

City of Wabasso  
City Council – Special Workshop  
Monday, December 6, 2021  
6pm

The meeting opened with the recitation of the pledge of Allegiance.

Mayor Atkins called the meeting to order with Council members Steve Burns, Roger Baumann, Jeff Olson and Brad Salfer present. . Also present was Larry Thompson, Jim Jenniges, Scott Sobocinski, Joyce Plaetz and Dawn Guetter.

The purpose of the meeting was to discuss the proposed 2022 Operating budget.

Mr. Sobocinski presented an overview of the 2022 Library budget request and noted library usage, programs, city effort, county effort and costs over the past years. Mr. Sobocinski requested a \$2,500 increase in city support noting the last time it was increased was in 2015. Motion by Burns, second by Salfer, to increase the city support to the Library by \$2,500.00

Atkins – yes; Burns – Yes. Baumann – Yes Olson – yes; Salfer – Yes.

Mr. Thompson presented an overview of the budget as follows:

- Remaining budget schedule.
- The budget is based on estimates through November 2021.
- The 2016A Refunding Bond tax levy ended in 2021. This will reduce the city's overall levy by approximately \$80,000. The 2016A Refunding Bond tax levy ended in 2021. This will reduce the city's overall levy by approximately \$80,000. A \$61,500 debt levy is added as a place holder for the 2022 Cedar Street LRIP Bond.
- General Fund property tax increase of 11% and total tax increase of 3%. Again, the total tax levy can be decreased after the Truth in Taxation hearing but not increased.
- Wages – I am proposing a larger increase in wages that has been the practice in recent years. The proposed salaries are listed in Appendix B.
- Covid Relief Aid – Estimated revenues and expenditures of \$37,500 in 2021 and \$37,500 in 2022. The council has not decided how the funds are to be spent and agreed to include it as part of the budget discussions. It was suggested the Covid Relief Aid be used for funding the water meters.
- City insurance – I allocated liability and workers comp insurance premiums by departments and funds per the insurance policy.
- Community Center – I have included \$50,000 to be spent or earmarked in 2021 from General Fund reserves and \$100,000 in the 2022 line item. The city council had previously designated \$100,000 for Community Center capital improvements from reserves. report to the Council on General Fund reserves to finance a portion of the 2022 Capital Improvements. I have also
- Athletic Field – \$40,000 for installing a roof over the storage area and converting the tennis/basketball courts to a parking lot.
- Public Works – \$40,000 for seal coating (1<sup>st</sup> phase) and \$30,000 for street repairs. The budget also includes \$10,248 for the final tractor capital lease payment and funding to replace the tractor every two years and the lawnmower on an annual basis.

- Fire fund – 3% increase in Township Fees. \$20,000 to install a drive through overhead door and \$10,000 transferred to a sinking fund for a future tanker truck.
- Ambulance -\$18,000 transfer to the sinking fund for fiscal years 2020, 2021 and 2022. The goal is to set aside dollars to replace the ambulance every 10 years. Also \$3,800 for air conditioning.
- Cemetery – Increase fees from \$75.00 \$125.00 for lot prices and perpetual care. Even with the increase estimated revenues will not meet expenditures. Within 6 to 7 years the fund balance will be depleted (\$11,000 +/-) and the city will have to donate the labor or add a tax levy to subsidize.
- Water Fund- 5% increase in water rates. \$35,000 (2021) and \$35,000 (2022) in Covid Relief funds to help finance new water meters (\$150,000). Debt service and reserve requirements included.
- Sewer Fund – 10% increase in sewer rate to fund the future USDA RD sewer rehab project. USDA RD reps indicate Phase I will be funded in March/April 2022 . The sewer fund being reimbursed from the bond fund for engineering in 2020 and 2021 (\$90,222).
- Sanitation Fund – 5% increase in rates.
- Total overall increase in utility rates will be 6 – 7%.
- Storm Sewer Fund – Council has not approved the storm sewer utility fund at this time but a preliminary budget has been included.
- EDA Budgets –
- Debt Schedule – Reviewed debt budget including revenue sources and estimated payments.

#### Questions/comments from the council.

- Good idea to used Covid Relief Aid for water meters.
- Reviewed fund balances – Mr. Thompson should prepare a summary sheet for consideration.
- Wage splits between departments.
- PeoplesServices contract included in Sewer and Water budgets.
- Street Maintenance Supervisor wages includes additional duties but will be reviewed later as he gains experience and license.
- Update on pay equity.

Motion by Salfer, second by Burns to end discussion on the budget.

Atkins – yes; Burns – Yes. Baumann – Yes Olson – yes; Salfer – Yes.

Mr. Olson presented an update on the Community Center improvements and schedule. It appears that scheduling the curtain is going to be an issue as installation is approximately 20 weeks out. The city may have to operate the center without curtains for a period of time. Mr. Olson reviewed the improvements which will be on the December 13, 2021 meeting for discussion.

Meeting adjourned at 7:45 p.m.

Larry Thompson  
City Clerk/Treasurer/Administrator