

City Council Meeting – Special Budget Meeting – August 26, 2024

Mayor Arden Jones called the meeting to order at 6:00pm at Hartford City Hall with the following city council members present: Cindy Matson, Shaun Boen, Ryan Horn, Travis Kuehl, Lisa Berens, and Jake Jass. Also present were City Administrator Teresa Sidel, City Finance Officer Karen Wilber, Public Works Superintendent Craig Wagner, Economic Development Director Amy Farr, Chamber Director Wynne Hindt, and 6 people from the public.

Approve Agenda: A motion was made by Matson, second by Jass to approve the agenda as set – all voted yes, motion carried.

2025 Budget Review: City Administrator Sidel reviewed the 2025 proposed revenues and expenses with the Council. Reports provided/reviewed: proposed revenues with tax levy information, proposed expenses, current cash report, current sales tax revenue, debt schedule, the Capital Improvement Plan, the Community Development Plan, and an Estimate of Fund Balances as of 12/31/24.

Visitor Budget Requests: The following people appeared before the council to present their 2025 budget requests:

- Tim Even on behalf of the Humboldt Fire & Ambulance Service requesting \$23,625 for operating expenses.
- Bryon Shumaker on behalf of the Hartford Area Fire & Rescue requesting \$35,000 for operating expenses and \$55,000 for equipment replacement fund.
- Leah Johnson on behalf of Hartford Jamboree Days requesting \$5,000 for 2025 event expenses.
- Sheryl Goebel on behalf of Hartford Hometown Christmas requesting \$10,000 for 2025 event expenses.
- Scott Schrader on behalf of the Hartford Area Chamber of Commerce requesting \$15,000 for marketing expenses.
- Blair Bathke on behalf of the Hartford Area Development Foundation requesting \$55,590 for operating expenses.

City Budget Requests:

Tim Weber on behalf of the Park & Recreation Board presented the following items for consideration:

- Additional Parking @ Swenson Park \$215,000
- Ball Field Improvements @ Swenson Park \$60,000
- Refurbish Playground Equipment @ Swenson Park \$10,000
- New Restroom Building by Pickleball Courts @ Lyon Park \$27,000
- Two Additional Pickleball Courts @ Lyon Park \$45,000
- Shade Structure for Playground Area @ Swenson Park \$10,000
- 2 Shade Structure @ Dog Park \$2,500

City Staff presented the following items for consideration:

- New Computers for Council \$10,500
- Lights for Exit 390 Billboard \$5,250
- Engineering for Kelley Ave Reconstruction in 2026 \$143,200
- Wastewater Regionalization Professional Fees \$25,000

The net position of the City's different funds were reviewed. The general fund is the main fund for the operation and maintenance of the City. As presented, the 2025 anticipated expense in the general fund are greater than the 2025 anticipated revenue by approximately 92k before any outside entities or city requests are taken into consideration. This would mean that reserves would need to be used to cover this balance and to fund any requests presented above. The general fund reserves are anticipated to be just over 4.2M at the 2024 year-end. Discussion was held on possible ways the City could increase revenues and/or decrease expenses in 2025.

Allocation of Funds:

- A motion was made by Kuehl, second by Boen to allocate \$55,590 from the 3rd penny fund for the Hartford Area Development Foundation – all voted yes, motion carried.
- A motion was made by Kuehl, second by Horn to allocate \$15,000 from the 3rd penny fund to Hartford Area Chamber of Commerce – all voted yes – motion carried.
- A motion was made by Kuehl, second by Berens to allocate \$10,000 from the 3rd penny fund to Hartford Hometown Christmas – Boen voted no with all others voting yes, motion carried.
- A motion was made by Kuehl, second by Matson to allocate \$5,000 from the 3rd penny fund to Hartford Jamboree Days – Boen voted no with all others voting yes, motion carried.
- A motion was made by Kuehl, second by Matson to budget the SMGA dues of \$11,560.25 from the 3rd penny fund rather than the general fund – all voted yes, motion carried.

- A motion was made by Kuehl, second by Horn to allocate \$23,625 from the general fund to Humboldt Fire & Ambulance Service – all voted yes, motion carried.
- A motion was made by Kuehl, second by Horn to allocate \$80,000 from the general fund for the Hartford Area Fire & Rescue – all voted yes, motion carried.
- A motion was made by Kuehl, second by Jass to allocate \$2,500 from the general fund for two shade structures for the dog park – Boen voted no, Horn abstained, and all others voted yes, motion carried.
- A motion was made by Kuehl, second by Matson to allocate \$80,000 from the general fund for the following items at Swenson Park: ball field improvements to include shade structures, bleachers, concrete, and foul poles on 4 fields; refurbishing of playground equipment; and a shade structure for playground area – Boen & Jass voted no, Horn abstained, and all other voted yes – motion failed.
- A motion was made by Kuehl, second by Jass to allocate \$20,000 from the general fund to refurbish the playground equipment for Swenson Park and for a shade structure for this area – Horn abstained with all others voting yes, motion carried.
- A motion was made by Kuehl, second by Berens to allocate \$27,000 from the general fund for a restroom near the pickleball courts at Lyon Park – Boen voted no, Horn abstained, and all others voted yes, motion carried.
- A motion was made by Matson, seconded by Kuehl to allocate \$30,000 from the general fund for Swenson Park ball field improvements, with items consisting of shade structures, bleachers, concrete, and/or foul poles on 4 fields. Discuss was held. Kuehl called the vote. Boen voted no, Horn abstained, and all others voted yes – motion carried.
- A motion was made by Jass, second by Berens to allocate \$215,000 from the general fund of additional parking at Swenson Park – Boen voted no, Horn abstained, and all others voted yes, motion carried.

Finance Officer Wilber provided a review of fund balances with all allocation motions included. Reserves of approx. 405k in the general fund and 135k in the sewer fund will have to be used. There will be a surplus of approx. 12k in the 3rd penny fund and 149k in the water fund.

ADJOURNMENT: A motion was made by Kuehl, second by Horn to adjourn at 9:17pm – all voted yes, motion carried.

Minutes recorded by Finance Officer Karen Wilber.

I, the undersigned, Karen Wilber, Finance Officer in and for the City of Hartford, South Dakota, do hereby certify that the above and foregoing is a true and correct copy of the minutes which is on file at the Municipal Finance Office.

Karen Wilber, Finance Officer