

**MINUTES**  
**COMMITTEE-OF-THE-WHOLE WORK SESSION**  
**June 7, 2021**  
**City Council Chambers**

MEMBERS PRESENT: Mayor King. Council Members Paul Fischer, Rebecca Waller, Jason Baskin, Michael Postma, Oballa Oballa, Joyce Poshusta and Council Member-at-Large Jeff Austin

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert and Police Chief David McKichan

STAFF APPEARING ELECTRONICALLY: Human Resources Director Trish Wiechmann, Park and Rec Director Kevin Nelson, Library Director Julie Clinefelter, Planning and Zoning Administrator Holly Wallace, Fire Chief Jim McCoy and City Clerk Ann Kasel

OTHERS APPEARING ELECTRONICALLY: Austin Daily Herald

OTHERS APPEARING IN PERSON: Laura Helle

Mayor King opened the meeting at 7:13 p.m.

**Item No. 1 – 4<sup>th</sup> Avenue Fest donation request**

Laura Helle, on behalf of the Culture and Arts Commission, requested that the City Council donate \$1,000 to the annual 4<sup>th</sup> Avenue Fest. She stated the Commission secured a \$5,000 grant for the Wow! Mobile Metal Lab to come to the event and would like additional funding to pay other artists at the venue. She added that Mower County will have a vaccine clinic at the event.

Council Member-at-Large Austin stated Laura may want to make a 2022 budget line-item request.

Holly Wallace stated the City has supported 4<sup>th</sup> Avenue Fest in the past.

Moved by Council Member Fischer, seconded by Council Member Oballa, approving a \$1,000 donation to 4<sup>th</sup> Avenue Fest. Carried.

The item will be placed on the June 21, 2021 Council meeting.

**Item No. 2 – 2022 Budget Discussion**

Director of Administrative Services Tom Dankert discussed the 2022 budget stating that the preliminary tax levy and budget needs to be submitted to the County by September 30, 2022. It cannot increase after that date but it can decrease. The final tax levy must be adopted by December 28, 2021. Mr. Dankert stated the Council will need to discuss what they would like to see in the 2022 budget to prepare for the proposed tax levy deadline.

Mr. Dankert noted that the Council indicated they would not want to create a budget committee as was done in the 2021 budget year. He asked the Council if there were any programs they would like to see added or eliminated for the 2022 budget.

Council Member Baskin stated he would like to be conservative as possible. He would like to use the excess funds to use on one-time projects.

He noted there are a number of issues to take into consideration for the 2022 budget including the following:

- Local government aid allocation. He stated he anticipates LGA to be frozen for the 2022 tax year. LGA represents approximately 45% of the general fund operating budget.
- 2021 Staffing Reductions. Mr. Dankert noted there has been support from Council to bring back the 4.5 positions that were eliminated in the 2021 budget. He stated that the American Rescue Plan would cover these positions through 2024.
- 2021 Vacant Positions. There are three vacant positions that have been budgeted for but not filled in the 2021 year. He asked if Council would like to support those positions.
- Comp and Class Implementation. Mr. Dankert stated the original cost increase for the 2022 budget for the comp and class study was \$1,125,000. If the Council does not bring back the 2021 reduced positions, then that increase is estimated to be \$825,000.
- Fund Balance. Mr. Dankert stated the City is between \$3.2 million and \$4.2 million of excess fund balance. This would allow the Council to use these extra funds for one-time capital needs such as daycare, fire truck replacement, housing needs or operational needs.

Mayor King stated needs a little more time to see if those cuts have works.

Council Member Fischer would like to hear from the Department Heads as to how those cuts have impacted the departments. Council Member-at-Large Austin agreed. He noted morale is the lowest with employees since he's been on the Council.

Council Member Baskin stated he represents 25,000 people that live in the City of Austin, not just the City employees.

Council Member Fischer stated with 25,000 people we should be able to support a full staff so they are not overworked.

Council Member Postma stated he would like to hear from the Department Heads. He was concerned about one-time federal money in plugging into a budget.

Council Member Waller stated she wants to find a good balance of staffing and hear from the Departments as to what is working.

Council Member Postma stated he would like to spend capital dollars to increase efficiency. He also talked about raising revenues.

Council Member-at-Large Austin asked about the Cares funds and American Rescue Funding and what it can be used for.

Mr. Dankert stated the City could use all the funds for revenue replacement as the City had losses from 2019 to 2020.

He asked the Council if they would like to hear from the Department Heads. The Council expressed interest in hearing from them as to how things are going.

Council Member Baskin spoke in support of funding daycares and capital projects.

Mr. Dankert stated the tax levy for 2021 is \$7,436,000. Every 1% levy increase equates to approximately \$75,000.

He stated he will send the budget information to each department head. There will be many discussions in work sessions to come.

### **Item No. 3 – Administrative Report**

None.

### **Item No. 4 - Open Discussion**

None.

Moved by Council Member Baskin, seconded by Council Member Oballa, adjourning the meeting at 8:11 p.m. Carried.

Respectfully Submitted,

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Ann M. Kasel  
City Clerk