

**CITY OF WACONIA**  
**December 5, 2016**

Pursuant to due call and notice thereof, the regular meeting of the City Council of the City of Waconia was called to order by Mayor Jim Sanborn at 6:00 p.m. The following members were present: Jim Sanborn, Kent Bloudek, Charles Erickson, and Lynn Ayers, Marc Carrier.

Staff Present: Susan Arntz, Lane Braaten, Craig Eldred, Mike Melchert, Ann Meyerhoff, Nicole Lueck.

Visitors: Frank Rief, Rodney Peters, Sharon Montague, Janice Fischer, Michelle Gray, Michael Todd, Christine Austin-Roehler.

Pledge of Allegiance was led by Mayor Sanborn.

**ADOPT AGENDA:** Resolution No. 2016-231 & 232 were added to the Consent Agenda. Motion by Erickson, seconded by Ayers to adopt the agenda as amended. All present voted aye. **MOTION CARRIED.**

**VISTOR'S PRESENTATION:** Rodney Peters, 124 N Vine Street came forward and asked Council what was causing a 19% bump in his taxes. Susan Arntz explained that it would be best to address that question after the presentation.

**2016 BUDGET & LEVY PUBLIC INFORMATION MEETING:** Finance Director, Nicole Lueck presented information regarding the 2017 Proposed Budget and Levy. The Council approved the preliminary levy on September 19<sup>th</sup>. Tax statements were received by residents from Carver County that were calculated based on the preliminary levy. The total preliminary levy was \$7,225,677 with a tax rate of 52.783%. This was an increase of 7.14% from 2016. The proposed final levy will be approved on December 12, 2016. The total final proposed levy is \$7,225,677 with a Tax Rate of 52.783%. This was an increase of 11.0% from 2016. The City's overall Taxable Market Value increase 2.70% from 2016. This was due in part to increased building activity and improvements to the economy and housing market. The average valued home in Waconia decreased in value approximately 1.90%, the current average valued home is about \$242,300. Ms. Lueck reviewed 6 properties that the City follows tax changes on. There are 3 residential properties and 3 commercial properties. She reviewed each properties market value and total tax bill changes.

In 2017, property taxes on a residence valued at \$242,300 is split as follows: School receives \$708.55, County \$880.47, City \$1,197.47, School EMV \$304.73 and Misc. District, \$98.48. The residential use of City Tax Dollar for 2016 breaks down as follows: Special Debt Levy \$404.13, Safari Island \$50.68, Ice Arena \$71.35, Administrative \$153.96, Capital Equipment \$70.60, Planning & Inspections \$63.02, Fire \$61.02, Law Enforcement \$100.39, Parks \$56.77, Streets \$130.88 and Central Facilities \$34.69. For a Commercial Property with the value of \$1,000,000 the use of City tax dollar for 2017 is as follows; Special Debt Levy \$1,918.49, Safari Island \$240.58, Ice Arena \$338.70, Administrative \$730.88, Capital Equipment \$335.16, Planning & Inspections \$299.19, Fire \$289.67, Law Enforcement \$555.36, Parks \$269.48, Streets \$621.31 and Central Facilities \$164.70. The expenditure summary has total expenditures for 2016 of \$6,073,045 and in 2017, \$6,371,523 with a change of \$298,478. The revenue summary has total revenue for 2016 of \$6,418,166 and in 2017, \$5,866,489 with a decrease of \$551,677. Ms. Lueck stated that the City is budgeted for finish 2016 at 52% fund balance and end 2017 at a 40% fund balance.

In a general overview of changes in the 2017 budget, Ms. Lueck stated that there are no proposed increases in licensing, permit, or administrative fees. An increase is proposed for monthly utility user rates for water rates (\$0.41), sewer rates (\$0.70), storm water rates (\$1.00) and street light rates (\$0.05). There is no increase in water & sewer trunk fees. Safari Island will have 3% increase for all membership types and there will be an increase in ice rental rates for 2017-2018 ice season. On the expenditure side, City Staff is slated to receive a 2.0% cost of living increase and be allowed to move forward in their pay steps by position. There is an increase of about 6% in employee health benefit costs for both city and employees. Additional wages were added for additional public safety staffing. Contractual service costs were increased for Auditing, Assessing, Software license agreements and Legal & engineering services.

Additional revenue changes for 2017 include:

- Estimates established for building permit activity based on upcoming projects and development items.
- Loss of about \$90,000 in local government aid in 2017.
- Increased transfer to Capital Equipment fund for equipment replacement needs(\$100,000).

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- Decreased transfers to Safari Island Community Center and Ice Arena for operations (\$53,000).
- Added transfer to PIR Capital Project fund for technology and software upgrade needs in 2017(\$67,000).
- Continued capital improvements and replacement work throughout the City in 2017.

Ms. Lueck stated that a summary budget by funds and departments will be on the City website.

Susan Arntz addressed Mr. Peters and he stated that he would call Ms. Lueck to discuss further.

**ADOPT CONSENT AGENDA**

- 1) Approve November 21, 2016 City Council Meeting Minutes.
- 2) Authorize Payment of December 5, 2016 Expenditures.
- 3) Adopt Motion to Approve Pay Request No. 1 to Peterson Companies.
- 4) Adopt Motion to Approve Pay Request No. 5 to Shaw Construction.
- 5) Adopt Motion to Approve Pay Request No. 13 to GMH Asphalt.
- 6) Adopt Motion Approving 2017 Council Meeting Schedule.
- 7) Adopt Resolution No. 2016-229, Supporting a Fastlane Grant Application for Highway 212 Improvements.
- 8) Adopt Resolution No. 2016-230, Approving Carver County GIS Specialist Position Agreement 2017.
- 9) Adopt Resolution No. 2016-231, Approving Temporary On-Sale Liquor License, J Carver Distillery.
- 10) Adopt Resolution No. 2016-232, Authorizing Amendment to Capital Improvement Project.

Motion by Ayers seconded by Bloudek to Adopt the Consent Agenda as amended. All present voted aye. **MOTION CARRIED.**

**COUNCIL BUSINESS:** None

**ITEMS REMOVED FROM CONSENT AGENDA:** None

**STAFF REPORTS:** Ms. Arntz gave an update on Park Board and Commission on Ageing interviews. Lane Braaten gave an update on 132 5<sup>th</sup> Street East.

**BOARD REPORTS:**

Councilmember Erickson – No Report

Councilmember Bloudek – Attended the Park Board Meeting December 1<sup>st</sup> to discuss the budget.

Councilmember Carrier – Busy with Board appointments. CIP meeting on December 7 at 6:30 a.m.

Councilmember Ayers – No Report

Mayor Sanborn – Attended the Planning Commission meeting. Medication take back program has collected over 4 tons of expired medication since the program has begun.

**ANNOUNCEMENTS:** Winter Parking is in effect.

**ADJOURN:**

Motion by Erickson, seconded by Carrier to adjourn the meeting at 6:47 p.m. All present voted aye. MOTION CARRIED

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James P Sanborn, Mayor

ATTEST: \_\_\_\_\_  
Ann Meyerhoff, Office Assistant