

City of Menahga
Special/Budget Meeting City Council Minutes
June 21, 2024

a. Call to Order

The Menahga City Council held a Budget/Special Meeting on Friday, June 21, 2024.

Mayor Liz Olson called the meeting to order at 2:00 pm.

b. Roll Call

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

Mayor Elizabeth Olson Mike Netland - Arrived 2:02 Dan Warmbold -Absent

Jody Bjornson Durwin Tomperi

Office Staff present: City Clerk/Treasurer Brett Gagnonpalick
Deputy Clerk Melanie Schermerhorn

c. Pledge of Allegiance.

d. Budget by Department: 2025 Budget

Gagnonpalick started the discussion with a review of the previous meeting decisions.

- **Fire Department**

It was reported that last year's Fire Contracts did not include the equipment estimates built into it. The Council is estimating approximately 60k between the three Townships that Menahga contracts with for fire coverage. Netland brought up the Capital Outlay estimates for the Fire Department. There is now 20k set into the budget for Capital Outlay. Discussion ensued about how to save and put away funding for a fire truck.

Gagnonpalick will host the Fire Chief for a meeting on exactly what the fire department needs to function regarding capital outlay and planning.

Gagnonpalick asks what we can do right now to produce a number to plan against. Netland reported that the Council requires more information. For Fire Contracts, Tomperi suggested that the funding that comes from fire calls etc. should go towards the maintenance of the fire trucks. The Fire Contracts should go towards equipment. Gagnonpalick brought up the fact that police go out and solicit donations, however, the Fire Department has not received anything. Netland informed the Council that the Fire Department has not asked the VFW for any funding. Last year, Tomperi and Warmbold asked for funding from an organization on behalf of the Fire Department. Tomperi stated it was a bad image for no members of the Fire Department to attend the meeting where the request was made. Netland stated that when he inquired of the Fire Department as to why they do not ask for donations, the answer he received was, "We don't beg for money". Gagnonpalick wants to demand that the Fire Department go search for donations. Olson requested that this discussion be moved to the Work Session.

- **Police**

Gagnonpalick led off with a comment that working on the Police Department budgeting process had been easy going due to the Police Chief being realistic. Olson requested a deeper look into what the training reimbursement funding line consisted of, which Schermerhorn reported the reimbursement came from Sourcewell.

- **Streets**

No major changes for the street budget. Gagnonpalick reviewed the capital outlay. Bjornson wanted to make sure that the capital outlay funding does not get lost and has some visibility. Discussion about what the best way to keep track of it. Netland offers his advice to place the funding in the right accounts. Bjornson mentioned that the crosswalk signs were no help. Olson asks about repainting the crosswalks. Olson brought up not seeing the reimbursements from MnDOT that have jurisdiction with respect to snow plowing.

- **Administration**

Gagnonpalick started off with salaries, and why the budgeted number is higher than FY24's. Gagnonpalick stated that since there are permanent staff here, there will no longer be a need to place so much funding into contract services,

which during the multiple gaps in the City administration, funding was pulled from for coverage. Gagnonpalick intends to invest in the staff.

Postage was increased to \$1,300 from \$1,200.

A grant writing discussion brought by Netland socialized the idea of tentatively contracting a grant writer for the City. They would have the area expertise to get the most out of securing funding for the City.

Training and conferences funding amount has been set at \$5,000. Gagnonpalick and the Council encouraged training and other forms of professional development for the staff.

Gagnonpalick wants a high production disintegrating shredder for the office. Some discussion on using a shred truck service. Gagnonpalick would like something for day-to-day items. The Council was receptive.

The Council had a discussion on the City's Auditor and if we have a 3-year contract. Gagnonpalick did not have an answer but would investigate it. The issue prior had been getting someone to actually audit the City and since it is no longer an issue, it would be advantageous to settle with a single auditing entity for coverage.

Gagnonpalick brought up that the administrative staff are looking into new Fund Accounting and Billing Software. No decision has been made application wise. The staff are still doing research for the best fit to Menahga. Given the resources out there, the staff will only propose software that they have unanimous consensus on.

The roof of City Hall is nearly 20 years old and there is discussion on how to proceed with the process of getting it replaced. Netland informed the Council that it could be replaced by lease funding for a new roof.

Netland asked the Council about their thoughts on having Greenwood Connection contribute to the City's budget. As the owner, it is the City's prerogative to take profits from its assets to offset other costs. The Council discussed the dynamic between GWC and the City, in that GWC is a City owned entity. Bjornson drew the comparison that GWC has been fiscally responsible and the City, in the past, has not. Netland countered with those times were past, and that the City is on the right course. Bjornson asked about the

schools contributing to the City’s budget. Gagnonpalick will consult with published documents to find out. Gagnonpalick added another point is that it would be hard to expand GWC due to the poor credit rating the City has. Having liquidity would help increase the credit rating. Netland explained that GWC must have a healthy reserve fund to react to State rules that come out that require an immediate expense. Bjornson did not want the dogma of ‘if there is funding in the budget, it must be spent’ to be followed. Gagnonpalick stated that line of thought did not belong here. Discussion among the Council indicated that everyone was on the same page.

e. Council discussion on 2025 Budget and City 2025 Levy.

Next budget meeting was not set but predicted to be the 3rd or 4th week of July.

Mayor Olson closed the budget meeting at 3:50 pm.

f. Closed Session for the Consideration of the Sale of Real Property owned by the City under Minnesota State Statute Sec. 13D.05, Subd. 3(c).

Mayor Olson opened the Closed Meeting at 3:51 pm, for consideration of the sale of real property owned by the City under Minn. Statutes Sec. 13D.05, Subd. 3(c), described as follows: The Southern portion of parcel #R17-660-0280 from the South right-of-way of 11th Street SE to the City limits.

Mayor Olson closed the Closed Meeting at 4:07 pm and opened back up the City Council Special/Budget Meeting.

g. Adjournment

Main Motion: To adjourn at 4:07 pm.

Moved by:	Bjornson
Seconded:	Tomperi
Action:	Motion carried by a 4-0 voice vote
In favor:	Olson, Tomperi, Bjornson, Netland
Opposed:	None

City Clerk/Treasurer Brett Gagnonpalick

Mayor Elizabeth Olson