

**CITY OF EXCELSIOR  
Hennepin County, Minnesota**

**MINUTES**

**City Council Work Session**

**Tuesday, January 3, 2012**

**1. Call to Order/Roll Call**

Mayor Ruehl called the meeting to order at 5:47 p.m.

Councilmembers present: Caron, Miller (arrived at 6:09 p.m.), Olson,  
and Mayor Ruehl

Councilmembers absent: Fulkerson

Also Present: City Manager Luger, Consulting Finance  
Director Day (arrived at 6:08 p.m.), and City  
Clerk Johnson

**2. Agenda Approval**

Olson moved, Caron seconded, to approve the agenda as presented. Motion carried 3/0.

**3. Recommendations for Evaluating and Prioritizing City Services**

Luger said she is looking for feedback from the Council on the recommendations outlined in the staff memo regarding staffing and hours of operation.

Mayor Ruehl said he thought the memo was very complete. He was curious about the City Planner/Receptionist position, because it will be difficult to conduct research and write reports while serving as a receptionist. Luger said that this person would not necessarily be at the front desk all the time. If the person needs to write a report, do minutes, etc. someone else would handle the front desk.

Caron said she is sure that there are some days or times of the year when there is more walk in traffic than other times. Luger said yes, there is more walk in traffic when utility bills are due.

Caron said she wonders what applicants will think about applying and interviewing for a City Planner/Receptionist position.

Luger said she took this assignment very seriously. She has given this a lot of thought and knows that it is a bold recommendation. The City needs staff available to handle the day-to-day items, but it's also important to ensure that the model covers other items as well. She thinks this model will work and will be sustainable into the future.

**3. Recommendations for Evaluating and Prioritizing City Services – (Continued)**

Mayor Ruehl said he's done a lot of work for cities over the years and each city is different. When cities looked at projections for a ten year plan or growth potential, it was always followed by a comparative study on staffing that would work into the future not just today. It appeared that this philosophy was taken into account when this recommendation was put together. The City has struggled with the idea of a full-time planner for several years, but he's also had an issue with making a person pay a consultant to have an initial conversation regarding starting a business in Excelsior.

Caron said she's really struggled with whether the City needs a full-time City Planner. She has always thought that the City Manager could be more involved in the planning aspect, but maybe that is unrealistic. Luger said there is so much management needed for projects that it's not possible for her to take on the planning. This model will allow more flexibility with the positions and allow the City to utilize its small size. .

Olson said the City Planner/Receptionist position is also hard for him to grasp. He said that maybe the City needs to pare off some of the tasks. Luger said she has worked through all the scenarios and one of the positions needs to share the receptionist duties; it's more realistic for the City Planner to fill that position. She said that there is a larger pool of people looking for work in planning, so that position should be easier to fill.

Olson said he was surprised that the proposal didn't include having the office closed more hours per week. Luger said she would like to try the four day work week.

Miller said he appreciates all the efforts that Luger has put into this. He personally doesn't like losing the receptionist role because that is the person who develops a report with the residents. It also seems impractical to him not to have a finance person on staff. He's not convinced that changing the hours will reduce costs. His first thought would be to resist the change in hours until it's necessary to do. Luger said that the four day work week would be more of an attraction for hiring than a cost saving measure. If the City decides to move forward with moving the day-to-day accounting tasks to Shorewood she would want to keep the current staff on for a couple of months to make sure everything is working smoothly.

Miller said people will need to realize that the City needs to cut back. At least the changes proposed are not as drastic as what some other cities have had to face. Olson said people can't have it both ways; people can't keep the same services and not have their taxes go up.

**3. Recommendations for Evaluating and Prioritizing City Services – (Continued)**

Mayor Ruehl said he doesn't know what will happen long term or what the public is willing to afford. At some level there is a cost for doing business and the changes will start affecting customer service. The Council has not heard from anyone yet that they are not receiving enough service.

Mayor Ruehl said that the receptionist aspect would need to be very prominent in the job description and throughout the interview process for the City Planner/Receptionist position. The applicants will have to understand what is expected.

Caron said if the City can get more information on the website and retrains people on how to get the information, there probably will be less need for a receptionist. Luger said there has been an overturn of residents and the City is receiving a lot more requests to have things available online.

Olson said that he had hoped that through the exercise with the consultant that the City would become more innovative. Sometimes you have to spend money to see long term savings. Mayor Ruehl said that the company that did the City's website has a number of services available that the City opted out of due to the cost. There may also be a younger person willing to assist the City with updating the website.

The Council discussed what the next step would be. The Council decided it would be a good idea to have the proposal presented at a regular meeting. The City will be challenged with how to handle the budget into the future and will be looking to see if there are other things that can be implemented without seriously impacting the residents.

**4. 2012 Enterprise Fund Budgets**

Luger said that the Enterprise Fund Budgets have been revised. The only utility rates that staff is recommending increasing is the water utility rates by 5%, the surface water quality management rates by 10%, and the residential dock fees by 2.3%.

Caron questioned the increase to the water utility rates. She said she thought the increase was to handle the bond debt, but the memo doesn't reflect this. Day said that the previous calculations showed that a 8% - 10% rate increase would be needed. The financial analysis shows that a 3% increase in rates is needed for covering the new debt service payments.

Miller said that the City really needs to have a 13% increase to have an appropriate fund balance in this account, but staff is just recommending a 5% increase. Luger said yes, the thought is that the City will phase in the increase over the next several years.

**4. 2012 Enterprise Fund Budgets – (Continued)**

Miller asked what the increase will need to be next year. Day said the City should probably increase the water rates another 5% to 8% next year.

Caron asked staff to email the Council the spreadsheet that shows the allocations on where the bond money was used.

Caron asked to have a footnote put on the Dock Fund Budget to identify that the target balance for capital to handle replacement costs is \$175,000.

**5. Other**

None

**6. Adjournment**

Caron moved, Olson seconded, to adjourn the Work Session meeting at 6:55 p.m. Motion carried 4/0.

Respectfully submitted,

Cheri Johnson  
City Clerk