

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – Monday, June 24, 2019

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, June 24, 2019, at 5:30 p.m. in the Chambers of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Beard, Johnson, Erickson, Thompson. Absent: Rivera

Staff Present: City Manager Nate Mathews, Finance Director Ron Eischens, City Attorney Alan Felix, City Engineer Craig Gray, Parks & Recreation Director Marcia Larson, City Clerk Michelle Miller

2020 Financial Management Plan

Eischens presented the preliminary 2020 Financial Management Plan. Revenue adjustment increases include:

- LGA
- Administration Allocation
- Rural Fire Association Contribution
- Franchise Fees (annexation related)
- Interest Income
- Recreation Fees
- School Resource Officer Reimbursement
- Liquor Licenses

Expense adjustments include:

<u>Expense Adjustments (increases)</u>	<u>Expense Adjustments (decreases)</u>
Personnel Costs Police Department Grants Fire Department – loss of airport payment Facilities Manager Joint Planning Board Funding Carnegie Operating Costs Seasonal Street Staff Presidential Primary Election Technology/Assessing and Library	Economic Development Project Funds Liability Insurance Premiums Annexation Payment to Northern Township City Hall & Public Works Building Allocations Arena Transfer (subsidy) Increase ice rates to reduce deficit

Eischens identified the following policy issues and discretionary spending for council discussion and direction:

- Increase to Sanford Center CIP
- Implementation of a special use tax
- Sidewalk snow removal funding
- Park improvement funding
- Aquatic Invasive Species funding
- County sales tax regarding city street projects
- Youth Advisory Commission funding
- Mini Project Pride funding

With the revenue adjustments increase of \$405,426 and expense adjustments of \$713,588 the total budget increase is \$308,162 or 5.3%. Factoring in the value of new construction brings the cumulative levy impact to 4.6%.

Council discussed the following:

- Possibility of reducing general fund obligation regarding facility manager position.
- Increase Neilson Reise ice rates to lower levy.
- Not eliminating the economic development project funds.
- The special use tax committee met and while no recommendation was provided, it was determined that a sales tax would generate the funds needed to provide relief for the costs associated with the Sanford Center.
- Staff will receive information on whether or not the Police Department will receive two grants that would help reduce the levy. If the city receives those grants, council could consider increasing funding to the Sanford Center CIP.
- The \$30,000 the city pays to Greater Bemidji should be a discussion item.

- Sidewalk snow removal is not a priority.
- The Parks Department is in need of eliminating seasonal staff and creating a full time recreation position in order to reduce high turnover. Perhaps the Youth Advisory Commission funding could go to parks for this purpose.

Eischens stated he will have a more solidified budget to present at a work session in September to determine the preliminary 2020 property tax levy.

Adjourn

There being no further business, motion by Thompson, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 7:25 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk