



CITY COUNCIL AGENDA

City of Brainerd, Minnesota
City Hall, 501 Laurel Street, Council Chambers
Monday, September 29, 2025 @ 6:00 PM

The public is invited to attend these meetings in person
Attend by phone: 1-844-992-4726
City Council - Meeting Access Code: 2491 976 2604

Per MN Statutes 13D.02 Subd 1 Council Members may participate by interactive technology.

Meetings are broadcast on CTC ch 8, Charter ch 181, YouTube, AppleTV, Roku, and Amazon FireTV

1. **Call To Order**

2. **Roll Call**

___K. Stunek ___ K. Yeager ___T. Erickson___K. Bevans___J. Czeczok ___G.
Johnson___M. O'Day ___Mayor Badeaux

3. **Approval Of Agenda - Voice Vote**

4. **New Business**

- A. **Adopt Resolution Setting 2026 Preliminary Levy for City of Brainerd and the Brainerd HRA**
- B. **Set Date and Time for Budget Public Hearing**
- C. **Establish a Workgroup to Hire a Public Utilities Director**

5. **Adjourn**

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MISSION

"Provide high quality, cost effective public services and leadership in creating a sustainable city"



City Council Agenda Request

MEETING DATE: September 29, 2025

TITLE OF ITEM: Adopt Resolution Setting 2026 Preliminary Levy for City of Brainerd and the Brainerd HRA

AGENDA: Main

ACTION REQUESTED: Adopt Resolution

SUBMITTED BY: Connie Hillman, Finance Director

DEPARTMENT: Finance

PRESENTER: Connie Hillman, Finance Director

ESTIMATED TIME (MIN): 10 Minutes

SUMMARY OF ISSUE:

The City Council needs to adopt a resolution setting the City's and HRA's preliminary levy, and set the date for the budget public hearing by September 30, 2025. The preliminary levy and the budget public hearing information is what is used to send out the 2026 preliminary tax statements in November. The final levy can be lower, but not higher, than the preliminary levy.

The HRA levy is separate from the City's levy. It is set by the City Council. The HRA levy is part of the "Other levies" listed on the tax statement along with the Region 5, and the CWC HRA Housing Trust Fund levy.

The proposed preliminary levy at September 15th was \$7,854,799, an increase of \$756,638 or 10.66% over the 2025 levy.

Staff realized that we were using 16.95% as the employer contribution rate for the P&F PERA rate. The employer rate is actually 17.70%. This equates to a \$24,906 **increase** to the 9/15 levy amount.

The levy before the open items should be \$7,879,705, an increase of \$781,545 or 11.01% increase of the 2025 levy.

Items that were listed as open at the 9/15 council meeting are listed below and include any updates:

- The amount to be used for health insurance renewal. Currently, in the 9/15 budget, a 5% increase to the Better Health Collective (Sourcewell) plans and a 10% increase to the other plans (Teamsters and 49ers) is being used. The insurance committee met on Thursday, September 25th at 11:30. This item will go before Council in October. The committee's recommendation is to retain the Better Health Collective for our 2026 health insurance.
- The amount to be used as the PILOT from the electric utility department. The current budget uses an estimate of \$780,000. The motion from the 9/15 meeting was to request the Utilities Commission to consider a change to the contribution policy to the City. The Commission does not meet until September 30th. Therefore, Staff was conservative and kept the PILOT

contribution at \$780,000, the same as 2025 budgeted amount. It is projected the actual amount for 2025 will be \$775,000. This was calculated by using the actual last 4 payments from 2024 and adding in the actual amount to date.

PILOT Budget Amount	Preliminary Levy Impact
\$775,000	\$5,000 increase to the levy amount.
\$780,000 current amount in budget	No change to the levy.
\$805,000 (3% of sales est.)	\$25,000 decrease to the levy amount.

- The levy for the EDA. The EDA board requested the maximum amount allowed by state statute, which for 2026 is \$214,612. The Council President, P&F Chair and City Administrator presented the 2026 budget with a 0% increase to the EDA levy. The 2025 EDA budget did have revenues exceeding expenditures by a little over \$4,700. If the Council would like to change the levy for the EDA, now would be the time to do so.
- Debt Levy - Council directed Staff to not capitalize interest on the 2025A debt issue and to keep the 2026 debt levy the same as 2025.

Keep in mind that there are a couple of contracts that expire at the end of year. There are assumptions in the budget for these contracts, i.e. misdemeanor prosecutor, agreements with Nisswa and Baxter, HART, and animal control.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

The attached resolution includes a preliminary levy of \$227,866 for the HRA as passed by a 7-0 vote at the September 15th council meeting. The amount of the City levy is still blank. Below is a chart of different levy amounts for the Council to possibly use when setting the preliminary levy.

