

ITEM NO. 4B

APPROVED MINUTES TONKA BAY CITY COUNCIL BUDGET WORK SESSION July 24, 2018

1. **CALL TO ORDER**

The budget work session was called to order at 6:04 p.m.

2. **ROLL CALL**

Members present: Mayor De La Vega, Councilmembers Anderson, Ansari, and Jennings. Also present were City Administrator Tingley and Finance Coordinator Spoerner. Councilmember LaBelle was absent.

3. **2019 PROPOSED BUDGET AND CAPITAL IMPROVEMENT PLAN**

Tingley shared the proposed 2019 budget which reflected an overall \$45,912 increase over the 2018 budget.

De La Vega and council discussed the proposed General Fund Expenses for 2019. Council discussed revenue projections for building permits and whether a projected amount of \$50,000 in 2019 was too low. Council agreed to keep the projection at \$50,000.

De La Vega recommended that the council pursue using excess reserves leftover from the 2017 budget in the amount of \$46,000 to lower the general property levy increase. He also recommended using reserves to pay for the utility billing software purchase instead of levying for it given its one-time nature. Using \$46,000 in reserves would lower the projected general property levy increase to \$42,900.

Councilmember LaBelle arrived at 6:30 p.m.

Council discussed the 2019 Capital Improvement Plan (CIP) Fund Budget and the allocation for the Manitou Parking Lot. Council also discussed future revenues funding the Capital Improvement Plan and using Park and Dock Fund monies specifically for Park CIP items. Council and Mayor De La Vega talked about the idea of levying for Street, Facility and Equipment CIP expenses. Council asked staff to look into financing options for large pieces of equipment to bring back to the next budget work session.

De La Vega suggested using \$53,100 from the Dock Fund, \$25,000 from the Park Fund, \$76,670 transfer in from the General Fund and increasing the Capital Improvement Levy to \$68,011 for revenue in the CIP. Staff identified \$133,747 in unallocated CIP Fund Reserves to be used toward the purchase of the Dump/Plow Truck in 2019.

4. **ADJOURNMENT**

There being no further business, it was moved by Labelle to adjourn the meeting at 6:57 p.m. Jennings seconded the motion. Ayes 5. Motion carried.

Attest:

John Tingley, Clerk/Administrator