

**BIG LAKE CITY COUNCIL
WORKSHOP MINUTES
NOVEMBER 15, 2011**

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, Lori Kampa, Duane Langsdorf, and Mike Wallen. Also present: Interim City Administrator Todd Bodem, City Clerk Gina Wolbeck, Senior Planner Katie Larsen, Police Chief Sean Rifenberick, Public Works Director Mike Goebel, Liquor Store Manager Jan Muehlbauer, City Attorney Soren Mattick, City Engineer Jared Voge from Bolton and Menk, Inc., and Finance Director Brad Falteysek from AEM, Inc.

3. PROPOSED AGENDA

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

4. BUSINESS

4A. 2012 Budget Update

Brad Falteysek discussed the preliminary operating and debt levy figures Council approved in September, and reviewed Council and staff's efforts to bring the tax rate increase to no more than a 2% increase. Falteysek also provided information on the November 30th Truth in Taxation Hearing scheduled at 6:00 p.m., the final budget and levy that will be considered by Council at the December 14, 2011 meeting, increases and decreases to the levy dating back to 2006, the City's LGA history, the net tax capacity and the effect it will have on tax payers, and reviewed the City's tax rate history dating back to 2007. Falteysek also reviewed the enterprise fund cash flow analysis and the need for rate adjustments in 2012.

Discussion was held on staff furloughs and the wage increase included in the 2012 budget. Council Member Danielowski questioned if it would be appropriate to include furloughs in the 2012 budget and questioned if the projected wage increases are in line with the national average. Council Member Wallen expressed that any further decreases to the budget will affect service to the residents. Mayor Kampa discussed the staff the City has already lost

and the potential to lose more if the pay freeze and furlough restrictions remain in place long term. Staff discussed the need for the City to remain competitive in the current employment market to retain its employees, and the benefit in investing in our City and our employees. Council discussed the need to educate residents, be visionary, and to spark new ideas. Council Member Danielowski asked if it would be wise to consider drawing down on reserves versus raising the tax rate. Council Member Langsdorf noted that using reserves will only be a one time fix. Council Member Backlund indicated that he is not in favor of any increase to the tax levy and that we could cut one Police Investigator to reduce the budget. Bodem explained the COPS Grant requirement to maintain a specific level of officers in the police department. Council directed staff to provide updated State Aid route maps.

Council Members Wallen, Langsdorf, and Kampa were willing to consider a 2% tax levy increase and Council Members Danielowski and Backlund were not in favor of any tax levy increase to the 2012 Levy.

4B. GASB 54 Fund Balance Discussion

Brad Falteysek reviewed the GASB 54 Fund Balance requirements and the sample fund balance policy that incorporates the requirements of the new standard. Falteysek noted that resolutions will be presented to Council at the December 14, 2011 Council Meeting.

4C. Finance Contract Discussion

Brad Falteysek reviewed the status of the AEM, Inc. finance contract. Staff noted that Council approved terminating the contract as of December 3, 2011. Falteysek discussed a new contract on an hourly basis until the Finance Director Position is filled which is expected to be in place by March 1st. The standard hourly rates for the current level of performance would range from \$125 to \$195 per hour. Council directed staff to proceed with advertising for the Finance Director position.

4D. Sidewalk Ordinance Exemption Discussion

Mike Goebel recapped previous discussions on snow removal from City sidewalk areas. At the October Workshop, Council directed staff to provide a list of remote areas that would be appropriate to post as non-maintained and to bring back to the November Council Meeting for Council consideration. Soren Mattick discussed potential tort action liability if the City doesn't follow its own ordinance. Council directed that staff proceed with the current rules and do the best job they can in clearing the sidewalks.

4E. Fire Department Billing Discussion

Todd Bodem reviewed discussions held at the Fire Board Meeting relating to paying bills for the Fire Department. Bodem explained that the City currently processes all payables for the Fire Department, and that the Township is billed for half of those expenses. The State

recently passed new legislation exempting townships from paying taxes on purchases and the Fire Board has asked that the City consider allowing the Township to process all the payables for the Fire Department. Council directed that this item be discussed at the January Joint City/Township/School/County meeting scheduled on January 17th.

5. **OTHER** – No other.

6. **ADJOURN**

Council Member Langsdorf motioned to adjourn at 6:46 p.m. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

12/14/11
Date Approved By Council