

**CITY COUNCIL
BUDGET WORKSHOP**

5:00 P.M.

July 20, 2020

Present: Scott M. Johnson
Richard DeRosier
Carlene Perfetto

Excused: Dustin Goutermont
Shane Hoff

Lana Fralich, City Administrator

Mayor Johnson called the meeting to order at 5:07 p.m.

BUDGET WORKSHOP – The Council reviewed four different scenarios of the proposed 2021 budget. The different scenarios relate to personnel options for the Parks and Recreation needs at the campground and City administrative needs as follows:

- Scenario #1 – FT Parks/Arena and FT Admin;
General Fund levy increase 15.3% (\$162,145) / Total City Levy 19.53% (\$280,665)
- Scenario #2 – FT Parks/Arena and PT Admin (25 hrs);
General Fund levy increase 12.0% (\$127,545) / Total City Levy 17.12% (\$246,065)
- Scenario #3 – PT Parks and PT Admin (25 hrs);
General Fund levy increase 7.1% (\$75,445) / Total City Levy 13.5% (\$193,965)
- Scenario #4 – PT Parks and PT Admin (12 hrs).
General Fund levy increase 5.9% (\$62,645) / Total City Levy 12.6% (\$181,165)

All scenarios remained consistent with amending the wages in accordance with labor contracts. Adjustments included higher wages for summer seasonal employees who work weekends at the Marina and Campground, creating an operating and employment structure at the campground the same as the marina, severance payouts, debt service payments, and equipment purchases for street, water, & park departments. There was further discussion on the levy impact relating to severance payout, reduction in Taconite Production Aide, increase for street fund, sidewalks, vehicle equipment, and an infrastructure improvement project for the Business Park. Other discussion included continuing the Neighborhood Revitalization Grant, the vehicle/equipment replacement schedule, costs of equipment purchases, timing of when equipment is expected to be replaced, and the potential for having debt service payments on some equipment. The Council did not have any recommended changes to what was presented in the various scenarios, but did discussed personnel needs between FT and PT, and asked for another Scenario that included PT Parks and FT Admin. There was discussion that the proposed budget and levy need to be certified in September. The next budget meeting will be August 17 at 5:00pm.

Motion by Perfetto, second DeRosier to adjourn at 6:48 p.m. MOTION CARRIED.

Minutes taken by Lana Fralich



Scott M. Johnson, Mayor



Lana Fralich, City Administrator