

City Council Proceedings

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State of Minnesota
Counties of Scott & Le Sueur
City of New Prague

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Special City Council Meeting
Monday, October 28, 2019

Mayor Nickolay called the special meeting to order at 5:30 p.m. with the following members present: Nickolay, Ryan, Bass, Seiler, and Wolf.

Staff Present: Mike Johnson, Patty Solheid, Bruce Reimers, and Glen Sticha.

Others Present: Fire Chief Jeremy Tikalsky and Asst. Chief Steve Rynda

Utilities General Manager Bruce Reimers reviewed with the Council the proposed 2020 Water Fund Budget. He provided an overview of the revenues, expenses, capital expenses and debt repayment. There is 1 new employee proposed in the Water Fund for 2020. That would take the Staff from 2.5 to 3.5. The major construction project for 2020 is the Water Main Replacement in the Highway #19 Reconstruction Project through the downtown and is estimated at \$1,300,000. It is anticipated that there will likely be a rate increase of 3.0% or \$.43/1,000 gallons in the City's water rate structure for both residential and commercial water customers. Water meters will also be replaced for all residential and business customers on the Main Street Project.

Fire Chief Jeremy Tikalsky and Asst. Chief Steve Rynda were present from the Fire Department for the presentation and overview of the proposed 2020 Fire Department Budget. Notable changes for 2020 included slight increases in wages for part-time employees and the City's Fire Pension contribution (revenue offset from the State of MN). There is \$5,000 in the Repair and Maintenance Supplies for the replacement of new coats/pants for the Foremen. There was also funding included in the motor fuels to consider a program for the take home of vehicles/trucks by the Asst. Chief's. This needs further exploration between the Fire Dept. and City Administrator's Office to vet all anticipated legal and financial ramifications. There is no proposed major capital expenses for 2020. The new pumper truck should hopefully be ready for delivery by March 1, 2020. Chief Tikalsky also went over the number of fire calls, breakdown of calls, and trends for the past 3 years.

Public Works Director Glen Sticha reviewed the proposed 2020 Storm Water Budget. It is anticipated that a 3.5% or \$.18 increase in the Storm Water Rate will be needed in 2020 (2nd time in 7 years). Expenses will remain relatively flat with a slight increase in debt service and the purchase of a new GPS unit.

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There will also be significant storm sewer replacement in the 2020 Main Street Project.

Public Works Director Sticha also reviewed the proposed 2020 Wastewater Fund Budget. The good news was that there will be no rate increase for 2020 (6th successive year with no rate increase) in the monthly wastewater rates. There are no significant revenue changes other than interest income and no significant operating expense changes. Mr. Sticha also reviewed the capital outlay noting that the sanitary sewer line is being replaced in the 2020 Main Street Reconstruction Project in the downtown.

Finance Director Patty Solheid presented the Capital Project Funds, Debt Service Funds, and Special Revenue Funds budgets for 2020.

City Administrator Mike Johnson presented the proposed Ambulance Fund and EDA Fund budgets for 2020.

The remaining budgets yet to be reviewed include the remainder of the General Fund, and the Golf and Electric Fund Budgets.

The next Budget Workshop (No. 3) will be held on November 13, 2019 at 5:30 p.m.

It was the consensus of the Council to adjourn the Budget Workshop at 8:40 p.m.

ATTEST:



Michael J. Johnson
City Administrator



Charles L. Nickolay
Mayor