NEW YORK MILLS CITY COUNCIL  
PUBLIC HEARING  
December 12, 2017  
6:01 p.m.

CALL TO ORDER AND DETERMINATION OF A QUORUM
The public hearing of the New York Mills City Council was called to order at 6:01 p.m. in the Council Chambers of the City Hall Building at 28 Centennial 84 Dr. West, New York Mills, Minnesota, all members of the Council having been notified of the meeting and the business to be transacted.

Members Present: Gerber, Maki, Roder, Hoaby and Hetland

Members Absent: None

Staff Present: J. Roberts, J. Geiser

Guests Present: Eric Bervig of the NYM Dispatch

Call to Order
The Public Hearing was called to order at 6:01 p.m. A quorum was present.

Mayor Gerber noted that it was time for the Public Hearing to convene. She noted that City Clerk Julie Roberts would be making a presentation on the projector for the audience to follow along on.

Clerk Roberts noted that there is an estimated increase of 2.26% in LGA (local government aid) for 2018. The City’s preliminary levy was set at 7.45% and is now at 5.59%, which is for the amount of $302,088 for the general levy amount. Roberts showed a summary of outstanding debt which was $7,056,884 in 2017 and $8,253,350 for 2018. Roberts noted the bond debt levy amount has not changed for the past five years. The average levy increase for Otter Tail County is 6.95% and New York Mills is below that at 5.59%.

Roberts gave an overview of the proposed 2018 levy. The levy is in two parts – one for the general fund needs and another for the debt servicing needs. The combined total of these two parts is proposed to be $471,088 which is up from last year’s combined levy of $446,145, an increase of 5.59%. Broken down, the levy consists of the debt levy which has remained flat for the past 5 years in the amount of $169,000 and the operating levy which is increasing from $277,145 to $310,402.

Roberts discussed the City’s budget for 2018. Special Revenue Funds include the Library Fund, Fire Department Fund, Park Board Fund and Revolving Loan Fund. The bond funds are the same as 2017 with the exception of fund 319 maturing at the end of 2017 and will no longer be there and the addition of fund 328 for Miller St. and CSAH 84 project. The Capital Project funds include TIF District #1 fund, Capital Projects Reserve Fund 412, 2015 Utility and Street Improvement Fund 419, 2017 Miller Drainage and Street Improvement & CSAH 84 Fund 420, TIF District 1-10 Fund 425 and TIF District 1-11 Fund 426. Enterprise Funds include Water, Sewer, Gas and Liquor Store Funds. General Fund Revenues include taxes and franchise fees, state, County and other aid and grants, permits licensing fees, police fines and fees, Roberts noted that the total general fund revenues are budgeted to be $1,265,284 in 2018. She went through the various general fund departments and showed the 2018 expenditures budgeted for each department. The mayor and council department expenditures budget for 2018 will increase by 3.14%, City Administration will decrease 1.89%, Election department will have expenditures because it is an election year. The Hall department has an increase of 5.62% because re-roofing the building will be
self funded with money set aside for the repair. The police department has an increase of 10.24% due to increased wages and benefits. The street department shows a 68.16% increase, but the department has been setting aside cash to pay for a new street sweeper and will have the funds to pay for it. Ice and snow removal and storm drainage budgets remained flat. The street lighting budget is down 13.70% due to more energy efficient lighting. The pool budget increased by 1.59%, parks and recreation department increased by 6.79% because they plan to buy a skid steer attachment and have been setting aside money for the purchase. The Economic Development Authority budget remained flat. The 2018 budget plans for transfers out to fund the Library and Fire departments of $159,159. The General Fund total revenues are budgeted at $1,265,284 and the total expenditures are at $1,260,674, leaving the General Fund net revenues at $4,610.

Clerk Roberts discussed the status of the Enterprise Funds. What the Office of the State Auditor is concerned with is the net amount before transfers, which the Water Fund is $61,539 so it is in good shape. The Sewer Fund’s net before transfer is $221,981. The Gas Fund is healthy, showing a net before transfers of $316,042. The bond payment funded by the Liquor Store matured in of 2017, so the transfer for 2018 will go down to $10,000. The Liquor Store Fund will see a net balance before transfer of $26,478.

At the conclusion of Roberts’ presentation, she asked if anyone wished to ask questions or make comments.

Mayor Gerber thanked Roberts for the presentation, and after hearing no further comments or questions she closed the Truth in Taxation Public Hearing at 6:31 p.m.

Respectfully submitted by,

____________________________________
Jenny Geiser
Administrative Assistant
City of New York Mills