

City of Clearwater
City Council 2016 Budget & Levy Workshop Meeting Minutes
Clearwater City Council Chamber
December 1, 2015

OPEN WORKSHOP

Mayor Edmonson opened the workshop at 7:00 pm on December 1, 2015, for the purpose of discussion regarding the 2016 budget and levy.

ROLL CALL

Present: Mayor Edmonson, and Council Members Ranum, Crandall, and Lange. Member Ritzer was absent. A quorum of the City Council was declared present.

Staff present: Administrator Kress.

Others Present: Vicki Holthaus – AEM Financial Solutions.

2016 BUDGET & LEVY

Reviewed the line item budget.

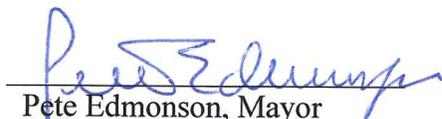
Kress and Holthaus explained the various revenues and expenses in the budget. Vicki Holthaus was present to provide an overview of the General Fund Budget and Levy. Holthaus explained that the preliminary tax levy is set at \$956,060. This amount represents a 4.5% increase over the 2015 levy of \$914,869. Holthaus reminded the Council that the fire department levy increased from \$41,000 to \$64,396. Holthaus explained that this was the result of a shift in the way the City is accounting for the debt service for fire department equipment that is now being shifted into the budget instead of the bond levy. Holthaus explained that the City's tax capacity is estimated to increase by 3.79% in 2016 and that a home valued at \$78,000 would see an increase in the amount of taxes paid by about \$20. A commercial building valued at \$500,000 would see an increase of approximately \$38. Council reviewed prior year budgets and audit papers to determine if there was any room for changes. Council discussed various funds that should be set up to fund capital purchases. Holthaus and Kress mentioned that these items are being developed in the long-term financial plan. Once the plan is established the Council will decide what capital funds they would like to keep or remove and how funds will be distributed. There was a brief discussion on Local Government Aid funds and how to increase tax capacity as well as keep the tax rate stable. Council members were comfortable with the 2016 budget and levy and no changes were made.

ADJOURN

MOTION by Crandall, seconded by Lange, to adjourn the meeting at 9:03 p.m. Motion carried unanimously.



Kevin Kress, City Administrator



Pete Edmonson, Mayor

12-7-2015

Date Approved