THIRD PARTIES. The parties recognize that Hometown Billing LLC provides billing/consultation services to third parties. However, the confidentiality provisions of this Agreement bind Hometown Billing LLC, and Hometown Billing LLC may not use the Information, directly or indirectly, for the benefit of third parties.
14. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.
15. AMENDMENT. This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.
16. SEVERABILITY. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
17. WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.
18. APPLICABLE LAW. The laws of the State of Minnesota shall govern this Agreement.
19. NOTICES. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follow:

Client Name and Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

And

Hometown Billing LLC.  
1295 Northland Dr., Suite 210  
Mendota Heights, MN 55120

SIGNED AND DATED BY:

\_\_\_\_\_  
Client Name (Print)

\_\_\_\_\_  
Client Title

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Hometown Billing Representative (Print)

\_\_\_\_\_  
Hometown Billing Representative Title

\_\_\_\_\_  
Hometown Billing Representative Signature

\_\_\_\_\_  
Date

Dear Rocky,

We're excited about the opportunity to work with you and appreciate your interest in Hometown Billing. Enclosed in a separate document, you'll find a copy of our contractual agreement for your review. Below is a brief overview of who we are and how we support EMS and ambulance providers like you.

Hometown Billing is a Minnesota-based Limited Liability Company with over twenty-five years plus of experience delivering full-service revenue cycle management to ambulance and emergency medical service providers nationwide. Our client base includes more than forty emergency medical services, mental health and substance use disorder providers, ranging from small group practices to large multi-state provider networks. We offer a fully customizable, high-touch billing model developed specifically to meet the needs of EMS providers operating across a spectrum of care levels and payment systems. Founded by professionals with over two decades of combined industry experience, Hometown Billing is known for its rigorous attention to detail, transparent operations, and consultative client engagement. Our proprietary seven-phase billing workflow—spanning from eligibility verification to denial resolution and collections—is executed by a team of more than twenty-five certified billing and coding specialists. This structure ensures accuracy, timeliness, and payer compliance at every step of the process. Hometown Billing has earned a reputation for delivering consistent financial outcomes and executive-level insights. We provide regular reporting dashboards, tailored key performance indicators, and payer-specific analytics that help leadership teams make informed decisions. Hometown Billing ensures that every interaction reflects professionalism, responsiveness, and a deep respect for the mission EMS providers

### **Billing Services Overview**

At Hometown Billing, we recognize that effective revenue cycle management in EMS health care is not merely about submitting claims—it is about building a reliable, compliant, and scalable financial infrastructure that supports EMS and ambulance services excellence and long-term sustainability. Our billing services are delivered through a structured, multi-phase workflow designed specifically for EMS providers. Each phase is executed by certified professionals with extensive experience in ambulance billing and is supported by secure technology platforms and tailored reporting systems.

### **End-to-End Revenue Cycle Management**

Our comprehensive billing model ensures financial integrity across the entire revenue cycle, from credentialing to collections. It is designed to minimize disruption, maximize revenue, and maintain compliance across payer types and service lines.

### **Eligibility Verification and Insurance Coordination**

Once credentialing is confirmed, we initiate insurance verification and eligibility checks. These are performed electronically using clearinghouse tools, as well as manually, when necessary, to ensure accurate payer assignment and benefit validation prior to service delivery. This reduces claim rejections and denials due to eligibility errors, preserving administrative efficiency. Charge Capture and Claims

1295 Northland Dr, Suite 210, Mendota Heights, MN 55120  
New Clients: 612-404-0784  
Email: [office@hometownbilling.net](mailto:office@hometownbilling.net)

Preparation During the charge entry and claims preparation phase, billing data is securely imported from the provider's electronic health record system. All charges are reviewed by certified billing professionals who assign appropriate procedures and diagnostic codes in compliance with payer guidelines. We support full integration with major electronic health record platforms and tailor workflows to match client preferences.

#### **Claims Scrubbing and Submission**

Prior to submission, all claims are reviewed through a rigorous claims scrubbing and validation process. Each claim is checked against payer-specific edits and compliance rules to ensure clean submission. Claims are submitted electronically through established clearinghouses or via secure paper methods when required. Real-time tracking allows for continuous monitoring and prompt resolution of any issues.

#### **Payment Posting and Financial Reconciliation**

After claims are processed, our team handles payment posting and reconciliation with precision. Remittance advice is reviewed to ensure proper application of payments, adjustments, patient responsibility, and contractual write-offs. We align this step with each payer's unique rules and reimbursement methodologies to ensure accuracy. Denial Management and Appeals Process If a claim is denied, our specialized denial management team takes immediate action. Denials are reviewed daily to determine root causes and appropriate responses. Whether resubmission, correction, or formal appeal is needed, our team acts quickly to recover maximum revenue and reduce future occurrences. We maintain a payer-specific denial database to guide corrective actions and improve processes.

#### **Patient Billing and Secure Payment Collection**

We manage patient billing with professionalism and clarity. Statements are generated and delivered through the client's preferred method—by mail, electronically, or by text. Secure, Payment Card Industry Data Security Standard-compliant platforms are used to process payments via phone, mail, or online portals, providing patients with convenient and compliant options for resolving balances.

#### **Custom Reporting and Financial Analytics**

Clients receive reporting packages that are customized to their operational and executive needs. Standard deliverables include weekly summary reports, monthly payer and aging analyses, and quarterly executive dashboards. All reports are designed to support data-driven decision-making and proactive financial management.

#### **Key Personnel**

Hometown Billing is led by a multidisciplinary team of professionals with extensive experience in EMS and ambulance operations, payer relations, credentialing, and revenue cycle management. Together, our leadership represents decades of industry expertise across residential treatment, outpatient mental health, substance use disorder care, and value-based health system design. Each team member brings a deep understanding of the clinical, regulatory, and financial dimensions of ambulance billing—ensuring

that our services are both technically sound and practically aligned with real-world provider needs. All services are performed in-house by our team of over twenty-five professionals. We do not outsource, allowing us to maintain strict control over quality, compliance, and confidentiality. Every member of our team is trained in EMS and ambulance billing protocols and operates under secure, Health Insurance Portability and Accountability Act compliant procedures.

**Dedicated Team of Experts**

Beyond the leadership team, Hometown Billing employs more than twenty-five credentialed professionals—including certified coders, credentialing analysts, reimbursement specialists, and payer liaisons. Our teams work in secure, audited environments and receive regular training in payer changes and billing compliance. We are proud of the expertise, integrity, and compassion that each member brings to their role. This collective capacity ensures that Hibbing Ambulance Services will receive not only best-in-class technical services, but also a high-touch, values-driven partnership committed to clinical alignment and long-term success.

Thank you again for considering Hometown Billing as your revenue cycle management partner. We look forward to the opportunity to support your team with our EMS-focused billing solutions and to help strengthen the financial foundation of your operations. Please do not hesitate to reach out with any questions regarding our contractual agreement.

Sincerely,



Jenna Kanitz | Executive Director of Billing