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**MEMORANDUM**

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TO: Mayor Walker and Councilors  
FROM: M McPherson, City Administrator  
SUBJECT: **General Government Budget Considerations**  
DATE: September 20, 2024

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Attached are the updated budget worksheets for the General Government Budgets. The following are additional budget consideration which are not reflected in the worksheets.

Deducts

1. Elimination of the contribution to the Initiative Foundation. **Deduct \$2,870.**
2. Elimination of dues for membership in Coalition of Greater MN Cities. **Deduct \$9,803.**

Adds

1. Consider increasing Mayor and Council salaries. Currently, the Mayor's salary is \$3,604.90 annually (\$300.40 per month) and Councilors' salaries are \$3090.10 annually (\$257.51 per month). It appears from discussing the matter with staff, they haven't been increased in over 12 years. While a comprehensive survey of other cities has not been conducted, salaries for a few out-state cities are at and above \$6,000 for Mayor and \$4,000 for Councilors. Increases for consideration:

	Current		Plus 25%		Plus 50%	
	Annual	Monthly	Annual	Monthly	Annual	Monthly
Mayor	\$3,604.90	\$300.41	\$4,506.13	\$375.51	\$5,407.35	\$450.61
Councilors	\$3,090.10	\$257.51	\$3,862.63	\$321.89	\$4,635.15	\$386.26
Total Budget	\$15,965.30		\$19,956.63		\$23,947.95	
Budget Increase			\$3,991.33		\$7,982.65	

2. City Attorney Toven has provided the attached letter proposing an increase in both the civil and criminal retainers. The civil retainer increase is proposed at \$500 per month (\$6,000 per year) and the criminal retainer increase is proposed at \$1,000 per month (\$12,000 per year). Staff has not countered this proposal. **Add \$18,000.**
3. Consider increasing per diems for Board members (Airport, Economic Development, Park and Planning) are currently at \$10 per member per meeting attended. At one time, the per diem was \$25 per member per meeting attended. The budget impact would be thus:

	Current \$10	Proposed \$25	Increase
Airport	\$300	\$750	\$450
Economic Dev	\$420	\$1,050	\$630
Park	\$840	\$2,100	\$1,260
Planning	\$600	\$1,500	\$900

The addition to the budget would be **\$3,240**. Airport and Economic Development meet six times per year.