

SPECIAL COUNCIL BUDGET MEETING
2022 TAX LEVY COLLECTIBLE IN 2023
CITY OF CROSSLAKE
MONDAY, NOVEMBER 28, 2022
3:00 P.M. – CITY HALL

The Council for the City of Crosslake held a Special Meeting on November 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, and Fire Chief Chip Lohmiller. There were four people in the audience.

1. Mayor Nevin called the meeting to order at 3:00 P.M.
2. Mike Lyonais provided a summary of the information included in the packet for Council information from Phil Martin. It included a memo dated November 22, 2022 regarding CSAH 66 Project update, a letter dated 10/5/22 from Casper Construction to Phil Martin regarding Crosslake CSAH 66 – extra work items and time delay request, and a draft memo from Phil Martin to Casper Construction regarding CSAH 66 – Casper extra cost and time claim dated October 5, 2022. Mr. Lyonais stated that Mr. Martin would review this information with the Council at the next regular meeting. Mr. Lyonais stated that the County is in favor of reimbursing the City for their portion of the CSAH 66 Project earlier than 2024 and that Tim Bray has asked that a written request be sent to him from the City, to that effect. MOTION 11SP1-01-22 WAS MADE BY DAVE SCHRUPP AND SECONDED BY JOHN ANDREWS TO DIRECT STAFF TO WRITE LETTER TO CROW WING COUNTY HIGHWAY DEPARTMENT, REQUESTING COUNTY'S PORTION OF CSAH 66 IMPROVEMENT PROJECT BE PAID IN 2023 RATHER THAN 2024. MOTION CARRIED 4-1 WITH NEVIN OPPOSED. Dave Nevin stated that he was not in favor because he thought the motion should have been made at a regular Council Meeting
3. Mike Lyonais stated that property owners should have received the 2023 Proposed Tax Statements from Crow Wing County. Most property values have increased, however, not all property taxes increased. Lakeshore properties saw a substantial tax increase and off lake properties stayed flat or saw a slight decrease. If property owners chose to object to their property value, they would have had to have met with the Crow Wing County Auditor last spring. Marcia Seibert-Volz stated that her City-portion of property taxes increased \$500 and the Council needed to reduce the levy. Aaron Herzog stated that the City did not increase the levy rate last year and this year they are catching up on things that didn't get done.

Mike Lyonais reported that the Truth in Taxation Meeting was scheduled for Monday, December 12 at 6:00 P.M. Mr. Lyonais stated that there may be a delay in the delivery of the new firetruck which would delay payment for the truck and suggested that the Council put those bond proceeds in a 4M fund until the truck is ready. The Council was favorable to this idea.

A brief discussion was held regarding the resolution approving the final levy and whether a line item could be added after the preliminary levy was approved. The Council briefly discussed increasing sewer usage charges but no action was taken.

MOTION 11SP1-02-22 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY DAVE NEVIN TO APPROVE REDUCING THE POLICE DEPARTMENT CAPITAL OUTLAY BUDGET BY \$50,000 FOR NEW SQUAD AND USING ASSIGNED FUND BALANCE TO PAY FOR NEW SQUAD IN 2023. MOTION FAILED 2-3 WITH HERZOG, SCHRUPP AND ANDREWS OPPOSED.

Marcia Seibert-Volz stated that the position for Full-Time Fire Chief should be thought out more before that position is added to the budget. Chip Lohmiller stated that the plan was to develop a plan and job description and then look to hire someone the second half of the year. A lengthy discussion ensued regarding the fire department, county assistance, and insurance rates. Marcia Seibert-Volz suggested that the fire officers help with some of the Chief's duties. MOTION 11SP1-03-22 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY DAVE NEVIN TO REMOVE ADMINISTRATIVE STAFF PERSON FOR FIRE DEPARTMENT, POLICE DEPARTMENT, AND CITY HALL FROM 2023 BUDGET. Dave Schrupp suggested taking \$100,000 from the 2023 Road Budget in order to keep the assistant position. Aaron Herzog asked Mike Lyonais to determine the effect of \$86,000 tax increase has on an average residential home and to bring that information to the Truth in Taxation Meeting. Tom Swenson of 35533 Sand Pointe Drive stated that he agrees that the Fire Department and Police Department need help and suggested that the Council leave the assistant in the budget, remove the full-time chief from the budget, and leave the \$100,000 in the road budget. MOTION FAILED 2-3 WITH HERZOG, SCHRUPP AND ANDREWS OPPOSED.

MOTION 11SP1-04-22 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY DAVE SCHRUPP TO REDUCE THE CAPITAL OUTLAY FROM \$5,000 TO \$0.00 IN THE 2023 CEMETERY BUDGET. MOTION CARRIED WITH ALL AYES.

MOTION 11SP1-05-22 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY DAVE SCHRUPP TO REDUCE FINES/FEES REIMBURSE FROM \$6,000 TO \$0.00 IN THE 2023 GENERAL GOVERNMENT BUDGET. MOTION CARRIED WITH ALL AYES.

MOTION 11SP1-06-22 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY AARON HERZOG TO REDUCE ENGINEERING FEES BY \$15,000 IN THE 2023 PUBLIC WORKS BUDGET. MOTION CARRIED WITH ALL AYES.

4. The Mayor adjourned the meeting at 5:15 P.M.

Respectfully Submitted,



Charlene Nelson
City Clerk