

**CITY COUNCIL
BUDGET WORKSHOP**

5:00 P.M.

September 16, 2019

Present: Scott M. Johnson
Richard DeRosier
Carlene Perfetto
Shane Hoff

Excused: Dustin Goutermont


Lana Fralich, City Administrator

Mayor Johnson called the meeting to order at 5:06 p.m.

BUDGET WORKSHOP – The Council reviewed the first draft of the proposed 2020 budget. The 1st draft showed a levy increase of 9.67% or \$138,970 primarily related to wage and benefit changes, equipment purchases, capital repairs. There was discussion about the net tax capacity estimate the City receives from the County Assessor. Taconite Production Aide is expected to be higher along with a minor increase in Local Government Aid. Council reviewed changes between the 2019 budget and the 2020 operational budget, by department, highlighting adjustments to wages & benefits, pending labor negotiations, preparation of severance payouts for retirements, campground operations, utility adjustments, insurance adjustments, repair/replacement of furnaces at the Liquor Store and Street Department, and the purchase of various equipment. There was further discussion on the preliminary treatment project and the pending PFA funding, adding funds to replace the asphalt at City Hall and the Mary Mac. There was discussion on options to lower the levy, including removal of the conceptual planning for an addition at the Library and removal of a part-time economic developer. The proposed budget and levy need to be certified in September. The next budget meeting will be September 23rd at 5:00pm

Motion by DeRosier, second Perfetto to adjourn at 6:55 p.m. MOTION CARRIED.

Minutes taken by Lana Fralich



Scott M. Johnson, Mayor



Lana Fralich, City Administrator