

Pursuant to due call and notice thereof, a Council Work Session of the North Mankato City Council was held at the Council Chambers at 1001 Belgrade Avenue on October 28, 2019. Mayor Dehen called the meeting to order at 12:54 p.m. The following were present for roll call: Mayor Dehen, Council Members Norland, Oachs, Whitlock, and Steiner, City Administrator Harrenstein, Finance Director McCann, and City Clerk Van Genderen.

Review Proposed 2020 Capital Facilities & Equipment Fund

Finance Director McCann reported the revenues to include the sale of old equipment and transfers in from the General Fund, Water, Sewer, and Storm Water for total revenue of \$457,500. Expenditures were broken down by department. General government expenditures included remodeling in City Hall, Community Development is purchasing new computers and software, the Police Department, is replacing squad cars, and the Fire Department budgeted for new Breathing Air Compressor & Cascade Bottles. Total projected expenditures for 2020 is \$183,648. Council Member Norland noted the City and Nicollet County share a piece of equipment.

Review Proposed 2020 Sales Tax Fund

Finance Director McCann reviewed the proposed 2020 Sales Tax Fund. He noted the 0.5 percent sales tax is projected to bring in close to \$600,000 in 2020. Approximately \$215,078 of funds will cover a portion of the 14/41 Interchange, and \$80,000 is reserved for bleachers and a turf study for the Caswell North Soccer Fields. City Administrator Harrenstein stated plans to continue the partnership with Mankato United and the WPSL has requested additional bleachers, a press box, and a place for players to change. He reported there might be additional costs associated with professional fees concerning the proposed indoor recreation facility. Finance Director McCann reported there was also a transfer out to the Debt Service Fund for previous bonds. Mayor Dehen requested clarification if the increased sales tax includes internet sales. Finance Director McCann reported it does include some collected sales tax, but additional funds may come following the passage of an updated Sales and Use Ordinance. City Administrator Harrenstein reported in the coming years the fund budgets 5-8 million dollars to fund voter backed purposes, which may include matching funds for an indoor field house if the project receives State Bonding.

Review Proposed 2020 Caswell Sports Fund

Finance Director McCann reported total proposed revenue of \$536,065 and total expenditures of \$495,791. Revenues include increased funds from field fees, admissions, and concessions, hotel-motel tax, food, and beverage tax and transfers in. Expenditures include personnel, supplies, services and charges and capital outlay.

Review Proposed Gambling 10% Fund

Finance Director McCann reported the fund is the proceeds from the 10% Gambling Tax and requires the proceeds be used to support qualified local non-profits and charities. He noted the City currently had budgeted \$17,000 expenditures in 2020, but there is capacity to provide funds for additional charities because the fund is projected to have a revenue of \$32,000.

Review Proposed Library Endowment Fund

Finance Director McCann reported the fund was established with a donation of \$50,000 from the Taylor Foundation. Revenues include contributions and donations to specific library programs and events, and the expenditures include the actual cost for those events. Any shortfalls are covered by a transfer from the General Fund.

Finance Director McCann reported the staff would provide an updated CIP and the completed proposed 2020 Budgetbook to Council, and the Truth in Taxation hearing will be held on December 2, 2019, at 7:00 p.m.

Council Member Norland moved, seconded by Council Member Steiner, to close the Council Work Session at 1:19 p.m.

Mayor

City Clerk