



City of Hinckley

City Council Meeting Special Budget Minutes

Friday, August 22, 2025, at 4:45 PM

Council Chambers (Community Room)

106 First Street SE, P. O. Box 366 | Tel: (320) 384.7491 | Fax: (320) 384.7492 | www.hinckleymn.gov

*Mayor and Councilmembers: Mayor Don Zeman | Councilmember Tim Burkhardt
Councilmember John Frank | Councilmember Judy Hopkins | Councilmember Jace Scharpnick*

PRESENT: Mayor Donald Zeman, Tim Burkhardt, John Frank, Judy Hopkins, Jace Scharpnick. ABSENT: None.

STAFF PRESENT: City Administrator Leaha Jackson and Firehouse Manager Phil Taggart.

OTHERS PRESENT: None.

Call to Order

Zeman called the meeting to order at 4:45 p.m.

1. New Business

A. Budget Workshop

Jackson went through the budget as provided. On the Levy Budget worksheet, the 2026 Proposed Tax Capacity Value will be updated to the 2026 estimate of \$2,470,689.

101- There was some discussion on flowers throughout the city and sprucing up downtown. They directed staff to contact the Blooming Buddies to see if they would be interested in contracting with the City for flowers throughout, with some more to be added on Main Street. The flowers outside the Community Center will need to be kept up, as the Pine County Resource group may not be able to do so next year. When reviewing 101, it was noted that no amounts were included for transfers from 601 and 602 to 101. Staff members spend multiple hours each year on tasks associated with these two funds. These funds should be supported by the rates charged to users. Jackson matched the amounts transferred from 601 and 602 to 101 in 2025.

205- Some discussion was held on Sweet Summer Sounds and the next budget round. Jackson asked if the Council would consider adding more for a match? She has budgeted an additional \$1,000 for events and entertainment expenses.

221- The proposed budget was set earlier in the year to coincide with Township Fire Contracts, and no changes are expected.

351- No special notes.

400- Includes the Small Cities Assistance that is provided for street maintenance and the same contribution from the Liquor Fund as in 2025.

460- Jackson provided some updates to the vehicle replacement plan after consulting with the Public Works Supervisor, including updating the expected cost for the white 1-ton to \$100,000 and rescheduling the street sweeper for 2026. The 1-ton unit is due for replacement in 2025,

and staff will investigate this soon to complete the purchase before the end of the year. There was also some discussion on DOT inspections for the large trucks. The council wanted to allocate \$5,000 for each of the four trucks to the budget. Staff added it to 101.43100.02280 to include it in the budget; this may be relocated to a more suitable location later.

601 & 602- After the hydrant repair on Hwy 48, there was a marked improvement in the gallons pumped daily. We will not know for sure if this, along with the Casino hotel meter, was the source of our missing water for a couple of months. The amounts for depreciation are placeholders for the amounts we should allocate for future significant projects/expenses.

609- Firehouse Manager Phil Taggart completed an estimated budget worksheet and was present to help go through his numbers to compare them with those that were included in the Council's packet. There were a few variations, but for the most part, they were pretty consistent. Jackson made some minor updates as they went along. She will make sure that Finance Director Tom Barmettler double-checks the COG's percentages before the final budget is set. One area with a significant difference was the Wages & Salaries- FT regular. Jackson has removed the Assistant Manager position from the budget. Another is the advertising expense; we are either very close to or over budget for 2025, and Jackson has increased this amount for 2026, but has asked that we closely examine these expenses and cut where possible. Jackson will also update the allocation of the transfers to distribute them across the two departments without overburdening either department.

700- No special notes.

After these updates, the levy tax rate came in under the current percentage. There is still some uncertainty regarding expenses, including insurance, and the Council would like to maintain the rate at 51.33% as outlined in their preliminary budget packet, to be under 50% by the final budget.

2. Notices and Communications

We will meet with Mike Bubany on Thursday, August 28, 2025, at 4:45 p.m. for a Capital and Financial Planning Work Session.

3. Adjournment

The meeting was adjourned at 6:40 p.m.

Don Zeman, Mayor

Attest:

Leaha Jackson, City Administrator