

APPROVED MINUTES  
WATKINS CITY COUNCIL  
SPECIAL MEETING  
WEDNESDAY, SEPTEMBER 15, 2021

Mayor Rowan called the special meeting to order at 7:08 p.m. at City Hall.

MEMBERS PRESENT: Mayor Chris Rowan, Sue Unterberger, Marc Wirz, Brenda Carlson

MEMBERS ABSENT: Tootz Tschumperlin

Others: Steve Geislinger, Deb Kramer

Purpose of the meeting was to review and act on the 2022 levy and budget.

Council reviewed the proposed 2022 budget. The decrease in state grants/aid revenue for 2022 is due to the MN Housing loan award for the apartment project. This will be completed in 2021. This is also accounted for in the disbursements in General Government Other Charges. This is a pass thru of funds from the state to the developer. The estimated receipts for 2021 are \$1,034,986. The estimated disbursements for 2021 are \$1,050,748. The proposed budgeted receipts for 2022 are \$696,353 and the proposed budgeted disbursements are \$696,353.

Discussion was held on the debt service for the 2019A Bond Fund. This will need to be monitored to be sure enough is levied in upcoming years to cover the debt service. The city will need to determine how it's going to cover the debt service once the assessments are done; by complete levy or a combination of levy and water and/or sewer revenue. The PFA loan for the wastewater treatment expansion done in 2004 will be paid off in 2025, so using Sewer Fund revenue along with a tax levy would be an option.

Kramer noted the over-levy for the abatement on the new 20-unit apartment project will need to be levied for starting in 2022 for pay 2023. This is a 15-year agreement with 100% reimbursement of the taxes up to a maximum of \$235,000. The last over-levy for Hilltop's abatement should be in 2024 for pay 2025. The final payment on that is 2/1/26.

Kramer asked about discontinuing billing city buildings/parks for water and sewer. If discontinued, the usage would still be accounted for, but no billing would be generated.

Discussion was held on the proposed sewer improvements. An estimate of costs has been prepared by the city engineer and they are exploring funding options at this time. Council questioned if they should start budgeting now for this. Increasing sewer rates now to increase revenue was discussed.

Council agreed to keep the 2022 proposed General Fund levy flat at \$315,231.00. The over-levy for Hilltop's tax abatement is proposed at \$13,642.00. The EDA Fund levy remains at \$10,000.00 and the levy for the G.O. Refunding Bond will remain at \$175,200. The total proposed levy for pay 2022 is \$514,073.00.

MOTION BY WIRZ TO ADOPT RESOLUTION NO. 2021-28, RESOLUTION ADOPTING PROPOSED TAX LEVY, SECONDED BY CARLSON. MOTION CARRIED.

RESOLUTION NO. 2021-28  
CITY OF WATKINS  
MEEKER COUNTY, MINNESOTA  
RESOLUTION ADOPTING PROPOSED TAX LEVY

Be it resolved by the City Council of the City of Watkins, Meeker County, Minnesota, that the following sums of money be levied for the current year, collectible in 2022, upon the taxable property in the City of Watkins, for the following purposes:

General Fund	\$315,231.00
Economic Development Tax Abatement-Hilltop Health Care Center	\$13,642.00
Economic Development Authority Fund	\$10,000.00
\$4,050,000 G.O. Refunding Bonds, Series 2019A	\$175,200.00

The city clerk is hereby instructed to transmit a certified copy of this resolution to the county auditor of Meeker County, Minnesota. This foregoing resolution was adopted this 15<sup>th</sup> day of September 2021 by the City Council of the City of Watkins.

ATTEST: (SEAL)

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Christopher Rowan, Mayor

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Debra S. Kramer, Clerk

MOTION BY UNTERBERGER TO ADOPT RESOLUTION NO. 2021-29, RESOLUTION ADOPTING PROPOSED BUDGET, SECONDED BY CARLSON. MOTION CARRIED.

MOTION BY WIRZ TO ADJOURN THE MEETING, SECONDED BY UNTERBERGER. MOTION CARRIED.

Adjourned at 7:58 p.m.

Submitted by

Deb Kramer  
Clerk

ATTEST:

Chris Rowan  
Mayor