

***CITY OF GRAND MARAIS***  
***WORKSESSION MINUTES***  
*August 12, 2009*

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

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

Members absent: Kay Costello

Staff present: Mike Roth and Kim Dunsmoor

Department heads are currently preparing their 2010 budget requests. The Preliminary Levy will be set at the first council meeting in September. The council can reduce the levy by December, but cannot increase the levy. The library budget is done. Council will meet with the Street/Building Maintenance Dept, Parks Dept, and Fire Dept on August 28 at 9:30 a.m. Wages are the largest part of the budget and have already been set based upon the Union agreement. Local government aid has been cut \$40,000 in 2008, \$31,000 in 2009 and about \$71,000 in 2010. The state has relied on accounting shifts and one-time money, leaving them with a large deficit for their next budget. No capital projects are currently scheduled. The pool lost approximately \$219,000 in 2008: we have submitted a letter requesting additional funding as part of the County's 2010 budget process. Hours will be reduced at the pool and the county just received "In-Lieu of State Tax Money" 60% of which is earmarked for recreation. Council priorities with the potential of needing money in 2010 include a new maintenance facilities building, marina, and Park Master Plan. If Biomass moves forward, a new utility enterprise fund will have to be created.

The worksession adjourned at 4:30 p.m.