LAUDERDALE CITY COUNCIL MEETING MINUTES Lauderdale City Hall 1891 Walnut Street Lauderdale, MN 55113

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September 10, 2024

Call to Order

Mayor Gaasch called the Regular City Council meeting to order at 7:04 p.m.

Roll Call

Councilors present: Evan Sayre, Sharon Kelly, Jeff Dains, Duane Pulford, and Mayor Mary Gaasch.

Councilors absent: None.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant to the City Administrator; and Miles Cline, Deputy City Clerk.

Approvals

Mayor Gaasch asked if there were any additions to the meeting agenda. There being none, Councilor Pulford moved and seconded by Councilor Kelly to approve the agenda as presented. Motion carried unanimously.

Mayor Gaasch asked if there were corrections to the minutes of the August 27, 2024 City Council meeting. There being none, Councilor Pulford moved and seconded by Councilor Kelly to approve the August 27, 2024 City Council meeting minutes. Motion carried unanimously.

Mayor Gaasch asked if there were any questions on the claims. There being none, Councilor Sayre moved and seconded by Councilor Dains to approve the claims totaling \$33,484.18. Motion carried unanimously.

Consent

Councilor Kelly moved and seconded by Councilor Sayre to approve the Consent Agenda thereby approving the agreement for municipal cannabis financial modeling between the City and Point Seven, LLC.

Discussion/Action Item

A. 2025 Budget and Levy

Butkowski explained that the proposed local levy increase required to balance the budget is 10.4%. The overall general fund budget increase is 7.4%. In real numbers, the general fund expenses are up \$133,709. The biggest cost driver is the \$71,633 increase in public safety costs.

The legislature changed the way Market Value Homestead Exclusion (MVHE) is calculated going forward. The goal of this change is to reduce the property tax burden for owners of low and modest value homes. Since that describes almost all homes in Lauderdale, the change has a different effect. Overall, property values are going up 1.9%, but the MVHE change reduces the overall value of properties in the city. As a result, the proposed tax rate is up 3.56%.

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Butkowski showed the difference in property taxes year over-year. The tax impact on a median value home for 2025 is \$93.10 per year. This increase is despite taxable values for 2025 being less than 2024. She noted the good news is that the starting property tax increase for this year is \$24. This is a lower starting point than many recent years. The \$24 starting point will increase by the amounts levied by the city and other taxing authorities like the school district, Met Council, and watershed districts.

The City Council will set the preliminary levy and date of the truth-in-taxation public hearing at the next meeting. The Council can reduce the levy after the preliminary levy is adopted but not increase it.

Set Agenda for Next Meeting

Butkowski stated that the September 24 council meeting might include the August financial report, setting the 2025 preliminary budget and levy, and drafting the storm water ordinances.

Work Session

A. Community Development Update

Butkowski shared that the air conditioning system in the council chambers needs replacement. She continued to say that SAPAS has new classes in the social room every Tuesday and Thursday, and finally, City staff met with the city engineer about bidding out sewer cleaning this fall.

B. Opportunity for the Public to Address the City Council

Mayor Gaasch opened the floor to those in attendance interested in addressing the Council. There being nobody interested in speaking, Mayor Gaasch closed the floor.

Adjournment

Councilor Kelly moved and seconded by Councilor Sayre to adjourn the meeting at 7:38 p.m. Motion carried unanimously.

Respectfully submitted,

Miles Cline

Deputy City Clerk

Miles Cine