

Glyndon City Council – 9/8/2021
Regular Budget Review Meeting – 5:00 P.M.
Glyndon Council Chambers

1. **Call to Order:** Mayor Tracy Tollefson called the meeting to order at 5:00 p.m.
2. **Roll Call:** Council Members Present: Dave Owings, Kimberly Savageau, Joe Olson, Justin Schreiber; City Clerk Wendy Affield; Police Chief Justin Vogel.

Absent: None.

As Per Sign in Sheet: None.

Virtual Attendees: None.

3. **Budget Discussion for 2022 Budget** – J. Olson asked about the extra sheet that was on their desk, Affield explained if they have any questions that cannot be answered at this time to write them down and she will do the research and send them the information at a later time so they can get further on the budget sheets than the last meeting. Affield led discussion by going through the Expenditure Worksheet provided in the packet, starting with the Police Fund as the previous meeting left off at *Glyndon Days*. Affield also noted she is still working on the insurance numbers for both vision and health, and that the *Computer Technology* line in the General fund (which includes the new server), will be separated into thirds. She plans to move two-thousand two hundred thirteen dollars (\$2,213) each into City Hall, Water, and Sewer funds. Mayor Tollefson asked to have the *Office Equipment Rental* line be separated into City Hall and Police funds, this way the copy machine rental funds are each in their proper category. Affield said she can do that. She also noted Fire Chief Bob Cuchna wished to have his expense lines totaled (which were utilities, vehicle insurance, workman’s comp, building insurance, and phone bill), and last year it came to fourteen thousand six hundred nine dollars (\$14,609), which she will separate too. Affield said this was discussed at the end of last year, and Schreiber said he remembers Cuchna presenting this to the Fire Committee. Mayor Tollefson said she prefers to see items be categorized under the specific department to which they belong, instead of grouped together under one fund only.

I. Expenditures –

Police Fund: *Salaries:* Using the STEP grid, includes 3% increase. *Full-time Hourly:* This line was increased nine thousand dollars (+\$9,000) and covers three full-time officers. Vogel said this also includes TZD. *Part-time Employees:* This line covers the part-time Administrative Assistant at the PD. Mayor Tollefson discussed the agreement last year to pay her twelve thousand dollars (\$12,000) a year. Chief Vogel explained he discussed increasing his assistant’s yearly salary and even with an increase to her salary he decreased this account by four thousand dollars (-\$4,000). Mayor Tollefson questioned why nineteen thousand (19,000) was in the 2021 budget? During the budget season last year the Police Department had a Part-time Officer on the roster. J. Olson said he would like to see a more formal list put together with each department head’s most important budget requests. Owings suggested a “five-step” priority list. Council agreed this would be helpful for all members. *Special Purchases/Other Equipment:* Vogel explained this line is to cover the initial purchase of special equipment like body cameras and tasers. The annual fees for those purchases then get moved to Operating Supplies. This line was increased by two thousand dollars (+\$2,000). Vogel informed Council his department took over the sixteen-hundred-dollar (\$1,600) tornado siren maintenance expense, so this will come out of his operating supplies. *Office Supplies:* Decreased by five hundred dollars (-\$500). *Uniforms:* Vogel explained this

