

**MELROSE CITY COUNCIL
SPECIAL MEETING
THURSDAY, AUGUST 15, 2024 – 5:00 P.M.**

A.I. #1 CALL TO ORDER/ROLL CALL

The Melrose City Council met in a Special Meeting on Thursday, August 15, 2024, at 5:00 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Tony Klasen, Justin Frieler, Joelene Wieling, and Mayor Joe Finken, City Administrator Colleen Winter, Finance Director Ryan Meyer, Police Chief Craig Maus, Streets/Parks Supervisor Andrew Rousslange, Community Development Director Sheila Hellermann, and City Clerk Patti Haase. Mayor Finken presided thereat.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Justin Frieler seconded by Mr. Klasen and unanimously carried to approve the agenda as submitted.

- a. Finance Director Meyer presented the preliminary proposed 2025 budget for the General Fund, and non-major funds, along with the 2025-2029 Five-Year Capital Improvement Plan. The draft budget presented includes all requested items from the various departments. Mr. Meyer reviewed the revenue resources and expenditures.

The budget has been prepared with a proposed general levy of \$1,530,000 and a debt levy of \$80,000. This is a total levy increase of 2.68%. However, this impact is reduced by the estimated increase in the tax capacity, which results in a decrease of approximately 0.14% to the tax rate. The dollar amount of the levy would then increase annually by around 3%, but the tax rate would have a minimal impact.

However, as our standard practice, we would be looking to adopt a preliminary levy at a higher value, \$1,550,000, for the general levy at the September Council meeting. This allows us time to refine our budget and capital projects prior to the adoption of the final levy in December. Therefore, he is recommending the 2025 Preliminary levy be set at \$1,630,000 of which \$80,000 is debt levy. The Council be by consensus approved setting the 2025 preliminary levy at \$1,630,000

Mr. Meyer stated that the annual changes to the property tax capacity rate are driven by the following factors: 1) changes to the certified property tax levy; 2) changes in assessed property valuations; and 3) changes to tax increment. The Council has a significant impact on the property tax capacity rate by what is certified for the tax levy, however the Council has no control over how taxes are spread across the various properties in the City.

Finance Director Meyer stated that the City's LGA for 2025 is \$1,171,068, which is an increase of \$2,501 over 2024. Police 2% state aid is received and calculated based upon the number of full-time police officers and excludes part-time officers.

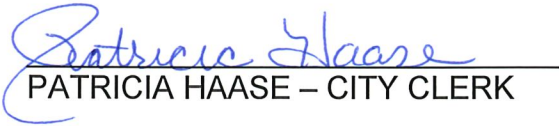
State law requires that the city certify the proposed tax levy to the County Auditor

by no later than September 30; therefore, it will be necessary to review the budget in detail and take action on adoption of the proposed budget and the proposed tax levy at the September 19 regular Council meeting. Mr. Meyer also noted that the tax levy cannot increase from the certified proposed tax levy.

Finance Director Meyer presented the proposed 2025-2029 Five Year Capital Improvement Plan. The plan included anticipated improvements for the full period of 2025 through 2029. The Council reviewed and concurred with the 2025 and 2026 scheduled improvements.

A.I. #4 ADJOURNMENT

A motion was made by Mr. Justin Frieler seconded by Ms. Wieling and unanimously carried to adjourn the meeting at 5:25 p.m.


PATRICIA HAASE – CITY CLERK