	Levy Amount	Dollar Change	Notes
2025 Levy	\$7,098,160		
8%	7,666,013	\$567,853	
9%	7,736,994	638,834	
10%	7,807,976	709,816	
10.16%	7,819,333	721,173	MN Healthcare Consortium option and PILOT at \$805,000
10.25%	7,825,721	727,561	
10.46%	7,840,628	742,468	Staying with Better Health Collective and PILOT at \$805,000
10.50%	7,843,467	745,307	
10.51%	7,844,177	746,017	MN Healthcare Consortium option and PILOT at \$780,000

10.75%	7,861,212	763,052	
10.81%	7,865,471	767,311	Staying with Better Health Collective and PILOT at \$780,000
11.01%	7,879,705	781,545	5% increase in Better Health Collective premiums and PILOT at \$780,000 (corrected P&F PERA 'er rate)

RECOMMENDED ACTION/MOTION: Adopt resolution setting the 2026 preliminary levy for the City and HRA.

FINANCIAL IMPACT:

2026 Levy Overview
As of 9/25/25

	Actual 2024	Adopted Budget 2025	Current 2026 Budget	Difference in Budgets	% Difference Current vs 2025 Budget
TOTAL OPERATING EXPENDITURES					
Personnel Services	\$ 8,507,778	\$ 9,091,429	\$ 9,701,692	\$ 610,263	6.71%
Supplies	635,844	716,900	717,425	525	0.07%
Services	2,803,710	3,208,645	3,335,318	126,673	3.95%
Transfers Out/Capital Outlay	813,577	408,332	414,249	5,917	1.45%
Total Expenditures	\$ 12,760,909	\$ 13,425,306	\$ 14,168,684	\$ 743,378	5.54%
TOTAL CAPITAL	\$ 1,255,927	\$ 1,180,927	\$ 1,180,927	-	0.00%
TOTAL DEBT LEVY	\$ 920,000	\$ 765,000	\$ 765,000	\$ -	0.00%
OTHER LEVIES					
Perm Improvement	\$ 375,350	\$ 417,539	\$ 425,890	\$ 8,351	2.00%
Sr Activity/Green Space/Comm Fest.	289,959	313,154	319,417	6,263	2.00%
Library	149,788	152,784	155,840	3,056	2.00%
EDA	152,861	186,812	186,812	-	0.00%
Airport	146,080	1,000	215,000	214,000	21400.00%
Total Other Levies	\$ 1,114,038	\$ 1,071,289	\$ 1,302,959	\$ 231,670	21.63%
TOTAL ESTIMATED EXPENDITURES	\$ 16,050,874	\$ 16,442,522	\$ 17,417,570	\$ 975,048	5.93%
TOTAL REVENUE - NON-PROPERTY TAX					
Other Taxes	\$ (239,878)	\$ (198,500)	\$ (179,500)	\$ (19,000)	-9.57%
Licenses & Permits	(388,006)	(503,865)	(561,370)	57,505	11.41%
Grants & Aids	(5,929,204)	(5,924,522)	(6,007,566)	83,044	1.40%
Revenue from Other Gov'ts	(433,430)	(320,040)	(359,637)	39,597	12.37%
Charges for Services	(952,538)	(1,027,460)	(1,029,242)	1,782	0.17%
Fines & Forfeitures	(116,740)	(126,000)	(120,500)	(5,500)	-4.37%
Other Revenues	(1,264,389)	(961,000)	(984,400)	23,400	2.43%
Transfers In/Debt Proceeds	(114,820)	(187,000)	(179,000)	(8,000)	-4.28%
Total Revenues	\$ (9,439,005)	\$ (9,248,387)	\$ (9,421,215)	\$ 172,828	1.87%
(USE)/ADDITION TO FUND BALANCE					
Election	\$ (15,000)	\$ 15,000	\$ (15,000)	\$ 30,000	
Public Safety Aid - # of Officers		(95,700)	(47,850)	(47,850)	
Public Safety Aid - RMS Software		(15,275)	(53,800)	38,525	
Estimated Levy	\$ 6,596,869	\$ 7,098,160	\$ 7,879,705	\$ 781,545	11.01%
Actual Levy / <i>Proposed</i>	\$ 6,443,500	\$ 7,098,160	\$ 7,879,705		
% Increase		2.00%	11.01%		
\$ Increase		139,180	781,545		

R E S O L U T I O N

64:25

**RESOLUTION SETTING THE 2026 PRELIMINARY LEVY FOR THE CITY OF BRAINERD
AND THE BRAINERD HRA**

WHEREAS, the Brainerd City Council is required to set a Preliminary Levy by September 30, 2025; and

WHEREAS, the Brainerd City Council held a Budget Workshops on August 25, 2025; Park Board Budget discussed on August 18, 2025; and discussed the 2026 capital budget on July 21, 2025; and debt levy on August 18, 2025; and

WHEREAS, the Brainerd City Council, during the Council Meetings and Special Meetings, discussed the overall budget process, and the overall expenditures of the City;

NOW, THEREFORE BE IT RESOLVED by the City of Brainerd, County of Crow Wing, State of Minnesota that the following sums are the preliminary levy for the taxes payable in the year 2026:

\$_____ plus \$227,866 for the HRA.