line includes the five hundred dollars (\$500) per employee that is in their union contract for uniforms, that amount is not enough so he has more included in the budget. This also includes his uniform expenses. Computer Technology: This line was increased by nine hundred dollars (+\$900). General Training: Vogel explained this account is used for training, ammo, and traveling that has to do with training. This account is offset with the revenue training reimbursement from the Post Board. Operating Supplies: This line was increased by one thousand dollars (+\$1,000) for the future taser purchase and Watch Guard cloud charge of fifteen hundred dollars (\$1,500). Motor Fuels: This line was decreased by twenty-five hundred dollars (-\$2,500). Professional Services: This line was decreased by thirty-six hundred dollars (-\$3,600). Cell Phones: This line increased by two hundred dollars (+\$200). Air Cards Squad: This one stayed the same. New World: This one went down four thousand one hundred twenty-nine dollars and twenty-five cents (-\$4,129.25). Vogel questioned if the Fire Departments portion of the dispatching services should be taken out of the Fire/Rescue budget or stay in his. Community Outreach Donations: This line is new, starting at five hundred dollars (\$500). Vogel explained this line will be for funds donated from community picnic and holiday shopping events with the officers. Motor Vehicles: This line increased by two thousand dollars (+\$2,000). Vogel said this amount will not be the same every budget year going forward, as funds from the Police Dept Escrow line are used towards squad purchases. He recommends upping the amount in the escrow line in order to keep ahead of those large purchases. Vogel would like to order the squad if Council approves the budget later this year so he can receive it in the spring. Police Dept Escrow – RO: This line increased by one thousand dollars (+\$1,000). Vogel said he would recommend Council start putting funds into escrow for a new Police Department building, and in ten years will have the ability to build.

Community Center – Council Member J. Olson asked if funds should start being set aside to repair the parking lot? Affield said there may be some money left in the restricted savings account, and she can check for that. She said at one time it was discussed to bring in gravel to cover the lot, but A. Olson reminded them there would be a lot of maintenance issues that might be more of a headache than it's worth. Utility Maintenance Supplies: Decreased by nineteen hundred dollars (-\$1,900) Mayor Tollefson asked if the utilities will be going up for next year? Affield said the new a/c units are using a lot more energy and those bills have gone up quite a bit. The Xcel-Electric/Gas Bill line was increased by four thousand dollars (+\$4,000).

Maintenance – Chemicals & Chem Products: This line decreased by five hundred dollars (-\$500). Mosquito Spraying: Increased by eight hundred dollars (+\$800). Professional Services: This line is decreasing by fifteen thousand dollars (-\$15,000) due to in-house snow removal, and not hiring externally. Parks: This line increased by one thousand dollars (+\$1,000). Equipment Purchases: Was increased by twenty thousand dollars (\$20,000). Mayor Tollefson asked about the payloader discussion? A. Olson feels a payloader will be necessary in the years to come in order to be more self-sufficient as a department. Mayor Tollefson asked what the estimate was? Olson said it is seventy-seven thousand, six hundred twenty-six dollars (\$77,626) for a new loader, with the lease-to-own option available. Affield informed Council there was no amount included in the Maintenance Escrow account because of this purchase request. Savageau says she is unsure about the purchase, as there are always added costs to large pieces of equipment such as insurance, storage, etc. A. Olson said this is a smaller loader and would fit inside the Maintenance Shop with no issues. He said the current Bobcat attachments the City already has would be compatible with this Bobcat loader.

Stockwood – Affield said she added again the five thousand dollars (\$5,000) for the Stockwood Transformer Expense line, and Savageau asked if this is the last year for reimbursement? Affield said yes, but it can still be paid out if Council chooses. She said Council can decide how to spend those funds. J. Olson asked how much is there to be collected? Affield said she believes it is around twenty-nine thousand dollars (\$29,000).

