

**CITY OF BAYPORT
CITY COUNCIL WORKSHOP MINUTES
COUNCIL CHAMBERS
December 3, 2012
4:30 P.M.**

CALL TO ORDER

Pursuant to due call and notice, Mayor St. Ores called the City Council budget workshop meeting of December 3, 2012 to order at 4:31 p.m.

ROLL CALL

Members Present: Mayor St. Ores, Councilmembers Connie Carlson, Dan Goldston, Michele Hanson, and Mark Ostertag

Members Absent: None

Others Present: City Administrator Mitch Berg, Assistant City Administrator Sara Taylor, Finance Officer Wanda Madsen, Fire Chief Mark Swenson, Public Works Supervisor Mel Horak, Police Chief Laura Eastman, Police Investigative Sergeant Jerry Hutchinson, Police Officer Jay Jackson, Police Officer Zach Lund, Police Officer John Miller, Building Official John Buckley, and City Attorney Andy Pratt

Administrator Berg stated the purpose of the workshop was to discuss the four levy options proposed by city staff, noting Option #1 was the same option presented and recommended by staff at the November 19, 2012 budget workshop. Options #2, #3, and #4 included different scenarios for ways to decrease the levy, decrease expenditures, and/or fund additional City Council priorities/projects. Councilmembers Carlson, Ostertag, and Goldston spoke in favor of Option #2, noting that it seemed to be the best option to sustain current staff and services, while also allowing the flexibility to reallocate funding to increase certain areas of the budget, such as park and tree maintenance. Several councilmembers questioned whether the two year salary freeze for the City Administrator was necessary and expressed concern for lack of consistency with the proposed cost of living adjustment (COLA) for union and non-union employees. Mayor St. Ores, as well as other councilmembers, spoke in favor of a phased COLA for non-union employees, suggesting a 2% COLA beginning January 1, and implementing an increase to 3% beginning July 1 for the remainder of the year.

Discussion continued on suggestions for modifying the components of Option #2. Following discussion, the consensus of the City Council was to move forward with a 2.15% increase in the levy, including a one year salary freeze for the City Administrator (effective November 28, 2012 through November 28, 2013), a 3% COLA for the Law Enforcement Labor Services employee union (in accordance with the proposed labor agreement), a phased COLA of 2% for January 1 – June 30 and additional 1% for July 1 – December 31 for non-union employees, and elimination of the proposed new part-time public works position. It was noted that the 2013 budget and levy would be further discussed at the regular meeting at 6:00 p.m.

Administrator Berg presented an update on the 2012 budget, noting that year-end figures should be well within the adopted budget. He also stated that permits for new home construction have increased steadily over the past month. Administrator Berg mentioned that he has been researching opportunities for the city to pursue to become non-reliant on local government aid (LGA) and will provide periodic updates to the City Council on these efforts.

ADJOURNMENT

It was moved by Councilmember Hanson and seconded by Councilmember Goldston to adjourn the workshop at 5:19 p.m.