

1. **Call to Order:** Mayor Tracy Tollefson called the meeting to order at 6:00 p.m.
2. **Roll Call:** Council Members Present: Dave Owings, Kimberly Savageau, and Justin Schreiber; City Clerk Wendy Affield; Police Chief Justin Vogel; Water Superintendent Andy Olson.  
  
**As Per Sign in Sheet:** Bryant DeVries.  
**Virtual Attendees:** Bob Cuchna.
3. **Items Included in Packet:**
  - a. **Bonds & Budget Requirements from David Drown & Associates**
  - b. **Letter to Lori Johnson on Proposed 6% Levy**
  - c. **2021 Tax Levy Amount Payable in 2022 (\$556,088.78) with Proposed Percentages for 1% to 6% Increase**
  - d. **Prior Years' Levy Percentages – 2009 to 2021**
  - e. **Expenditure/Revenue Budget Worksheet**
4. **Discussion** – Affield said the bond packet is helpful as it highlights important levy payments and other water/sewer information. She just wanted to note to Council about the new Water Tower 2021A bond, and the first payment will come in August 2022. Mayor Tollefson mentioned the six percent (6%) levy proposed in the official letter to the Clay County Auditor, and said the preliminary levy request for 2022 is five hundred fifty-six thousand, eighty-eight dollars and seventy-eight cents (\$556,088.78). She said the following sheet in the packet details prior levy amounts from 2009 to 2021. Affield said we received an invoice from the County Auditor stating we owe around five thousand, four hundred dollars (\$5,400) to pay for the homes which were included in the 2-year Tax Abatement the city started in 2017. She said next year this amount will most likely be higher, so it is something to keep in mind when setting the final levy.

Affield said she will be moving some items over before finalizing the budget and will be working with Eide Bailly on any rollover amounts. Savageau asked if there were any funds budgeted for the demolition of 202 Eglon Avenue S? Affield said no, but there is an abatement expense line item in the budget that could be used. Mayor Tollefson asked if it needs to be added since it is a one-time use situation? Savageau said it is an expense either way you look at it and will need to be paid regardless. Schreiber asked about the 2019A Parke Avenue bond payment, and if there is roughly thirty-two thousand dollars left after Affield makes the final payment? Affield said she is still waiting for Border States' final invoice, then she will know more. She said there are also funds that come in from MnDOT for street repairs that could be used for the turning lane project on Highway 10 and Parke Avenue that will start in the spring, then the extra funds from the 2019A project can be used for the bond payment.

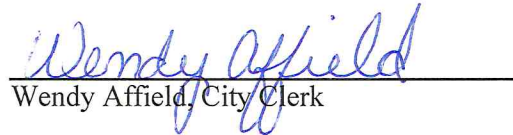
Mayor Tollefson said now it will come down to deciding on the levy percentage. She asked Owings if he had any thoughts? Owings said he is inclined to choose a levy percentage that he believes is not very popular and said he would like to stay at six percent (6%). He feels Jason Murray has cautioned them enough to avoid “playing catch-up.” Mayor Tollefson agreed and said they cannot forget to look at items needing repairs long-term, and avoid making drastic budget changes each year. Schreiber said he

can agree with six percent (6%), as he does not want the City to fall behind either. Savageau said she agrees as well. Owings said the City has come a long way and would hate to see any backwards motion. Mayor Tollefson said there are definite needs to attend to within the City and would also lean more towards staying at six percent (6%).

5. **Open Forum** – Mayor Tollefson asked attendee Bryant DeVries if he had any comments regarding the discussion? DeVries indicated he did not.

6. **Adjournment** – A motion was made by Justin Schreiber to adjourn at 6:12 p.m., seconded by Dave Owings. All in favor.  
Motion Carried.

  
\_\_\_\_\_  
Tracy Tollefson, Mayor

  
\_\_\_\_\_  
Wendy Affield, City Clerk

  
\_\_\_\_\_  
Heather Johnson, Administrative Assist.

December 8, 2021 Public Hearing Minutes – Truth in Taxation