

**Hastings, Minnesota  
City Council Workshop  
September 6, 2022**

The City Council of the City of Hastings, Minnesota met in a workshop on Tuesday, September 5, 2023 at 5:30 p.m. in the Volunteer Room at the Hastings City Hall, 101 East 4<sup>th</sup> Street, Hastings, Minnesota.

**Members Present:** Mayor Fasbender, Councilmembers Folch, Fox, Lawrence, Leifeld, Pemble

**Members Absent:** Councilmember Haus

**Staff Present:** City Administrator Dan Wietecha  
Assistant City Administrator Kelly Murtaugh  
Finance Manager Chris Eitemiller  
Assistant Finance Manger Ashley Bertrand

Mayor Fasbender called the workshop to order at 5:30 pm and welcomed councilmembers and staff. Eitemiller introduced the workshop on the budget and levy discussion. Eitemiller reviewed revenues and tax levy to support the budget. Eitemiller reported that in Dakota County, most levies are at or above the proposed levy for the City. The impact on the median value home is a little lower than was discussed at the workshop in June.

Eitemiller reviewed the ongoing revenues and one-time funds. These include the levy, local government aid, the Rural Fire Association contract, the Public Safety Aid allocation, general fund and special revenue fund balances.

Wietecha reviewed the key expenses that account for the increase to the levy. These include staff additions or other changes that impact personnel expenses, inflationary increases for general services and supplies. Drivers of increases include inflation, phase-in of expenses planned in earlier years (such as compensation/classification study from 2022 and grant expiration), and maintaining assets.

Eitemiller reported on the CIP/CEP status. Proposing increased spending on infrastructure projects. Specifically, mill & overlay and skim patching. Due to long lead times, a down payment for a ladder truck is proposed for 2024. The City will need to shift the current one-time funds for the CIF to ongoing funds. Parks Dept. has trail work, funded by reserves.

Eitemiller provided an historical look at taxes in the City. He then provided a preliminary tax impact of the proposed rate. The market value of the median value home has risen 2.79% and the proposed budget would increase taxes by \$104 per year. Fiscal disparities revenue is again decreasing.

Bonding projects for 2024: Neighborhood Street Project and the Arena Project (refrigerant system, lighting upgrade, west rink roof and solar). There may be possible funding from the State bonding bill for the Arena Project.

The Utility Rate Study was updated spring 2023. The Utility Rates are consistent with last year. Some of the utility capital items include the utilities portion of the neighborhood project, sewer rehabilitations, SCADA upgrade and water quality improvement project.

The Communications Plan for the 2024 budget will be similar to last year and will include a press release following approval of the preliminary levy. There will be key messages to help answer budget-related questions. Communication will also include social media, interviews, Budget-at-a-Glance handout, and an insert in the Dakota County truth-in-taxation mailer.

Council discussion on whether the levy cap should be set at this council meeting or the next. Clarity on the impact of some items of the budget may come in the next two weeks.

#### **ADJOURNMENT**

Adjourn the workshop at 6:44 p.m.

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Mary D. Fasbender, Mayor

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Kelly Murtaugh, City Clerk