

**TAYLORS FALLS CITY COUNCIL WORKSHOP  
MAYOR'S OFFICE  
WEDNESDAY, MARCH 11, 2009 – 9:00 A.M.**

**MINUTES**

The Agenda for this workshop was posted Wednesday, March 4, 2009 at City Hall at City Hall, the Post Office and the City's Web Site. Copies were e-mailed to residents requesting such, and the Press was notified.

The Taylors Falls City Council met in a budget workshop meeting on Wednesday, March 11, 2009 at 9:00 a.m. in the Mayor's Office at City Hall, 637 First Street, Taylors Falls, Minnesota.

**CALL TO ORDER**

The Workshop Meeting was called to order at 9:12 a.m. by Mayor Mike Buchite.

**ROLL CALL**

MEMBERS PRESENT: Mike Buchite, Ross Rivard, John Tangen

MEMBERS ABSENT: Zara Kinnunen, Larry Julik-Heine

**MEETING PURPOSE**

The purpose of the meeting was to review the City's 2009 budget to determine how to address the 2009 \$45,000.00 cut in Local Government Aid (LGA), and to consider the impacts of the proposed \$95,000 cut in 2010.

The Mayor submitted a list of possible budget adjustments for Council to consider. He explained that he arrived at these figures following discussions with Departments, Council Liaisons and the City Treasurer.

<b><u>Category</u></b>	<b><u>Reduction</u></b>	<b><u>Balance</u></b>	<b><u>Discussion</u></b>
<i>MnDOT Project</i>	<i>\$10,000.00</i>	<i>\$0.00</i>	<i>The Chisago County HRA/EDA has agreed to budget \$25,000 annually to assist in the financing and repayment of the MnDOT project costs. Since the City must now look at budget adjustments due to the LGA reduction, they have agreed to make the entire 2009 payment, and would consider continuing to make the payment dependent upon the actual payment amount once it is established. This would eliminate the need to budget \$10,000.00.</i>
<i>Street Light Payment</i>	<i>\$6,525.00</i>	<i>\$0.00</i>	<i>At a previous meeting the Council waived the need to repay an inter-fund loan to the Sewer Fund for the Bench Street lighting project. This eliminates the need to budget the \$6,525.00 payment.</i>
<i>No Wage &amp; Benefit Increases</i>	<i>\$8,000.00</i>		<i>There will be no employee wage or benefit increases for employees, Council or Fire Department in 2009. The \$8,000.00 is an approximate budget adjustment.</i>
<i>Vacation Payout</i>	<i>\$5,000.00</i>	<i>\$0.00</i>	<i>Employees will not be allowed to request payout of any unused vacation days at year-end. The Council must yet determine whether to allow carry-over of vacation days from one year to another. The \$5,000.00 is an approximate budget</i>

*adjustment.*

<b><u>Category</u></b>	<b><u>Reduction</u></b>	<b><u>Balance</u></b>	<b><u>Discussion</u></b>
<i>Janitorial Services</i>	<i>\$5,500.00</i>	<i>\$1,438.00</i>	<i>Rather than pay Custodians to clean City Hall on a weekly basis, City Staff will assume this responsibility. Initial discussions include City Hall Staff cleaning the upper level and the Public Works Staff cleaning the lower level. The Custodians are to continue cleaning the Community Center only on an as-needed basis, and may clean City Hall monthly as needed. The Cleaning Service for the Community Center has been cancelled, therefore allowing another \$500 savings.</i>
<i>Public Works</i>	<i>\$5,000.00</i>		<i>A \$1,000 reduction of the following items in the Public Works budget: Operating Supplies, Motor Fuels, Street Maintenance Materials, Repairs/Maintenance Equipment, Contract Mowing.</i>
<i>Fire Department New Equipment</i>	<i>\$11,076.00</i>	<i>\$5,000.00</i>	<i>\$5,000 will remain in the new equipment budget for the Fire Department. Liaison John Tangen indicated that the Department is aware of the budget cut.</i>
<i>Sheriff's Department Contract</i>	<i>\$7,500.00</i>	<i>\$137,873.00</i>	<i>Mayor Mike met with Sheriff Todd Rivard to discuss the Law Enforcement Contract and the possibility of any budget savings. The Sheriff agreed that the 2nd Deputy's hours could be reduced to allow that Deputy to patrol County-wide, rather than just Contract, which would be beneficial for his Department as well.</i>
<i>Riverwalk Trail/Park Improvements</i>	<i>\$5,000.00</i>	<i>\$5,000.00</i>	<i>Since the improvements in Phase I of the Riverwalk Trail project are near completion, additional work for Phase II will need to be delayed until such time the City is in a better financial position to pay the additional monies for the project.</i>
<i>Animal Control Services</i>	<i>\$1,000.00</i>	<i>\$400.00</i>	<i>Since the contract with Animal Control Services has expired and regular patrol hours are no longer conducted, the City will use the service on a call-out basis, saving \$1,000.00.</i>
<i>Contingency Fund</i>	<i>\$0.00</i>	<i>\$10,000.00</i>	<i>There was discussion whether to decrease the budget for the Contingency Fund by \$5,000.00. It was agreed that the budget remain unchanged in the event of an emergency or unexpected expense. Any remaining monies stay in the General Fund if they are not spent at year-end.</i>
<i>Community Center</i>	<i>\$0.00</i>	<i>\$10,000.00</i>	<i>Phase II of the Community Center Improvement Project is underway, which include finishing the lower level. The Council agreed that the bathrooms need to be a priority, one of which will be a public restroom once completed. This would be very beneficial to the downtown area. Council agreed to encourage more Civic groups to volunteer their time and talents to finish the renovations in order to save the City money.</i>

<b><u>Category</u></b>	<b><u>Reduction</u></b>	<b><u>Balance</u></b>	<b><u>Discussion</u></b>
<i>Legal Services</i>			<i>The Council discussed potential cost savings for legal services by switching from a retainer based service to an hourly service. More discussion will occur before the 2010 budget is finalized whether to send out RFP's.</i>
<i>TIF District 1-3</i>	<i>\$20,000.00</i>		<i>Once the City decertifies TIF District 1-3 (the Post Office Redevelopment District), there will be approximately \$20,000 in excess TIF revenue available to reduce property taxes or to finance a worthy project.</i>
<i>Reduction of Employee Hours or Layoff</i>			<i>Governor Pawlenty retains authority to unallot additional LGA payments which could still impact the 2009 budget. The 2010 LGA reduction is projected at \$95,000.00. If the Council is forced to consider other budget cuts, there is a possibility of decreasing employee work hours or layoffs.</i>
<i>Property Tax Increase</i>			<i>Only as a last resort would the Council consider a property tax increase to recover the lost revenue due to the LGA cuts.</i>

The Clerk-Treasurer was directed to prepare the necessary documents to present to the Council at the next meeting to formalize these actions. If there are additional areas in the budget worthy of examination, she is to make her recommendations at that time.

#### **ADJOURNMENT**

MOTION BY TANGEN/RIVARD TO ADJOURN THE MARCH 11, 2009 BUDGET WORKSHOP MEETING.  
MOTION CARRIED UNANIMOUSLY.

Being no further business to come before the Council, the Workshop Meeting adjourned at 10:30 a.m.

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Michael D. Buchite, Mayor

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Jo Everson, Clerk-Treasurer

**APPROVED: APRIL 13, 2009**