

City of North Saint Paul
August 11, 2020
Adopted City Council Budget Workshop Meeting Minutes

The August 11, 2020 meeting was held via Zoom and complied with all requirements of Minnesota State Statute 13D.021.

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 5:00 p.m.

II. ROLL CALL

Present: Council Member Scott Thorsen
Council Member Candy Petersen
Council Member Tom Sonnek
Council Member Jan Walczak
Mayor Terry Furlong

Staff: City Manager Scott Duddeck, Deputy Clerk Mary Mills, Electric Director Brian Frandle, Public Works Director Nick Fleischhacker, Public Works Superintendent Ron Ritchie, Finance Director Jason Zimmerman, Community and Administrative Services Director Debra Gustafson, Communications Consultant Kari Erpenbach, Community Development Administrative Assistant Olivia Boerschinger.

III. TOPIC(S)

A. Budget Overview

Finance Director Zimmerman presented a high level, global overview of the budget. All documents were screen-shared by Zimmerman. Zimmerman reviewed the 2019 actual budget numbers for revenues and expenditures, current 2020 numbers, projected 2021 and 2022 scenarios. This year there are unprecedented revenue reductions to date, with no significant change anticipated for 2021, 2022 or 2023. Local Government Aid, permits and licenses, taxes, staffing, wage increases and benefit increases, city services, upcoming bond payments and severance payouts were all discussed. Currently there is a deficit gap of \$578,000 which would equate to a 10.5% levy increase if no reductions are made.

Department Heads have been given their budget worksheets and instructed to keep the 2021 budget at a zero increase, excluding personnel costs. Council requested that scenarios be brought back to them with comparisons from a zero percent levy increase up to a five percent levy increase showing what would need to be done at each level to accomplish that and what impact each increase means to the taxpayers.

Staff and council realize that a zero percent increase this year would not necessarily mean a low increase next year. Implementing a small increase this year so the impact for the 2022 budget is not overwhelming would make the most sense. In addition, as of this date there are still unknown numbers related to the tax impact and health and dental insurance increases for this budget cycle.

V. OTHER BUSINESS

There was no other business.

VI. ADJOURNMENT

There being no further business, on motion by Council Member Sonnek, seconded by Council Member Walczak, with all present voting aye (5-0), Mayor Furlong adjourned the workshop meeting at 5:59 p.m.

/s/ Terrence J. Furlong, Mayor

Attest:

/s/ Scott A. Duddeck, City Manager/Clerk