

**CITY OF HAM LAKE
CITY COUNCIL BUDGET WORKSHOP MINUTES
MONDAY, AUGUST 1, 2022**

The Ham Lake City Council met on Monday, August 1, 2022 immediately following the regularly scheduled Council Meeting in the Conference Room at the Ham Lake City Hall located at 15544 Central Avenue NE in Ham Lake, Minnesota.

MEMBERS PRESENT: Mayor Brian Kirkham and Councilmembers Jim Doyle, Gary Kirkeide, Jesse Wilken and Al Parranto

MEMBERS ABSENT: None

OTHERS PRESENT: Finance Director, Andrea Murff; City Administrator, Denise Webster; Fire Chief, Mike Raczkowski; and Public Works Superintendent, John Witkowski

1.0 Call to Order

Mayor Kirkham called the meeting to order at 6:44 p.m.

Mayor Kirkham stated he would like to discuss item 2.0 last.

3.0 Discussion of the 2023 Law Enforcement Contract with the Anoka County Sheriff's Office

There was discussion that the contract is increasing about 5.5% due to increases in wages with the Union Contracts for the Sheriff's Office staff. **Motion by Kirkham, seconded by Doyle, to approve the 2023 Anoka County Sheriff's Office Contract. All in favor, motion carried.**

4.0 Discussion of the Fireworks Display for 2023- 2025

Administrator Webster stated that Minnesota Pyrotechnics did the fireworks display this year and would like to have a 3-year contract from 2023 to 2025. Administrator Webster stated that the dates work with the Ham Lake Chamber of Commerce Freedom Festival. There was discussion that the Ham Lake Chamber of Commerce's donations cover the cost of the fireworks display. **Motion by Kirkeide, seconded by Doyle, to approve the 3-year contract with Minnesota Pyrotechnics with the fireworks display dates being July 1, 2023, July 6, 2024 and July 5, 2025 with a cost of \$12,000 per year. All in favor, motion carried.**

5.0 Discussion of the Assessor Contract

Administrator Webster stated that the contract for assessing will be up at the end of the year. Administrator Webster stated that the City has been using Mary Wells and Erik Skogquist as the City Assessor's for over 4 years and felt that they have done a good job. **Motion by Doyle, seconded by Wilken, to approve the Assessor's Contract with Mary Wells and Erik Skogquist from January 1, 2023 to December 31, 2027. All in favor, motion carried.**

6.0 Discussion of Metro-INET Contract

Finance Director Murff gave an update on the increase to the Metro-INET contract. Finance Director Murff stated it is due to them splitting off from the City of Roseville and becoming their own entity, which was formed through a Joint Powers Agreement (JPA). Finance Director Murff stated that additional expenditures are needed to operate, keep capital current, build reserves and to retain top talent. Administrator Webster stated that their service has been good.

2.0 Discussion of the Proposed 2023 Budget and CIP Review

Finance Director Murff stated that she has prepared 3 options for the 2023 budget.

“Option A” would be a 3% levy increase or \$161,743, which would bring the total levy to \$5,553,186. The tax capacity rate would decrease 21.453% to 17.592%. This decrease would cause the City to use \$421,399 of reserves to cover operating costs.

“Option B” would be a balanced budget, which would be a 10.82% levy increase or \$583,142, bringing the total levy to \$5,974,585. The tax capacity rate would decrease from 21.453% to 19.026%. There would be no adding to or use of reserves to cover operating costs.

“Option C” would keep the tax capacity rate the same, but would increase the levy by 24.05%, or \$1,296,727 bringing the total levy to \$6,715,420. This option would add \$713,585 to City reserves, which could be used to fund unexpected expenditures or the Revolving Street Fund. **It was the consensus of the City Council to go with “Option B”, which would be a balanced budget.**

Motion by Kirkeide, seconded by Parranto, to adjourn the meeting at 7:18 p.m. All in favor, motion carried.

Andrea Murff, Finance Director