

The Special Beulah City Council meeting of September 10, 2018 was called to order at 6:00 pm at Beulah City Hall by Mayor Travis Frey.

Present: David Czywczynski, Loren Daede, Kathy Kelsch, Gary Miller, David Ripplinger, Clyde Schulz, Kelsey Timmer

Absent: Eric Hoffer

Also Present: City Coordinator Russell Duppong, Kate Johnson

### **2019 Budget Review**

Frey presented the budget reports emailed to Council. He commented the mill levy calculation includes a zero percent increase resulting in a recalculation to levy \$589,200. This was the same dollar amount levied in 2018. The Council is not looking at an increase. Ferebee commented on the State Aid revenue to be received and the areas those revenues go to. Frey presented the report from Ferebee showing the areas in which expenses could be reduced. Ferebee stated the General fund and Highway fund include city operating expenses, but expenses are higher than revenue. There are also special assessments not being paid. The City can incorporate a Special Assessment Deficiency fund in which a levy could go directly into the fund. Kelsch commented this doesn't create new revenue but just designates money to its own fund. Czywczynski questioned if this would be helpful and Ferebee stated it would be easier to see that the money is set aside to pay for specials and could not be used on something else.

Frey explained some of the items of the Revenue Budget. He commented if a project comes up or an expense is more than expected, the budget can be amended. Some items discussed were dilapidated buildings, Sales Tax, and a Gateway Addition project. Miller questioned the Gateway project and Schulz explained that we received some engineering estimates but it wasn't pursued. Frey questioned if Lenzen was working on that and Schulz stated yes. Frey explained it would need to be decided if this project would be special assessed or use Sales Tax money. The General fund is being used for operating expenses and that is what we're trying to balance. Ripplinger stated the Gateway project should be pursued if Council was looking at it before. Kelsch commented the project stalled because of the indecisiveness on how it would be paid for and whether it would be special assessed and who would benefit. It was a hard decision on how to move forward.

Frey then went through the Expense Budget. The assessor position wage, police department wages, and public works and sanitation wages were discussed. Frey stated the final budget cannot be higher than the preliminary budget. The Budget Hearing is scheduled for 7:00 pm on Monday, October 1. Ferebee stated we are spending more than we are receiving in the Highway fund and those extra expenses will end up coming out of the General fund. Kelsch questioned if it could be looked at in a simplified manner by saying each area needs to cut 10%. The increase in health insurance was discussed. Ripplinger questioned the West River Transit expense. Schulz explained the cost share for the bus service and what the bus is used for. Miller questioned Sun Valley RV Park. Schulz stated it was started as a service to the community. Ferebee will send the final budget to the County Auditor after the hearing on October 1.

Meeting adjourned at 7:30 pm.

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Travis Frey, Mayor

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Heather Ferebee, City Auditor

9/10/2018