



# **AGENDA**

## **City Council Workshop**

**Workshop  
November 14, 2023  
HADLEY CONFERENCE ROOM  
5:00 PM**

- 5:00 PM** Review of City of Oakdale Code of Ordinances, Chapter 2, Article 3 – City Council, including Mayor and Council Member Pay
- 5:20 PM** Home Energy Squad Rebates
- 5:40 PM** 2024 Property Tax Levy, Budget, Capital Improvement Plan, and Vehicle and Equipment Replacement Fund
- 6:20 PM** 2023 Volunteer of the Year Nominations
- 6:30 PM** Administrator Update
- 6:35 PM** Council Topics
- 6:55 PM** Adjourn for Regular Meeting





# COUNCIL MEMORANDUM

<b>To:</b>	Honorable Mayor and City Council
<b>From:</b>	Christina M. Volkers, City Administrator
<b>Date:</b>	November 14, 2023
<b>Subject:</b>	Review of City of Oakdale Code of Ordinances, Chapter 2, Article 3 – City Council, including Mayor and Council Member Pay

## BACKGROUND

Staff was directed to review and update the City of Oakdale Code of Ordinances, Chapter 2, Article 3 – *City Council* to align with current City practices and remain compliant with Minnesota Statutes. The following sections have proposed changes for Council consideration as noted in the accompanied attachment using tracked changes.

- Sec. 2-13 – Compensation
- Sec. 2-21 – Agenda for Regular Meetings
- Sec. 2-22 – Call of Special Meetings
- Sec. 2-27 – Order of Business
- Sec. 2-28 – Voting
- Sec. 2-29 – Ordinances and Resolutions
- Sec. 2-30 – Minutes of Meetings – Generally
- Sec. 2-31 – Same – Contents
- Sec. 2-32 – Same – Posting

As part of this discussion, the City Council should consider if it is appropriate and timely to increase the current Mayor and Council Member salary. Currently, the City of Oakdale Code of Ordinances, Chapter 2, Article 3, Sec. 2-13 – *Compensation* states:

*Commencing January 1, 2007, the salary of the Mayor of the city shall be \$700 per month and the salary for each Council Member shall be \$585 per month.*

City		Yearly	Quarterly	Monthly
Oakdale	Mayor	\$8,400.00	\$2,100.00	\$700.00
	Council	\$7,020.00	\$1,755.00	\$585.00

Staff researched Mayor and Council Member pay for other Metro cities, and below are the results.

City		Yearly	Quarterly	Monthly
Maplewood	Mayor	\$15,974.22	\$3,993.56	\$1,331.19
	Council	\$13,795.98	\$3,449.00	\$1,149.67
Cottage Grove	Mayor	\$12,585.00	\$3,146.25	\$1,048.75
	Council	\$9,480.00	\$2,370.00	\$790.00
North St. Paul	Mayor	\$6,900.00	\$1,725.00	\$575.00
	Council	\$5,700.00	\$1,425.00	\$475.00
Stillwater	Mayor	\$9,000.00	\$2,250.00	\$750.00
	Council	\$7,200.00	\$1,800.00	\$600.00
Woodbury	Mayor	\$14,946.00	\$3,736.50	\$1,245.50
	Council	\$11,379.96	\$2,844.99	\$948.33

White Bear Lake	Mayor	\$9,600.00	\$2,400.00	\$800.00
	Council	\$7,500.00	\$1,875.00	\$625.00

**COUNCIL DIRECTION REQUESTED**

Staff is requesting Council feedback on the proposed changes to the City of Oakdale Code of Ordinances, Chapter 2, Article 3, as well as the possibility of increasing the monthly salary of the Mayor and Council Members.

**Attachment**

Proposed Changes to the City of Oakdale Code of Ordinances Chapter 2, Article 3 with Tracked Changes

# CHAPTER 2 ADMINISTRATION

Article I	In General
Article II	Finance Director
Article III	City Council
Article IV	City Administrator
Article V	Repealed
Article VI	Custody and Disposal of Unclaimed Property
Article VII	Partial Prepayment of Special Assessments
Article VIII	Public Improvement Revolving Fund
Article IX	Street Lighting Enterprise Fund

## ARTICLE 1. IN GENERAL

**Sec. 2-01. Offices of Clerk and Administrator Combined.** Pursuant to the power granted to the city by Minnesota Statutes, Section 412.541, Subdivision 1, the office of the City Clerk is hereby combined with the office of the City Administrator.

**Sec. 2-02. Charge for Administrative Services for Improvement Projects.**

- (a) **Purpose.** The city provides certain city administrative services whenever city improvement projects are undertaken. Such administrative services result in real costs sustained by the city general fund. The City Council desires to recover a portion of said administrative costs.
- (b) **Establishment of charge.** After all regular construction contract costs have been determined for each improvement project, one (1%) percent of the final contract cost, exclusive of engineering, legal, and contingent costs, shall be added to said total as a charge for administrative services. Such administrative charges shall be transferred from the construction account for each improvement project to the city general fund as soon as it is convenient to do so. The City Administrator, or agent, shall be responsible for making the transfer.
- (c) **Violation.** Any person who shall violate any portion of this section shall be guilty of a misdemeanor.

**Sec. 2-03. Election - Date Held.** The regular city election shall be held biennially on the first Tuesday after the first Monday in November in every even-numbered year, beginning with the 1974 election.

**Sec. 2-04. Same - Voters to be Registered.** No person shall be permitted to vote at any election in the city unless that person is registered as provided by Minnesota Statutes.

**Sec. 2-05. Same - Permanent Registration System Adopted.** The system for the permanent registration of voters provided for by Minnesota Statutes, Chapter 201 is hereby adopted and made a part of this Code by reference as if fully set forth herein.

