

The Cannon Falls City Council met in a work session on Wednesday, November 6, 2019 at 7:12 p.m. in the City Council Chambers. Present were Mayor John Althoff and Council Members Steve Gesme, Matt Montgomery, Bill Duncan, Morris Mattson, Mary Jill Bringgold and Derek Lundell. Also present were Dave Maroney, City Administrator; Lanell Endres Finance Director; Jeff McCormick, Police Chief; and Joe Berg, Police Lieutenant.

Purpose                    The purpose of the work session was to discuss the proposed 2020 budget and levy.

Discussion              Chief McCormick presented information on budget scenarios as requested from the last work session. He reviewed what a 0% increase and a 2.5% and 5% reduction from 2019 budget amounts may look like. He also reviewed the fixed increases impacting the budget such as asset and liability insurance, sirens maintenance agreements, uniform allowances set by contract, subscription fees and personnel cost increases. He indicated that to hold the budget amount at 2019 levels he would need to reduce the proposed 2020 budget by \$51,955. To accomplish a 0% increase he proposed to: eliminate the two part-time police officers; eliminate the police department's share of the cleaning person position; eliminate crime prevention; eliminate the police department share of the MMUA safety program; eliminate carpet cleaning services; reduce animal control and reduce education and training supplies.

Chief McCormick indicated that to reduce the proposed 2020 budget to an amount 2.5% less than the 2019 budget he would need to cut \$80,003. He proposed the following items be cut to accomplish the 2.5% decrease: eliminate the office assistant position and the police department's share of the cleaning person position.

Chief McCormick indicated that to reduce the proposed 2020 budget to an amount 5% less than the 2019 budget he would need to cut \$108,052. He proposed the following items as cuts to accomplish the 5% decrease: eliminate the part-time police officers, eliminate the office assistant position; and eliminate the police department's share of the MMUA safety program.

The Council discussed the information presented and also reviewed information regarding schedules, staffing, double coverages, seniority, safety, and comparisons to other communities.

The Council was presented updated estimated tax capacity information. It was noted the estimated tax capacity increased over \$160,000 which would result in a 6.79% levy increase if the budget remained at the preliminary levy amounts.

The Council discussed the possibility of removing the \$130,000 amount added for a mill and overlay project in the Public Works Department budget. They also discussed the water and sewer rates and the possibility of not increasing the amounts for 2020. The water and sewer debt obligations were reviewed.

The Council decided to meet prior to the following week's special meeting to further discuss the proposed 2020 budget. The indicated they would meet at 5:30 on November 13, 2019.

Adjournment

The Council duly adjourned at 8:21 p.m.

Adopted by the City Council of the City of Cannon Falls on the 19<sup>th</sup> day of November, 2019.

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John O. Althoff, Mayor

ATTEST:

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David Maroney, City Administrator