

CITY OF FOLEY, MINNESOTA
CITY COUNCIL BUDGET WORKSHOP – August 18, 2020

The Foley City Council held a regular meeting on August 18, 2020, at 5:30 p.m. at the Foley City Hall.

Members Present: Mayor Gerard Bettendorf, Councilmembers Jeff Gondeck, Rosalie Musachio, Gary Swanson and Jack Brosh.

Members Absent: None

The pledge of allegiance was recited.

Discussion of 2021 Budget

- City Investment Update
- City Debt Update
- Operational Budget Overview
- Capital Improvement Plan Overview
- Fee Schedule Overview and Discussion on Proposed Changes

Motion by Swanson, seconded by Gondeck, to approve the agenda. Motion carried, unanimous.

Discussion of the 2021 Budget

Sarah Brunn City Administrator gave an overview of the proposed budget for 2021. This year city investments have seen a lot of fluctuation in gains and losses, but it's starting to stabilize. Brunn also gave an overview of the payment schedule for debts/bonds. A review of the operational budget showed the amount needed to balance (expenditures less revenue). Staff recommended a proposed levy increase of just over 1%. Questions and discussion from the council followed. Brunn reminded the council that expenses for the pool and Foley Fun Days would return in 2021 and would need to be accounted for in next year's budget. The pool has its own fund. Fun Days is included in the general fund.

Installation of new pool coping was delayed due to the difficulty in scheduling the work with contractors. This was included in the 2020 budget and could possibly still be done in the fall or early spring prior to the start of the 2021 season. While expensive, this would extend the life of the pool. Discussion on the operating budget for the pool continued.

Brunn also informed the council that she is still waiting on firm health insurance premium numbers for city staff. COVID concerns could cause a larger percentage increase. Insurance for other city concerns through the League of Minnesota Cities is a firm number and is accounted for in the proposed 2021 budget.

Brunn also reminded the council that once the wastewater project moves forward that staff anticipates an increase in rates and switching to monthly billing. The change in billing will impact office staffing, but is not included in the proposed 2021 budget and will likely come in 2022. Staff is proposing a 10% increase in sewer rates in the 2021 budget. The minimum quarterly water/sewer bill would increase to from \$92.73 to \$97.63 and would be effective in the April 2021 billing. The goal of the gradual/yearly increases is to try and avoid huge rate increases down the road.

Brunn asked for direction from the council for the preliminary levy that would need to be approved at the Sept. 1 council meeting. Staff recommended a 1.05% levy increase. Discussion followed. Council expressed agreement with the proposed increase.

Brunn gave an overview on equipment needs including a new squad car, trucks for public works, salt storage, and an updated quote on a comprehensive/land use plan. A brief discussion followed on possible upcoming street projects. A levy would be needed to fund these items. The only change to the fee schedule would be the proposed sewer rate increase and removing the fee for the permit to carry.

Other Business

Brunn reminded the council that at the last meeting they approved the purchase of police radios through Benton County. Included in their packet was a quote for \$11,114 for additional radios for Public Works. Staff was recommending including the purchase of the additional radios through the county to leverage a cost savings. Money from next year's budget would be used to purchase. Musachio made a motion to approve the purchase of the additional radios for Public Works, Gondeck seconded. Motion approved, unanimous.

Brunn presented a spreadsheet showing costs of anticipated purchases by the city using CARES money. The council also earmarked \$20,000 to the BEP for business/non-profit grants. These items would allow staff and council to work remotely as needed, provide safety measures for staff/public and help support social distancing during the COVID state of emergency. Items included but not limited to, installing Plexiglas at the front counter, a mounted television in the council room for online meetings, a quote for recording meetings and uploading to YouTube, workstation laptops, computers, iPad's for remote working employees, desk top scanners to support digital record retention, a contactless CPR device for the rescue truck and extra radios to avoid sharing. Discussion followed regarding what was eligible to be a CARES expense. Brunn indicated more quotes would be coming forward at the next meeting.

Mark Pappenfus Public Works Director informed the council that SEH would be conducting sewer smoke testing the week of Aug. 31. Letters were being prepared by staff that would go out this week to the property owners in the test area. Information would also be communicated through the city's website and social media.

Pappenfus also gave an overview of Benton County's plans to replace the pedestrian bridge on County Road 51 in 2022. Discussion followed regarding the possibility of a trail or sidewalk connecting to the bridge.

Musachio asked about drafting a resolution in support of passing the state bonding bill. Brunn said she would prep the resolution for the Sept. 1 meeting.

Musachio asked about benches for the new Hwy 25 walking trail. Pappenfus recommended it would be best to wait until the grass is established, but next year staff could discuss benches for the trail.

Motion by Gondeck, seconded by Musachio, to adjourn. Motion carried, unanimous. Meeting adjourned at 6:36 p.m.

Sarah A Brunn

Sarah A. Brunn, Administrator