

CITY OF MILACA
SPECIAL COUNCIL MINUTES
September 25, 2024

Call to Order Roll Call

Mayor Dillan called the meeting of the Milaca City Council to order at 5:30 p.m.

Pledge of Allegiance

Upon roll call, the following council members were present: Mayor Dave Dillan, Councilors: Ken Muller, Norris Johnson, Lindsee Larsen, and Laurie Gahm.

Staff present: City Manager Tammy Pfaff, Assistant City Clerk Deloris Katke, Communications Specialist Mary Mickelson, City Attorney Damien Toven

Others present: Chloe Smith, Joseph Witte

Mayor Dillan stated this meeting was to discuss the 2025 Preliminary Budget and proposed 2025 tax levy.

City Manager stated that from the work session from August 12, 2024, the only changes to the proposed 2025 budget are as follows:

Small Cities Transportation Aid came in at \$53,610 and this will be under Other State Aid Grants. This will be offset by Public Works Streets as this is what it can be used for. No other revenues were changed. Councilmember Johnson asked if this was additional revenue that they had not counted on before and City Manager Pfaff stated correct.

Police Department – The only addition was \$6,000 for the additional hire to get them back up to 6.

Public Works – changes to wages and benefits and auto expense. In the Improv. Other Than Bldgs/Streets, etc. you will see the \$53,610 from the State Transportation Aid.

Parks – changes to wages and benefits were reduced.

Airport – changes to wages were reduced. That did increase a little bit because the allocation was changed.

Water Rate Study – We will have a couple of meetings with them and on November 20 they will present the study to the council. Mayor Dillan stated this study was necessary for the water tower project. City Manager Pfaff stated we will have a \$1.5 million water tower rehabilitation project coming up in 2027. 2027 will have the roundabout and the Hwy 23 corridor and 5 areas of water/sewer mains that will be replaced in that project. We will have over \$700,00 invested in that improvement as well. We need to make sure our water/sewer rates are in line with all this.

We will get on the project priority list for the water tower and we should get a 1% interest rate for the PFA funding. If anything happens with the development property, we would have to look a spending down water revenue funds to accommodate those projects to get water/sewer installed. All the fill that has been put out there has been free from the airport project.

Water – changes to wages and benefits reduction. With our new meters, EDP, Software and Design went up just because of all the support that comes with everything being digital now. Dues and subscriptions were increased a little bit as well.

You would spend down cash \$86,227.00. You would spend down more cash for the Milaca Junction Addition water/sewer extension.

Sewer – changes to wages and benefits reduced.

From our work session in August, our CIP is down drastically. There will be no big purchases. The fire truck that was over \$800,000 but we should be paying for that this year. They will be short but they may be able to get Charitable Gambling funds to help.

Liquor Store – revenue is down.

Deputy Registrar – they are holding steady. Revenue is down a little but they may pick that back up again.

From our work session in August, our levy was originally 8.01%. Council reduced it \$41,107 which then created a 4.9% levy. Lowered by \$11,107 in Transition Aid and council reduced an additional \$30,000.

In the CIP – we have the \$62,162 for bullet-proof glass in the PD and reception area, \$15,000 street maintenance, \$35,000 sealcoating, \$45,000 boiler replacement at PW. Nothing in Parks or Police. The only thing under water would be the engineers estimate to put water and sewer into the Milaca Junction Addition. Sewer jetting is ongoing. The \$12,500 from state grants for airport is for the card reader and the CZAP study which is required to keep and get 10 points on the applications for our state grants to keep coming in. Fire Department has the \$864,890 for their fire pumper truck.

City Manager asked if the council wanted to increase airport lot leases. It was the consensus to get other information from other airports to see what their rates are.

Mayor Dillan stated that the shelter should be placed in the Veterans Memorial Park from the donations.

Councilmember Muller stated it would be interesting to see if the airport road improvement will help with airport leases.

Equipment Reserve Balances are: \$6,325 Airport, \$111,520 Parks, \$113,000 Police and Fire is at \$548,622 which will get used on their new pumper truck. Then there is a small one for Park Improvement Reserve of \$6,726.61.

Councilmember Johnson questioned if the \$53,610.00 Transportation Grant could help reduce the levy? City Manager stated no because it was an offset. Councilmember Johnson would like to see if the \$53,610 could be used for something that was budgeted for and help reduce the levy. City Manager Pfaff stated that it must be used on streets.

City Manager further stated that you don't want to reduce the cash spending and get that too low. You have to be careful of that. She further stated that LGA could be cut, or even not receive any at all, and should that happen, you will need to spend down cash and again, you need to be careful of that.

Mayor Dillan mentioned that the money that Gary has saved the city from equipment that he has bought has been great. City Manager Pfaff thanked Gary and the PW staff for their hard work in saving the city money.


Resolution #24-29 – Resolution Approving the Preliminary 2025 Budget and Proposed 2025 Tax Levy - Mayor Dillan called for a motion to approve. Motion made by Johnson, seconded by Gahm. No further discussion. All in favor, Resolution #24-29 passes.

New Business:

Call for a Public Hearing on December 18, 2024, at 6:30 p.m. for Truth and Taxation: Mayor Dillan called for a motion to approve. Motion by Larsen, seconded by Johnson. No further discussion. Motion to call for a Public Hearing on December 18, 2024, at 6:30 p.m. for Truth and Taxation passes.

Adjourn:

Mayor Dillan called for a motion to adjourn. Motion made by Muller, seconded by Gahm to adjourn. All in favor, motion to adjourn passes. Meeting adjourned at 6:14 p.m.


Mayor Dave Dillan

Attest:


Tammy Pfaff, City Manager