

BUDGET WORKSHOP  
CITY OF CROSSLAKE  
WEDNESDAY, AUGUST 23, 2023  
1:00 P.M. – CITY HALL

The Council for the City of Crosslake held a Budget Workshop on August 23, 2023. The following Council Members were present: Mayor Dave Nevin, Sandy Farder, Marcia Seibert-Volz, Aaron Herzog, and Jackson Purfeerst. Also present were City Administrator/Treasurer Mike Lyonais, City Clerk Char Nelson, Fire Chief Chip Lohmiller, Park Director TJ Graumann, Police Chief Jake Maier, and Public Works Director Patrick Wehner. There was one person in the audience.

Mayor Nevin called the meeting to order at 1:00 P.M.

Mike Lyonais reported that he provided copies of Tom Swenson's and Aaron Herzog's questions regarding the budget. Mr. Lyonais responses to those questions were provided to the Council as well. Mr. Lyonais stated that Tom Swenson agreed in theory to keep the same levy amount as last year, but to reallocate some of the funds so that there is more money for road maintenance. Marcia Seibert-Volz asked when the Public Works Commission would have a recommendation on which roads need to be repaired and the estimated cost. Mike Lyonais stated that they have not finalized their recommendation but the rough estimate is about \$1,000,000. A lengthy discussion ensued regarding assessments, bonding, and alternative ways to pay for maintenance. Dave Nevin suggested having a joint meeting with the Public Works Commission.

Mike Lyonais reviewed the 2024 Draft Proposed Budget Summary and noted that the General Fund and Operating Fund are the only funds where the levy can be changed. Mr. Lyonais stated that Capital Outlay is the most expensive category. The draft budget includes \$750,000 for the City's share of the CSAH 3/66 Intersection/Pedestrian Improvement Project. Also included is Public Safety Aid of \$107,910 and Road Aid to Small Cities of \$99,409. Mr. Lyonais stated that his goal for the next budget meeting is for the Council to approve a dollar amount for the Preliminary Levy and to finalize the details by December.

Marcia Seibert-Volz stated that she would like the squad cars to be replaced on a six-year rotation rather than five-year rotation, which requires two squads to be purchased every five years. Ms. Seibert-Volz noted that the Police Equipment Fund has a balance of over \$200,000. Mike Lyonais stated that this balance includes insurance proceeds from a squad that was recently totaled. Chief Maier noted that the 2023 squad was due in March and still has not been delivered. 08SP4-01-23 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY DAVE NEVIN TO ROTATE REPLACEMENT OF SQUADS EVERY SIX YEARS. Chief Maier stated that squads have a tough life and have about 25,000 miles put on per year. After 5 years, squads start needing a lot of repairs. MOTION FAILED WITH PURFEERST, FARDER AND HERZOG OPPOSED.

Council and staff reviewed other capital expenditures and revenues. MOTION 08SP4-02-23 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY DAVE NEVIN TO CHANGE TO THE PRELIMINARY 2024 BUDGET DRAFT INTEREST EARNINGS FROM \$175,000 TO \$225,000. MOTION CARRIED 4-1 WITH HERZOG OPPOSED.

A discussion ensued regarding the Public Safety Aid of \$107,910 that the City will receive in December and the needs of Police and Fire. Staff listed equipment that could be purchased with this aid, including EMS Command vehicle, radios, and tasers.

Marcia Seibert-Volz stated that labor unions will begin negotiations for new contracts in 2024. MOTION 08SP4-03-23 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY SANDY FARDER TO INCREASE THE PRELIMINARY 2024 BUDGET DRAFT LEGAL FEES (LABOR) FROM \$10,000 TO \$25,000. MOTION CARRIED WITH ALL AYES.

MOTION 08SP4-04-23 WAS MADE BY MARCIA SEIBERT-VOLZ AND SECONDED BY DAVE NEVIN TO DIRECT STAFF TO INCLUDE BUDGET NUMBERS IN THE PRELIMINARY 2024 BUDGET DRAFT FOR PUBLIC WORKS SNOW REMOVAL, PUBLIC WORKS TRAILS, PARK AND REC SNOW REMOVAL, AND PARK AND REC TRAILS. MOTION CARRIED WITH ALL AYES.

Chip Lohmiller suggested that the Council create a fire truck fund and a building maintenance fund and assign money to those accounts every year.

There being no further business, MOTION 08SP4-05-23 WAS MADE BY DAVE NEVIN AND SECONDED BY MARCIA SEIBERT-VOLZ TO ADJOURN THE MEETING. MOTION CARRIED WITH ALL AYES.

Respectfully Submitted,



Charlene Nelson  
City Clerk