

**CITY COUNCIL  
BUDGET WORKSHOP**

5:00 P.M.

September 7, 2021

Present: Wade LeBlanc  
Richard DeRosier  
Ben Bautch  
Dustin Goutermont

Excused: Shane Hoff

Lana Fralich, City Administrator

Mayor LeBlanc called the meeting to order at 5:01 p.m.

**BUDGET WORKSHOP** – The Council reviewed the first proposed draft of the 2022 Budget, based upon prior City Council budget meeting and Department Head requests. The proposed budget would require a levy increase of 15.9% or \$250,945, but based upon the net tax capacity change received from Lake County of 11.8%, the net impact on the city-wide tax would be approximately 4.02%. There was discussion on impact to commercial properties vs residential properties based upon recent property value changes by Lake County Assessor. There was further discussion on a slight decrease in Taconite Production Tax; an increase in Local Government Aid; debt service payments for campground, streets, liquor store, Mary Mac, and Wastewater funds; changes to employee wage and benefits based upon labor contracts; adjustments to insurances based upon recommendation from the League of MN Cities; creating a new position within the Street Department for full-time custodial/facilities management services; Parks and Recreation personnel adjustments due to retirement, needs of campground, and marina services; equipment purchases for a new snowplow truck and mini excavator; a potential new addition to the Library; increase in the 406 fund to prepare for a city-wide street improvement needs along with moving sidewalk levy and expenses from the 401 fund to the 406 fund; establishing a new \$18/month storm water utility fee; continuing the Neighborhood Revitalization grant; continuing the levy for capital asset improvements; update of vehicle replacement schedule; adjustments for garbage contract; new levy funds for economic development efforts; new economic development and renovation loans; increase transfer of taxes from General Fund for AmericInn, Endless Summer Farms, and Black Beach Mini Golf; Water Facility improvement engineering; continuation of sidewalk replacement schedule; elections; and using the COVID ARP funding for a new payroll and financial software system. There was additional discussion on the airport, the multi-modal trailhead center, housing developments, planning for infrastructure for the business park, and increased stipend for Fire Fighters. Other than an adjustment for the fire fighter stipend, there were no additional recommended changes and that it was a consensus of the Council to table further discussion of the budget to the September 20<sup>th</sup> Budget Workshop Meeting.

Motion by DeRosier, second Goutermont to adjourn at 7:06 p.m. MOTION CARRIED.

Minutes taken by Lana Fralich



Wade LeBlanc, Mayor

Attest:



Lana Fralich, City Administrator