

**CITY OF HAMBURG**  
**Special Meeting**  
**2012 PROPOSED BUDGET WORKSHOP**  
**Resolution 2011-13 and Kim Avenue Repairs**  
**August 23, 2011**

Mayor Malz called the Special Meeting (2012 Preliminary Budget Workshop, Resolution Number 2011-13, and Kim Avenue Repairs) to order at 7:00 p.m. Councilmember Steve Trebesch, Councilmember Chris Lund, Councilmember Larry Mueller, Councilmember John Barnes, City Clerk Jeremy Gruenhagen, Deputy Clerk Sue Block, and Fire Chief Brad Droege were present. Maintenance Worker Dennis Byerly was absent.

No one from the general public was present.

The 2012 Proposed Budget, as presented, reflects a zero percent property tax levy increase.

**General Fund Budget – Difference from 2011 to 2012 Budget**

- No changes in property taxes.
- No major changes in Licenses and Permits
- Intergovernmental Receipts
  - Local Gov't Aid (LGA)
    - Certified LGA amount for 2012 is \$58,777.
    - It will be up to Council whether or not to include this amount in the 2012 Budget.
- Charges for Services
  - Only change will be an increase in Township Fees for Fire Protection in 2012.
- Revenues
  - No major difference from 2011 to 2012 except for accounting for Local Gov't Aid.
- General Government Expenses
  - A three percent wage increase was built into the 2012 budget.
  - Health Insurance was increased by ten percent. Actual rates for 2012 do not become available until October/November 2011.
    - City Clerk Gruenhagen is working with the cities health group leader trying to find lower health insurance rates with other companies.
  - Workers Comp. Insurance was increased five percent. Rates for 2012 will not be available until October/November 2011.
  - Telephone & Internet Fees were increased by two percent.
  - Electricity was increased by three percent.
  - Major change from 2011 to 2012 will be the addition of Elections & Voter Registration. 2012 will be an election year.
  - Auditing Fees were slightly increased for 2012.
- General Government Buildings Expenses
  - Repairs and Maintenance for the Community Center.
    - There is mold growing on the wall in the men's bathroom and the utility closet, this may have to be repaired by using this years budget. The wall that was repaired in the women's bathroom is also cracking and coming apart again.

**Public Safety Budget**

- Police Protection will remain the same unless Council would like additional policing.
- Animal & Mosquito Control
  - Budgeted amount will stay the same from 2011 to 2012 unless Council decides to increase the number of sprayings.
- Fire Department Repairs & Maintenance (Equipment)

**CITY OF HAMBURG**  
**Special Meeting**  
**2012 PROPOSED BUDGET WORKSHOP**  
**Resolution 2011-13 and Kim Avenue Repairs**  
**August 23, 2011**

- The Civil Defense Siren Maintenance Program was added to the 2012 Public Safety Budget in the amount of \$486.00.
- Fire Department Relief Association – Cities Municipal Contribution for 2012
  - The Cities contribution to the Fire Departments Relief Association decreased from \$46,725 in 2011 to \$24,337 for 2012.
    - Reasons for decrease: Increased Number of Retirements and investments are up.

**Public Works Budget**

- Streets
  - Engineering Fees
    - For the past few years there has been \$500 in this line item but it has never been used. Council should decide to keep this or move the money somewhere else.
  - Council will need to discuss and make a decision on what should be done about seal coating, crack sealing, street maintenance, and sidewalk repairs.
  - Snow Removal cost was increased to \$10,500.

**Park & Recreation Budget**

- Contracted Mowing Services/Part Time Help
  - Council will have to make a decision to keep this line item in the 2012 budget or remove it.
- Repairs & Maintenance
  - Council will have to decide to rise or lower the \$2,000 budgeted for 2012.
- Portable Restroom Rentals will remain the same unless Council decides to rent a portable restroom for the new Community Park next summer.
- Equipment & Capital Improvements
  - Council will have to decide what amount should be budgeted for 2012.

**Community Hall**

- Repairs & Maintenance
  - No amount was listed for the 2012 Budget, however, approximately \$2,000 to \$3,000 are needed yearly for general repairs.
- Equipment & Capital Improvements
  - There is only \$1,000 in the 2012 Preliminary Budget for Equipment & Capital Improvements.

**Transfers Out**

- Council will have to decide if \$12,000 should be transferred from the General Fund to the Water Fund in 2012 or if water rates should increased to cover expenses.
- Other transfer considerations could be made to the City Savings Account (Equipment/Maintenance Fund), Radio Replacement Fund (Equipment CD), and Truck Replacement Fund (Equipment CD). Currently there is nothing in the budget for these items.

City Clerk Gruenhagen informed Council that currently there is \$105,000 to put back into the budget for 2012. Adding this all back into the budget would still figure out to a no tax increase for 2012.

**Debt Service Budget**

- Expenses Removed
  - The 2001 Ford Ambulance was paid off in 2010.
  - The Community Center Bonds were paid off this year, 2011.

**CITY OF HAMBURG**  
**Special Meeting**  
**2012 PROPOSED BUDGET WORKSHOP**  
**Resolution 2011-13 and Kim Avenue Repairs**  
**August 23, 2011**

**Water Fund**

- No major changes for 2012, however, the water fund will run a deficit of \$12,000. Council will have to make a decision to transfer \$12,000 from the General Fund or to raise water rates to cover expenses.

**Sewer Fund**

- It was suggested not to increase the Sewer Fund for 2012.

**Storm Sewer Fund**

- Will sustain by user fees.

Council discussed several items on the Wish List but no decisions for any additions or subtractions were made to the budget or wish list at this time.

***Councilmember Trebesch moved to set the next 2012 Budget Workshop Meeting on September 6, 2011 at 7:00 p.m., seconded by Councilmember Mueller and motion unanimously carried. All Council members were present.***

***Councilmember Trebesch moved to adopt Resolution Number 2011-13 approving the loan with MN Public Facilities Authority for the Sanitary Sewer Improvements made in 2011, seconded by Councilmember Mueller and motion unanimously carried. All Council members were present.***

**Kim Avenue Repairs**

- Received a Change Order from Chard to repair Kim Avenue in the amount of \$41,863.31. Also received a proposal from Wm. Mueller & Sons at a cost of \$35,494.22.
  - Council discussed and decided to grant Wm. Mueller & Sons the project of repairing Kim Ave.
- ***Councilmember Barnes moved to accept the proposal from Wm. Mueller and Sons to repair Kim Avenue at a cost of \$35,494.22, seconded by Councilmember Mueller and motion unanimously carried. All Council members were present.***

**Update on Memorial**

- Brad Droege gave Council a brief update on the Memorial that is planned for the Bi-Centennial Park.

***Councilmember Barnes moved to adjourn the 2012 Preliminary Budget Workshop Special Meeting at 8:30 p.m., seconded by Councilmember Lund and motion carried. All Council members were present.***

Submitted by:

Sue Block  
Deputy Clerk