

CITY OF GRAND MARAIS
WORKSESSION MINUTES
June 10, 2009

Mayor Hakes called the meeting to order at 3:30 p.m.

Members present: Sue Hakes, William Lenz, Jan Sivertson and Tim Kennedy

Members absent: Kay Costello

Staff present: Mike Roth, Dave Tersteeg and Kim Dunsmoor

The council met to discuss budget cuts and increased revenue options to plan for the anticipated unallotment by the state.

Dave Tersteeg, Park Manager, is not rehiring a park maintenance worker after one worker resigned. This should save approximately \$5,548. The Park Board approved reduced pool hours from September – December, a savings of \$1,876. Additional marina revenue not initially projected is \$ 8,000 due to additional boat slips, storage and fuel sales. Additional revenue from convenience items sales such as ice cream bars and smore fixings in the park office is projected at \$1,000. Total: \$16,424.

The library is not hiring a seasonal page for a savings of \$900 and the Arrowhead Library System adjustment of \$3,750 in savings. Total: \$4,650.

The reduction of property maintenance staffing is estimated at \$18,000.

City Hall rentals were examined by looking at square footage and building costs of city hall. The cost for utilities and maintenance of city hall cost approximately \$66,000. Tenants of the building are city hall, PUC, GMATA, EDA, Public Restrooms, City Attorney, and Liquor Store. Council directed to charge the PUC their cost of the building \$18,000 per year to begin July 1, 2009, an increase of \$15,600. Ask for increased rent from the EDA of \$5,000 per year beginning January 1, 2010, an increase of \$2,000. Ask GMATA to clean their space including the public restrooms or increase their rent to cover cost of \$4,205 from \$12 per year currently charged. Charge the liquor store market rate rent beginning July 1, 2009, of \$38,400, an increase of \$14,400. No changes to the city attorney rent because the current rent seems reasonable for his space. Total: \$ 15,000 for 2009.

The unallotment amount of local government aid will most likely be decided in July: however, these changes of \$53,892 should cover the amount of lost local government aid for 2009.

There being no further business, the meeting adjourned at 4:25 p.m.