Water – Salaries: Mayor Tollefson asked to verify if this line is still 33% Clerk, 50% Supervisor? Affield said yes. This line increased by twelve hundred eighty dollars (+\$1,280). Full-time Hourly: This line decreased by fourteen thousand, nine hundred ninety-three dollars (-\$14,993) and includes 50% Maintenance employee, 45% Admin. Assistant, and 5% Part-time employee. Overtime: Affield asked what Council would like to do with this line? Council decreased by five thousand dollars (-\$5,000). Stipend Pay: New line, added three thousand, seven hundred twenty-seven dollars (+\$3,727). Office Supplies: Increased by fifty dollars (+\$50) due to more billing paper needed. Uniforms: Affield said this line dropped due to having only two maintenance employees, it is now down by two hundred dollars (-\$200). Operating Supplies: Increased by two thousand dollars (+\$2,000). Chemicals & Chem Product: Increased by two thousand dollars (+\$2,000). Schreiber wanted to clarify on the Motor Fuels line, how those break down? Affield said any fuels used for snow removal gets placed under Maintenance, not out of Water or Sewer. Schreiber then asked if there was a need for the Water line amount to be where it's at, when it seems each year the amount does not come close to what was budgeted? Owings said they should look into possibly lowering the amount in the Maintenance fund, and set it higher for Water and Sewer. Affield said she would just need to know where to code gas receipts. Council discussed lowering the Motor Fuels under Maintenance by fifteen hundred dollars (-\$1,500), and Water/Sewer will remain the same. Professional Services: This line increased by ten thousand dollars (+\$10,000). A. Olson said this line is tough to predict as there are several factors which can lower or increase the amount used throughout the year, such as hydrant leaks, curb stop repairs, or water main breaks. He said this year the old well was replaced, and more water testing took place. Water & Yard Meters: This line increased by one thousand dollars (+\$1,000). Affield said this is up for some discussion as there have been complaints by plumbers and contractors that the City's plumbing permit fees for new homes are way higher than surrounding cities. She said this is due to the City charging for the entire purchase of a dual-mxu water meter which is four hundred twenty-five dollars (\$425.00). She is suggesting dropping the house meter charge of two hundred twenty-five dollars (\$225.00), and only charge two hundred dollars (\$200) for the purchase of the yard meter. Mayor Tollefson said they can look more into it when Council goes over the Fee Schedule for 2022. Land Rental: Affield stated this is for the BNSF lease for piping under the railroad tracks and it increases a small amount each year. Motor Vehicles: This line item is new, added in at seventy-five hundred dollars (+\$7,500). A. Olson said he has added this as a "priority #2" item for a 2022 F250. He stated he would trade in the current F150 as it cannot support a plow on the front. Affield suggested he keep the F150 for the part-time employees to use, and purchase a new pickup outright. A. Olson said this was an option as well. Affield noted the v-boss figure was not in the budget for purchase in 2022. Savageau asked if the part-time employees even really need to use a pickup, or can they get around in the Toolcat? A. Olson said they can get around in the Toolcat for their duties. He said the white pickup needs more repairs than its worth, so they have quit using it in order to possibly sell it at auction. Tower Const & Maintenance: Increased from zero to four thousand dollars (+\$4,000). Affield asked A. Olson if this will be enough? Savageau said these repairs and cleanings for the water tower can be very costly, so Council may want to establish a rollover line for future costs. Affield suggested reaching out to Jason Murray from DDA to look into it more.

Affield discussed the funds set aside for the future ponds that was started in 2013, stating she visited with Kris Carlson, and was told the ponds are still in good shape and will be able to handle the growth of Southview. Affield informed Council once the 2021 year is completed, we should have a sufficient amount of funds to have set aside for future ponds. Council will need to have further discussions concerning the sewer charge on the 2022 utility bill. Affield suggested to if items are lowered on the utility bill Council may want to look into adding a capital improvement line to help maintain the streets in town.

Sewer – Full-Time Hourly/Overtime: This line was decreased by five thousand dollars (-\$5,000). Savageau asked to clarify in terms of employee wages, if the annual increases to salary occur in January or at the employee's anniversary date? Affield said in January, Council had agreed to have all increases

occur each January instead of the anniversary of an employee's hire date. Savageau said she was just wondering if the COLA had been factored into these lines yet, Affield said she will add them in later. Cell Phone: Decreased by eight hundred dollars (-\$800) in both the water and sewer accounts. Postage: Increased by two hundred dollars (+200). Xcel Energy/Gas Bill: Increased by four thousand dollars (+\$4,000). Affield said these costs are for the electricity to the lift stations. Land Rental: Affield stated this is for the BNSF lease for piping under the railroad tracks and it increases a small amount each year. Motor Vehicles: New line item, set at seventy-five hundred dollars (+\$7,500). A. Olson said this would be the other half used to purchase a new pickup, including trade in value.

