

**Minutes
Avon City Council
WORKSHOP
August 28, 2023**

THE FOLLOWING MEMBERS WERE PRESENT

Jeff Manthe – Mayor, Aaron Goebel, Doug Schaefer, Katie Reiling, Mark Schulzetenberge - City Councilors
Corey Nellis – Chief of Police, Chuck Pelkey – Public Works Foreman, Justin Kurtz – Water Wastewater Foreman
Jodi Austing-Traut, City Clerk-Administrator

The Pledge of Allegiance was recited and the meeting was opened at 6:30 pm.

COUNCIL BUSINESS

A Budget and Finance Workshop was held.

Council discussed the overall budget.

In July, Stearns County LNTC figures were \$200,000 higher than the August figures, due to a clerical error in the Auditor's Office. This means that the budget submitted by staff will need to be cut by \$150,000 in order to keep the tax rate stable. Historically, Avon's tax rate has gone from 86.4 in 2015 to 63.3 in 2023. Council discussed their desire and intention to keep the levy at a similar rate as last year in spite of growing needs for street improvements, an impending fire hall expansion, and rising costs throughout the city operations.

Discussion about water and sewer billing. There are approximately 120 new meters left to install to change out the old meters in town. We have had supply chain problems, particularly on the radio reads.

Council discussed a pending sale of property in Avon Estates which helps to offset some debt payments. Discussion about needs for more funding of items such as a bottle fill station at the Wobegon Park, new sinks at beach bathroom, sand filter replacement at the wastewater plant, an eventual second water tower, etc... Police Chief Nellis stated that the PD will need to order a new squad car within the next year or so as it can take more than a year to receive a vehicle.

Council further discussed the need to increase sewer rates as suggested earlier this year. Council increased water and sewer rates in March 2023, and at that time had committed to increasing them effective 1/1/2024 to bring them in line with what would be required to offset operational expenses according to the rate study that was done.

Council consensus to consider setting preliminary levy at \$1,410,000. Anticipated surplus will be removed, anticipated Avon Estates sale revenues will be added, sewer revenues will be increased assuming an increase to rates 1/1/24, and capital accounts will be reduced with a plan to transfer general funds to the capital accounts for necessary purchases. Staff will make those budgetary adjustments and others necessary to bring the levy down to \$1,410,000 and present a revised budget at the meeting on September 11th.

Chief Nellis presented information on police department on-call pay. Current on-call pay for Police Officers is \$20 per day. This usually equates to just over \$1.00 per hour. Shifts are often split, so it makes sense to pay hourly rather than per day. Melrose, Paynesville, and Albany pay hourly at various rates. Avon PD is asking for \$5 per hour on-call pay. Council was amenable to this request, pending required budget adjustments. Some of the PD's current part-time budget could be moved to the on-call budget to offset some of the additional expense. Policy language will be brought to city council at their next regular meeting.

Adjourn

Adjourned at 8:05 pm.

Respectfully Submitted,
Jodi Austing-Traut
City Clerk/Administrator