

**Notes of Budget Workshop
of the Loretto City Council
August 21, 2012**

CALL TO ORDER/ROLL CALL

The Workshop was called to order at 6:01 p.m. by Mayor Kent Koch. Members present: Mayor Koch, Council members Tom Pedersen, John Neumann, Clark Lohr, and Jeff Tepfer. Also present: City Clerk Cindy Patnode and Public Works Director Jeff Leuer. There were no people in the audience.

WORKSHOP SESSION

The following items were discussed:

- Council was satisfied with the percentage of time split out among employees with the intent of averaging out over three years.
- Council payment increase for Council meetings and additional meetings. Majority of Council was to have them remain as they are with additional meetings at \$20.
- Consideration of the driveway approach to A-Z. Leuer will look into and report back to Council.
- Streets Capital Budget – add “Road Reconstruction” as a line item budget. Discussion also centered on ranking the streets to be redone by projecting the water main and sewer line replacement schedule and any issues relating to the storm water that would need to be addressed. A type of matrix should be developed for the ranking. If reconstruction occurs, some of the current street widths would need to increase to the minimum of 24’, some Loretto streets are 20’. It was noted that assessments may also need to be charged for this type of project.
- Park Capital – bringing the softball bathrooms to ADA compliance should be a priority – however, rental of outdoor bathrooms could make it compliant. It was suggested that an architect could draw up the plans for the Council to review. A new type of fencing was discussed for the baseball backstop and the possibility of installing it this year. Leuer will keep the Park Committee informed of the progress of that as the yearly maintenance costs for the new fencing are being investigated. Council discussed the high percentage of budget spent on Loretto parks compared to similar cities and to try to lower Loretto’s percentage. Council direction was to continue to pursue the Hennepin County Youth Sports Grants to off-set General Fund Costs.
- Stormwater Capital Fund – Patnode to get the breakdown to the Council on the Local Surface Water Management Plan (LSWMP) in the Stormwater Fund.
- Council directed staff to look into purchasing a recording device for Council meetings with money in the Office Supplies section of all funds.
- Get depreciation numbers to determine the costs of the utility rates and bring to the October meeting for the Council to determine if rates will need to be increased.

- Council would like to see a 0% in levy from 2012 Budget year.
- Line item budget reductions from Proposed: lower Council to same as 2012 (\$7,820); lower the time of Office Assistant back to 10 hours per week plus the time needed to offset the Clerk's vacation time; split the telephone bill into all funds; lower postage for City by \$300 to \$500; raise criminal attorney by \$3,000 to \$9,000 due to information of a costly litigation suit that may be forthcoming; reduce the general engineering from \$2,000 to 0 as money is allocated in streets for an engineer; raise the expense of the Fun Fest to \$17,000 and the income to \$14,000 so the net result of \$3,000 expenditure remains; lower the storm water 604 Fund by \$3,000 in the Capital Outlay to \$14,500.

Council directed staff to make the above corrections and bring back to the September meeting for discussion and setting a preliminary budget and levy.

ADJOURN

On a motion by Lohr, seconded by France, to adjourn the Budget Workshop at 8:25 p.m.

ATTEST:

Cynthia J. Patnode, City Clerk

Kent Koch, Mayor