Garbage & Recycling – Part-time Employees: Decreased by five thousand eight hundred fifty dollars (-\$5,850) due to less hours worked. Refuse/Garbage Disposal: Affield wanted to note there may be a new “Compost” charge from the County, but she has not received the numbers yet. Council Member J. Olson suggested moving more towards an outdoor, self-serve recycling center. Affield said she has some documentation suggesting the city may own the current building outright, not the County, and she can share those with J. Olson. J. Olson and Savageau both said they would look into the ownership issue further. Mayor Tollefson agreed, and said people do like the convenience of 24/7 recycling bins.

Fire & Rescue – Fire Dept Escrow – RO: This line was brought back down to zero (\$0.00) as it is a roll-over account and nothing was added this year. Both Schreiber and Olson noted the Escrow line does not include funds for a new fire truck. Schreiber said Affield can go ahead and move the twenty thousand (\$20,000) which was set aside into it for next year. Repairs/Maintenance Building: Increased by eight thousand five hundred dollars (+\$8,500) to cover renovations and upgrades to the current Fire Hall. Mayor Tollefson asked why this line increased so much? Affield said the Fire Department receives five hundred dollars per month (\$500/mo.) from Sanford due to the ambulance personnel using the building, but due to the upcoming repairs to the building it needed to be increased. Schreiber said a good portion was completed already, so he suggests lowering this line to possibly ten thousand dollars (\$14,500 > \$10,000). He said he will confirm with Fire Chief Cuchna prior to this being lowered.

Rescue – All lines in this fund have stayed the same for 2022. Council Member Olson asked how long before new radios will need to be purchased? Vogel said there will be a few more years prior to those new radios being needed.

Bonds – Affield said most of these lines are pretty standard, but she wanted to mention the first line, Miscellaneous Income/Expense, as the fifty-seven thousand dollars (\$57,000) currently there is for 418 2nd Street SE. The County will be reimbursing the City a large portion of this, minus an administration fee, which she has not yet included on the revenue side. Affield said this piece of property has specials which will need to be recertified once the lot has been sold. She said Council will need to determine if they want to add the cost of tearing the property down to the special assessments.

II. Revenues –

General Fund – General Property Taxes: Affield stated she will be working with Jason Murray from DDA on these numbers, but for now she has left the line amount the same. Delinquent Taxes: Affield said these numbers are not known yet, only an estimate. Animal Licenses: Affield said this line item is deceiving as the City received a five hundred dollar (\$500) dangerous dog fee, which will not be coming in for next year. Local Government Aid: This will be increasing by five thousand, one hundred thirty-four dollars (+\$5,134). Glyndon Days Donations: This is only an estimate. Interest Earnings: This line decreased four hundred dollars (-\$400), and Savageau suggested lowering it, but Affield said there are a couple more items to be added still. She said she could go to two hundred dollars (\$200). Rents & Royalties: Increased by five hundred fifty dollars (+\$550) because of the lease agreement with

the school for the antenna on the water tower. Franchise Fees: Increased by two thousand dollars (+\$2,000). Affield will look at this closer towards the end of the year to see if it can be increased more.

Police – Police Training & Reimbursement: Affield asked if Council would like to increase this line? Vogel said this is hard to predict, as they often do not know how much will be reimbursed.

Community Center Enforcement: Vogel stated the PD charges a “law enforcement” fee for any event held at the center that has alcohol involved as one of the officers has to act as security. He is suggesting either requiring a 30-day advance notice before someone can book an alcohol event, or hire out a private security firm. Fines & Forfeitures: Decreased by five thousand dollars (-\$5,000) due to COVID-19.

