

City of Columbus
Special City Council Meeting
Alternative Meeting Format
MN Statute, Section 13D.021
09.21.2023

The 09.21.2023 meeting of the City of Columbus City Council was called to order at 5:35 p.m. by Mayor Jesse Preiner at City Hall. Present were Councilmembers Rob Busch, Ron Hanegraaf, Janet Hegland and Sue Wagamon; City Administrator Elizabeth Mursko, Deputy Treasurer Cheryl Jenkins and Public Works Director Jim Windingstad.

- 1. Call to Order 5:35 p.m. (City Council Budget Meeting)**
- 2. Pledge of Allegiance**
- 3. Approval of Agenda**

Motion by Wagamon to approve the agenda. Seconded by Hegland. Roll call vote: Busch – aye; Hanegraaf – aye; Hegland – aye; Wagamon – aye; Preiner – aye. Motion carries.

4. City of Columbus – 2024 Budget and Preliminary Levy Meeting

Mursko reviewed the summary budget sheet showing that the 2024 levy would be very close to Fiscal Year 2023. The tax impact calculations showed that the tax rate based on the levy presented would decrease the tax rate and lower taxes for most residents. An additional factor taken into consideration was the residential market value percentage of 12 percent was calculated into the formula.

Mursko continued with the capital schedules and requested a consensus to put \$99,409 of the Small Cities Transportation Funding in the blacktop fund. Preiner, Hanegraaf, Wagamon and Hegland voiced agreement.

Moving to Schedule C, which pertains to the City's parks. Based on the most recent discussions, Mursko projected the budget to total \$6,614, \$3,700 of which would be generated by the levy and the remaining \$2,914 coming from the cell phone tower lease. Preiner advocated for leaving the cell tower lease distribution as is, while Hanegraaf felt the entire rent payment should go toward the park instead of the current 60 percent in anticipation of future maintenance or replacing assets in disrepair, such as replacing the walking path or the tennis courts. Preiner suggested raising park rental fees to go towards those costs, but Hegland said the rental fees currently go towards field and park maintenance with the city effectively breaking even and worried that raising rates could price negatively impact the quantity of park rentals.

Motion by Hegland to change the allocation from the tower rent from what is currently in place to having the tower rent allocated 100 percent to park funding. Seconded by Hanegraaf.

Preiner asked how much the levy is going up this year. Mursko estimated that the levy would be around \$4.2 million, which is the same as last year. That would mean Columbus would see a 16.2 percent decrease in tax rate assuming a 12 percent increase in residential market value. Wagamon asked how much commercial tax revenue is expected to increase in 2024 as compared to 2023. Mursko said the commercial tax value is included in the tax impact calculator and gave the City Council a margin of \$250,000 and, with that in mind, our final levy numbers for commercial properties will also decrease by the 16.2 percent tax rate if their taxable market value does not change.

Roll call vote: Busch – aye; Hegland – aye; Hanegraaf – aye; Wagamon – nay; Preiner – nay. Motion carries.

Mursko concluded the Schedule C discussion by saying the park fence needs to be added to the 2023 schedule. Preiner asked where the money for that project would come from. Mursko said the project is in the budget, listed in Schedule D.

Regarding Schedule D, Mursko said that the City does not levy for parkland dedication, but that this budget memorializes the fund balance. The new fence will be paid for through this account.

Turning to the Fire Department budgets, Mursko said the Joint Forest Lake and Columbus Fire Board is still awaiting a determination on its grant application for staffing. The Fire Board voted to set a budget of \$882,187, a net increase of 8.36 percent that assumes approval of grant funding for two more positions. Columbus is responsible for 20 percent (\$176,437.40) of the Joint Fire Board budget. Schedule FE is the Fire Department Capital Fund, and the 2023 budget reflects \$165,496 for equipment, and \$206,937 in 2024 a net increase of \$41,441.

Regarding the \$182,344 in Public Safety funding received from the state during the last legislative session, Mursko recommended Council split the funding into fire and police, with 60 percent (\$109,406.40) going to the Fire Department Capital Fund and 40 percent (\$72,937.60) into the City's police budget. Hegland advocated for determining if there was a deadline for spending the funds before committing the monies, and if there is no deadline to put the money towards capital funds. A consensus agreed.

Schedule G refers to the general fund. Mursko suggested three projects be added to the budgets: a \$17,000 installation of ADA-compliant automatic doors (2023) and finishing paving the parking lot at the cost of \$100,000 (2024) and installing a security system on the City Hall campus costing \$35,000 (2024). Wagamon felt all three projects are important, as well as the computer battery backup system currently scheduled for 2023. Preiner felt the security system, automatic doors and fiber line was most important and said the parking lot and new City Hall should be delayed. Hegland agreed that a new City Hall should be pushed to 2030. Hanegraaf voiced support for installing the new parking lot in 2024. A consensus agreed to Preiner's suggestion for 2023.

Turning to Operating Funds, Mursko shared that a significant cost in 2024 will be the three elections. During the last presidential election in 2020, Mursko said the City spent approximately \$14,500, but estimated that this year's three elections may require more than \$18,000. Mursko also said the animal control contract may be altered due to a change in where lost dogs are impounded.

5. Adjournment

Motion by Busch to adjourn. Seconded by Preiner. Roll call vote: Hanegraaf – aye; Wagamon – aye; Hegland – aye; Busch – aye; Preiner – aye. Motion carries.

Meeting adjourned at 8:16 p.m.

Respectfully submitted,

Connor Keith

Connor Keith, Public Communications Coordinator