

Pursuant to due call and notice thereof, the Budget Workshop of the Brainerd City Council was called to order at 6:00 P.M. by Council President Johnson.

Upon roll call, the following members were noted present: Hilgart, Lambert, Stunek, Pritschet, Bevans, Johnson, and Mayor Menk. Member Badeaux was absent. Also present were City Administrator Cassandra Torstenson, Finance Director Connie Hillman, City Engineer Paul Sandy, Police Chief Corky McQuiston, Fire Chief Tim Holmes, Community Development Director David Chanski, and Park Director Tony Sailer.

Council President Johnson opened the meeting with the Pledge of Allegiance to the Flag.

2020 Budget and Levy Discussion

Finance Director Hillman reviewed the goals of municipal budgeting and how the process is different from a private, or non-governmental organizations, and the responsibilities of Staff and Council in the budget process. Hillman shared that a city needs to adopt a budget for at least the General fund but are not required to adopt a budget for all funds and how a city develops a budget. Hillman stated the discussion of the workshop focuses on the Working Funds (General, Public Safety, Parks, & Streets), debt and capital which are the funds the City needs to levy for operations.

Finance Director Hillman stated, that if the Council desired to have a balanced budget, the levy would need to be raised by \$5,180 considering currently proposed 2020 budget. Hillman then went through various revenue and expense categories, as well as the capital and debt needs for 2020, explaining the assumptions used in the budget and reasons for the changes between the proposed 2020 budget and the revised 2019 budget. Police Chief McQuiston shared with the Council the need for an additional sworn officer and Community Development Director Chanski stated the need to continue and increase the contract with Sourcewell for the Riverfront Project with expanded duties to include comprehensive plan implementation and mobility and trails planning. Finance Director Hillman shared the preliminary estimated market value of the City for pay year 2020 and discussed the impact of the change that the estimated market value has on the tax rate of a city. Assuming the same percentage increase in the City's tax capacity, Hillman presented the estimates of the City's tax rate with various changes to the levy, and the estimated impact to a residential and commercial property assuming no change in estimated market value.

Council discussion was held. Council directed staff to update the budget for an additional officer, keeping the increase in the contract with Sourcewell, update health insurance estimate, have expenditures exceed revenues by \$15,000 for 2020, and prepare a resolution for the preliminary levy for the September 3, 2019 Council meeting.

Adjourn

The Chair adjourned the meeting at 6:40 P.M.

Cassandra Torstenson
City Administrator