

PUBLIC INFORMATION MEETING
CITY OF CROSSLAKE
MONDAY, DECEMBER 10, 2018
6:00 P.M. – CITY HALL

The Council for the City of Crosslake met in a Special Session on December 10, 2018. The following Council Members were present: Mayor Patty Norgaard, Gary Heacox, Dave Schrupp and Dave Nevin. Brad Nelson was absent. Also present were City Administrator Mike Lyonais, City Clerk Char Nelson, Public Works Director Ted Strand, Fire Chief Chip Lohmiller, Police Chief Erik Lee, Park Director TJ Graumann, City Engineer Phil Martin, Northland Press Reporter Bill Monroe, Echo Journal Reporter Erin Bormett and 2019 Council Member Elect John Andrews. There were approximately 10 people in the audience.

Mayor Norgaard called the meeting to order at 6:00 P.M. The Mayor turned the meeting over to City Administrator Mike Lyonais.

Mr. Lyonais reported that the budget presented tonight was the same budget reviewed at the special meeting of November 13th. No changes were made. Mr. Lyonais welcomed comments or questions from the public.

Dave Nevin asked what the change was from the 2018 budget. Mr. Lyonais referred to pages 7 and 8 of the budget packet, showing the last three years of tax rates. The 2019 budget is a 7% increase from 2018 or a 1.05% increase in the tax rate.

Mark Lafon of 13058 Happy Cove Road presented his 2019 tax statement which showed a local tax increase of approximately 7.5%. Mr. Lyonais replied that tax increases or decreases are based on property values and are a function of levies from all taxing jurisdictions, not just the City's. Mr. Lafon's value also increased and his overall dollar increase was 5.7% over last year.

Dave Nevin asked if there were funds in the budget for the sewer expansion. Dave Schrupp referred to page 18 of the budget packet, showing that the anticipated cost for the sewer expansion was \$1,200,000 for 2019. Mike Lyonais added that the budget includes debt financing and any bond payment would be a 2020 budget item.

Marsha Seibert-Volz of 37668 Moen Beach Trail asked what the reserve balance is, including both designated and non-designated funds. Mike Lyonais replied that he did not have that information with him, but estimated that the restricted, debt levy balance was \$150,000 and that the cash balance from the sale of the phone company was approximately \$6M.

Dave Nevin stated that people are saying that the City is running a deficit of \$500,000 every year and asked for an explanation. Mike Lyonais explained that is not correct. The Council has chosen to use cash on hand and debt financing to fill gaps not provided by levy dollars.

MOTION 12S1-01-18 WAS MADE BY DAVE NEVIN AND SECONDED BY GARY HEACOX TO ADOPT RESOLUTION NO. 18-35 APPROVING THE FINAL 2018 TAX LEVY

COLLECTIBLE IN 2019 AS PROPOSED TOTALING \$3,950,587 WHICH IS A 7% INCREASE OVER LAST YEAR. MOTION CARRIED WITH ALL AYES.

MOTION 12S1-02-18 WAS MADE BY DAVE SCHRUPP AND SECONDED BY GARY HEACOX TO APPROVE THE 2019 CITY REVENUE BUDGET TOTALING \$6,596,551 AND THE 2019 EXPENDITURE BUDGET TOTALING \$6,796,003. MOTION CARRIED WITH ALL AYES.

There being no further business at 6:25 P.M., the Mayor adjourned the meeting.

Respectfully Submitted,



Charlene Nelson

City Clerk

City Clerk/Minutes/12-10-18 Special Meeting

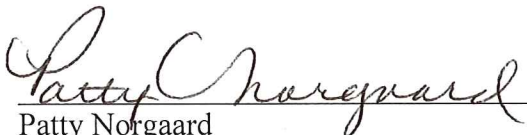
RESOLUTION NO. 18-35
RESOLUTION APPROVING FINAL 2018 TAX LEVY
COLLECTIBLE IN 2019

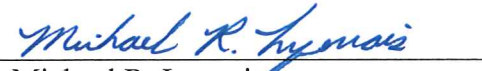
Be it resolved by the Council of the City of Crosslake, County of Crow Wing, Minnesota, that the following sums of money be levied for the current year, collectible in 2019, upon taxable property in the City of Crosslake, for the following purposes:

General Property Tax Levy	3,218,300
EDA – Operating Levy	8,500
G.O. Refunding Bonds 2012A	344,884
G.O. Equipment Certificates 2015B	155,127
G.O. Sewer Rev. Imp Bonds 2017	118,776
G.O. Road Bonds 2018	<u>105,000</u>
Total Levy	3,950,587

The City Administrator/Treasurer is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Crow Wing County, Minnesota.

Adopted by the City Council on December 10, 2018.


Patty Norgaard
Mayor


Michael R. Lyonais
City Administrator/Treasurer