

**BAXTER CITY COUNCIL MINUTES**  
**Work Session**  
**September 4, 2018**

Mayor Darrel Olson called the Work Session to order at 5:30 p.m.

**Council Members Present:** Mayor Darrel Olson and Council Members Steve Barrows, Todd Holman, and Mark Cross

**Council Members Absent:** Council Member Quinn Nystrom

**Staff Present:** City Administrator Brad Chapulis, Community Development Director Josh Doty, Finance Director Jeremy Vacinek, Public Works Director Trevor Walter, IT/GIS Director Todd DeBoer, Assistant Finance Director Susannah Jensen, and Assistant City Administrator Kelly Steele

**2019 Governmental Funds Budget Discussion Continuation**

Finance Director Vacinek reviewed an updated 2019 Governmental Funds Budget and summarized a few minor adjustments to the budget, including the initial property tax levy may be reduced by \$37,800. The employee health insurance renewal came in at an approximate 7.3% increase, the general fund budget was reduced by \$27,800. The initial budget placeholder was a 12% increase. A duplicate transfer to the capital equipment fund transfer resulted in a \$10,000 reduction. With the lower health insurance premium now available, the allowance for the parks staffing was adjusted accordingly from \$73,200 to \$71,000.

With the adjustment, the revised levy is \$6,402,800, a \$399,400 or 6.65% increase from the 2018 current property tax levy of \$6,003,400. Last Tuesday's initial proposed levy was \$6,440,600, a \$437,200 or 7.28% overall increase.

The initial debt service revenues and expenditures were added to the document for the city's outstanding debt. The debt service fund revenues and expenditures will be updated when the 2018 bond issue is structured, and the results of the bond sale are finalized.

City Administrator Chapulis explained the last two pages of the packet include a proposal from Tri County Community Action. Their services to Baxter and surrounding area are for a winterization program and other social services. The main ask is for their emergency fund. This request is beyond the normal scope of what has been allowed. Funding this request could open the city up to a much larger pool of organizations seeking requests. The letter of request has been presented for discussion to determine if the city will be making request and if policy should be developed. This request has not been included in the proposed budget.

Council Member Holman explained he serves on the Tri County Community Action Board for the city of Baxter and will not vote or participate in the discussion.

The council consensus was to leave the request out of the budget and to have a discussion of collaboration with the organization that may not be actual budgeted dollars.

Vacinek explained the preliminary levy will be set on September 18 and once the preliminary levy is set, the levy may only be reduced not increased.

**MOTION** by Council Member Holman, seconded by Council Member Barrows to adjourn the council work session at 6:19 p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

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Darrel Olson  
Mayor

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Kelly Steele  
Assistant City Administrator