

**MINUTES OF THE  
DELANO CITY COUNCIL/EDA MEETING  
Tuesday, February 4, 2003  
7:00 o'clock p.m.**

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Kern stated the Council also has the option of reducing fire capital improvements, eliminating the Street Improvement Study, eliminating park improvements, reducing the police contract from 12 to 8 hours, and reducing staff. Kern stated these options are temporary and would result in the reduction of services to the citizens.

Kern stated if the State cuts LGA by 20 percent, the City would need to make up \$102,000, which would increase the City's share of local property taxes by 11 percent. If the State cuts LGA by 40 percent, the City would need to make up \$204,000, which would result in the City's share of property taxes being increased by 22 percent. Kern stated if the State eliminates LGA altogether, the City would be forced to make up \$510,000, which would increase the City's share of local property taxes by 51 percent.

Kern stated in order to deal with these possible reductions, the City will need to prioritize the reductions and revenue increases. Kern noted these LGA cuts will affect all taxpayers in the City of Delano.

Emmer noted there are state laws that tie the hands of the City when it comes to setting property taxes and that the Minnesota State Legislature is forcing local governments to raise taxes. Emmer commented if the State Legislature also imposes levy limits, the City is in a no win situation.

Kern stated it is his understanding they are considering levy limits in conjunction with the LGA reduction.

Emmer inquired whether Senator Ourada asked for the City's input prior to introducing his bill eliminating municipal exclusivity of wine sales.

Kern stated he did not, but that Staff is requesting to meet with him concerning that piece of legislation. Kern stated Senator Ourada could be invited to attend next week's workshop.

Steinmetz thanked City Administrator Kern for apprising the Council of the LGA situation.

The City Council took no formal action on this item.

**12. ELECTED OFFICIALS REPORTS**

None

**13. COMMUNICATIONS/ANNOUNCEMENTS**

**A. Discuss Upcoming Meeting Dates**

Kern noted a special workshop has been scheduled for Tuesday, February 11<sup>th</sup> at 6:00 p.m., to allow the City Engineers an opportunity to update the Council on the upcoming projects for the year. Kern stated the meeting with the Franklin Township Board is scheduled to start at 7:30 p.m.