Adopted this 15th day of September 2025

MIKE O'DAY
President of the Council

Approved this 16th day of September 2025

DAVE BADEAUX
Mayor

ATTEST: _____
NICHOLAS W. BROYLES
City Administrator



City Council Agenda Request

MEETING DATE: September 29, 2025

TITLE OF ITEM: Set Date and Time for Budget Public Hearing

AGENDA: Main

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Connie Hillman, Finance Director

DEPARTMENT: Finance

PRESENTER: Connie Hillman, Finance Director

ESTIMATED TIME (MIN): 5 Minutes

SUMMARY OF ISSUE:

The City is required to hold a public meeting at which the budget and levy are discussed and the public is allowed to speak about the budget and levy.

The meeting must be held between November 25th and December 30th and must be after 6:00 pm. There is no law that requires scheduling to avoid conflicting meeting dates of overlapping taxing authorities.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

The public hearing can also be held during a regular council meeting, or a special meeting can be held. Historically, the Council has held a special meeting on the 2nd Monday in December at 6:00 pm. This year that date would be December 8th.

The regular council meeting dates during the required timeframe would be December 1st and the 15th.

RECOMMENDED ACTION/MOTION:

Staff's recommendation would be to either call for a special meeting on December 8th at 6:00 pm, or to hold the budget public hearing at the December 1st regular scheduled council meeting.

FINANCIAL IMPACT:



City Council Agenda Request

MEETING DATE: September 29, 2025

TITLE OF ITEM: Establish a Workgroup to Hire a Public Utilities Director

AGENDA: Main

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Nick Broyles, City Administrator

DEPARTMENT: Administration

PRESENTER: Nick Broyles, City Administrator

ESTIMATED TIME (MIN): 2 Minutes

SUMMARY OF ISSUE: On August 18th, the City Council approved the revised Public Utilities Director job description and authorized Staff to begin the hiring process for our Public Utilities Director position utilizing GMP Consultants' hiring process guarantee. The position has been posted and Staff requests that the Council formally establish the Public Utilities Director Work Group as required by our Employee Policy Manual (EPM) so we can proceed with the interview phase of the hiring process. Please note that Commissioner Angland requested that he and Commissioner Matten be included as members of the Work Group, as they are the Public Utilities Commission's Personnel Committee.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS: Below is the section from our EPM that addresses hiring. The highlighted area addresses the Public Utilities Director Work Group:

"Section 6.01 Appointment Procedure

It is the intent of the City of Brainerd to recruit and select qualified candidates for available positions, as it deems necessary. The City is committed to recruitment and selection practices that are based on merit. The recruitment and selection processes will be conducted to ensure an open and competitive process. The City Administrator or a designee will oversee the hiring process for positions within the City. Human Resources staff are responsible for managing the recruitment and selection process including, but not limited to, obtaining authorization to hire, evaluating job descriptions, preparing vacancy announcements, scoring applications, conducting interviews, facilitating background checks, scheduling various assessments and medical examinations, scheduling interviews, and making and withdrawing job offers. While the hiring process may be coordinated by staff, the City Council is responsible for the final hiring decision and must approve all hires to city employment.

The selection process will be a cooperative effort between the City Administrator, HR Director and the hiring supervisor, subject to final hiring approval of the City Council. Any, all, or none of the candidates may be interviewed, as determined by the City at its sole discretion.

When hiring the Public Utilities Director, the City Council will establish a Work Group to oversee the hiring process and up to two representatives from the BPU Commission Personnel Committee will be included in said Work Group.

The process for hiring seasonal and temporary employees may be delegated to the appropriate supervisor with each hire subject to final City Council approval. Except where prohibited by law, seasonal and temporary employees may be terminated by the supervisor at any time, subject to City Council approval.

Every appointment to municipal service shall be recommended by the City Administrator or designee to the Personnel and Finance Committee and approved by the City Council. When required by law or by the City Administrator, merit and fitness shall be ascertained by written, oral or other examinations designed to evaluate the ability of the candidate to discharge the position for which the examination is held.

For an existing position that becomes vacant and new positions approved as part of the budget, the City Administrator or designee shall inform the City Council of the vacancy to receive the City Council's authorization to begin recruitment and, when complete, to bring a hiring recommendation to the City Council for authorization to hire. Furthermore, when a position has already received approval from the City Council and an offer is made to a candidate who then declines, the Human Resource Director and the department head may use their judgment in reviewing the list of applicants or re-advertising for the same position.

