

## City Council Meeting – Special Budget Meeting – August 27, 2025

Mayor Arden Jones called the meeting to order at 6:30pm at Hartford City Hall with the following city council members present: Cindy Matson, Ryan Horn, Travis Kuehl, and Michelle Schilling. Shaun Boen and Darrell Horacek were absent with notice. Also present were City Administrator Teresa Sidel, City Finance Officer Karen Wilber, Public Works Superintendent Craig Wagner, and 11 people from the public.

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

**2026 Budget Review:** City Administrator Sidel reviewed the proposed 2026 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, and an Estimate of Fund Balances as of 12/31/25.

As explained by Sidel, the City's mill levy is computed each year based on a formula set by the State. That computation is as follows: the prior year's levy request in dollars plus CIP or 3%, which ever is less, plus Hartford's growth rate, up to 3%. This figure is the maximum dollar amount that can be claimed. This amount is divided by the City's assessed value to arrive at the levy rate for the year. Applying this formula for 2026, the maximum dollars the City can claim is \$2,014,298, which would establish a levy rate of 5.434%. This rate would be an increase from the 2025 levy rate of 5.303%. To keep the levy rate the same at 5.303% the tax dollars generated would be \$1,965,607, a difference of \$48,691 tax dollars that the City would be forfeiting. A motion was made by Horn, second by Matson to keep the mill levy at 5.303% – all voted yes, motion carried.

**Visitor Budget Requests:** The following people appeared before the Council to present their 2026 budget requests:

- Tim Even, on behalf of the Humboldt Fire & Ambulance Service, requesting \$25,000 for operating expenses.
- Bryon Shumaker, on behalf of the Hartford Area Fire & Rescue, requesting \$95,000 for operating and equipment expenses.
- Leah Johnson & Rachel Claassen, on behalf of Hartford Jamboree Days, requesting \$15,000 for 2026 event expenses.
- Lisa Hellvig, on behalf of Hartford Hometown Christmas, requesting \$10,000 for 2026 event expenses.
- Keith Miller, on behalf of the Hartford Area Chamber of Commerce, requesting \$24,000 for marketing and event expenses.
- Keith Miller, 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:

- Playground Equipment for 2-5 Yr Olds @ Lyon Park \$70,000
- New Entrance Sign @ Swenson Park \$26,000
- Shade Structures & Bleachers for Field #2 @ Swenson Park \$35,000
- 2 Scoreboards for the East Fields @ Swenson Park \$25,000
- Netting to the North of Soccer Fields @ Swenson Park \$3,500
- Concrete Tee Pads for Frisbee Golf Course @ Turtle Creek Park \$1,500
- Double Pickleball Court with Fencing @ Lyon Park \$70,000
- Ag-Lime for Field A @ Lyon Park \$32,500
- Pickleball Practice Area @ Lyon Park \$1,000

City Staff presented the following items for consideration:

- Boulevard Trees Along Mickelson Rd \$15,000
- Gage House Basement Sealant \$70,000
- New Computers for Council \$10,500
- Truck for Public Works Dept \$36,000
- Skid Steer \$66,000
- Solar Lights for Exit 390 Billboard \$2,500
- Marketing Campaign \$10,000
- Building for UV Structure @ Wastewater Plant \$15,000

### **Allocation of Funds:**

- A motion was made by Kuehl, second by Horn to allocate \$25,000 from the General Fund to Humboldt Ambulance – all voted yes, motion carried.
- A motion was made by Matson, seconded by Schilling to allocate \$95,000 from the General Fund to Hartford Area Fire & Rescue – all voted yes, motion carried.
- A motion was made by Kuehl, second by Matson to allocate \$15,000 from the 3<sup>rd</sup> Penny Fund to Hartford Jamboree Days – all voted yes, motion carried.
- A motion was made by Schilling, seconded by Matson to allocate \$10,000 from the 3<sup>rd</sup> Penny Fund to Hartford Hometown Christmas – all voted yes, motion carried.
- A motion was made by Matson, seconded by Kuehl to allocate \$24,000 from the 3<sup>rd</sup> Penny Fund to Hartford Area Chamber of Commerce – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Matson to allocate \$300,000 from the General Fund for park improvements recommended by the Park & Recreation Board – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Schilling to allocate \$100,000 from the General Fund for community sidewalk improvements – all voted yes, motion carried.
- A motion was made by Horn, seconded by Kuehl to allocate \$100,000 from the General Fund for future pool improvements – all voted yes, motion carried.
- A motion was made by Matson, seconded by Schilling to allocate \$15,000 from the General Fund for boulevard trees along Mickelson Ave – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Matson to allocate \$15,000 from the Sewer Fund for a building for the UV structure at the sewer plant – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Matson to allocate \$10,500 from the General Fund for new computers for the Council – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Schilling to allocate \$2,500 from the 3<sup>rd</sup> Penny Fund for solar lights for the Exit 390 billboard – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Schilling to allocate \$22,000 from the General Fund, \$22,000 from the Water Fund, and \$22,000 from the Sewer Fund for an additional skid steer for the Public Works Dept – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Horn to allocate \$10,000 from the 3<sup>rd</sup> Penny Fund for a marketing campaign – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Horn to allocate \$12,000 from the General Fund, \$12,000 from the Water Fund, and \$12,000 from the Sewer Fund for an additional truck for the Public Works Dept – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Matson to allocate \$70,000 from the General Fund for basement sealant at the Gage House – all voted yes, motion carried.
- A motion was made by Schilling, seconded by Matson to allocate \$20,000 from the 3<sup>rd</sup> Penny Fund to Hartford Area Development Foundation – Horn and Kuehl voted no with Schilling and Matson voting yes, motion failed.
- A motion was made by Kuehl, seconded by Schilling to allocate \$50,000 from the 3<sup>rd</sup> Penny Fund for economic development – all voted yes, motion carried.
- A motion was made by Kuehl, seconded by Horn to allocate \$50,000 from the General Fund for economic development – all voted yes, motion carried.

A recap of the City's anticipated reserve balances was provided. After all the allocation motions are included in the budget, all funds will have a surplus from 2026 revenue vs expenses, which will increase the City's reserves in each fund.

**EXECUTIVE SESSION:** A motion was made by Kuehl, second by Horn to enter executive session pursuant to SDCL 9-34-19 for economic development at 9:19pm – 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.

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Karen Wilber, Finance Officer

**EXECUTIVE SESSION:** A motion was made by Horn, second by Matson to exit executive session at 9:33pm – all voted yes, motion carried.

**ADJOURNMENT:** A motion was made by Matson, second by Horn to adjourn at 9:34pm – all voted yes, motion carried.

Minutes recorded by City Administrator Teresa Sidel.

I, the undersigned Teresa Sidel, City Administrator 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.

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Teresa Sidel, City Administrator