

A G E N D A

**NORTH MANKATO CITY COUNCIL WORKSHOP
MONDAY, NOVEMBER 14, 2011
NORTH MANKATO COUNCIL CHAMBERS
6:00 P.M.**

1. Call the meeting to order.
2. Continuation of 2012 Budget Discussion.
3. Adjourn.

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Wendell Sande, City Administrator
DATE: November 10, 2011
SUBJECT: Budget Recommendations

After a review of the discussions and suggestions from the previous Council Workshops, we have prepared a list of proposed budget adjustments for your consideration.

Section 3

Section 3 totals \$60,000 and is a list of budget reductions that were prepared by the department heads in response to the Council's request.

Section 2

The budget reductions in Section 2 are drawn from the original list submitted by staff and total \$147,000.

Section 1

Section 1 is the net amount of budget reductions from Council Member Freyberg's worksheet that had not previously been accounted for in the 2012 Budget or the staff and department head recommendations. Council Member Freyberg's worksheet was based on the 2011 Budget and therefore did not provide a direct correlation.

Revenue Enhancements

Staff has identified a total of \$16,000 of revenues drawn from anticipated signage sales at Caswell Park and increases in license, shelter and community room rental fees. The combined total of budget adjustments from the four worksheets is \$234,700. That amount is sufficient to reduce the proposed levy to the 7.5% level of increase.

The staff met with Mayor Dehen on November 10, 2011 and reviewed a number of the budget areas in line item detail. The Mayor requested that the staff revisit selected areas of the budget to determine if additional budget reductions were feasible.

If the recommendations are approved as presented, there would be no reduction to crossing guards, Twin Rivers, Summit Center or Mass Transit.

CITY OF NORTH MANKATO
 Potential Expenditure Reductions and Revenue Enhancements - 2012
 Budget Workshop
 11/14/11

<u>Expenditure Reductions</u>	<u>Possible Reductions</u>	<u>Reductions</u>
<u>Section 3</u>		
# Reduce Training & Travel - Public Works	\$2,500	<u>\$2,500</u>
# Reduce Seasonal Employees - Public Works - Discontinue curbside brush pickup - Change special services to drop off only	\$20,000	<u>\$20,000</u>
# Reduce flowers - Park	\$2,000	<u>\$2,000</u>
# Reduce pool hours and staff	\$10,000	<u>\$10,000</u>
# Close warming house	\$4,000	<u>\$4,000</u>
# Defer sign replacements - 1 year	\$8,500	<u>\$8,500</u>
# Snow removal - call snow emergencies	\$5,000	<u>\$5,000</u>
# Library - Non-capital equipment	\$2,500	<u>\$2,500</u>
# Library - Summer Reading	\$3,500	<u>\$3,500</u>
# Miscellaneous	\$2,000	<u>\$2,000</u>
Total - Section 3		<u><u>\$60,000</u></u>

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<u>Expenditure Reductions</u>	<u>Possible Reductions</u>	<u>Reductions</u>
<u>Section 2</u>		
7 Crossing Guards	\$15,000	_____
8 Twin Rivers Council for the Arts Appropriation	\$10,000	_____
9 Summit Center Appropriation	\$12,000	_____
# Mass Transit - Bus Service	\$53,000	_____
# Building Inspection Non-Capitalized Equipment	\$10,000	<u>\$10,000</u>
# Street Non-Capital Equipment	\$8,000	<u>\$8,000</u>
# Maintenance of Shop - Non-Capital Equipment	\$7,000	<u>\$7,000</u>
# Reduce Newsletter to 2 Times per Year	\$11,000	<u>\$11,000</u>
# Street Roof Repair	\$26,000	<u>\$26,000</u>
# Street Pipe	\$7,500	<u>\$7,500</u>
# Swim Facility	\$58,850 Net	_____
# Eliminate Parkland Levy	\$8,500	<u>\$8,500</u>
# Defer Equipment Certificates 1 Year - Levy	\$69,000	<u>\$69,000</u>
Total - Section 2		<u><u>\$147,000</u></u>

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<u>Expenditure Reductions</u>	<u>Possible Reductions</u>	<u>Reductions</u>
<u>Section 1</u>		
1 <u>Council Member Freyberg's Net Reductions</u>	_____	<u>\$11,700</u>
2 _____	_____	_____
3 _____	_____	_____
4 _____	_____	_____
5 _____	_____	_____
6 _____	_____	_____
Total - Section 1		<u><u>\$11,700</u></u>

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Possible Revenue Enhancements

Licenses - Increase 25%	\$19,900	_____
Street Lighting User Fee \$1.00 /Month or \$4.35 / Acre	\$80,690	_____
Building Permits and Plan Review Fees - Increase 10%	\$21,800	_____
Other:		
<u>Signage - Caswell Park</u>	\$5,000	<u>\$5,000</u>
<u>Increase Rental License Fee (\$30)</u>	\$7,000	<u>\$7,000</u>
<u>Increase Park Shelter Rental Fee (\$80)</u>	\$2,000	<u>\$2,000</u>
<u>Increase Community Room Rental Fee (\$80)</u>	\$2,000	<u>\$2,000</u>
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Total Revenue Enhancements		<u><u>\$16,000</u></u>

Required Reductions from Initial Budget Propopsal

7.50% Levy Increase	\$225,007
5.00% Levy Increase	\$345,361
2.50% Levy Increase	\$465,715
Section 3	\$60,000
Section 2	\$147,000
Section 1	\$11,700
Revenue Increases	<u>\$16,000</u>
TOTAL	<u><u>\$234,700</u></u>