

SPECIAL COUNCIL/BUDGET WORKSHOP
CITY OF CROSSLAKE
WEDNESDAY, SEPTEMBER 25, 2024
1:15 P.M. – CITY HALL

Mayor Nevin called the Special Council Budget Workshop to order at 1:15.

City Administrator Conway, returned with information regarding the Councils pay for Special Meetings and presented a list of other cities pay.

City Administrator Conway mentioned also forming a finance committee with the council on a later date. Jackson Purfeerst stated that he would like to leave the Special Meeting pay the same for now. Mayor Nevin and Sandy Farder thought the committees should be paid for the special and personnel meetings they attend as well. City Administrator Conway feels \$40 is a fair amount to add for these additional meetings,

MOTION 09SP3-01-24 WAS MADE BY SANDY FARDER AND SECONDED BY AARON HERZOG TO APPROVE INCREASE IN PAY TO \$40 PER SPECIAL MEETING. Jackson Purfeerst opposed and asked we amend it to follow the Ordinance 378. 2nd reading of approval will be in October. The increase would be effective after November 5, 2024 election, starting November 6, 2024. MOTION CARRIED 4-1 WITH JACKSON OPPOSED.

City Administrator Conway presented the budget changes and went through the Revenues and Expenditures for each department along with the Debt Service accounts. Discussion was held regarding issuing cell phones to all council members at \$38.23 each per month totaling \$2,293.80 a year. Discussion was held and no phones will be purchased, council will continue to use their own personal phone.

City Administrator Conway went through the Capital Outlay of the budget and noted that everything in yellow has been updated.

Fire Chief Lohmiller presented a spreadsheet and a bid from Federal Siren. They toured and inspected all 11 sirens and noted that Sirens #4, 6 and 9 are in non-working order, also the remaining poles need to be replaced due to woodpeckers.

The 3 options were given to replace them;

60' foot Wood Pole-\$92,147

70' foot Galvanized Pole-used but are maintenance free for \$95,447

70' foot Galvanized Pole-brand new and maintenance free for \$129,606

Sandy Farder and Jackson Purfeerst would like to replace the 3 poles with option 2, used 70' foot Galvanized pole for \$95,447 and to inspect the remaining system, an estimate was provided in the amount of \$5,596.90.

Fire Chief Lohmiller also presented a contract for a 3-year plan to maintain, service and inspect all 11 sirens for \$695 each or a total of \$7,645 annually. Sandy thinks as a safety concern for the city, all sirens need to be inspected annually or wait a couple years and inspect them then. Fire Chief Lohmiller also presented the Federal Siren proposal to purchase 3 additional used poles for \$13,350. He was informed that these poles should last for 100 years. We will store the poles in the Public Works Department for when they need to be replaced. It was discussed to leave the \$95,000 in the budget to replace the remaining poles over the next 4 to 5 years.

MOTION 09SP3-02-24 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY JACKSON PURFEERST TO APPROVE \$95,447 FOR THE 3 SIRENS THAT ARE NON-OPERABLE, \$5,596.90 TO INSPECT REMAINING POLES, \$13,350 FOR 3 ADDITIONAL USED GALVANIZED STEEL POLES, AND TO USE FUNDS FROM THE TELEPHONE COMPANY. MOTION CARRIED WITH ALL AYES.

City Administrator Conway discussed a new John Deere riding lawnmower for the Public Works Department with the old 50/50 position being assigned to Public Works going forward. Parks will maintain Daggett Pine Trail and the West Parking lot Trail and Public Works will maintain the remainder of the trails.

The 2023 Repayment of the Bond amounts are back in the budget. Capital outlay budget is complete.

City Administrator Conway presented the Revenues, there were no changes to the budget other than we are still waiting for the Daggett Pine Road Assessments. Homeowners have until October 9, 2024, to pay their portion of the assessments due. She cannot calculate the interest percentages until we know how many residents will be deferring their payments.

City Administrator Conway went through all departments and listed changes made to the Expenditures. No debate was made on any. A list of changes is attached herein.

City Administrator Conway discussed they held 4 interviews today for the Parks & Recreation Department and they went very well. They would like to increase Park & Recreation budget and hire 2 of the 4 candidates. Hiring one as a Receptionist and the other as a Recreation Supervisor. If we hire both candidates, we will be adding approximately \$105,000 to the budget for 2025.

Marcia Seibert-Volz requested City Administrator Conway to add ½ year of payment for the upcoming bond in 2025, she stated that figure could come from Jason Murray, David Drown & Associates. This will need to be reflected on the debt levy.

Any adjustments required will be made before December 9, 2024 Truth in Taxation meeting.

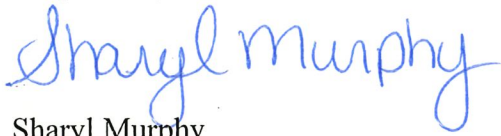
City Administrator Conway presented 3 options for setting general operating funds. She recommended a \$215,000 cushion due to 2 union contracts that are unfinished and health care costs have not yet been received. Discussion was held.

MOTION 09SP3-03-24 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY AARON HERZOG TO LEAVE THE LEVY AS PRESENTED WITH THE ADDITION OF \$215,000 TO THE GENERAL FUND LEVY AND THE ½ YEAR PAYMENT FOR ROADS TO DEBT LEVY. MOTION CARRIED WITH ALL AYES. (RESOLUTION #24-24)

MOTION 09SP3-04-24 WAS MADE BY JACKSON PURFEERST AND SECONDED BY SANDY FARDER TO ADJOURN THE MEETING. MOTION CARRIED WITH ALL AYES.

