

**CITY OF EAGLE LAKE  
SPECIAL CITY COUNCIL MEETING  
AUGUST 16, 2023**

**CALL TO ORDER**

- Mayor Norton called the meeting to order at 7:00 p.m.

**ROLL CALL**

- Council Members present: Garrett Steinberg, Beth Rohrich, Anthony White, John Whittington, and Mayor Lisa Norton.
- Staff present: City Administrator Jennifer Bromeland and Deputy Clerk Kerry Rausch.

**APPROVAL OF THE AGENDA**

- Council Member Rohrich moved, seconded by Council Member Whittington, to amend the agenda to add Riley Hiller’s presentation for charity event in Lake Eagle Park. The motion to amend the agenda carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Norton voting in favor.

**NEW BUSINESS**

1. Riley Hiller – Charity Event in Lake Eagle Park

- Riley Hiller, 96 Valley Lane, presented the idea of a charitable basketball tournament she would like to hold at the Lake Eagle Park on September 23, 2023 from 10:00 a.m. to 4:00 p.m.. Her employer Star Nutrition would sponsor the community charity-based event with the proceeds going to National Alliance on Mental Illness (NAMI). Details of how the event would operate were presented and would be geared towards persons ages 16 and over. Star Nutrition will be responsible for liability insurance. Food trucks will be present in the park.
- Council discussion included parking concerns and the need to notify property owners in the park area of the event and the Council’s desire to waive the rental fee.
- Council Member Rohrich moved, seconded by Council Member Steinberg, to waive the rental fee for this charitable basketball event in Lake Eagle Park. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Norton voting in favor.

2. Budget Work Session

- Administrator Bromeland explained that a preliminary budget and proposed tax levy must be adopted by the City Council and certified to the county auditor by September 30<sup>th</sup>. The preliminary budget and levy can be reduced but not increased once it has been adopted. The levy includes \$935,312 for the general fund, \$51,000 for the EDA and \$132,939 for debt service, totaling \$1,119,251. The proposed 2024 revenue for the general fund is \$2,093,515 and the proposed expenditures are \$2,271,743. The budget would be balanced except for \$181,627 in planned capital outlay expenditures drawing down previously set aside funding in general fund reserves. The expenditures are comprised of fire, police, streets, and parks capital outlay expenditures. Planned deficit spending is the intentional drawing down of capital outlay funds previously set aside in the general fund. But for the planned expenditures, the budget would be balanced.
- Truth in Taxation notices are sent to all property owners each November before local units of government finalize their budgets for the coming year. The notice is meant to help property owners understand how property taxes are determined and how they can get involved with local budgeting and taxation. Property owners cannot appeal their property’s market value or classification at the Truth in Taxation meeting. The Truth in Taxation meeting is tentatively scheduled for Monday, December 4<sup>th</sup> at 6:00 p.m. at City Hall.

