

CITY OF MONTEVIDEO  
BUDGET WORKSESSION  
July 29, 2024

The city council met in a worksession on Monday, July 29, 2024 in the council chambers at city hall. Council President Schmidt called the meeting to order at 5:00 P.M. The worksession had been set by the council on July 8th.

Council members present: Nathan Schmidt, Steve Sulflow, Dan Sanborn, Beverly Olson and Bryce Curtiss (5:10 P.M.). Absent: None. Mayor Winter absent.

Also present was City Manager Robert Wolfington, Finance Director Jill Strand and Secretary Tami Schuelke-Sampson.

Staff present: Public Works Director Aaron Blom and Utilities Superintendent Ryan Gallagher.

Public Works Director Blom reviewed the expenditure worksheets for his department, highlighting changes and addressing questions/concerns raised. The largest changes to the budget are the miscellaneous supplies/expenses category due to the increased cost of these items and the travel/room/meals due to having to send employees to Iowa to complete the new testing/licensing requirements for CDL's.

Blom reviewed and discussed the expenditure worksheet and CIP/CEP for the Municipal Swimming Pool Fund. Mechanically things are looking good but there is a lot of concrete issues. Quotes are currently being received for a new boiler/water heater unit. The current boiler and two water heaters are original and one of the water heaters is no longer working. The CIP projected setting aside \$100,000/year over the next 10 years to begin addressing improvements to the 30-year old facility. Discussion was held regarding how to gather community thoughts on the wants/needs of a pool. It was noted that the outdoor pool provides a great attraction for the community.

CIP/CEPs were reviewed for the Public Works Department, which included Street, Parks (Equipment & Facilities) and Cemetery. Blom discussed projected equipment needs/capabilities/plan/schedule for the bigger pieces of equipment within the department. Playground equipment is aging, and a number of the facilities need upgrades. In order to be able to improve/replace the equipment, it may be necessary to obtain assistance due to the high cost of the equipment. At the community playground the wood chips are being replaced every 2-3 years but the weeds are starting to take over so Blom will look into a poured rubber replacement.

Discussion took place regarding the satisfaction of the current equipment and the maintenance/repairs that are currently happening within the department.

Utilities Superintendent Gallagher reviewed the expenditure worksheets for his department, highlighting changes and addressing questions/concerns raised. CIP/CEPs were reviewed and Gallagher highlighted some major updates that need to be completed sooner rather than later. These updates included filter media, jetter/vac and water plant roof. The filter media is original to the water plant and has a life expectancy of 30 years. With changes to the CIP/CEP this can be completed along with using the remaining \$117,000 of ARPA funds that haven't been spent or earmarked for other items. The jetter/vac is shared with the Public Works Department with 30% of the cost coming from Public Works and 70% from Utilities. The water plant roof is leaking so Gallagher is getting quotes for replacement.

City Manager Wolfington stated that both union negotiations have not started yet. With a levy of 3% there is a revenue over expenses of \$130,000 but that is before the CIP/CEP's have been figured in. The CIP/CEP's have wishes of approximately \$620,000 which gives a shortfall of approximately \$500,000. For every 1% increase to the levy provides approximately \$20,000. The city is currently looking at ways to decrease the budget which include changes to the health insurance and IT services.

It was noted that a second Budget Worksession is scheduled for 5:00 P.M. on Monday, August 5<sup>th</sup>, prior to the regular city council meeting. At that time, Fire Chief Allen Jacobson, Police Chief Ken Schule and Community Center/Communications Director Tracy Wellendorf will be on hand to discuss their departments proposed budgets/CIP's along with other General Fund budgets/CIP's, as well as the Airport Fund/CIP and Building Inspection Services Fund.

Meeting adjourned at 6:22 P.M.

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Tami Schuelke-Sampson, Secretary

Approved by council August 5, 2024:

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President - City Council