

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING - BUDGET, AUGUST 28, 2013**

The meeting was called to order at 7:00 a.m. in City Hall Council Chambers by Mayor Alan E. Oberloh with the following Council Members present: Mike Kuhle, Diane Graber, Rod Sankey, Ron Wood, Scott Nelson. Members absent: Honorary Council Member, Robert Bristow.

Staff present: Craig Clark, City Administrator; Brian Kolander, Finance Director; Janice Oberloh, City Clerk; Kevin Black, Prairie View Grounds Keeper; Scott Rosenberg, Parks Superintendent; Jim Euhlberg, Public Work Director (7:15 a.m.); Margaret Vosburgh, Memorial Auditorium Manager (8:28 a.m.); Dan Wycoff, Liquor Store Manager (8:40 a.m.).

Others present: Tom Jansa, Dakota Golf; Aaron Hagen, Daily Globe.

GENERAL BUDGET DISCUSSION

Tom Jansa from Dakota Golf was present at the meeting and reviewed the agreement between the City of Worthington and Dakota Golf for management services of the Prairie View Club House. The agreement provides that the City is responsible for all maintenance expenses and all the personnel expenses for maintenance, and Dakota Golf is responsible for staffing the club house and promotional expenses. The biggest variable is maintenance expenses. Brian Kolander, Finance Director, estimated that the amount of tax levy used by the end of 2013 would be approximately \$120,000, and pointed out that this year is the last year of the equipment lease. The 2014 ERS includes \$52,000 for a new rough mower, which was not funded over time. Council Member Wood suggested taking \$17,000 out of total equipment reserves to bring the new money needed to \$35,000 for the mower. Mayor Oberloh requested that staff look at a leasing option prior to deciding this equipment purchase. With the cart lease expiring this year, the 2014 budget includes \$17,000 for cart leasing. Council discussed options for carts going forward.

Scott Rosenberg, Parks Superintendent - noted that Olson Park fees and park shelter rental fees have been static, however the soccer fee was raised \$100 this year. The park budget includes replacement of some park benches, \$4,000 for an additional plow for the tool cat for maintenance for the additional trail system, \$1,300 for attendance at a playground safety workshop, \$3,000 for a chipper, and \$7,700 to replace a stump grinder. The proposed budget also includes \$15,000 for replacement of the water heater at Olson Park, which has become an ongoing expense to keep the old heater going. The tree maintenance budget includes funding for additional bucket truck repairs, \$5,000 for tree plantings and \$10,000 for a tree purchase program.

Jim Eulberg, Public Works Director, noted the street budget includes \$10,000 for repair to the clam bucket, and \$4,800 for purchase of a trailer for hauling. The proposed 2014 Airport budget includes funding for a generator.

Margaret Vosburgh, Memorial Auditorium Manager, reviewed her proposed 2014 budget with Council and presented the proposed 2014 Auditorium rental/user fees. The Advisory Board is recommending that the percent of total ticket sales go up from 10% to 12%. Operating increases are based on the renovation/addition to the facility. Ms. Vosburgh said they are looking at

repairing/replacing the ceilings - the Friends of the Auditorium received \$11,547 of grant money for the project but the estimated total cost of the rigging is \$17,764 - the remaining portion would need to be paid by the City, and was not included in the proposed budget. Personnel costs were down in 2013 with the replacement of the previous maintenance/technical person.

Dan Wycoff, Liquor Store Manager, reported he had gone from four full-time positions to three, which functions just as well with more part-time. The new energy efficient cooler was installed in April. Mr. Wycoff noted a \$million increase over the three years he has been there. Staff was requesting a 2013 budget amendment to complete the computer/scanning equipment replacement and three check-out stands in 2013 instead of 2014 as scheduled, as they are coming up on their busiest time of year. Reserve funds would be used for the project, with no down-time projected.

The motion was made by Council Member Wood, seconded by Council Member Graber and unanimously carried to transfer \$27,500 from Liquor Store reserves to the 2013 budget to complete the modifications to the front end check-outs at the Liquor Store.

2014 LEVY LIMIT PRECERTIFICATION DISCUSSION AND CANCELLATION OF AUGUST 29, 2013 CITY COUNCIL BUDGET MEETING

Brian Kolander, Finance Director, stated that the State had frozen our levy limit at the same number as last year's total of \$3,147,136, which included the general and special levies. However, we are also able to levy over and beyond that number if we have debt service/special taxes. The proposed special tax levy collectible in 2014 is \$936,948. Council Member Wood noted that with the first budget pass it appeared we were only 2.5% off from where we need to be, and with the information discussed in the budget discussions it should be easy to attain the required number. Mr. Kolander noted the 2014 debt service amount of \$936,948 reflected an increase of 1.3% over 2013. Following a brief discussion, Council consensus was to pre-certify at a 1.3% increase - as we can always reduce the amount before certifying in December. Council action to set the pre-certification number will be requested at the September 9, 2013 regular City Council meeting.

Because Council had reviewed and discussed all of the department budgets and reached a consensus for a pre-certification number, it was determined that the final budget meeting scheduled for August 29th was not necessary.

The motion was made by Council Member Wood, seconded by Council Member Nelson and unanimously carried to cancel the August 29, 2013 Special City Council meeting for Budget.

Should staff receive any additional information between now and the September 9th meeting that would adversely affect the pre-certification number, a special meeting will be called prior to that evening.

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ADJOURNMENT

The motion was made by Council Member Wood, seconded by Council Member Graber and unanimously carried to adjourn the meeting at 9:26 p.m.

Janice Oberloh, MCMC
City Clerk