- Proposed for 2024 is a modified step schedule with a 3% step increase and a 3% COLA. The police budget has been calculated with three full-time officers and a separate line item was added for contracted patrol hours with Blue Earth County totaling \$75,000. The number of contracted patrol hours will be reduced once staffing levels increase. If the City were able to hire a 4<sup>th</sup> full-time officer, there would be enough budgeted in the overall police department budget assuming the contracted patrol hours were eliminated.
- The 2024 health insurance rates will not be known until October but have staff have been advised by our agent to budget for an 8-10% increase. It is anticipated that the renewal will be under 10% but have been budgeted higher until the rates are known.
- The one-time public safety aid for Eagle Lake is \$143,617. The funds will be sent to the city in late December 2023 and can be spent on public safety purposes – police and fire. This will not be reflected in the general fund and instead a separate fund will be set up to track expenditures. A new police squad is scheduled to be purchased in 2024 with an anticipated cost of \$43,000. City staff recommended that a portion of the one-time public safety aid be used for the purchase of a new police squad. City Council discussion took place at the August 8<sup>th</sup> meeting about the possibility of using some of the funds for the purchase of a generator for the main well. It was noted that a generator is needed to ensure water pressure in the event of a prolonged outage. A legal opinion was obtained from the city attorney advising that the funds could only be applied towards the purchase of a generator if there is a showing that a generator is necessary to maintain water pressure in the fire hydrants and that absent a generator in the event of a long-term power outage there would be an inability to fight fires. A legal opinion was also obtained from the city attorney advising that the purchase of a police squad would be an eligible use of the one-time public safety aid. The purchase of the squad was removed from the 2024 budget and is recommended to be purchased using one-time public safety funds. The remaining funds are recommended to be applied towards the purchase of a generator for the main well.
- City staff will continue working on fine tuning the enterprise fund budgets and will consult with Shannon Sweeney with David Drown Associates on whether an updated rate analysis is needed based on projected operating expenses. A rate increase recommendation will be presented at the upcoming September 11<sup>th</sup> meeting would take effect January 1<sup>st</sup> if approved.
- Discussion included if the one-time public safety funds could be used for WIFI and cameras in the park or for police body cameras. Administrator Bromeland explained that Chief Kopp is looking at leasing body cameras.
- Administrator Bromeland stated she has intentionally budgeted interest earnings and building permits conservatively and tried to forecast expenditures as much as possible.
- The water treatment facility was discussed in terms of lobbying the legislature with Administrator Bromeland stating that the Coalition of Greater MN Cities does a great job lobbying.
- Any requests to reduce the levy will need to be a reduction in expenditures such as equipment requests and wages, etc.
- Other items discussed included solar panels, which the city already participates in a solar credit program, possible funding for emissions reduction and the potential need to review budget concerns relating to the police department in light of police staffing issues throughout the state.
- Discussion about large departmental equipment purchase requests took place with Council consensus being that the requests are strategic and will increase efficiencies and help retain staff. The fire department's request for a tiered compensation plan will help encourage responses to calls.
- Administrator Bromeland noted there has been an increase in the technical support line item for the replacement of computers. The fire department's operating supplies line item has been increased to include recruitment needs. The fire department will need to come before the Council to request a pension increase.

- Administrator Bromeland stated a quote for pricing from Freedom Security has been requested for bathroom and warming house locks at the parks.
- Items of general discussion included how to obtain more parking at Lake Eagle Park, improvements to the Lake Eagle Park pond and possible dredging and treatment options, additional fountains for the pond, ways to generate revenue from park use, the need for the Park Board to make a project priority list and the possibility of budgeting for these items versus fund raising, the fact that park equipment should be included in the capital outlay planning to be replaced eventually and setting aside funding for that purpose.
- Mayor Norton stated that the City Council needs to be forward thinking with the budget process and that there is no fluff in the proposed budget; the 15% increase will pay for the needs and not the wants.
- Council Member Steinberg stated that Lake Eagle Park is the only destination place in Eagle Lake and that he feels more money should be put into the park. He would like to see more urban beautification with boulevards and annual and perennial flowers and for Eagle Lake to be the best bedroom community and the best-looking community it can be. The need for community volunteers to help make things happen was discussed as well.
- Council Member Rohrich encouraged the Council to email Jennifer their goals for 2025 and beyond. Council Member White stated the Council needs to develop a needs list of only 1-2 items to be completed in the next 5 years to ensure all Council members are on the same page.
- Administrator Bromeland asked for clarification if the pond in Lake Eagle Park is a priority for 2024. The Council's consensus is that the pond is a priority. City staff indicated that Public Works will be asked to provide an estimate of funding needed to address the issues at the pond to better gauge how the project might impact the proposed budget and levy.

#### **ADJOURNMENT**

- Council Member Steinberg moved, seconded by Council Member White, to adjourn the meeting at 8:18 p.m. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Norton voting in favor.

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Lisa Norton, Mayor

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Kerry Rausch, Deputy Clerk