

**BIG LAKE CITY COUNCIL
SPECIAL BUDGET WORKSHOP MINUTES
AUGUST 1, 2012**

1. CALL TO ORDER

Mayor Kampa called the meeting to order at 4:00 p.m.

2. ROLL CALL

Council Members present: Raeanne Danielowski, Lori Kampa, Duane Langsdorf, and Mike Wallen. Council Member absent: Dick Backlund. Also present: City Administrator Todd Bodem, Finance Director Paula Mastey, City Clerk Gina Wolbeck, Public Works Director Mike Goebel, Police Chief Joel Scharf, and Fire Chief Randy Miller.

3. PROPOSED AGENDA

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

4. BUSINESS

4A. 2013/14 BUDGET AND LEVY DISCUSSION

Paula Mastey discussed the proposed 2013/14 budget which incorporates changes to the budget process discussed at the June 13th budget workshop. Mastey also reviewed the proposed levy and estimated tax impact which is expected to change once final numbers are submitted by the county. Mastey reviewed the 2013 minimum levy additions which include an increase in operations, additional debt payments, and the EDA levy all of which will create a minimum tax levy increase of 5.69%. Mastey also reviewed optional items which include special levies, CIP items, and operational budget items which would bring the estimated tax levy increase to 12.06%.

Council discussed various ideas to lower the projected increase. Council discussed looking at surrounding areas to determine if our fees are in-line with other areas. Mastey explained that she is in the process of doing a fee analysis and will bring the findings to Council at a future meeting. Staff discussed the option of implementing a local sales tax. Council discussed concerns with how this would affect the "shop local" concept. Discussion was held on the proposed comprehensive plan update and questioned if it could be done by in-

house staff. Todd Bodem explained that the project costs for the comp plan update have decreased from \$60,000 to an approximate amount of \$25,000 and that administration has communicated with staff the feasibility of in-house staff taking on the majority of the work. Staff has expressed concerns with having enough time to complete this large of a project in-house. Discussion was held on the Fire Department roof repair and Fire Chief Randy Miller explained the urgency in getting this project completed sooner rather than later due to water damage that has already occurred at the fire hall. Miller informed Council that fire personnel will be working on getting a quote in the next couple of weeks so we should have a better idea if the roof can be fixed, or if it needs to be replaced. Council discussed the schedule for purchasing new police vehicles and questioned if it is feasible to hold off one year to purchase a new vehicle as a new vehicle was just purchased in 2012. Police Chief Joel Scharf informed Council that he done a preliminary review of the fleet and noted that a large majority of the police vehicles have high miles on them. Council discussed the possibility of closing City Hall on Friday's and if that would generate any cost savings. Staff noted that they would check into this concept further. Council questioned the proposed cost of a GIS and GPS mapping system and what that would be used for. Mike Goebel noted that the system would be used by Public Works and City Hall staff and that having this type of system would make operations much more efficient. Staff discussed the prospect of hiring a full-time engineer and using our consultant engineer on a limited basis. Mastey noted while the projected annual net savings would be substantial, the savings to the actual levy would be minimal. Council discussed their concern with bringing on new hires when the City is looking at increasing its tax levy. Council directed staff to hold off on making any changes to our engineering services at this time and bring additional information back to Council within the next year for a more extensive review. Council also questioned the need to purchase a new water tender truck for the Fire Department. Randy Miller reviewed their current fleet and noted that they currently have 3 water tender trucks, one being from the 1970's that is mainly unusable. Miller explained that the sharing of resources is vital to departments in the area and the need to implement an "auto-aid" program as soon as possible. Miller also noted that the department would most likely be better served by getting a command vehicle at this time. Miller also explained that he can check into pricing for a used water tender truck which could cut the budget line item by approximately 50%. Staff discussed the zero increase in wages for 2013 and the 1.5% COLA increase projected for 2014 along with potential increases to city employee insurance costs. Discussion was also held on the police supervisory position already included in the budget calculations, and that the employee computer replacement schedule seems appropriate.

Council identified specific items to be removed from the Preliminary Budget and CIP: 1) Change the comp plan line item to \$10,000 and to check into in-house staff doing more of the work involved in the project, 2) Remove the EDA advertising and Revolving Loan Fund dollars, 3) Remove the contingency line item, 4) Push back the purchase of the water tender fire truck to 2017, 5) Remove the fire sub-station and land item from the CIP, 6) Remove the Street Reconstruction Levy and Park Dedication Levy until 2015 and continue to monitor debt, and 7) Possibly move the Street Sweeper costs to the storm sewer fund.

Mastey clarified that with the changes to the levy as discussed, the projected tax levy increase will be 8.3%. Council directed staff to continue to look at additional revenue sources to help lower the projected increase. Council also directed staff to set up another Budget Workshop at 3:30 p.m. on August 22, 2012.

5. ADJOURN

Council Member Langsdorf motioned to adjourn at 5:27 p.m. Seconded by Council Member Danielowski unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

08/08/12
Date Approved By Council