



CITY OF GRAND RAPIDS

Minutes - Final - Final City Council

Monday, August 6, 2018

2:00 PM

Conference Room 2A

BUDGET MEETING

CALL TO ORDER: Pursuant to due notice and call thereof a Special Meeting of the Grand Rapids City Council was held on Monday, August 6, 2018 at 2:00 p.m. in City Hall Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL: On a call of roll, the following members were present:

Councilor Christy arrived at 3:55 PM

Present 4 - Councilor Dale Christy
Mayor Dale Adams
Councilor Rick Blake
Councilor Tasha Connelly

Absent 1 - Councilor Bill Zeige

Others present:

Tom Pagel, Dale Anderson, Marcia Anderson, Barb Baird, Jeff Davies, Scott Johnson, Rob Mattei, Steve Schaar, Erik Scott, Matt Wegwerth

Max Peters, representing Library Board

2019 Budget Overview

City Administrator Tom Pagel indicated that the certified levy for 2019 is currently at \$7,707,317 with a tax rate of 86.167%. The trend in tax rate continues to grow because the City is investing in streets.

Library - Marcia Anderson and Max Peters reviewed the Library budget and made the following notations:

Significant revenue increase anticipated due to photocopying, faxing, passport processing fee, etc.

No personnel changes; only 2% wage increase.

Computer replacement - replacing wireless access points.

Very similar to last year, including \$15,000 pay back to rebuild reserve fund.

Recreation - Dale Anderson

2019 will be the first year without recreation programming

Civic Center - Dale Anderson reviewed the Civic Center budget and made the following notations:

Ice rent - everybody will be at the same rate; tournaments will not be lessened, which will result in an overall increase of approximately \$8,000.00.

There has been a minimal increase in costs due to the Multi-Use Pavilion.

Roof shoveling was done by City Staff with one exception when Hammerlund Construction was hired.

Airport - Matt Wegwerth and Jeff Davies reviewed the Airport budget and made the following notations:

2019 budget is status quo.

T-hangars are paid off.

Building Maintenance -

Facilities Maintenance Manager (Nathan Morlan) is budgeted in Building Maintenance budget, although he is spending time in Community Development as Interim Building Official.

2019 budget is status quo.

Facilities Maintenance (Ron Edminster) is eligible to work until August 2019; uncertain as to whether position will be filled.

Cemetery

There are approximately 70% more cremations than burials.

Engineering

More side projects.

Fleet Maintenance

No change other than personnel.

Assets between \$700-\$4,999 are basically tools.

Public Works

Storm Water Utility

Ponds need to be cleaned.

Councilor Connelly inquired as to when we would begin to see the impact of the new elementary schools? City Administrator Tom Pagel indicated most likely in 2021.

Community Development - Rob Mattei reviewed the Community Development and Economic Development Authority's budgets and made the following notations:

Personnel has increased by 16% due to the transfer of Tony Clifton from Recreation Program Coordinator to Building/Fire Inspector.

Two elementary schools and hotel redevelopment will show an increase in revenue.

Training costs are projected to increase due to new staff needing more training.

Economic Development Authority (EDA) (not part of original packet - handouts provided)

Operating Fund only - no revenue source - \$15,800 total expenditures projected.

Information Technology (IT) - Erik Scott reviewed the IT and Citywide (IT) budgets and made the following notations:

Network Internet Services has decreased because we now have an in-house spam filtering service.

"Dues/Subscription/License Fees" has moved to "System Maintenance Contracts."

Citywide (IT only)

Computer Replacement - replacing 20 computers at the Library

Citywide Maintenance - monitors, mouse, keyboards, etc.

Software Maintenance Contracts - contracts that are not IT specific (Citiworks and ELA excluded, as they have a separate line item) - increased due to records retention - use of Laserfiche has increased as more departments use it.

Position Request - IT Helpdesk

Erik read an information sheet; copies were later provided to all Council members.

"Continuing education has fallen off the map" according to Erik.

Councilor Connelly inquired as to why a full-time employee was requested as opposed to using a contracted service? Erik indicated it could be an option, but contracted services don't know the network and software.

3:55 PM - Councilor Christy arrived

City employee would become familiar with the network and software. Also, the Helpdesk person could scan for Community Development 50% of the time.

Councilor Connelly inquired about a part-time position. Erik indicated that they need 24/7 coverage, but are open to discussion.

Police - Police Chief Scott Johnson and Assistant Police Chief Steve Schaar reviewed the Police Department budget and made the following notations:

PERA contribution is increasing.

Supplies and materials have increased 14-15%.

Motor fuels are estimated at \$2.45 per gallon - the City contracts with Itasca County so does not pay fuel tax.

Assets between \$700 - \$4,999 will be used for SWAT, as they have old equipment.

Sniper rifle = \$6,000

20 AR15 rifles with special sights are approximately \$2,080

Taser = \$1,000 each

General insurance has increased from \$47,000 to \$55,000

Legal fees have increased by \$2,000

Seminars/Meetings/Schools have decreased from \$37,800 to \$30,000 due to lesser tuition reimbursement.

Two squad cars will be replaced - 2009 Dodge Charger and 2010 Dodge Charger - recommendation is to pay cash

Grand Itasca Clinic & Hospital contract is a pass-through; revenue to the City is 7-8%.

Grand Rapids Domestic Animal Control Facility - 3 year contract with Itasca County;

they'll be paying for 1/2 of the budget.

Fire - Tom Pagel reviewed the Fire Department budget

Councilor Connelly inquired about billing the DNR for fires; Tom talked to the Fire Chief and it will be done.

Finance - Barb Baird reviewed the Finance Department budget and made the following notations:

*89% of the budget is personnel
2019 budget has slight increases only*

Administration -

*The Administrative Assistant position will not be filled.
Professional Services has a \$20,000 placeholder in the event the referendum passes.*

City Council

Tom Pagel indicated that this is the year to consider salary increases for Mayor and Council Members (every odd year).

Received and Filed

ADJOURNMENT

There being no further business, the meeting adjourned at 5:32 PM.

Respectfully submitted,

**Lynn DeGrio
Acting Recorder**

There being no further business, the meeting adjourned at 5:32 PM.

Respectfully submitted,

*Lynn DeGrio
Director of Human Resources*