Donations & Community Outreach: Affield is setting this line at five hundred dollars (\$500) due to its unpredictability. Safe & Sober – TZD: Affield left the line amount the same for now.

Community Center – Building Rental Revenue: Decreased by one thousand dollars (-\$1,000). Covid issues caused a drop in revenue this year, Affield said.

Maintenance – Mosquito Fee – RO: Increased by eight hundred dollars (+\$800), although this is estimated. County Grants/Aid for Hwy: Affield explained this line was set up to have the County Street repair reimbursement funds go into our maintenance fund since this is where we pay out for street maintenance, it used to be coded under MnDOT Road Repair Fund but it is actually a reimbursement from the County for street repairs.

Water/Sewer – Affield said most line revenue will come from Utility bills, and she pointed out the PFA loan is a replacement for the 2018A bond, and is from water sales. Water Meter Sales: This line increased by one thousand dollars (+\$1,000), and these funds come from new houses built. Undistributed Receipts: Affield explained this line is for when a utility customer has a credit on their account and the customer makes an additional payment on top, the Banyon system does not know where to apply those funds. She said this is also part of water sales. Other Sanitation Charges: Increased by two thousand dollars (+\$2,000), due to new houses built this year.

Garbage/Recycling – Other County Grants/Aid: Affield explained there will be twenty-two thousand dollars (\$22,000) the City is reimbursed for staff wage and recycling. Clean-up Week Charges: Increased by two thousand dollars (+\$2,000) because we paid out more than what was budgeted. This comes from the utility bills.

Fire/Rescue – Fire Relief Association Funds: Affield explained this line is an in-and-out, and comes from fire pension contributions. Charges for Standby Services: This line is for fire/rescue standby services at the Buffalo River Speedway, and Affield said there should be some funds coming in later this year.

Fund 801 MnDOT Repair-Reconst Asst – State Grants & Aids: This is a roll-over line for state aid due to street maintenance and repairs, and the City received fourteen thousand, seven hundred fifty dollars (\$14,750) this year, but may not receive this next year. Affield kept the line amount set at ten thousand (\$10,000) for 2022. Schreiber asked if the City has been accruing interest on the rest of the Parke Avenue funds? Affield said no, it was no longer in a CD. She said the Partridge Avenue repairs will come out of the bond, as well as the reconstruction on Hwy 10. Schreiber said he wants to look into transferring the Wheelage Tax funds over to make a bond payment. Affield stated the Wheelage funds the City used in 2021 were banked for many years, we would want to build it up again. Schreiber suggested using the extra funds left over from the 2019A bond once the project is completed to use for the 2022 bond payment. Affield said she would check with Murray. Olson wants to revisit the 5-Year Plan and really consider any major road projects while they finalize the budget. Affield said City Engineer Kris Carlson will have better numbers to consider at the next Capital Improvement Planning meeting.

Affield said Murray from DDA has again advised Council to remain at least at the five percent levy (5%) for next year in order to stay safe. She said at the next meeting she will have some more numbers to factor into the revenues portion, and they will have a better look at what funds will be available for projects. Schreiber asked about any Tax Abatement revenue? Savageau explained there is a two-year wait for those returns to show up. Mayor Tollefson said it will be 2023 most likely when they start to see that revenue come in. Olson asked when the next meeting will be? Affield said on the 22nd the Council will have to set the Preliminary Tax Levy. He asked if at this meeting will they also need to determine COLAs? Savageau feels they will need to because of the levy.

5. Open Forum - **this is the time for the General Public to address the Council regarding this topic. The Open Forum shall not be used to make political statements, political endorsements or for any political campaign purposes.*

6. Adjournment – A motion to adjourn the budget meeting at 6:57 p.m. was made by Kimberly Savageau, seconded by Dave Owings. All in favor.
Motion Carried.



Tracy Tollefson, Mayor



Wendy Affield, City Clerk



Heather Johnson, Administrative Assist.

September 8, 2021, Regular Budget Meeting Minutes