

**CITY OF NISSWA
MINUTES –CITY COUNCIL WORKSHOP
TUESDAY, SEPTEMBER 21, 2021
5:00 P.M. – CITY HALL**

A City Council Budget Workshop was held at City Hall at 5:00PM on Tuesday, September 21, 2021, and was available on YouTube Live.

Members present: John Ryan, Mark Froehle, Don Jacobson, Ross Krautkremer, Mark Utzinger.

Members absent: none.

Also, present: City staff – Jenny Max, Amber Moon Peterson, Tom Blomer, Brittney Cotner, Craig Taylor, Maggi Wentler, Kiki Lindbery.

Audience members: (1).

Call to Order – Mayor John Ryan called the meeting workshop to order at 5:00 p.m.

2022 Budget Discussion:

New Budget Expenditure Item List Overview – Jenny Max noted the Agenda and Order of Business for the workshop, and she began the discussion by noting that expenditures of less than \$5,000 have been removed from the current budget proposals. Long-term goals and strategic plan initiatives are being implemented into the budget and the current proposal reflects the creation of 10-year Capital Improvement Plans for all Departments. A request to establish a Reserve account for the Community Center and Parks & Recreation Department is on the Consent Agenda for the Council Meeting this evening, per previous discussions.

Discussion commenced regarding proposed 2022 Budget expenditures. Federal COVID-19 relief is a potential source of revenue for capital improvements that might involve safety or technology; for example, a new key card security system may be considered a necessary expenditure for workplace safety. Federal rules are continually evolving and changing, and expenditures for COVID relief funding may also be used for anything that is perceived to be ‘of benefit to the public’. Questions were posed regarding a potential City water system and the funding necessary to support such an undertaking. Discussion continued.

Memo from Chief Craig Taylor re: 2022 Budget Proposal Follow Up – Chief Taylor was present to answer questions about the Police Department’s new budget requests. Discussion and questions were focused on compensation and funding for the new K-9 proposal, Teamsters support, and the need for flexibility while establishing this new K-9 program. Council Members noted concerns that cost estimates for the new K-9 program were too low. Taylor noted that the City of Nisswa could use a contract similar to the City of Baxter contract. Overtime concerns and extra call-outs for the K-9 were also discussed. Taylor noted that the Fair Labor Standards Act must be followed, and an Officer may not exceed 9 hours of overtime per pay period. Council Members requested that call-outs and overtime be tracked in order to create better expenditure projections for the Department. The proposal for new rifles for Officers was also discussed; Chief Taylor explained that the old rifles do not have long-range capability, which is what is currently needed. Discussion continued, and Council Members were in agreement that the new WatchGuard cloud storage is necessary and may be more secure than the current server being used for storage.

Memo from Tom Blomer re: Public Works Budget Priorities Review 2022 – Public Works Funding Matrix for 2022 was discussed. Road Bond funding for 2018-2025 was explained, and Blomer has requested that the \$50k which was set aside annually in past years for road bond and for matching County/State road projects, be reinstated. The funds that had been set aside in prior years were used as matching funds for the large County Road 13 project this past year.

Discussion commenced about overtime expenditures and the possibility of adding an additional staff person to diminish some of the overtime costs in the Department. Contractor quotes and proposed expenditures to ease some of the staff duties and overtime expenditures are high. Blomer noted that most preventative maintenance is being missed and put-off due to other department work demands and expenditures. Adding an additional staff person could allow scheduling/staggering shifts in order to avoid some of the costly overtime expenditures; this staff person could be 'shared' across both Public Works and Parks & Rec. Departments. Blomer also noted that staff burn-out is possible due to continued work-load and overtime requirements. Council Members requested that overtime expenditures due to weekend requirements and call-outs due to storms, etc., be tracked so that total expenditures for overtime can be analyzed.

Memo from Amber Moon Peterson re: Parks Budget 2022 – Amber Moon Peterson was present to answer questions about her proposal from Council Members. She noted that Widseth would not be conducting the feasibility study for the City ice rinks and park area; more details are forthcoming regarding the cost estimates for a study and ultimately for the repair/replacement/redesign of the ice rink and park area. She also noted that coordinating with the Public Works Department for a shared new staff person would alleviate some of the necessary time Parks & Rec. staff spend staining, painting, and doing general maintenance for the Community Center and the parks/rinks, etc. These tasks could be listed in the job description of the potential position as opposed to having the position be dedicated to both Departments on a percentage-type basis. Annual donations by community groups were also discussed; donations present minimal revenue for the Community Center.


Tax Impact Model Scenarios 8.00%-20.09% - several projections were presented to Council Members which showed different budget and Levy impacts. Jenny Max noted that Council Members set certain priorities (wage adjustments, Parks & Rec. reserve account, and general cost increases) which are included in the projections.

Max made note that if all new proposed budget item expenditures are included along with the new staffing, the Levy would be 19.4%. For a budget that incorporates only the minimum base priorities, the Levy would be 9.79%. Other projections and scenarios were also presented. Discussion commenced and each Council Member voiced his individual priorities and preferences. Jacobson noted that the City's Reserve Account has more than double what the Council has deemed 'necessary', which is one-year of operating expenses. If the new staff position(s) were to begin mid-year 2022 – this would reduce the total initial 2022 budget expenditures for the City. He also suggested that \$100k could be transferred from the reserve account for large expenditures, or for the road bond funding to be placed back into the budget on an annual basis.


Council Discussion/Direction to set Preliminary Levy – Council Members were in agreement to set the Preliminary Levy at \$2,873,950 which reflects a 14.5% increase from 2020.

Adjourn – There being no further business, Motion by Froehle, seconded by Utzinger to adjourn the City Council Workshop at 6:33 p.m. Motion carried unanimously.

Respectfully Submitted,



John Ryan, Mayor



Kirstin (Kiki) Lindbery, City Clerk