

**BIG LAKE CITY COUNCIL
WORKSHOP MEETING MINUTES**

AUGUST 18, 2010

1. CALL TO ORDER

Mayor Kampa called the meeting to order at 5:00 p.m.

2. ROLL CALL

Council Members present: Dick Backlund, Raeanne Danielowski, Chuck Heitz, and Lori Kampa. Council Member Duane Langsdorf was absent. Also present: City Administrator Scott Johnson, Finance Director Corey Boyer, City Clerk Gina Wolbeck, Senior Planner Katie Larsen, Public Works Director Mike Goebel, Police Chief Sean Rifenberick, Liquor Store Manager Jan Kostrzewski, and Ass't City Engineer Jared Voge of Bolton & Menk, Inc.

3. PROPOSED AGENDA

Council Member Heitz motioned to adopt the proposed Agenda. Seconded by Council Member Backlund, unanimous ayes, agenda adopted.

4. BUSINESS

4A. 2011 Budget Workshop

Corey Boyer presented the second draft of the preliminary summary General Fund Budget for 2011. Administration met with each department to consider options to address the \$180,000 budget gap discussed at the July budget workshop. There were four areas that were addressed during these discussions.

Staff recommended a 4% increase to the City tax rate. Boyer noted that while this figure is slightly higher than what was discussed at the July Workshop, this increase could potentially save one position and would also provide stability in tax revenues in 2012.

Staff also identified an additional \$23,000 in operating budget cuts. Boyer noted that the \$2,000 donation to the Initiative Foundation could be eliminated but that the \$6,000 Big Lake Community Education donation is still included in the budget. Council directed staff to eliminate the \$2,000 donation to the Initiative Foundation and to find out what other agencies contribute to Community Education.

Staff also recommended the use of up to \$50,000 in General Fund reserves. This would be the City's contingency plan in lieu of receipt of state aids. If the City doesn't receive local government aid or market value homestead credit aid, we would budget to use the full \$50,000 of reserves. Boyer noted that Preliminary estimates indicate this would still leave the City with approximately six months of General Fund expenditures in available resources per City Policy.

Council discussed the advantages and disadvantages of establishing a Street Light Utility

Fee instead of increasing the tax rate. Council directed staff to obtain more information on LED lighting and possible grant opportunities to retro-fit older light units with more efficient equipment.

Boyer noted that with these measures implemented, the City still faces an approximate \$50,000 gap. Staff previously met with the Personnel Committee and is currently reviewing options to address this remaining gap through various personnel/benefit cost cutting measures. Council directed staff to provide a recommendation for necessary cuts for future Council consideration.

Boyer noted that staff will bring the preliminary property tax levy resolution to Council at the September 8th Council Meeting. Staff recommended to set the preliminary levy at the highest level that Council would consider as this can be lowered as the City works through the final 2011 budget details. Council discussed the need for staff to continue reviewing all areas of City operations in an effort to keep the tax rate at an acceptable level. The general consensus of the Council was to allow the 4% tax rate increase to the preliminary budget with the expectation that staff make every effort to reduce that percentage through further cuts prior to the final budget adoption in December.

4B. Park/Athletic Complex Update

Mike Goebel discussed meetings held with representatives from Big Lake Schools, Big Lake Township, Orrock Township, and Sherburne County in regards to the feasibility of financing a Park/Athletic Complex. Discussions were based on need, location, and financing of this type of complex. Goebel explained that all representatives were in agreement that there is a need for this type of facility in the Big Lake area, but that financing proved to be the biggest hurdle. Goebel noted that there was no support from any of the agencies to participate in funding the project as they do not have the means to support it financially. The Parks Advisory Committee is looking for direction on whether to continue to pursue this project. Council discussed the need to inform the public that this project is put on hold until there are viable funding options. Council directed staff to notify agency representatives that the project is on hold.

4C. Employee Appreciation Picnic Update

Scott Johnson reviewed the 2010 employee appreciation picnic. Attendance was very good at the event, but staff is looking for a change in date due to the Big Lake Night Out events that are generally held that same week. The general consensus of the Council was to move the event to the 2nd Thursday of August and to include future invitations in all employees' paychecks.

5. OTHER

Jared Voge reviewed the status of the Highway 10/25 Intersection Improvement Project and explained that the delay in the project is due to Federal funding guideline requirements.

Katie Larsen informed Council that the City has been awarded SHIP grant funding.

Mike Goebel discussed a request submitted by Bill Corcoran who operates Graniteman Triathlon which is a triathlon aimed at youth. The organization is interested in holding an event in Big Lake on August 6th. Goebel indicated that he is looking for feedback from Council on if they would be in favor of allowing this type of event to be held at Lakeside Park. Goebel noted that if this was approved by Council, Lakeside Park would be closed off to the general public during the time of the event. Council indicated that they would be in favor of this event due to the large amount of visitor's it would bring to Big Lake.

Mike Goebel updated Council on meetings held with the Sherburne County Recycling Committee. Goebel informed Council that the Committee has dedicated an additional \$33,000 to be used towards operation of the compost facility.

Scott Johnson discussed the annual Goal Setting Session which is scheduled on November 20, 2010. Due to budget constraints, Council directed that the goal session be facilitated by Council and staff instead of hiring a professional facilitator.

Council discussed the importance to recognize long term City employees. Council directed staff to prepare certificates for specific years of service to be presented at a future Council Meeting.

Council discussed the Hudson Woods Development and discussions held with the Council subcommittee relating to the development not being complete.

Corey Boyer provided information on a request from Bob Gramsey. Council discussed the option of establishing a Rural tax designation on these types of parcels that were previously annexed into the City.

6. ADJOURN

Council Member Heitz motioned to adjourn at 6:37 p.m. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

08/25/10
Date Approved By Council