

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on December 5, 2022. Mayor Dehen called the meeting to order at 7:00 pm, asking everyone to join the Pledge of Allegiance. The following were present for roll call: Council Members Oachs, Whitlock, Steiner, Norland, City Administrator McCann, Interim Finance Director Ryan, and City Clerk Van Genderen.

Approval of Agenda

Council Member Norland moved, seconded by Council Member Whitlock, to approve the agenda as presented. Vote on the motion Whitlock, Steiner, Norland, and Dehen aye, Oachs Abstain, no nays. Motion carried.

Approval of Council Minutes from November 21, 2022, Council Meeting.

Council Member Steiner moved, seconded by Council Member Oachs, to approve the Council Meeting Minutes of November 21, 2022. Vote on the motion Oachs, Whitlock, Steiner, Norland, and Dehen aye, no nays. Motion carried.

Public Hearing, 7 pm 2023 Budget and Five-Year Capital Improvement Plan 2023-2027. Truth in Taxation Hearing.

Interim Finance Director Ryan reviewed the components of a resident's property taxes, which includes 44% to Nicollet County, 38% to North Mankato, and 18% to Mankato Area Public Schools. The City Council set the preliminary levy at 10.4%, which is the basis of the tax notice residents received. The proposed final 2023 levy is at 9.5%. The tax rate will be reduced from 47.833% in 2022 to a projected tax rate of 44.833% in 2023. The proposed final 2023 levy dollar amount is \$676,685 more than the 2022 levy. Interim Finance Director Ryan reported a 16.04% growth in taxable market value, with 10% as new construction and 90% as increased property values. She noted that the City Council has been working to decrease the Tax Rate, and from 2013 it has reduced by about 10% from 54.57% to 44.83% in 2023. The 2023 Tax Base and Market Values increased from 0% to 20%, with the majority seeing an increase between 5-10% based on the home's valuation. Interim Finance Director Ryan reviewed where a resident's General Fund tax dollars go by checking each of the funds and the percentage each receives. A comparison of the 2022 Comparable City Tax Rates show the City of North Mankato is relatively low, with only three cities with a lower tax rate out of the 12 comparable cities.

Interim Finance Director Ryan reviewed the 2023 General Fund Expenditure Overview and noted increases in the Police Department with two new officers, increases in the Streets Department due to the increased cost of seal coating materials, an increase in the Parks Department due to increasing funds to the Parks plan and an increase in Area Agency Disbursements to reflect the future expenses for the All Seasons Arena improvements. Overall there was an increase of 8.46% in the General Fund expenditures. Interim Finance Director Ryan reviewed the 2023 General Fund Revenues and noted the increased revenue from the tax levy and anticipated additional state aid. The overall revenue is estimated to increase by 9%.

Interim Finance Director Ryan reviewed the proposed 2023 personnel costs, including a 5% pay increase based on market analysis. She noted that FTEs will increase from 62.5 to 64.5 in 2023 based on the two new police officers.

Interim Finance Director Ryan reviewed the 2023 Utility Fund Expenditures and noted increases in the Water Fund due to planned well repairs and filter rehabs, increases in Wastewater due to the Lor Ray Howard Roundabout, the Solid Waste is anticipating increases due to the rising landfill and clean up costs, the Recycling Fund is anticipating an increase in hauling and transfer fees and the

Storm Water Fund is anticipating increases due to continued underdrain work. Increased revenues will include a rate increase in the wastewater of \$1.50 per month and a \$0.50 increase in the Storm Water for an increase of \$2.00 on a resident's bill. A review of comparable cities showed North Mankato with the second-lowest average utility bill.

Interim Finance Director Ryan reviewed the 2023 Special Funds Expenditures noting an overall decrease of \$1,249,554 for a 9% decrease in fund expenditures. The Special Funds Revenues had an overall increase of \$2,333,259 largely due to anticipated land sales in the industrial park.

Interim Finance Director Ryan reported that total revenues for 2023 are \$31,688,624, with expenditures at a proposed \$29,023,752 with the anticipation of using the \$2,664,872 on the spend-down of bond proceeds.

Interim Finance Director Ryan reported that the 2023-2027 CIP decreased from \$45.3 million to \$44.5 million. Anticipated 2023 Equipment and Facilities Replacement includes a police cruiser, police radios, mower replacement, sweeper replacement, and server replacement. Sales Tax Projects include the continued pursuit of the Caswell Indoor Recreation Facility. The 2023 Parks Plan improvements include updating Lady Bug Lake, a shelter at Pleasantview Park, paving Old Belgrade Hill Trail, and Spring Lake Park Bridge replacements. Street projects in 2023 include the Mill and overlay of four streets, the west Caswell Park parking lot, and two alleys.

