

**CITY OF MARSHALL**  
**WORK SESSION**  
**MINUTES**  
**Tuesday, August 26, 2025**

The work session of the Common Council of the City of Marshall was held August 26, 2025, at City Hall, 344 West Main Street. The meeting was called to order at 3:00 P.M. by Mayor Robert Byrnes. In addition to Byrnes the following members were in attendance: See Moua-Leske, Craig Schafer, Amanda Schroeder, John Alcorn, Amanda Schwartz (remote) and James Lozinski. Absent: None. Staff present included: Sharon Hanson; Jason Anderson, Director of Public Works/ City Engineer; E.J. Moberg, Director of Administrative Services; Sheila Dubs, Human Resource Manager; James Marshall, Director of Public Safety; David Parsons, City Assessor; Dave Callens, Lead Maintenance Worker; Preston Stensrud, Park and Rec Supervisor; and Steven Anderson, City Clerk.

**Preliminary 2026 Budget**

Administrator Hanson explained that the budget goals for 2026 were to continue infrastructure improvements and maintenance; meet required wastewater and surface water regulations; retail market competitive salaries and benefits; and enrich and enhance quality of life for citizens through investments in parks, trails and facilities. Staff would also be looking at ways to recruit and retain public safety employees, and to look at outside revenues such as grants and state bonding to continue the goals presented. Moberg reviewed bonding that would impact 2026. Larger bonding items included North High Street reconstruction, Legion Field Phase 2, and the airport fuel farm relocation/replacement. Capital Equipment would remain the same at \$300,000, plus an additional \$200,000 for vehicle replacements. Parsons explained preliminary tax base changes and tax capacity. The city has been seeing growth over the last 10 years. Mayor Byrnes asked how the new solar farm along North 7<sup>th</sup> Street impacted the city. Parsons clarified that the solar farm paid a solar production tax, that was determined by the Department of Revenue, split 80/20 between the county and city. With 20% coming to the city. The land that a solar farm sits on is valued as ag land but used a commercial rate to determine its value. Unlike the rest of the city where building and improvements were added to the parcel the panels themselves were not included, only land. Which was why there was a production tax as well.

Moberg showed a levy comparison for the city from 2017 through 2025. The average levy increase was 6.14%. Of the 13.96% proposed increase, 11.31% came from payroll, insurance and fringes. Staff recently met with the Marshall Municipal Utilities Commission and had agreed to a new formula for determining payment in lieu of taxes to the city. The new formula would include revenue generated for the city instead of the gradual decrease that has been seen over the last few years. Moberg reviewed various expenditure items in the proposed budget and increases in health insurance estimates. Councilmembers discussed various levy amounts and how much would need to be cut to reach those targets. Councilmember Lozinski stated he would like to see no more than 8.5% levy increase. Mayor Byrnes asked for additional clarification on reserves. Hanson mentioned that the city was looking at a voluntary furlough program, but it might not see much savings depending on who used the program. There were also upcoming retirements that could potentially help alleviate some of the payroll increases. Councilmember Lozinski said that some cities contract out their building department as a possibility for savings. Councilmembers decided that an additional work session would be needed and that staff were to come up with some scenarios or options for council to review. The next work session would be on September 9<sup>th</sup> at 4:00 PM.

**Adjournment**

At 4:30 PM Mayor Byrnes adjourned the meeting.

Attest:

\_\_\_\_\_  
City Clerk

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Mayor