

**Brainerd, MN
November 30, 2020**

Pursuant to due call and notice thereof, the Special Meeting of the Brainerd City Council was called to order at 6:00 P.M. by Council President Johnson.

Upon roll call, the following members were noted present: Pritschet, Bevans, W. Erickson, T. Erickson, Lambert, Stunek, Johnson, and Mayor Badeaux.

Due to conducting the meeting electronically, all motions will be voted on by a roll call vote for accuracy.

Deferment of Assessment - Approved

MOVED AND SECONDED BY ALDERMEN PRITSCHET AND STUNEK TO APPROVE THE PENDING APPLICATION FOR DEFERMENT OF ASSESSMENT PAYABLE IN 2021 FOR THE APPLICANT AT PID 41191218, SUBJECT TO FURTHER STAFF REVIEW AND PAYMENT OF THE FILING FEE BY THE RESIDENT.

Upon roll call, members Pritschet, Bevans, W. Erickson, T. Erickson, Lambert, Stunek, and Johnson voted “aye”. No member voted “nay”. The Chair declared the motion carried.

2021 Budget and Levy Discussion

Finance Director Hillman stated the discussion tonight focuses on the Working Funds (General, Public Safety, Parks and Streets), debt and capital, which are the funds the City needs to levy for operations. The preliminary levy was set at \$6,315,337, which was a 4% increase over the 2020 levy (\$6,072,439), and results in \$242,898 of new money. The 2021 preliminary levy results in a calculated City tax rate of 75.390%, which is a 3.942% decrease from the 2020 tax rate of 79.332%.

Finance Director Hillman reviewed the status of the current 2021 budget and highlighted changes that have been made since the preliminary levy was adopted, as well as identified items currently not in the budget or levy. Finance Director Hillman indicated the preliminary levy was adopted with a 2% levy increase for the Library. The Library Board recently found out the payment to Kitchigami for 2021 will be reduced by \$10,000 and the difference in the preliminary levy for the Library and the final request by the Library Board has been included in the capital levy request to help pay for the library parking lot project. The LGA amount certified for 2021 is a \$112,375 increase over the 2020 amount. Although there is no election taking place in 2021, half of the amount to conduct an election is included in the 2021 budget to reduce the peaks and valleys of the City's levy. The 2021 proposed Capital plan was presented and explained. Finance Director Hillman reviewed the changes to the Parks Department. Updated estimated market value information from the County was presented, as well as the estimated tax rates for other percentages of levy increases for 2021 and the estimated impact to a residential and commercial property assuming no change in estimated market value.

Council discussion was held. Council directed staff to use a 2% increase in the levy for the Budget and Levy Public Hearing on Monday, December 12, 2020 at 6:00 p.m. in Council Chambers.

Adjourn to Closed Session Pursuant to MN Statutes 13D.03 to Discuss Labor Negotiations Strategy – 6:34 P.M.

The Chair reconvened the meeting at 7:44 p.m.

The Chair adjourned the meeting at 7:44 p.m.

Jennifer Bergman
City Administrator