

## CLOQUET CITY COUNCIL WORK SESSION

September 6, 2016

Present: Bjerkness, Kolodge, Langley, Rock, Wilkinson, Mayor Hallback

Absent: Maki

Staff Present: Fritsinger, Barclay, Peterson, Lukarilla, Stracek

Other: Jamie Lund, Pine Journal

### **Draft Preliminary Budget/CIP**

Mr. Fritsinger reviewed the items that are having an impact on the proposed 2017 budget:

- Healthcare is a key item that is impacting the budget with the 27.4% renewal rate.
- Other items impacting the budget include minimal LGA increase, no levy limits, local sales tax options, wage and benefits increases, personnel changes in the Parks Department and Police Department, changing a part time position to full time at the Library, and a wage increase for summer seasonal.

Mr. Fritsinger next went over the major line item changes proposed in the 2017 preliminary budget by department. Highlighted items are as follows:

- Administration will now be split into Administration and Human Resources.
- Planning and Zoning is renamed Building and Planning Services.
- Managed Information Technology is a new department combining costs that were previous split among all of the departments.
- District Wide WLSSD Allocation is another new department covering the portion of the city's District-wide allocation that is not funded through the sewer fund but through property taxes.
- The Council as indicated support of an RFP in 2017 to evaluate options for the Prosecution/City Attorney services due to the potential for exceeding the budgeted amount.
- A proposed increase in the property tax levy to help offset the addition of one more summer season employee and certain capital improvements.

Mr. Fritsinger summarized a number of key assumptions for the 2018-2020 budget years. The Council has reviewed many of these assumptions over most recent meetings. These items include:

- The possible merger of Cloquet/Scanlon in 2019.
- Financial software upgrade.
- The implementation of a Housing /Rental licensing program in 2018.
- City sales tax bonds and Police Facility Bonds.

Mr. Fritsinger noted the 2018-2020 increase is based on impacts of wages and benefits to employees and is the largest increase over any other item.

Mr. Fritsinger requested any comments regarding the budget be made now as formal adoption of the preliminary budget will take place at the September 20<sup>th</sup> Council meeting. The City Council provided no feedback to Mr. Fritsinger on suggested changes to be made.

### Other Discussion

- The Council engaged in much discussion regarding the upkeep of ditches along Hwy 33 which is state property. Mr. Peterson is in frequent contact with MnDOT regarding the lack of maintenance and will contact them again regarding a consistent mowing schedule in those areas. Mr. Fritsinger commented that the maintenance of an urban section rather than a rural section is an issue with the state and he will look further into.
- Mr. Peterson stated that 14<sup>th</sup> street improvements are on the County's radar. He has made them aware of the City's expectations. The Council agreed a conversation should be had with the commissioners of road improvements by the County in the future.

There being no further business, the meeting adjourned at 6:45 p.m.

Respectfully Submitted,

Brian Fritsinger  
City Administrator