

Pursuant to due call and notice thereof, the Workshop of the Crosby City Council was held on Monday, December 18, 2023, at 6:00 P.M.

Members Present: Mayor Cash, Council Members Heglund, Traylor, Lewis and Jarvela

Members Absent: None

Staff Present: Matthew Hill, Administrator Clerk Treasurer; Samantha Wodarz, Utility Billing Clerk

Mayor Cash called the meeting of the Crosby City Council to order at 6:00 P.M.

1. Budget 2024

Administrator Hill stated that the 2024 Preliminary Levy represents an increase of 11.2% over the 2023 levy. He has a couple of different options that they could take to reduce the overall levy.

1. The city currently has a surplus in police equipment for a squad car of \$32,108. We currently have \$75,000 in the police department budget for 2 vehicles in 2024. We have already made a big reduction in legal fees, but because our city engineers are being paid through our project funds and we don't have too many city projects, we can reduce that by another \$8,000.00. With those reduction in place, it will bring the levy down to 8.41%
2. Another option for our budget is that we have an expectation of receiving a one-time Small Cities Assistance allotment from the State of Minnesota. We have not received a commitment letter from the state yet, MNDOT is holding those funds up right now. We can take that allotment out of the budget, and we can use the balance of \$39,000 from the public safety funding we will be receiving to offset some of the costs of the police and fire departments, and it would put us at about 9.36%. Mayor Cah suggested bringing down the Capital Improvement to an even \$250,000 from \$251,671 which would put the levy at 9.25%.

The council discussed the options and were looking at going with option 2, something to think about and a motion will be made at the next council meeting, December 27th, 2023.

2. Fee Schedule 2024

This will be presented to the council as an ordinance at the next council meeting on the 27th.

Administrator Hill would also like the council to consider adding a water meter to public works. So, we can meter the water that gets sold to our contractors in our community. We currently gauge it off the capacity of what the vehicles

can hold. Mr. Hill gave an estimate of about \$1000.00 for the 2in water meter with the plumbing of the meter.

Fee schedule to change recommendations:

- Looking at local campgrounds and their rates, we are low with our amenities we offer. RV sites recommending going to a straight \$50.00 a night and tent sites go to \$30.00.
- Looking at the liquor license wine and strong beer as one license instead of paying two different fees to have one fee of \$300.00 instead of 2 fees at \$150.00 each. He would also like the council to consider raising the rate to \$500.00, per state statute it can be 50% of a full liquor license meaning we can charge up to \$900.00. This has been an ongoing discussion as our liquor licenses are lower than the surrounding communities. The council discussed it, and they would consider a small amount and bring it to the next council meeting at \$350.00.
- There has been some confusion about refuse cart costs in the fee schedule, the mayor would like to see it match with the contract price and the check the city pays should be a wash. The fee schedule should be the rate plus refuse tax at .0975%. The numbers have not been correct for 4 years. Cart fee will be added to the rate. This will be worked on and brought to the next meeting.
- Water meter costs have gone up, plus we have a person that goes out to the site to check on it. The cost of the water meter is just over \$300.00 and would like the fee to go from \$200.00 to \$300.00.
- In the last 2 years we have received two requests for a street or alley vacation. The city has been unable to charge for the application because it is not in our fee schedule, we are looking for the council to consider adding it to the planning and zoning fees at \$300.00.

3. Committee assignments and organizational structure

a) Planning and Zoning liaisons

Historically the council appointed 2 members for the planning and zoning committee as a liaison; the Council eliminated it a couple years ago as part of the ordinance. They would like to see it continue as is but have better reporting.

b) Economic Development Committee

The committee was eliminated in 2019 and reestablished in 2021. The question is do we still need this committee or should we consolidate with CREDI and the Cuyuna Lakes Chamber of Commerce. The council discussed it and CREDI, and the Chamber are better at working with the business and if we continue with Committee they should be attending the

other meetings. Member Traylor is already a member of CREDI; therefore, the city already has a liaison per say.

- c) There has not been any council members' change this year, so the committee ordinance should not have any additional changes.

