

BUDGET WORKSHOP  
CITY OF CROSSLAKE  
THURSDAY, AUGUST 13, 2020  
2:00 P.M. – CITY HALL

The Council for the City of Crosslake held a Budget Workshop on August 13, 2020. The following Council Members were present: Mayor Dave Nevin, John Andrews, and Aaron Herzog. Dave Schrupp attended via Zoom. Also present were City Administrator/Treasurer Mike Lyonais, City Clerk Char Nelson, Fire Chief Chip Lohmiller, Park Director TJ Graumann, Public Works Director Ted Strand, and Echo Reporter Nancy Vogt. City Engineer Dave Reese and an audience member attended via Zoom. There were six people in the audience.

Mayor Nevin called the meeting to order at 2:00 P.M. and turned the meeting over to Mike Lyonais. Mr. Lyonais stated that the Council had received the draft Pay 2021 Preliminary Tax Levy and Budget packet and asked what goals the Council had for 2021. Dave Nevin stated that he would like the levy to decrease for a change. Aaron Herzog stated that he has interest in learning about the proposed road projects. John Andrews stated that he would like the levy to increase as little as possible with still getting things done. Dave Schrupp noted that the draft included a 5% increase and that he would like it to be lower than that if possible, but that the City made a commitment to do road projects and should continue with them.

Mike Lyonais stated that the preliminary levy must be certified to the County by September 30, 2020. Once that is certified the Council could lower the levy but not increase the levy.

MOTION 08SP1-01-20 WAS MADE BY DAVE NEVIN AND SECONDED BY DAVE SCHRUPP TO HOLD THE PUBLIC INFORMATION MEETING ON MONDAY, DECEMBER 14, 2020 AT 6:00 P.M. ROLL CALL VOTE WAS TAKEN AND MOTION CARRIED WITH ALL AYES.

Mike Lyonais reviewed the 2021 proposed budget. Mr. Lyonais reported that the majority of funds come from tax levy. The EDA had a proposed budget of \$10,000 for 2021 which includes payment to Brainerd Lakes Area Economic Development Corporation. Mr. Lyonais suggested that the Council consider an adjustment in sewer utility fees. Mr. Lyonais stated that the Council will need to consider the capital expenditures included in the budget. John Andrews stated that some people think that staff's pay and benefits are too good. Mike Lyonais replied that the Council could look at that. Aaron Herzog noted that the Council fixed a salary in the Park Department last year that was too low. Mr. Lyonais reviewed tax rates budget summary.

Dave Nevin asked for bonding information that shows the length of bonds and when they would be paid off. Mike Lyonais replied that the information is in the annual audit and that approximately \$300,000 of bonds would be paid off in 2023 and 2024.

Chip Lohmiller reported that Engine 2 is scheduled to be replaced in 2021 and has the opportunity to purchase a demo ladder truck for \$879,000, normally priced at \$1.1M, which would take care of the capital expense projected for 2023 as well. Ideal Township has a ladder truck but does not

plan on replacing it when it goes out of service. John Andrews asked if Mr. Lohmiller could purchase a used ladder truck. Mr. Lohmiller replied that it is difficult to find a single axle truck.

Ted Strand reported that Crow Wing County will not commit any funds to the Joint Maintenance Facility for 2021. The County has \$13,000 left for repairs in 2020. The list of repairs includes garage door that goes up and down all day, a leak in the roof and salt/sand building. Mr. Strand reported that there are road projects included in the 2021 budget that have been kicked down the road for many years. Dave Nevin asked to ride along with Ted Strand and Dave Reese to see the condition of the roads and would like to look at the Public Works equipment that needs to be replaced. The budget includes the cost to plat the third section of the cemetery. The Council questioned if that was urgent.

Tom Swenson of the Public Works Commission asked if the Public Works Commission would hold a special meeting or if the Council would hold a special meeting to determine which road projects would be included in next year's budget. Dave Schrupp noted that the 5-Year Plan includes the roads to be done and the estimated costs.

MOTION 08SP1-02-20 WAS MADE BY JOHN ANDREWS AND SECONDED BY AARON HERZOG TO ADJOURN THE MEETING AT 2:58 P.M. ROLL CALL VOTE WAS TAKEN AND MOTION CARRIED WITH ALL AYES.

Respectfully Submitted,



Charlene Nelson  
City Clerk