Members present: Mayor, Brad Ahrenstorff; Councilors Wiens, Gengler, Cooper, and Schultz.

Staff members present: Taylor Gronau, City Administrator

Call to Order: Mayor Ahrenstorff called the meeting to order at 7:00 p.m. in order to discuss the 2020 Preliminary Budget and Tax Levy.

Administrator Gronau presented the results of the 2020 Budget Priorities Survey. Full results of the survey and are available at City Hall upon request.

Administrator Gronau presented an overview of the proposed 2020 General, Ambulance Service, and Debt Service Fund Budgets and Property Tax Levy. Discussion was held concerning the following:

1. A preliminary budget and tax levy needs to be adopted at the September 3, 2019 City Council meeting.
2. Beginning in 2020:
   a. The ambulance service budget was removed from the general fund budget per the recommendations of the City auditor. The service will have its own fund (Fund 06). This will help increase transparency, improve accounting for receivables and bad debt, provide for more efficient tracking and oversight, and improve cash reconciliation procedures. Contributions (if any) to the Ambulance Fund from the General Fund are included in the General Fund “Transfer Out” expense account and the Ambulance Fund “Transfer In” revenue account.
   b. Capital expenditures (e.g., equipment, major remodels, new construction, etc.) will be paid out of the City’s Capital Projects Fund (Fund 20). This will allow the general fund budget to cover operational costs only, without overages caused by equipment purchases using reserve funds. Capital expenditures will be included in the “Transfer Out” expense account in the final budget worksheet.
3. The total proposed 2020 general fund budget, for both revenues and expenditures, is $2,385,513, a decrease of $185,920 from 2019.
4. The total proposed 2020 ambulance service fund budget, for revenues and expenditures, is $231,352 and $221,352, respectively.
5. The total proposed 2020 debt service fund budget, for both revenues and expenditures, is $622,841, an increase of $311,559 from 2019.
6. The total proposed property tax levy for 2020 is $1,117,457. The breakdown is as follows:
a. General: $1,001,184
b. Debt: $ 116,273

7. The proposed 2020 property tax levy would increase by 4.7%.
8. The tax rate would decrease by 2.25%
9. The following projects/equipment purchases are proposed to be funded in 2020:
   a. Printer/copier/scanner/fax machine for City Hall - $15,000
   b. Payment of a 5-year capital note for a motor grader - $35,000
   c. Payment of a 5-year capital note for a leaf vacuum - $20,000
   d. Street maintenance and repairs - $125,000
   e. Sidewalk maintenance and repairs - $25,000
   f. Several parks improvements - Swing set (Lilly Lakes park), downtown park landscaping - $30,000
   g. Full-time Ambulance Director - $79,235
   h. Sleep and stay place for on call Ambulance personnel (rent) - $12,000

Administrator Gronau informed those present of the following:
   1. The 2020 proposed preliminary budget and tax levy will be presented at the September 3, 2019 City Council Meeting.
   2. A public hearing will be held on December 2, 2019 to hear comments concerning the 2020 proposed budget and tax levy.
   3. The final 2020 budget and tax levy will be presented for approval on December 16, 2019.

There being no further business the workshop was adjourned.

Taylor Gronau, City Administrator