4. House Trust Fund

Crow Wing County discovered that the county's levy for the Housing Trust Fund, which is proposed to be used for projects in Crow Wing County, does not apply to any municipality that has its own HRA, which Crosby does. The housing trust fund is a pool of money that the county uses to match federal and state housing grants, to fund housing developments, and can be used for housing rehab projects. Crow Wing County cannot extend the levy for the HTF into Crosby without municipality consent. Crow Wing County has offered municipal consent for the HTF through the county taxes, the levy is one dollar tax per \$150,000 property value per a year.

A public hearing would be posted and there will not be any voting on it until the 1st meeting in January.

5. Council meeting discussion items

- a) Discussion on adding a Credit Card Fee to the Fee Schedule
Discussion on the fees consisted with using a credit card. There are two fees the credit card fee and the processor fee.
- b) Discussion on adding a statement fee to Utility Billings
They discussed adding a fee to receive a paper statement or giving a credit for not receiving a paper statement. It costs about \$5,000 a year for mailing. Our current system does not support emailed statements, so the resident would have to go on Xpress to have this option. For the credit card fee and the statement fee they decided to watch it and discuss in the future.
- c) Discussion on adding a non-resident user fee for the Hallett Center of Crosby and the Jessie F Hallett Memorial Library
Hallet Center has 314 paying monthly customers, everyone else is paying through the insurance, about half of the paying customers live in Crosby. 150 would be considered a non-resident at an addition \$3.00 a year, it's a lot of extra work for less than \$500.00 a year. They can look at it in the future if it comes up again, at the last meeting a \$3.00 per year rate increase was already approved for all members.

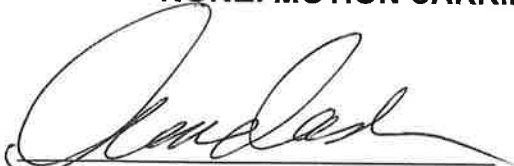
For the Library, Librarian Abby Smith is concerned how an additional fee would affect the donation that they do get. If you charge more, will they be donating. She would like the council to work with the board of directors to

move forward together. Mayor Cash stated that her and Council Member Traylor have been going to the board meetings for a year now. Mayor Cash Explains that the Friends of the Library raise money to buy just books, nothing that they take in covers the cost to stay open six days a week. Friends of the Library has 20 members and 3 live in Crosby and 17 do not. The issue is that they do not cover the cost of the 9-computer station, hotspots, utilities, upkeep, nor the wages. Let's say if the friends of the library pay \$30.00 a year for their Friends membership, would they pay \$15.00 a year membership that goes towards operational costs. When the city taxpayers question why they are paying so much for the library it is hard to justify to them when the library is free to the people that don't live in town. When looking at the \$100,000 the voters are paying \$44,700 plus the apartments owner so \$50,000 are paid by our voters; the businesses are paying \$25,000, the non-voters \$24,000. Vern questioned how many people that go to the library are non-residents. Mayor Cash stated she has a past list from a couple years ago, it's a lot. You must think of the townships, Ironton, Deerwood, and any surrounding communities that use the library. Vern stated that if none of the donations are going towards running the place, what are you losing, you need money to run it. If people are passionate about the library, they will pay the \$15.00 a year membership, to keep it going and to support it. If the taxpayers don't want to pay the \$100,000, they need to tell them what they want to do. It won't stay at \$100,000; it's going to get larger and larger, and they need to do something. Hegland and Traylor are on the library committee and will talk to the board about how to keep the library open 6 days a week. They will continue the discussion at the 1st meeting in January.

6. Adjournment

MOTION BY MEMBER TRAYLOR AND SECONDED BY MEMBER LEWIS TO ADJOURN AT 7:28 P.M.

A VOICE VOTE: THOSE VOTING AYE: MAYOR CASH, MEMBERS, HEGLUND, TRAYLOR, LEWIS AND JARVELA. THOSE VOTING NAY: NONE. MOTION CARRIED.



Diane Cash, Mayor



Samantha Wodarz, Utility Billing Clerk