

**WILLMAR CITY COUNCIL PROCEEDINGS**  
**COUNCIL CHAMBERS**  
**WILLMAR MUNICIPAL UTILITIES BUILDING**  
**WILLMAR, MINNESOTA**

August 31, 2016  
4:45 p.m.

The special meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Audrey Nelsen, Steve Ahmann, Denis Anderson, Rick Fagerlie, Shawn Mueske, Andrew Plowman, Ron Christianson and Tim Johnson. Present 9, Absent 0.

Also present were City Administrator Larry Kruse, City Clerk-Treasurer Kevin Halliday, Public Works Director Sean Christensen, Police Chief Jim Felt, Planning and Development Services Director Bruce Peterson, Finance Director Steve Okins, and Fire Chief Frank Hanson.

Mayor Calvin presented his 2017 Proposed Budget to the Council outlining the financial picture. Revenues have been flat with a minimal increase in LGA of \$9,181 and a slight increase in valuations. He focused on increasing costs for infrastructure maintenance due to the aging infrastructure and deferment of capital items.

The proposed 2017 Budget totaling \$33,139,212 of which \$14,438,983 is for General Operating; \$6,823,335 is for Capital Improvements; \$1,176,793 is for Special Revenue/Internal Services; \$2,001,585 is for Debt Service; and \$8,799,006 is for the Wastewater Enterprise. Mayor Calvin presented the General Fund Revenues totaling \$17,076,250 by source and the General Fund Expenditures totaling \$17,075,844 by major category.

The proposed changes for 2017 are the addition of two police officer positions (one starting January 1 and the other July 1), additional \$200,000 levy dedicated for pavement management, additional \$178,337 of levy for Capital Improvement/Operational costs (partially paid from new construction growth), a Human Resources position moved to City Administration and the Assessing costs per the agreement with Kandiyohi County for 2017.

Mayor Calvin overviewed the Capital Planning criteria and funding for 2017-2021. The totals and designations for capital projects for each year were detailed to the Council after which Mayor Calvin presented the Budget Calendar. On September 12<sup>th</sup> the Finance Committee will meet to recommend action on a Proposed Tax Levy, September 19<sup>th</sup> the Council will consider the recommendation to adopt and certify the proposed levy to the County Auditor. During the months of September – November the Finance Committee will continue to review the budget and the end of November review of Willmar Municipal Utilities, Rice Hospital and final Council review of Budget Adjustments will take place. It is proposed the 2017 Budget will be adopted on December 5<sup>th</sup> with Certification of the Tax Levy to the County by December 31<sup>st</sup>.

Mayor Calvin stated the City Administrator Kruse had recommended the City consider a Gas Franchise fee and a cable PEG fee to fund some of the capital plan which is now being deferred. Mayor Calvin stated his budget includes an additional \$115,000 increase in Local Government Aid which was proposed but never passed by the Legislature. Hopes are the Legislature will act on this in January for 2017. If not, it is proposed to come from the emergency reserves.

Councilmember Anderson reviewed the budget schedule stating the Mayor has presented his budget and now the Finance Committee and Council will begin its job. Anderson stated the preliminary levy must be certified by the end of September and is scheduled for September 19<sup>th</sup>. The levy cannot be raised above that amount, but it can be lowered by to adoption of the final levy in December.

Mayor Calvin closed by saying the budget is an 8.5% increase. Roughly 5.5% of that funds the \$200,000 increase in road funding. Another 1.5%, about \$51,000, goes to repay the loan for the auditorium renovations, leaving a modest increase in the operating levy. Mayor Calvin stated he strongly supports the budget at the level presented.

Council Member Anderson offered a motion to adjourn the meeting with Council Member Fagerlie seconding the motion, with carried. The meeting adjourned at 5:15 p.m.

Attest:

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MAYOR

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SECRETARY TO THE COUNCIL