Interim Finance Director Ryan reported that the final budget and levy would be approved at the December 19, 2022, Council Meeting.

Barb Hinz, 2008 Northridge Drive, appeared before Council and requested a decrease in taxes and assistance in how to work with the County to decrease her property value which increased significantly.

Barb Church, 102 Wheeler Avenue, appeared before Council and requested Council consider decreasing the proposed taxes.

Tom Hagen, 927 Lake Street, appeared before Council and requested Council consider reducing spending and reducing the tax rate.

Consent Agenda

Council Member Steiner moved, seconded by Council Member Whitlock, to approve the Consent Agenda.

- A. Bills and Appropriations.
- B. Res. No. 104-22 Approving Donations/Contributions/Grants.
- C. Res. No. 105-22 Approving Polling Locations for 2023
- D. Approved Liquor License Renewals for 2022.
- E. Approved Setting a Public Hearing for December 19, 2022, on the Stormwater and Annual Stormwater Pollution Prevention Program Review.
- F. Res. No. 106-22 Approving Municipal Assessments.
- G. Res. No. 107-22 Approving Consent Assessments.

**Vote on the motion Whitlock, Steiner, Norland, and Dehen aye, Oachs Abstain, no nays.
Motion carried.**

Public Comments Concerning Business Items on the Agenda.

Barb Church, 102 Wheeler Avenue, appeared before Council and requested that the City Council not move forward with replacing the current meters with auto read meters.

Tom Hagen, 927 Lake Street, appeared before Council and requested the Council not proceed with the Ordinance to require rental properties to install new auto-read meters.

Business Items

Set Public Hearing for December 19, 2022, at 7 pm to Consider Ordinance No. 154, Amending City Code Chapter 151.21 Water Meters.

City Administrator McCann reported that the ordinance is based on the direction received from the Council at the November 14, 2022, Council Work Session. He said that if the Council determined that they wanted to expand the required change to all residents, the City staff would only have the capacity to install some of the meters. City Administrator McCann reported that staff reached out to Ferguson, the water meter company, and they said that they work with cities to make the change and would charge \$90.00 for the installation, which is double what the City charges. Ferguson could do all installations from residential to commercial, unlike city staff which is limited to smaller meters.

The discussion was held by Council concerning the installation of meters in rentals and city wide. It was determined to set the public hearing to discuss the proposed ordinance, which would require all rental properties to install auto-read meters in the next two years.

Council Member Norland moved, seconded by Council Member Whitlock, to set a Public Hearing for December 19, 2022, at 7 pm to Consider Ordinance No. 154, Amending City Code Chapter 151.21 Water Meters. Vote on the motion Oachs, Whitlock, Steiner, Norland, and Dehen aye, no nays. Motion carried.

Open Forum

Barb Church, 102 Wheeler Avenue, appeared before Council and thanked the staff for the abatement map but stated there were too many properties already in tax abatement to consider additional use of tax abatement.

City Administrator and Staff Comments

City Administrator McCann reviewed the 2022 Junk collection. He reported that the cost for pick-up and disposal of resident junk in 2022 was \$98,000, just under the \$100,000 budget.

City Administrator McCann said the Police Department's newest member Will Pohlmann was sworn in on December 3rd and welcomed him to the City.

City Administrator McCann reported the City's snow emergency successfully allowed staff to clear the streets. There were 49 vehicles towed and 80 vehicles ticketed and reminded residents of the ways they can receive notification of snow emergencies.

City Administrator McCann reported the Taylor Library's Holiday Lights map is ready for pickup and they will be having a breakfast with Santa on December 17th at 10:30am. Registration and a registration fee are required.

City Administrator McCann invited residents to review the City's Culture and Recreation offerings including Trivia Night, CPR training, and babysitter training.

City Administrator McCann reported that the library has a sharing tree and invited everyone to visit the library and support the sharing tree initiative.

Mayor and Council Comments

Mayor Dehen thanked staff and everyone who came out to Bells on Belgrade.

Mayor Dehen stated that the City's practice is that with six or more inches of snow, the City will call a snow emergency. Residents are responsible for engaging with the city's numerous ways of providing the snow emergency information and removing their vehicles from the streets.

At 7:14 pm, on a motion by Council Member Norland, seconded by Council Member Oachs, the Council Meeting was adjourned.

Mayor

City Clerk