

CITY OF BEULAH

September 15, 2022, 6:00 pm

Special Council Meeting

CITY COUNCIL MEETING

The special council meeting of the Beulah City Council was called to order at 6:00 pm by Mayor Jeff Gooss with Council Members Jason Isaak, Gary Miller, Amanda Mohl, Sean Cheatley, Ben Lenzen, David Czywczynski and Eric Hoffer present. Auston Biles absent.

Also Present: Economic Development Beaver Brinkman, Police Chief Frank Senn, City Assessor Heidi Hamelton, City Auditor Heather Ferebee and Editor Bill Schmalfeldt.

2023 BUDGET REVIEW

The General fund expenses are \$950,000 above revenue. Enterprise funds are not required to be included in the final budget. Discussion on areas that could be changed to decrease the overage:

- Lot Sales possibly \$200,000 gross or \$150,000 net. There would be a savings in specials the city won't need to pay in the spring of about \$150,000.
- Remove P&Z iPad amount of \$3,500 as the large screen can be used
- Remove P&Z project of \$75,000 as some of it can be completed by city employees
- Remove 7th Officer of \$105,000
- Remove municipal ordinance revision of \$20,000
- Remove city annexations of \$50,000
- Remove Civic Center payment to CVB of \$50,000 as it can be deferred for one year
- Remove nursing home demolition of \$190,000. It is intended to get a loan to tear the nursing home down.

As soon as the SRF loan is received, the Sales Tax fund can be reimbursed for \$341,312 in engineering expenses.

The PD would like to maintain the SIRN radios for \$25,000. There will be a grant of \$1,500 per radio received back. The Task Force is contracted with Mercer County for \$7,000. BCI and South Sakakawea may be another option. If those options don't work, the city can use the funds for Beulah officers instead of paying it to Mercer County as they do not have a Task Force anymore.

Contracting of spraying was discussed. The city does not have an employee that is certified or the equipment. It was discussed that we can keep it local by hiring it out if the city is not yet able to undertake it.

It was discussed that there should be an increase for the West River Transit bus from \$15,000 to \$16,000. It was discussed to keep \$50,000 in the budget for the civic center as it would just be pushing it to the next year. There was discussion that the remodel of the City Hall offices could

be removed. It was discussed that the city could acquire software to record meetings and post on the website. There was discussion on cutting the pickup sander.

Gooss commented on the mill levy for the JDA and Airport. He mentioned allocating $\frac{1}{4}$ of a mill from each to the Specialty Equipment Fund. This would transfer \$5,000 to this fund. He commented that $\frac{3}{4}$ of a mill from each for a total of \$15,000 could be applied to equipment for Public Works and Police vehicles. This would allow the city to keep up with maintenance and vehicle updates. It would ultimately be the goal to fund a vehicle each year. It was commented that the city would end up having to give the Airport the money down the line to help resurface the road. It was commented that the Airport should manage the fuel sales so that Beulah isn't selling it at so much of a discount. Lenzen commented the Airport has done a good job of managing by buying a semi load of fuel at once and selling at a 20% margin. It was commented that the citizens are subsidizing the Airport, but the city also needs to update equipment. To lower the mills might cause them to be more proactive to make changes. Lenzen commented the JDA has kept funds in their account instead of paying off loans because the rates are low. The money can then be used to help bring new businesses to town and the creation of jobs. Gooss commented that the city is raising taxes, but the city isn't doing anything to offset that. Isaak stated JDA brings a net gain to the city. The only way to lower taxes is by increasing the value of the city by bringing businesses and people into the city. It was stated we are in an inflationary period and cutting expenses is difficult. The city has been cutting expenses and tightening the budget every year. Hoffer stated that leaving JDA and Airport at the same level of mills is in a sense cutting their budget because of increased expenses. Gooss stated he would like to hear thoughts on what the city should do.

Hoffer stated the Equipment Committee has been planning for future equipment and transferring funds to plan for the future. The Dilapidated Building fund budgeted transfer would be eliminated because there will be funds received from a grant.

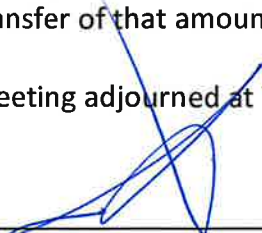
It was suggested that JDA and Airport funds have a decrease of $\frac{1}{4}$ each and the General fund be increased by half of a mill.

These eliminations to the budget were clarified: \$3,500 P&Z iPads, \$75,000 P&Z project, \$20,000 municipal ordinance (possibly leave in), \$105,000 additional police officer, \$50,000 annexations (possibly leave in), \$190,000 nursing home demolition, \$50,000 sales tax payment to CVB for civic center (possibly leave in). There is \$60,000 budgeted for the City Hall offices to be remodeled that could be eliminated, but that is coming out of the Public Building fund from Covid revenue. \$300,000 could be added to revenue for lot sales and the removal of specials and the increase in tax revenue. It was suggested that the city cut the annexations and civic center payments if the lot sales don't go through.


Gooss questioned if decreasing JDA by a certain amount would be crippling. Lenzen commented that JDA is stagnant, and it may promote change. Discussion followed on JDA. Gooss requested that there be a decrease from these entities by two mills and the General fund increase by two mills. It was suggested that the two mills be taken from JDA. More discussion followed and it was

decided that JDA should be decreased by 1.5 mills and the Airport be decreased by .5 mills. This could just be for one year. The General fund would increase by 2 mills and there would be a transfer of that amount to the Equipment fund.

Meeting adjourned at 7:55 pm.



Jeff Gooss, Mayor



Heather Ferebee, City Auditor