The City Council may, from time to time, provide staff with hiring perimeters. To the extent that the City Council does so, and if said perimeters are followed, the Council may ratify the hiring of an individual after a conditional job offer has been given and the successful completion of pre-employment screening process has been completed.

Unless otherwise required by law or applicable collective bargaining agreement, in no event shall the hiring or continued employment of any person be considered a contractual relationship between the employee and the City. Further, unless otherwise provided, such relationship shall be defined as employment "at-will," which allows either party to dissolve the relationship at any time, for any legal reason or no reason at all. When required by law or requested by the applicable Department Head, merit and fitness shall be ascertained by written, oral or other examinations designed to evaluate the ability of the candidate to discharge the position for which the examination is held."

RECOMMENDED ACTION/MOTION: Motion to appoint the Public Utilities Director Work Group consisting of City Administrator Broyles, HR Director Schubert, Public Utilities Commissioners Angland and Matten and one or more appointees selected by the City Council to serve as its representative.

FINANCIAL IMPACT: n/a

From: [Nick Broyles](#)
To: [Toni Gage](#)
Subject: FW: EPM - Public Utilities Director Work Group Excerpt
Date: Monday, September 22, 2025 3:25:36 PM
Attachments: [image001.png](#)
[image002.png](#)

Can you include Mike A.'s recommendation in the agenda item?

Thanks!

Nick



Nick Broyles, MPA | City Administrator
City of Brainerd | 501 Laurel Street Brainerd MN 56401
218.828.2307 | nbroyles@ci.brainerd.mn.us

From: Mike ODay <moday@ci.brainerd.mn.us>
Sent: Monday, September 22, 2025 3:24 PM
To: Nick Broyles <nbroyles@ci.brainerd.mn.us>; mike.angland <mike.angland@widseth.com>
Cc: Kris Schubert <kschubert@ci.brainerd.mn.us>
Subject: Re: EPM - Public Utilities Director Work Group Excerpt

Nick,

Thank you. Could you make sure that is in the agenda request and/or memo? I don't think there will be any objection to that.

Mike O.

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From: Nick Broyles <nbroyles@ci.brainerd.mn.us>
Sent: Monday, September 22, 2025 2:59:30 PM
To: mike.angland <mike.angland@widseth.com>; Mike ODay <moday@ci.brainerd.mn.us>
Cc: Kris Schubert <kschubert@ci.brainerd.mn.us>
Subject: RE: EPM - Public Utilities Director Work Group Excerpt

Mike O.,

Mike A. is recommending that he and Dolly sit on the work group to represent the PUC.

Regards

Nick



Nick Broyles, MPA | City Administrator
City of Brainerd | 501 Laurel Street Brainerd MN 56401
218.828.2307 | nbroyles@ci.brainerd.mn.us

From: Mike Angland <Mike.Angland@widseth.com>
Sent: Monday, September 22, 2025 2:57 PM
To: Nick Broyles <nbroyles@ci.brainerd.mn.us>
Cc: Kris Schubert <kschubert@ci.brainerd.mn.us>
Subject: RE: EPM - Public Utilities Director Work Group Excerpt

*** **Warning:** External sender, use extreme caution with attachments and links ***

Good afternoon Nick,

At the current time, Dolly and I make up the BPU personnel committee, and so I would recommend that we go with us two to be in the work group.

Thanks,

Mike Angland, AIA, LEED AP

Architect, VP
[218-316-3608](tel:218-316-3608)



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50 Best Places to Work (*Prairie Business Magazine, 2024*)

From: Nick Broyles <nbroyles@ci.brainerd.mn.us>
Sent: Monday, September 22, 2025 2:49 PM
To: Mike Angland <Mike.Angland@widseth.com>
Cc: Kris Schubert <kschubert@ci.brainerd.mn.us>
Subject: FW: EPM - Public Utilities Director Work Group Excerpt
Importance: High

Mike,

As we get closer to conducting an interview for the Public Utilities Director vacancy, please review the below excerpt from our Employee Policy Manual and identify whom you

would like to be on the work group.

Regards

Nick



Nick Broyles, MPA | City Administrator

City of Brainerd | 501 Laurel Street Brainerd MN 56401

218.828.2307 | nbroyles@ci.brainerd.mn.us

From: Kris Schubert <kschubert@ci.brainerd.mn.us>

Sent: Monday, September 22, 2025 2:38 PM

To: Nick Broyles <nbroyles@ci.brainerd.mn.us>

Subject: EPM - Public Utilities Director Work Group Excerpt

Hi Nick,

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Kris



Kristy Schubert, PHR, CLRP | HR Director

City of Brainerd | 501 Laurel Street Brainerd, MN 56401

218-828-2307 | kschubert@ci.brainerd.mn.us

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