

**BIG LAKE CITY COUNCIL
SPECIAL WORKSHOP MINUTES**

August 22, 2012

1. CALL TO ORDER

Mayor Kampa called the meeting to order at 3:30 p.m.

2. ROLL CALL

Council Members present: Dick Backlund, Raeanne Danielowski, Lori Kampa, Duane Langsdorf, and Mike Wallen. Also present: City Administrator Todd Bodem, Finance Director Paula Mastey, City Clerk Gina Wolbeck, Senior Planner Katie Larsen, Public Works Director Mike Goebel, Police Chief Joel Scharf, Fire Chief Randy Miller, and Liquor Store Manager Jan Muehlbauer.

3. PROPOSED AGENDA

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

4. BUSINESS

4A. 2013/2014 Budget and Levy Discussion

Paula Mastey reviewed changes made to the proposed levy, budget, and Capital Improvement Plan (CIP) since the August 1st Budget Workshop. Changes discussed included 1) the elimination of the proposed Special Levy for the Street Reconstruction Fund, 2) elimination of the proposed Special Levy for the Park Dedication Fund, 3) elimination of the proposed Special Levy for the EDA Revolving Loan Fund and the advertising budget within the EDA special revenue fund, 4) a decrease to the CIP amount for a water tender truck, 5) an adjustment to the cost to replace the fire hall roof and to determine if a repair would be satisfactory, 6) removal of the CIP line item for a substation and land, 7) a reduction to the Comp Plan line item, 8) removal of the purchase of a police vehicle, 9) moving the street sweeper replacement cost to the storm sewer fund, 10) continue using consulting services for the City's engineering needs, and 11) removal of the contingency line item from the budget. Mastey also clarified the adjustment to police department salaries to properly reflect the holiday pay stipulation in the union contract, an adjustment of the Chief's salary to reflect the actual amount, combining line items for

vehicle maintenance and tires, payback of the COPS grant on-going discussions, and additional amounts that have been added to the budget to cover required maintenance on operating software and 800 MHZ radios. Randy Miller reviewed the need to replace the concrete apron in front of the fire hall which is an estimated cost of \$34,000 to be split between the City and the Township.

Mastey noted that with all the changes discussed, the proposed levy increase from 2012 is projected to be 7.7%. Mastey reviewed various revenue sources that could be utilized to help lower the increase. Mastey explained that staff is requesting Council determine the preliminary levy which needs to be set by September 15th.

Katie Larsen provided information on when the comprehensive plan was adopted and last updated. Larsen explained that a comp plan is a "game plan" and "blue print" for the City. Council Member Danielowski expressed that the City already has the framework done and that compiling the information into our current comp plan could be done in-house utilizing the Senior Planners skills. Larsen noted that staffing levels at City Hall are a concern in effectively completing this project in-house. Staff asked for clarification on whether Council wants to budget \$10,000 in total in the biennial budget, or \$10,000 in 2013 and another \$10,000 in 2014. Council directed staff to include \$10,000 towards the comp plan in 2013 and 2014. Council and staff reviewed General Fund Expenditure Budgets by department. COLA were discussed clarifying that the 2013 budget reflects a 0% increase, and the 2014 budget proposes a 1.5% increase. Council Member Danielowski clarified that the 2014 COLA increase is just a proposal, and can be further reviewed at a later time. Randy Miller informed Council that the roof can be repaired at the Fire Hall instead of a full replacement which will be a substantial cost savings to the City and Township. Council directed staff to check into possible storm damage that could potentially be covered by the City's insurance company. Council and staff reviewed various revenue options. Options included implementation of a Street Light Utility Fee, start-up of a Traffic Diversion Program, Impound fees, fire response fees, vacant lot fee, franchise fees, and possibly budgeting for LGA.

Council discussed levy amounts they would be comfortable with. Council Member Wallen identified an 8% increase to the preliminary levy noting that the City can decrease the percentage, but can't increase the levy at the final adoption in December. Council Member Backlund expressed that we could be at a 0% increase if we cut our consultant engineer and hire a full time engineer. Council Member Danielowski identified a 3% increase at preliminary levy and to continue to work at lowering it further at the final adoption. Council directed staff to proceed with bringing the preliminary budget and levy to the September 12th Council Meeting at a 6% increase.

5. ADJOURN

Council Member Danielowski motioned to adjourn at 4:59 p.m. Seconded by Council Member Langsdorf unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

09/12/12
Date Approved By Council