

**BIG LAKE CITY COUNCIL  
BUDGET WORKSHOP MINUTES  
AUGUST 20, 2013**

**1. CALL TO ORDER**

Acting Mayor Backlund called the meeting to order at 5:05 p.m.

**2. ROLL CALL**

Council Members present: Dick Backlund, Nick Christenson, and Mike Wallen. Mayor Raeanne Danielowski was absent but was teleconferenced in, and Council Member Seth Hansen was absent. Also present: City Administrator Todd Bodem, Finance Director Jessica Green, City Clerk Gina Wolbeck, Public Works Director Mike Goebel, Police Chief Joel Scharf, Liquor Store Manager Jan Muehlbauer, and Assistant City Engineer Jared Voge from Bolton and Menk, Inc.

**3. PROPOSED AGENDA**

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

**4. BUSINESS**

**4A. Preliminary 2014 Budget and Levy Discussion**

Jessica Green reviewed the upcoming Northland Securities debt analysis which will be ready on August 21<sup>st</sup>. Todd Bodem reviewed discussions held at the EDA Meeting on August 19<sup>th</sup>. Bodem noted that the Board discussed the need to replace the EDA Specialist position with a higher rated classification similar to an Economic Development Manager which would increase wages for the position approximately \$5,000. The Council directed staff to proceed with advertising for this type of position.

Green also discussed the proposed Street Light Fee and asked for Council feedback on if they want staff to continue to research this fee. Council Member Backlund asked for guidance on explaining the need for this type of fee to the taxpayers. Council and staff reiterated that this type of fee would generate revenue for City operations without being disproportionate to the commercial businesses. Staff also clarified that this fee would include vacant properties, but not vacant lots at this time. Council directed staff to continue working on a possible structure for this fee not to exceed a monthly fee of \$3.00 for

residential properties and less than \$10.00 for commercial properties. Council also directed staff to work with the City's legal advisor to determine requirements to implement this type of fee.

Bodem discussed the possible implementation of Franchise Fees through utility companies that provide services in the City. These types of fees would affect any property in the City that receives services from gas and electric companies, including tax exempt parcels. The City currently has a gas franchise agreement with Center Point Energy but does not have franchises with Xcel Energy or Connexus Energy. If the City chooses to implement these types of fees, we would be required to implement the fee simultaneously for all three energy companies. Bodem discussed advantages and disadvantages of implementing franchise fees, reviewed possible fee structures, and implementation steps. Council directed staff to continue working on Scenario #3 from the City Administrator's Report. Council and staff also discussed the need to cover our costs relating to the processing of locates. Council clarified that the City isn't looking at implementing these fees to make money, but that we are trying to cover our costs.

Staff discussed the need for the City to Levy for Economic Development costs in the 2014 Budget. In past years, the EDA has expended approximately \$70,000 to \$75,000 in costs each year which were paid through a transfer from the Sewer Fund. Green noted that the sewer fund no long has funds available and that we should have a balanced budget each year, not continuously transferring dollars from enterprise funds to cover general expenses. Council expressed the need to have participation from the Township in EDA expenses associated with joint projects. Green clarified that the EDA does need to start paying back the sewer fund for borrowed dollars.

Green discussed the 5-Year Capital Improvement Plan (CIP). Department Heads reviewed their departments various needs. Council discussed holding off on doing any road improvement projects in 2014 and directed staff to bring back a recommendation for road projects needed in 2015.

## **5. ADJOURN**

Council Member Wallen motioned to adjourn at 6:45 p.m. Seconded by Council Member Christenson, unanimous ayes, motion carried.

Gina Wolbeck  
City Clerk

08/28/13  
Date Approved By Council