

## AUGUST 12, 2020

A Special Meeting of the Lake Benton City Council was held on Wednesday, August 12, 2020 at 5:30 PM in the Lake Benton Area Community and Event Center. Mayor Bob Worth presided. Trustees Rosie DeZeeuw, David Enke and Daryl Schlapkohl were present. Trustee Mark Dunn was absent. City Administrator/Clerk Eileen Christensen was also present.

Mayor Bob Worth called the Special meeting to order. The purpose of the meeting was to begin work on the 2021 budget for the City of Lake Benton.

Copies of the 2021 Budget Worksheet were passed out. The figures for the City's 2021 LGA of \$251,539.00 and PERA Aid of \$841.00 were inserted as well as all the numbers in the General, TIF, Fire, Library, Water, Sewer and Garbage Funds. City Administrator Clerk Eileen Christensen worked with the Department Heads, and members of the Chamber-CVB, Parks/Rec, EDA and Historical Society.

The workers comp was approximately \$10,000.00 less than the previous year. The liability, building and vehicle insurance rates were increased a percentage, but the final numbers are not known at this time. The health insurance rates increased 4.771% which is an annual increase of \$1,332.00. The City belongs to a pool for health insurance through Southwest West Central Cooperative (SWWC) in which the City receives an annual reimbursement from money held in escrow. This amount was used in 2018 to create a Select Account-HRA fund for the three (3) full-time employees. The Council made a policy to approve a minimum amount of \$50.00 per year/per employee. The Council again approved contributing \$1,650.00 to each employee's HSA Account due to the decrease in health insurance premiums and the increased employee's deductible.

Additional 12-month CD's to be created in the General Fund included the following: \$1,000.00 for City Office Improvements, \$7,500.00 for Street Capital Outlay (2021 Sidewalk Project), \$10,000.00 for Street Repairs (Sealcoating and Repairs), \$2,000.00 for Opera House Capital Outlay, \$2,000.00 Parks/Ballfields for fencing, and \$2,500.00 Parks/Ballfields for Lakeside Park Improvements.

An account was set up for the Public Works Capital Outlay and Public Works Heavy Equipment in 2018. The amount to be transferred to this account, as of now, is \$12,500.00.

Wage increases were entered at 3% for City staff.

The Fire fund was reviewed and nothing was budgeted for CRP Burns due to the possibility the AFC Office may not cost share half the price for individuals wanting to burn their CRP in 2021. Trustee Daryl Schlapkohl will talk with the Fire Chief to discuss the possibility of adding onto the Fire Station.

Additional 12-month CD's to be created in the Fire Fund included \$3,000.00 for Capital Outlay/Equipment, \$5,000.00 for Capital Outlay/Building Fund, and \$7,000.00 for Capital Outlay/Turnout Gear.

The Library Allocation remained the same at \$28,000.00 with the possibility of forgiving the 2020 expenditures over the allotted amount. This will be reviewed at an October meeting.

Administrator/Clerk Eileen Christensen informed the Council that the City received \$110,000.00 over the budgeted revenue for 2020 from the sale of property, the sale of the Police Durango and the reimbursement for the FEMA 2019 flooding. This will definitely increase the City's Unassigned Fund Balance for 2020. Unassigned fund balance is a residual account made up of leftover funds from previous years. No need to budget for this since it's comprised of funds already there. Budgets do not reflect assigned fund balances as they are neither a revenue nor an expense. The City's fund balance at the end of 2019 was 53% - which is supposed to be between 35%-50%.

In order to keep the Unassigned Fund Balance down, the City can pass a resolution to determine an amount and the purpose of the assignment at their August 17, 2020 regular meeting. It has been suggested to assign \$75,000.00 to Long Term Improvements for the Oakwood Street reconstruction. The City also has \$27,822.00 in the General Assessment account that can be used toward the reconstruction.

The Council considered only getting a loan for the water main on one block of Fremont for \$165,000.00. The water assessment account has \$44,520.00, and there will be two CDs in the bank totaling \$10,000.00 for water improvements at the end of 2020. Also 20% of the cost will be specifically assessed to the homeowners who will help to increase the assessment funds for future years. The City can budget the loan amount of \$20,000.00 in water capital improvements for 2021.

The Council also agreed to create three 12-month CDs to include the following: \$5,000.00-Water Capital Outlay-Water Improvements, \$1,000.00 Capital Outlay-Water Meters, and \$5,000.00 Water Tank upkeep.

The Council will meet again August 13, 2020 to complete the sewer and garbage funds, review the funds discussed this evening, and finalize the 2021 budget.

There being no further business to come before the Council at this time, a **MOTION** was made by Daryl Schlapkohl, seconded by Dave Enke and carried, the meeting adjourned.

---

MAYOR

---

ADMINISTRATOR/CLERK