

**CITY OF MARSHALL
WORK SESSION
M I N U T E S
Tuesday, November 28, 2023**

The work session of the Common Council of the City of Marshall was held November 28, 2023, at City Hall, 344 West Main Street. The meeting was called to order at 6:35 P.M. by Mayor Robert Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer, Steve Meister, Amanda Schroeder, John Alcorn, James Lozinski and See Moua-Leske. Absent: None. Staff present included: Sharon Hanson, City Administrator; E.J. Moberg, Director of Administrative Services; Eric Luther, Liquor Store Manager; Preston Stensrud, Park and Rec Supervisor; Dean Coudron, Public Ways Supervisor; Dave Parsons, City Assessor and Steven Anderson, City Clerk.

2024 Budget and Levy

Moberg presented the preliminary 2024 budget and property tax levy. Items such as the classification and compensation study in 2022; cost of living allowance adjustments; and 7% health insurance increase were factors impacting the budget and levy that can't be adjusted. The proposed budget does not use reserves to lower the levy and some 2024 budgeted items may not be paid until 2025 or after. An example given was the United Community Action Partnership buses that were ordered but the anticipated arrival date may not be until 2026 because of production delays. Moberg went on to explain that from 2016 to 2024 the average tax capacity increased 3.49% each year for the City of Marshall and the levy increase averaged 5.89% over the same period. Comparably sized cities ranged anywhere from a 5.5% increase in Albert Lea to an 18.0% increase in Worthington. Factoring in the levy increase as well as the increased tax capacity Moberg presented scenarios of a typical residential home in Marshall to show the impact of the overall property tax.

Moberg continued the discussion on the planned bonding for 2024. Major bonding projects included an instrument landing system at the airport, acquisition of Helena Chemical property, South Whitney Street reconstruction and construction of a snow removal equipment building at the airport. Based on the factors presented and debt issued staff recommended that no change occur from the preliminary levy increase of 9.90%. The equipment review committee met to discuss the \$500,000 of capital equipment and recommended to use \$200,000 of American Rescue Plan Act (ARPA) to fulfill the requests. Moberg transitioned to the new regulations that were implemented for the use and reporting of ARPA. New sources of state funding would also become available in the upcoming year or so that could help mitigate some expenses. One of the new aids coming was the Public Safety Aid fund that was to be used exclusively for public safety purposes. This funding helped shift some equipment costs off the current equipment plan, and Director of Public Safety Jim Marshall was looking into other expenditures that could be utilized by the Police Department. Shifting from the budget Moberg explained to the council how the bonds and debt were allocated for the City of Marshall. Councilmember asked Luther and Coudron about the request for additional staff in the Public Ways Department and Liquor Store. Anderson and Coudron showed comparable cities the size of Marshall and miles of street maintained. On average most of the comparable cities utilized 12 staff members for their public ways while Marshall currently uses 8 staff members to maintain a high level of performance to citizens on Marshall. Luther indicated that the liquor store continued to run into issues with part time help during holidays and scheduling around full-time employee vacations and illness. Luther anticipated that an additional full-time employee would elevate the service at Tall Grass Liquor and bring in more profits for the city to employ in other areas.

At 7:47 pm Mayor Byrnes adjourn the meeting.

Attest:

City Clerk

Mayor