

CITY OF FALCON HEIGHTS
City Council Special Workshop
City Hall
2077 West Larpenteur Avenue

MINUTES

Wednesday, August 13, 2025
7:30 P.M.

A. CALL TO ORDER: 8:17 PM

B. ROLL CALL: GUSTAFSON_X_ LEEHY_X_
MEYER_X_ MIELKE_X_ WASSENBERG_X_

STAFF PRESENT: LINEHAN_X_

C. POLICY ITEMS:

1. 2026 Proposed Budget: Workshop #1
 - a. General Fund Budget Priorities & Preview

Linehan explains that the purpose of this workshop will be to present the Draft 2026 General Fund Budget to the City Council to allow staff time to incorporate changes. Next, he provides an overview of the budget meetings. The preliminary levy will be approved on September 24; following this, it can be lowered but not increased. The city's goal is to get the levy as accurate as possible. The final meeting is the Truth in Taxation on December 10.

The total proposed budget for the general fund is \$3.7 million, representing a 3% increase from 2025. The preliminary levy projection is a 6% - 13% increase. The police and staffing costs play a big role in expenses. Regarding revenue, Ramsey County is finalizing valuations. Over the years, home values have been increasing, which helps with keeping the levy low, but does mean residents see higher property taxes. Every \$25k increase is around 1% levy increase or \$15 per year to median home property taxes.

Wassenberg wonders what is incorporated into the general fund. Linehan responds that it's property taxes, fiscal disparities, local government aid, and permit revenues. The 2026 revenue forecast is around a 4% increase in Ramsey County. There is a 5% reduction in fiscal disparities. There are no cuts in local government aid. Lastly, there is a new revenue coming from ParkMobile. Final numbers will still need to be calculated.

Linehan explains in more detail the budget cost drivers. Debt service will have one year of overlapping debt. The 2021A bond's final levy year is 2026 (~\$80K), and 2025A starts in 2026 as well (~\$180K), increasing to \$60K. There are strategies to not having to levy for it. The police budget was \$1.6 million for 2025. As they move to a 24-hour model, they want to hire more staff, and Falcon Heights will be responsible for 30% of their total cost. Realistically, they will not be fully staffed. Looking at \$1.7

- \$1.8 million for 2026, an increase of \$150k. In 2025, police costs came in lower than budgeted. Linehan provides an update on police staffing. Fire services are looking at a 2.25% increase. The class & comp study results will be presented at a future meeting and will need to be incorporated into the budget. Other costs are operating costs for the Community Park renovation, such as water costs and staffing costs.

Leehy wonders if there are any cost changes related to the finance department changes. Linehan explains that Abdo just completed their assessment, and the current recommendation is to reduce the department to one full-time employee. This brings some savings but would be offset by consulting costs to assist; this is more flexible and more cost-effective than hiring staff in the finance department. The Abdo assessment will determine what the consultant can assist with in the finance department. Planning for Les Bolstad, Linehan recommends an increase in consulting services for \$60k. Another placeholder is \$30k in expanded social services for multi-family buildings to support third-party organizations, as counties are also seeing gaps in funding for these services.

Linehan presents requests from staff:

- Environmental:
 - o Energy rebates for residents
 - o Signs for bee lawns
- Comprehensive plan consultant. Cities are expected to kick off their 2050 comprehensive plans in 2026.
- Parks:
 - o Water source at Curtiss Field, but this might be a capital fund item
 - o Sandblasting the rusting picnic shelter at Community Park
 - o ADA bench pads

Linehan provides an overview of 2026 Capital Items:

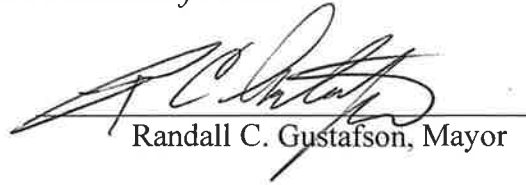
- Vehicles
 - o Street sweeper replacement. \$350k for diesel model, \$700k for electric.
- Hoyt/Hamline intersection crossing for the Chelsea School, per a request from St. Paul.
- Larpenteur/ Fry and Larpenteur/ Pascal Crossing in a potential partnership with Ramsey County.
- Roselawn mill & overlay in partnership with Roseville, from Cleveland to Snelling, is being moved to 2027 or 2028
- More cameras at Community Park and City Hall.
- Council Chambers space analysis, likely not a 2026 project
- Get Pressed Purchase
- Solar Panels at City Hall; timeline has moved up.

The Council discusses the food truck that has been located at the BP gas station with Administrator Linehan. Lastly, Linehan goes over the next steps. Leehy wonders about a page on the city website regarding the Les Bolstad Golf Course. Linehan answers that the staff has started a landing page, which will be built out over time.

D. ADJOURNMENT: 9:15 PM

Councilmember Mielke motions to adjourn;
Approved 5-0

DISCLAIMER: City Council Workshops are held monthly as an opportunity for Council Members to discuss policy topics in greater detail prior to a formal meeting where a public hearing may be held and/or action may be taken. Members of the public that would like to make a comment or ask questions about an item on the agenda for an upcoming workshop should send them to mail@falconheights.org prior to the meeting. Alternatively, time is regularly allotted for public comment during Regular City Council Meetings (typically 2nd and 4th Wednesdays) during the Community Forum.



Randall C. Gustafson, Mayor

Dated this 10th day of September, 2025



Jack Linehan, City Administrator