

SPECIAL COUNCIL BUDGET MEETING
2022 TAX LEVY COLLECTIBLE IN 2023
CITY OF CROSSLAKE
MONDAY, SEPTEMBER 28, 2022
4:00 P.M. – CITY HALL

The Council for the City of Crosslake held a Special Meeting on September 28, 2022. The following Council Members were present: Mayor Dave Nevin, John Andrews, Marcia Seibert-Volz, Aaron Herzog, and Dave Schrupp. Also present were City Administrator/Treasurer Mike Lyonais, City Clerk Char Nelson, Public Works Director Pat Wehner, Park Director TJ Graumann, Police Chief Erik Lee, Zoning Administrator Pete Gansen, Fire Chief Chip Lohmiller, and Echo Publishing Reporter Nancy Vogt. There were approximately eighteen people in the audience and on Zoom.

1. Mayor Nevin called the meeting to order at 4:00 P.M.
2. Mike Lyonais stated that the Council had three options to fund the road improvement projects: 1) pay cash; 2) issue tax abatement bonds at higher interest rate; or 3) assess the project to benefitting property owners and issue general obligation improvement bonds. Mr. Lyonais stated that the Council voted unanimously in 2021 to move forward with this project using assessments and bonds to pay for it. MOTION 09SP4-01-22 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY AARON HERZOG TO APPROVE RESOLUTION NO. 22-29 ADOPTING THE ASSESSMENTS FOR THE 2022 ROAD IMPROVEMENT PROJECTS AS PROPOSED. A discussion ensued regarding the appraisal that was done and whether \$4,000 was the right amount for the assessment. MOTION CARRIED 3-1 WITH NEVIN OPPOSED; SCHRUPP ABSTAINED. Phil Martin stated that the property owners that gave proper, written letters of object to the assessment could appeal the decision to District Court.
3. Mike Lyonais announced that Crow Wing Soil and Water Conservation District awarded the City an additional \$135,000 grant for the installation of five bioretention areas along CSAH 66. MOTION 09SP4-02-22 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY JOHN ANDREWS TO APPROVE MEMORANDUM OF UNDERSTANDING AMENDMENT 1 WITH CROW WING SOIL AND WATER CONSERVATION DISTRICT, TO ACCEPT ADDITIONAL \$135,000 GRANT FOR THE CONSTRUCTION OF THE THREE RAIN GARDEN PROJECTS FOR THE CONTRACTOR EXPENSES AND PROJECT ADDITIONAL EXPENSES (\$100,000 FROM MPCA 319 WHITEFISH CHAIN GRANT AND \$35,000 FROM EXISTING BWSR CLEAN WATER FUND GRANT), AND TO DIRECT STAFF TO EXECUTE THE AGREEMENT. MOTION CARRIED WITH ALL AYES.
4. Marcia Seibert-Volz asked when the change orders would be submitted for the Sewer Extension Project so that the Council could finalize the bonding on the projects, noting that interest rates keep going up. Phil Martin replied that most of the change orders are for the County's portion of the project. Aaron Herzog suggested paying for the change orders with

cash and moving forward with the bond. A discussion ensued regarding change orders and negotiations of liquidated damages.

The Council reviewed the high-level summary of the draft 2023 Budget and the worse-case scenario levy amount. Mike Lyonais reviewed the changes in revenue since the last meeting.

Pat Wehner gave an update on maintenance planned with the County for the Joint Facility for 2022 and 2023. A discussion ensued regarding the lease of the building

Marcia Seibert-Volz stated that she has spoken to several taxpayers and none have been in favor of a full-time fire chief position. Ms. Seibert-Volz added that just because something is in the budget doesn't mean that the Council is committed to it.

A brief discussion ensued regarding whether to add additional funds to the proposed budget or leave as is. MOTION 09SP4-03-22 WAS MADE BY DAVE SCHRUPP AND SECONDED BY JOHN ANDREWS TO ADOPT RESOLUTION NO. 22-30 APPROVING PRELIMINARY 2022 TAX LEVY COLLECTIBLE IN 2023 TOTALING \$4,881,429.00. MOTION CARRIED WITH ALL AYES.

5. MOTION 09SP4-04-22 WAS MADE BY JOHN ANDREWS AND SECONDED BY DAVE SCHRUPP TO ADJOURN THE MEETING AT 5:15 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully Submitted,



Charlene Nelson
City Clerk

**CITY OF CROSSLAKE, MINNESOTA
RESOLUTION NO. 22-29
RESOLUTION ADOPTING ASSESSMENT**

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to proposed assessment for the improvement of Birch Narrows Road from the intersection with CSAH 3 to the end of the city-maintained portion of the street by constructing street and drainage improvements; and

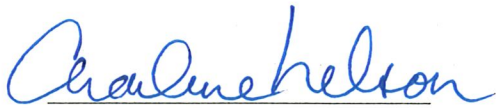
WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to proposed assessment for the improvement of Rushmoor Boulevard and Rushmoor Trail from the intersection with CSAH 16 to the end of the city-maintained portion of each leg of the streets by constructing street and drainage improvements; and

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to proposed assessment for the improvement of Wild Wind Ranch Drive from the intersection with CSAH 103 to the end of the city-maintained portion of the street by constructing street and drainage improvements.

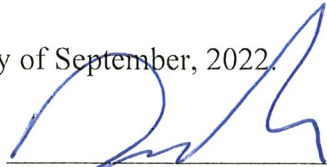
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CROSSLAKE, MINNESOTA:

1. Such proposed assessments, a copy of which is attached hereto and made part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over a period of 15 years, the first of the installments to be payable on or before the first Monday of January 2023, and shall bear interest at the rate of 5% per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2022. To each subsequent installment when due shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City of Crosslake, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the County Auditor the entire amount of the assessment remaining unpaid, with interest accrued to December 31st of the year in which such payment is made. Such payment must be made before November 15th or interest will be charged through December 31st of the next succeeding year.
4. The City Administrator shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax list of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted by the Crosslake City Council this 28th day of September, 2022.



Charlene Nelson
Charlene Nelson
City Clerk



David Nevin
David Nevin
Mayor

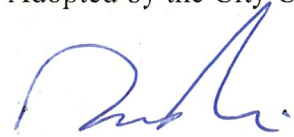
RESOLUTION NO. 22-30
RESOLUTION APPROVING PRELIMINARY 2022 TAX LEVY
COLLECTIBLE IN 2023

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 2023, upon taxable property in the City of Crosslake, for the following purposes:

General Property Taxes	\$ 3,648,290
EDA	18,100
G.O. Refunding Bonds Series 2012A	222,100
G.O. Sewer Rev. Imp. Bonds Series 2017A	118,713
G.O. Reconstruction Bonds Series 2018A	102,025
G.O. CIP Bonds Series 2019A	308,680
G.O. Equipment Certificates Series 2021A	141,645
Proposed: G.O. Equipment Certificates Series 2022A	122,735
Proposed: G.O. Special Assessment Bonds 2022A Roads	39,590
Proposed: G.O. Sewer Bonds 2022A	<u>159,551</u>
Total Levy	<u><u>\$ 4,881,429</u></u>

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 September 28, 2022.



David Nevin
Mayor



Michael R. Lyonais
City Administrator/Treasurer