

North Branch City Council

Work Session

Date of Meeting: November 6, 2014

Present: Councilmembers: Ronald Lindquist, Theresa Furman, Kathy Blomquist, Joyce Borchardt, and Trent Jensen.

Also Present: Public Works Director Williams, Fire Chief Grote, Liquor Store Manager Dahlberg, Police Chief Meyer, Finance Director Hill and City Administrator Konrad.

I. Call To Order

The meeting was called to order at 6:30 p.m.

II. 2015 Budget

Konrad reviewed the budget with Council noting the preliminary budget includes a 5.2% budget increase, the same amount that the City's tax capacity is increasing. Staff identified the necessary to get to that level. Council and staff discussed the public works budget. Furman asked why the staff didn't just divide up the \$80,000 of reductions necessary among the other departments instead of taking a large chunk out of fire. Hill indicated that it was the direction of Council to take \$70,000 out of fire. The majority of the department's budgets were around 3% increase. The Fire Department's budget was increasing 25% so Council directed that their increase be brought to the same level as all of the other departments. Furman said that in talking with fire department and public works she was told that public works has gotten more trucks than fire. Williams explained the vehicle replacement policy and outlined the types of vehicles that are set for replacement for the next couple of years. Borchardt suggested looking to state agencies for a used grass rig to meet the needs. Council agreed to the public works budget. Council discussed the fire department budget with the reductions as proposed. Jensen said he would be in favor of increasing fire somewhat but he does not want to anticipate saving money and spend that before it is actually saved. Borchardt would like to leave the \$20,000 that we get from the conduit bonding in the contingency fund and wait until mid-year. Borchardt said that everyone cares about the fire department but it is a matter of cost and trying to deal with the debt situation. Grote indicated that it is increasingly harder to keep and find volunteers for the fire department. Blomquist would like whatever excess there is to go to the fire department. Blomquist said that everyone else in the City is getting pay raises but the Council tells the fire department that the budget is going to be cut and the employees are volunteers. The consensus is to leave the funds in contingency and look at it next year. Furman asked if the City has gotten someone else to come in to work at the front desk since it is a contract company. Konrad indicated that she is working on it. The consensus of the Council was to leave the budget at the 5.2% increase for the final levy discussion so things can be prepared for the budget hearing on December 4.

III. Fee Schedule

Konrad outlined the proposed fee schedule and noted that this item will be on the next Council agenda. Borchardt discussed the possibility of having a tiered fee reduction for development fees to try to encourage development of lots in the municipal utility area. A developer would be given a certain reduction in fees in the first year and then in subsequent years it would ratchet up. Staff liked the creative thinking, but was concerned that it would be hard to track and manage which could lead to errors. The consensus was to leave the fee schedule as proposed.

Konrad noted the second work session in December falls on December 18 and she is wondering if that meeting is needed. Also the first January work session would be January

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1, 2015. Council agreed to cancel the work sessions on December 18, 2014 and January 1, 2015.

Motion by Furman, seconded by Jensen to adjourn.

Adjourned at 8:00 p.m.

Respectfully submitted,

Bridgitte Konrad, City Administrator
jrl/TOSS