

*CITY OF GRAND MARAIS  
2012 BUDGET AND LEVY HEARING  
MINUTES  
December 14, 2011*

Mayor Carlson called the meeting to order at 5:12 p.m.

Members present: Larry Carlson, Bob Spry, Jan Sivertson, Tim Kennedy and Bill Lenz

Members absent: None

Staff present: Mike Roth, Kim Dunsmoor and Chris Hood by telephone

No member of the public attended the meeting.

City Administrator Roth discussed the changes due to the Market Value Homestead Credit. We included \$33,000 in the 2011 budget to make up for the loss of the credit. The state would lower our levy by \$48,000 and then send us \$15,000 leaving us short for the budgeted difference. Now we can take out this \$33,000.

We built 2% in salaries for the budget, AFSCME settled on 1.5%, so we were able to reduce the levy by that amount.

Medical insurance decreased 7.5%.

We added \$8,000 for the golf course capital improvements.

We are fairly confident that our Local Government Aid will be what the state certified.

The Cedar Grove Business Park Bond is covered without property tax dollar for 2012, but is uncertain for 2013.

We are still working on the Capital Improvement Plan which included the Park Master Plan, City Hall and the PUC Facility.

Staff recommends the proposed levy of \$815,058 which is \$10,940 less than the 2011 levy and a 1.32% decrease from the 2011 Budget. This amount is \$26,000 less than the preliminary levy.

We will request approval of the budget and levy at your December 28<sup>th</sup> meeting.

There being no further business, the meeting adjourned at 5:20 pm.