

**BIG LAKE CITY COUNCIL  
BUDGET WORKSHOP MINUTES**

**October 3, 2012**

**1. CALL TO ORDER**

Mayor Kampa called the meeting to order at 4:00 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 Danielowski motioned to adopt the proposed Agenda with the removal of item 4B. Seconded by Council Member Langsdorf, unanimous ayes, agenda adopted.

**4. BUSINESS**

**4A. 2013 Budget Discussion**

Paula Mastey reviewed proposed changes to the preliminary budget and identified additional cuts since the last budget workshop. Changes made at the last budget workshop included eliminating all proposed new fees, (<\$120,000), eliminating the proposed EDA Levy (\$67,150), moving the police department to City Hall (\$15,000), reducing Council pay (\$13,700), possibly reducing Police Department admin staff from full time to part time, and freezing non-union step increases (\$7,000). With these changes, the net difference to the levy amount needed is an additional \$17,150. Mastey presented a report listing all City positions and the estimated net savings of eliminating each position along with options for furloughs. Mastey also reviewed various scenarios for dollars needed to reach specific levy amounts.

Council discussed various ways to possibly lower the budget and levy. Discussion was held on any possible opportunities to sell equipment, vacant land, or the former sludge land. Council directed staff to provide a listing of city owned vacant parcels to determine which

parcels would be marketable. Discussion was also held on keeping in some of the proposed revenue sources including code enforcement violation fees, changing the Mayor and Council pay reduction to 20% instead of 50%, and potentially implementing the street light fee. Discussion was held on taxpayers receiving a tax benefit if the street light fee amount was a levy increase instead of a straight out fee. Council also discussed the Traffic Diversion Fee which staff clarified needs to be earmarked to fund traffic safety expenses only. Staff also discussed the need to keep both police secretaries at a full time level as a reduction in hours could put the department in a crippling position especially when case numbers are high.

Council Member Danielowski discussed her concern with the effect a levy increase will have on commercial businesses versus residential property owners. Danielowski also discussed the need to start thinking long-term planning and that we should invite business owners and residents to become actively involved in these planning efforts. Council Member Wallen explained the Risk and Reward concept and noted that these types of expenses are part of doing business. Council Member Langsdorf discussed setting the levy increase at 2%, using reserves and payback the reserves when and if the City receives the expected LGA dollars from the State. Langsdorf also stated his concern that the City is projecting numbers that aren't sure bets. Langsdorf discussed concerns with being able to balance the 2014 if we don't do some kind of increase with the 2013 budget due to expected increases in the City's bond payments. Todd Bodem discussed renovating the former police department into a new library space to save dollars on leasing the current library space. Mayor Kampa noted that she is not comfortable with freezing step increases for just a couple of employees. Council Member Backlund discussed the need to retain both police secretaries full-time, but that staffing cuts can be made from the Community Development Department as their work load doesn't warrant 3 full-time employees. Katie Larsen reviewed duties of the two Community Development Department staff and discussed numerous recent projects completed by the department. Jan Muehlbauer and Mike Goebel discussed their concerns with losing more staff to budget cuts. Goebel noted that services will be greatly impacted with the loss of anymore staff.

Council discussed setting another budget workshop date, possibly on October 15<sup>th</sup> or November 7<sup>th</sup>.

#### **4B. LGL Real Estate Investment, LLC Deferment Request Discussion**

This item was removed from the Agenda at the request of the developer.

#### **5. ADJOURN**

Council Member Langsdorf motioned to adjourn at 5:20 p.m. Seconded by Council Member Wallen unanimous ayes, motion carried.

Gina Wolbeck  
City Clerk

10/10/12  
Date Approved By Council