Meeting adjourned at 2:55 P.M.

Respectfully Submitted,



Sharyl Murphy
Deputy Clerk/City Treasurer

Conway has made all recommended changes as noted below:

**City of Crosslake
2025 Budget Assumptions
Date: September 25, 2024**

Budget Meeting Schedule:

- | | | |
|----|--|------|
| 1 | Expenditures - General Gov't - 101-41940-442 fix typo to \$15,000 | Done |
| 2 | Expenditures - Fire Admin - 101-42280-383 return to \$7000; 106 was Cory Ledin monthly stipend will fix 1st of year; also found that Neil L the ex Asst Fire Chief's wages are being coded to 101 and should be under 107 will fix 1st of year | Done |
| 3 | Expenditures - Ambulance Services - 101-42500-306 remove \$1800 this ended 11/2023 | Done |
| 4 | Expenditures - Public works - 101-43000-381 - return to \$12,000; Public works snow and trails - possibly change - Char | Done |
| 5 | Expenditures - Library - 101-45500-202 - fix type to \$500 | Done |
| 6 | WATCH numbers in Sewer Operating to Levy | Done |
| 7 | Expenditures - City Council - 101-41110-340 - add funds of \$500 for business cards for council members | Done |
| 8 | Expenditures - After discussions with Pat and TJ - Pat will take the 50/50 position and have it full time, maintain trails with mowing etc. Add placeholder for this position to PW and removed costs of 50/50 split on the Parks budget | Done |
| 9 | Expenditures - Planning & Zoning -101-41910-105 Add in for Intern and apply for Sourcewell Grant - \$10,000 | Done |
| 10 | Expenditures - Planning & Zoning - 101-41910-470 remove the portion of sewer inspection fees from consultant to Septic Inspections 101-41910-387 | Done |
| 11 | Expenditures - Police Department - possible place holder for full time officer adjust all spreadsheets | Done |
| 12 | Expenditures - Parks and Public Works - get costs for t-shirts, high vis, long sleeve and winter jackets and add to uniforms cost for both departments | Done |
| 13 | Expenditures - Increase Parks, Public Works, City Hall and Fire Building Repair for Preventative Maintenance HVAC also get 2 years building maintenance costs to share | Done |
| 14 | | |
| 14 | Truth In Taxation Meeting and Final Levy Certification - December 9, 2024 at 6:00 PM. | |

Revenue Assumptions:

- | | | |
|---|--|------|
| 1 | Change in budget and on Banyon - description for 101-34202 to Fire Contract Services | Done |
| 2 | Research 601-37200 bring back 12 months of User Fees and compare to revenue line | Done |
| 3 | Combine all Concessions into one revenue account and eliminate the different ones rename 101-34741 to Concessions for January 1st. | Done |
| 4 | 101-36256 & 36257 need to change to add in Daggett Pine Road | Done |

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|---|---|------|
| 5 | Watch 33423 amount and adjust if needed based on #2 above | Done |
| 6 | Adjust general tax revenue at the very end to determine amount needed 101-31000 | Done |

Levy

Levy challenges.

- | | | |
|---|---|------|
| 1 | Fix any adjustment assumptions that might happen due to the above | Done |
| 2 | | |

Expenditure(s) Assumptions:

- Operating Expenditures vs. Non-Operating Expenditures

- Salaries/Benefits:

- 1 Fix when MNPEA Settles
- 2 Fix when AFSCME settles

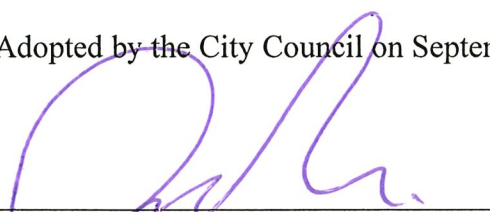
RESOLUTION NO. 24-24
RESOLUTION APPROVING PRELIMINARY 2024 TAX LEVY
COLLECTIBLE IN 2025

Be it resolved by the Council of the City of Crosslake, County of Crow Wing, Minnesota, that the following sums of money be levied for the current year, collectible in 2025, upon taxable property in the City of Crosslake, for the following purposes:

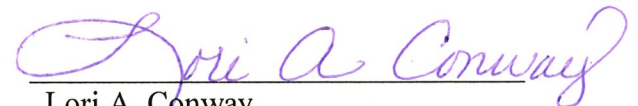
General Property Taxes	\$4,139,081
2024 Sewer Operating Levy	160,205
EDA	18,100
G.O. Sewer Rev. Imp. Bonds Series 2017A	118,865
G.O. Reconstruction Bonds Series 2018A	101,175
G.O. CIP Bonds Series 2019A	309,415
G.O. Equipment Certificates Series 2021A	141,750
G.O. Equipment Certificates Series 2022A	126,083
G.O. Special Assessment Bonds 2022A Roads	40,993
G.O. Sewer Bonds 2022A	136,102
G.O. Road Bonds 2025	<u>128,500</u>
 Total Levy	 <u><u>\$5,420,269</u></u>

The City Administrator/Treasurer is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Crow Wing County, Minnesota.

Adopted by the City Council on September 25, 2024.



David Nevin
Mayor



Lori A. Conway
City Administrator/Treasurer