

Present: Mayor –	Joyce Hudson
Council members	Jeff Kennedy
	Gary Fritch
	Tim Strauser
	Jeff Whiting
City Administrator	Bruce Clymer
City Attorney	Mike Bacon
City Clerk / Treasurer	Connie L. Dalrymple

Also present: Joan Windrum, Ken Christensen, Duane Oliver, Dean Kugler, Dave Collins

Mayor Hudson opened the meeting at 5:30 p.m. Advance notice and a copy of the agenda were given to the Council and members of the press. City Council meetings are conducted in accordance with the Open Meetings Act, a copy of which is available for public inspection on the north wall of the Council Chambers.

The meeting was called as a work session on the 2012-13 budget. The proposal for each fund was reviewed and /or modified and a final proposal will be prepared for public hearing.

Administrator Clymer reviewed the Municipal Equalization Fund (MEF) calculation which is based on our valuation. There is a large increase in valuation this year due to the end of the tax increment financing term of Frito-Lay and other projects. There were also some large building permits. This will reduce our MEF receipts from the State next year and forward.

The budget proposal for City funds includes:

- The Police Dep't will go on a 4-year cruiser rotation beginning 2013.
- \$120,000 - third of four years, at \$40,000 / year, for a street sweeper
- \$40,000 - 2nd year saving for dump truck
- \$12,000 - storage building at shop (budgeted last year but not done)
- \$13,683 - bond payment on south Lake Avenue repairs
- \$2800 - repair / install duct work for city hall heat and air conditioning
- Stain and paint for Boy Scout cabin, Girl Scout cabin, restrooms, and bridge at Lafayette Park
- \$10,000 - first of three years funding for a Parks Dep't pick-up
- \$20,000 - tennis wall
- Revenue of \$116,500 for Lake Helen planning grant
- Transfer \$40,000 from Parks to Capital Projects for Lake Helen repair and contracts
- \$5,000 - replace Fire Dep't pagers
- \$30,000 toward future fire truck
- \$25,000 - expand the 4-plex concession stand, anticipating donations and fund raising
- \$120,000 cash reserve in the street department
- The proposed property tax request of \$570,527 will result in a levy of .310255, down from .331650 last year, well under the .45 limit imposed by the State. However, the increase in valuation will result in a tax increase for property owners.

The budget proposal for Public Works Division funds includes:

- \$48,000 electric, water & sewer departments for storage building at the shop
- \$40,000 to continue electric system upgrade projects
- \$100,000 contingency for power line to industrial tract
- \$115,000 - third of three years for small bucket truck
- Additional Electric Dep't employee
- Water rate increase 5%
- \$200,000 - power wash and paint exterior of water tower and drain/ blast/ repaint the interior
- Transfer \$20,264 from Water Dep't to Debt Service, annually through 2023, for Lake Ave repair bond payments
- \$300,000 - potential sewer suit
- \$80,000 carryover for sewer jet/vacuum
- \$11,000 - Clean City Week expenses in Solid Waste Fund

Proposed employee wage increases will be the Consumer Price Index of 2.9% with some adjustments for training and comparability.

Airport Authority Board members Dave Collins and Dean Kugler visited with Council regarding the Authority's 2012-13 tax request of \$93,274.00 which increased by \$51,000 from last year. Some of the hangers are in serious disrepair and they would like to install a credit card payment system for airplane fuel. They anticipate several student fliers, possibly leading to a regular flight school, improved relationship with the State Aeronautics office, and more use of the airport facility. The Board feels that progress is being made in upgrading and use of the airport.

Discussion was had and Fritch moved, Whiting seconded, to allow the Airport Authority tax request as proposed. Roll call vote: Yea – Strauser, Fritch, Whiting, Kennedy. Nay – none.

The proposed budget will be presented to the Council at a special meeting at 9:00 a.m. on September 4 for their final review prior to publication. If approved, the budget hearing will be September 11.

Strauser moved, Fritch seconded, to adjourn the meeting at 9:02 p.m. Roll call vote: Yea – Kennedy, Strauser, Fritch, Whiting. Nay – none.

Joyce Hudson, Mayor

Connie L. Dalrymple, City Clerk