

**City of Menahga
Budget Meeting City Council Minutes
May 20, 2025**

1. Call to Order

The Menahga City Council held a Budget/Special Meeting on Tuesday May 20, 2025 at 6pm.

2. Roll Call

Comprising a quorum of the Council, the following members were present:

Mayor Jody Bjornson	Mike Netland	Keith Waaraniemi
Bill Hodge	Durwin Tomperi	

City Office Staff present: City Clerk/Treasurer Brett Gagnonpalick, Deputy Clerk Kelly Kumpula

3. Pledge of Allegiance

4. New Business

Fire Department

Durwin Tomperi reported that the fire committee had line-itemized everything and made some adjustments. The capital outlay was increased to \$70,000 to account for upcoming expenditures, including turnout gear and building a reserve for a potential new fire truck purchase.

Mayor Bjornson mentioned that there was no guarantee of receiving a grant for turnout gear, suggesting they may need to start budgeting for it. He noted that it would cost around \$25,000 per year for a 10-year turnover.

Mike Netland expressed concern about the necessity of replacing fire gear, stating that the fire department couldn't explain why it needed to be replaced other than mandated lifespans. Terry Berttunen had mentioned his first gear lasted 25 years.

The council discussed the federal mandate for gear replacement and the

possibility of seeking grants. Brett Gagnonpalick mentioned that grant applications were typically due in November or December, with results announced in early spring.

Bill Hodge suggested exploring options to appeal the mandate or seek leniency, given the low usage of the gear in their community. The council discussed reaching out to state representatives and the Minnesota Department of Public Safety for potential waivers or exemptions.

The council also discussed the possibility of the fire department obtaining a charitable gaming license to generate funds for equipment purchases, as other departments in the area have done.

First look at preliminary levy [General Fund]

Brett Gagnonpalick presented the preliminary budget numbers, showing that the city was \$42,010 over from the expected revenues for the 2026 year. The council discussed various ways to balance the budget without increasing taxes, given the potential for significant county tax increases.

The council reviewed transfers from enterprise funds, including water and sewer, to the general fund. They discussed potentially increasing these transfers to help balance the budget.

The liquor store transfer was set at \$75,000, up from \$25,000 in the previous year, as some projects had been completed.

The council also discussed the unallocated reserves fund, which was budgeted at \$50,000, down from \$55,000 the previous year. Brett Gagnonpalick explained that this reduction was due to the city coming in well under budget in the previous year, resulting in a surplus of approximately \$240,000.

The council debated whether to maintain the \$55,000 contribution to the unallocated reserves or keep it at \$50,000. They agreed to keep it at \$55,000 to continue building the reserves towards their goal of \$500,000.

The council also briefly discussed the beach program, including lifeguards and swimming instructors. They considered ways to structure the program and its fees, including potentially implementing a family maximum for swimming lesson fees.

Mayor Bjornson suggested scheduling another budget meeting for July 14th at 5 PM, before the regular council meeting, to further discuss and finalize the

preliminary budget.

13. Adjournment

The council decided to adjourn the meeting after ensuring all agenda items were addressed, ongoing concerns were noted for follow-up.

Main Motion: To adjourn at 7:00 p.m.

Moved by:	Tomperi
Seconded by:	Hodge
Action:	Motion carried on a 5-0 voice vote
In favor:	Bjornson, Tomperi, Netland, Hodge, Waaraniemi
Opposed:	None

City Clerk/Treasurer, Brett Gagnonpalick

Mayor, Jody Bjornson