

BUDGET WORKSHOP – August 28, 2024

CALL TO ORDER: 7:00 PM

MEMBERS PRESENT: Mayor Kerry Taylor, Council Robert Smestad Jr., Carolyn Brooks, Terrill Anderson, Randy Ebert

MEMBERS ABSENT:

STAFF PRESENT: Administrator/Clerk/Treasurer Brenda Fisk

OTHERS PRESENT: Tim Eiler

Council acknowledged the Adm/Clk/Trs memo noting council changes in red following each section.

The proposed 2025 Budget results in a tax levy increase of 11.0%.

I included a 4.5% cost of living wage increase and a 10% health insurance premium increase.

Bond Funds #301, #303, #309, and #401:

Bond payments increased by \$3,300

Missile Park Fund #404:

I entered an expense budget of \$875,000. Bond payments start the year following receiving bond proceeds. If Missile Park is improved in 2025 the first Abatement Bond payment will be in 2026 and added to the 2026 tax levy. Bond payments as shown in the 2025 budget are for the ballfield lights year 2 of 10 years.

Parks Capital Outlay Fund #405:

EOY (end of year) 2025 estimated balance of \$58,000 after Memorial Park improvement is complete if a \$20,000 tax levy remains in place. Planning for improvements to other neighborhood playgrounds.

Public Works Capital Outlay Fund #406:

We planned to start budgeting for a 2030 plow truck to replace the 2016 truck in 2025. EOY 2024 is estimated at \$26,000. 2025 tax levy of \$20,000 = EOY 2025 \$46,000.

Fire Funds #501 & #503:

Fire Service budget increased 10% to \$501,171. St. Boni portion of budget is 23.5% down from 24.1. I reduced the chief's insurance proposal down to \$32,000 as number from insurance agent. Work comp claim falls off.

Parks, Public Works Operating Fund #502:

Reduced the levy by \$11,000 and entered \$20,000 for Building R/M to account for the Library R/M. Reduced street patching from \$70,000 to \$55,000 due to zero spent in 2024. Parks/Streets Supervisor recommends \$70,000 in 2025.

Budget \$70,000 in Street Patching

Public Safety Fund #507:

The Minnetrista Public Safety budget St. Boni portion increased 4.1% totaling \$310,173. Tax levy increased \$103,858 due to public safety aid was used to reduce the 2024 tax levy.

The proposed 2025 budget is reviewed in September and the final budget is reviewed in December. The total proposed tax levy can only be reduced in December. It cannot be increased from the September proposed tax levy.

Water/Sewer/Storm Funds #601, #602 and #603:

I included a rate increase of water 9%, sewer 5%, and storm sewer .25¢ to unit charge.

The water increase will build the reserves for replacement of water lines and a \$100,000 water treatment plant filter media in year 2028. Sewer reserves will be necessary if city decides to hire out sewer jetting.

FISK REPORTED HER ESTIMATES ON HOW IMPROVEMENT BONDS EFFECT THE ANNUAL TAX LEVY DEPENDING ON THE NUMBER OF YEARS PAYING A BOND, INTEREST RATES AND TYPES OF BONDS.

	<u>Bond Proceeds</u>	<u>Annual Levy</u>
	Missile Park	
Current	\$245,000 (Abatement Bond Lights 10 yrs)	\$30,000
Future?	\$425,000 (Abatement Bond DNR Matching Grant 10 yrs)	\$60,000
Future?	<u>\$650,000</u> (Grandstand, Plaza, Press Box 15yrs)	<u>\$50,000</u>
	\$1,320,000 13% of annual levy	\$140,000

	<u>Street Improvement</u>	
Current	\$4 million (2023 Streets 15 yrs)	\$278-320,000
Current	\$2 million (2013 Streets 15 yrs)	\$130,000

The 2013 Street Bond will be paid in full 12/31/2028.

Council will consider reducing the 10% increase in health insurance budget when actual premiums are known in mid-September.

Library exterior renovation budget of \$20,000 will also be considered with actual quotes by December.

Public Works Capital Outlay \$20,000 levy tabled discussion along with Street Patching.


Update: Bergen attended the 1/11/2024 workshop recoating \$2.10 sq. yd., 30' wide street, 1 mile = \$37,000.
2023 Streets = \$60,000??

The changes in red result in a 12.6% 2025 Proposed Tax Levy increase from the 2024 Final Tax Levy.

ADJOURNMENT:

Motion made by Mayor Taylor and seconded by Brooks to adjourn the meeting. All aye 5/0
8:45 pm

ATTEST:



Adm/Clerk/Treasurer