



MINUTES
CITY COUNCIL WORK SESSION
September 3, 2024

CALL TO ORDER

The meeting was called to order at 5:02 pm.

Present: Mayor: Charlie Miner; Council: Jahn Dyvik, Mike Feldmann, Gina Joyce (attended remotely via interactive technology), and Deirdre Kvale

Staff Present: City Administrator: Scott Weske; Public Works Director: Sean Diercks; and Finance Director: Amanda Nowezki

Absent: None

APPROVE AGENDA

A motion was made by Feldmann, seconded by Miner, to approve the agenda, as presented. Ayes: all.

OPEN CORRESPONDENCE

No one appeared to address the City Council during Open Correspondence.

BUSINESS ITEMS

Discussion of Preliminary 2025 Budget and Levy

City Administrator Weske provided a review of factors that are influencing development of the proposed preliminary 2025 budget and levy, including state LGA; expected increases in building permit revenue; planned salary step increases for staff; and insurance premium increases.

The Council discussed how the state determines who received LGA funds and if there was anything that could be done for Long Lake to be eligible for this state aid.

Weske highlighted recommended actions for the 2025 budget related to preparing for Fire Department legal fees; City Hall building updates; and emerald ash borer infected tree removals from the rights-of-way. He noted that the total difference from the 2024 budget was \$352,500.

Council and staff discussed establishing an annual transfer from Fund 101 for the Fire Department; making sure that the City was proactive rather than reactive with regard to capital transfers; the delay in reimbursement of the City's Fire Department legal fees until after the appeal process has been completed; the large amount of emerald ash borer infected trees located in the right-of-way that will need to be removed because of disease; the possibility of tapping into existing funds rather than relying on the levy to cover them; grants that may be available for adding solar to the City Hall roof; ways the Permanent Improvement Revolving Fund could be used; and the importance of being prepared and planning for future expenses or economic situations.

Weske outlined two options and scenarios for the 2025 tax levy, how they would affect the tax rate, and reviewed the tax levy history in the City since 2017.

Council and staff discussed the City's net tax capacity from 2024 to 2025; potential increases in tax capacity for various developments coming online such as Zvago; how the City may be able to keep the City's tax rate the same; uncertainty surrounding the Fire Department legal issues; average increase in home values; astronomical increases in things like health insurance and utilities; interest earned; possibility of eliminating the planned stipend increase for the Council; when it may be appropriate to tap into the 'rainy day fund'; how the tax rate choices may provide potential 'fodder' for nearby communities; and possible changes in property assessment values for commercial properties with the new assessors.

Weske outlined the major general capital items currently included in the 2025 budget numbers for City Hall building upgrades, rehabilitation of Well 1, preparation for the expenses of future Fire Department related items, and replacement of mowers prior to spring.

Council and staff discussed utility rates, Metropolitan Council treatment fee increases, the staff proposal of changing to a per unit Metropolitan Council fee for all apartment buildings and including the first 1,000 gallons of sewer into the base charge; the possibility of getting another year out of the existing mowers; timing for removal of infected ash trees and a potential partnership/barter situation with the Asplundh tree service; planning ahead for potential road projects in 2026; creation of a new fund for sealcoating and patching – Fund 421; and a possible pavement management project in 2025 for Lindawood Lane.

Weske indicated that he would plan to work further with some of the numbers based on Council feedback and suggested that they may be able to schedule another work session discussion to discuss the preliminary budget and levy for 2025.

OTHER BUSINESS

No other business was discussed.

ADJOURN

Hearing no objection, Mayor Miner adjourned the meeting by general consent at 6:24 pm.

Respectfully submitted,

Scott Weske
City Administrator