

**City of Minnetonka Beach
Truth and Taxation Hearing Meeting Minutes
Monday, December 9, 2013**

Present: Mayor Joann Anderson, Council Members: Jill Bartel, Jaci Lindstrom, Rick Skalla, Mike Taylor, and Treasurer Randy Gilster

Staff Present: City Administrator, Susanne Griffin; City Clerk, Diane Tiegs; Public Works Director, Ben Young

Resident: Lee Goehring, 2423 Woodbridge Road and Ward Myers 2532 Lafayette Road

1. Call to Order

Mayor Joann Anderson called the Truth and Taxation Hearing to order at 7:06 p.m.

The Truth and Taxation meeting is the annual review of the preliminary budget and the opportunity for the public to provide input and ask questions regarding the proposed budget.

2. Truth in Taxation Hearing

3.1 Comments

Finance Committee Member, Lee Goehring asked about the status of the U.S. Post Office in relation to the current overhead and the government funding provided. This was discussed at a recent Finance Committee meeting. Mayor Anderson responded that the service will remain and that the funding provided is adequate. The entire salary was listed under the Post Office when in fact part is City salary for work as Utility Billing Clerk. \$5,000 is funded from the US Government for the Post Office and the City budgets the remaining salary.

3.2 Budget Review

City Administrator Griffin reviewed the updates on the final budget with Council.

Council Member Skalla stated that the staff increases were too much since the general public and other municipalities are not receiving increases. He believes even though the City is able to grant the increases the total increases of 5 to 6.5 percent are not reflective of today's economy and society in general. The Staff does a great job; however, Council needs to be aware of public perception with these increases. Mayor Anderson stated that she believes our Staff does an excellent job. The increase for the Public Works Director was because he is at the top of his salary and the increase would be 6% in appreciation for his outstanding services. Council Member Taylor would like to see the increase as a bonus and not added to his base salary. The City Clerk's salary was on accelerated steps due to being on the low end of the scale for City Clerk salaries.

City Administrator Griffin presented a survey of a few of the surrounding communities which showed the City's public works position is in relation to others. Council Member Taylor asked what amount was considered for a bonus to the Public Works Director. After reviewing the figures of communities surveyed for public works compensation, figures indicate that Minnetonka Beach is on

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the higher end of the pay scale. Council Member Taylor questioned the step increases and what determines the increases. City Administrator Griffin stated that the step increase rate structure established years ago as a result of a pay equity study required by the State and years of service.

Council Member Skalla stated the current spending in fund 2340 Roads & Parks Maintenance is already more than what is budgeted for 2014. He is concerned if the budgeted amount for 2014 is sufficient. Council discussed the difference and that difference is due to the blacktop/seal coating during 2013 and during the 2014 budget year there will not be a need for a large amount in that fund. Council reviewed other changes including Planning and Zoning.

Council Member Taylor asked about the garbage tax. City Administrator Griffin stated there are concerns that the billing may not be enough to cover the actual expense and further review will have to be done in Banyon to assure expenses for recycling and garbage are covered.

City Administrator Griffin reported on the projected sales tax savings that may be realized during 2014 due to the new exemption. The potential savings could amount to \$5,442 which was estimated for Hennepin County from the sales tax paid in 2012.

Mayor Anderson adjourned the Truth and Taxation Hearing meeting.

3. Proposed Budget Meeting closed at 7:48 p.m.

Respectfully Submitted,
Diane Tiegs, City Clerk