## ARTICLE II. FINANCE DIRECTOR

**Sec. 2-06. Finance Director.** There is hereby created within the city the position of Finance Director.

**Sec. 2-07. Bookkeeping Duties.** All bookkeeping duties of the City Clerk are hereby transferred to the Finance Director.

**Sec. 2-08. Treasurer - Same As.** The Finance Director shall also be the Treasurer.

**Sec. 2-09. Audit.** The financial affairs of the city shall be audited annually, under the direction of the City Administrator.

**Sec. 2-10. Fidelity Bond.** The Finance Director shall furnish a fidelity bond to the city in such amount as the City Council shall direct, which shall be paid for by the city.

**Sec. 2-11. Duties and Responsibilities.** The Finance Director shall have such other duties and responsibilities as the City Council may assign to such position.

## ARTICLE III. CITY COUNCIL

**Sec. 2-12. Composition; Filling of Vacancies.** The City Council shall consist of the mayor and four (4) council members. Vacancies in office shall be filled for the remainder of the term by the City Council. In case of a tie vote on such appointments, the Mayor shall fill the vacancy by appointment for the unexpired term. The Mayor shall serve a term of four (4) years and until a successor is elected and qualifies.

**Sec. 2-13. Compensation.** Commencing January 1, 2007, the salary of the Mayor of the city shall be \$700 per month and the salary for each council member shall be \$585 per month.

**Sec. 2-14. Special Powers.** The City Council may preserve order at its meeting and shall be the judge of the election and qualifications of its members. The City Council shall have the power to regulate its own procedure. Every current contract, conveyance, license, or other written instrument shall be executed on behalf of the city by the Mayor and Clerk, with the corporate seal affixed, and only pursuant to authority from the City Council.

**Sec. 2-15. Appointment of Acting Mayor.** At its first meeting each year, the City Council shall choose an acting mayor from the council members. This person shall perform the duties of Mayor during the disability or absence of the Mayor from the city or, in case of vacancy in the office of Mayor, until a successor has been appointed and qualifies.

**Sec. 2-16. Authority to Create Departments and Boards, Make Appointments, Fix Compensation, etc.** The City Council may create such departments and advisory boards and appoint such officers, employees, and agents for the city as may be deemed necessary for the proper management and operation of municipal affairs. The City Council may prescribe the duties and fix the compensation of all officers, both appointive and elective, employees and agents, when not otherwise prescribed by law. The City Council may, except as otherwise provided, remove any appointive officer or employee when, in its judgment, the public welfare will be promoted by the

removal. Such power of removal is subject to veteran's preference, contracts, and other laws that may be applicable.

**Sec. 2-17. Employment of Accountant.** The City Council shall employ a public accountant on a yearly basis for the purpose of auditing, examining, and reporting upon the books and records of the city.

**Sec. 2-18. Designation of Official Newspaper.** At its first meeting each year, the City Council shall designate a legal newspaper that shall be the official newspaper for the city.

**Sec. 2-19. Designation of Depository.** At its first meeting each year, the City Council shall designate the depository for municipal funds.

**Sec. 2-20. Time and Place of Regular Meetings.** Regular meetings of the City Council shall be held on the second and fourth Tuesdays of each month commencing at 7 p.m. at the Oakdale City Hall. If any such Tuesday is a legal holiday, the meeting will be canceled or held on another date and time as established by City Council action.

**Sec. 2-21. Agenda for Regular Meetings.**

- (a) An agenda, together with all other relevant data, as determined by the City Administrator, for each regular City Council meeting shall be prepared and filed in the office of the Clerk and be made available to the City Council and the public no later than threewe (32) days before ttnext preceding the regular meeting. ~~Agendas, together with all other relevant data, as determined by the City Administrator, that the City Council needs to consider an item on the agenda, shall be delivered to the council members at their regular place of residence no later than two (2) days prior to the regular meeting.~~
- (b) The City Council may consider items not appearing on the agenda as normal business, if an objection is not raised by a ~~C~~council member. -If an objection is raised by a council member to ~~considering~~ an item not appearing on the agenda, a vote shall be taken by the City Council to determine the appropriateness of further consideration of the matter at that time.

**Sec. 2-22. Call of Special Meetings.** Special Council meetings may be called by the Mayor or by any two (2) members of the City Council by a written notice filed with the Clerk, who shall ~~mail a notice to~~notify all members of the time and place of the meeting at least ~~threewe (32)~~ days before the meeting, pursuant to Minnesota Statute 13D.04; or the special meeting may be called by action of the City Council at a regular meeting; or by the Mayor when all members are present at the meeting or have consented either verbally or in writing to the meeting and a quorum is present.

**Sec. 2-23. Workshop Meetings.** Workshop meetings of the City Council may be held at the Oakdale City Hall at such times as the City Council may establish by majority vote. -The purpose of such a meeting is to discuss administrative business and familiarize each council member with items that may be presented for a regular or special meeting. No official City Council action will be taken at workshop meetings.

**Sec. 2-24. Attendance of Members at Meetings.** The attendance at City Council meetings of each member of the City Council is deemed to be one of the most important duties imposed by law

upon the City Council. -The council member's presence to participate in the hearings, deliberations, and decisions of the City Council is essential to the proper discharge of the official duties. Recognizing that it is not always possible for each member of the City Council to be present at all meetings, occasional excusable absence for valid reasons is acceptable. -The City Council may compel the attendance of members and punish nonattendance by a resolution adopted by a majority.

**Sec. 2-25. Quorum.** At all City Council meetings, a majority of all council members elected shall constitute a quorum for the transaction of business, but a smaller number may adjourn from time to time.

**Sec. 2-26. Rules of Order.**

- (a) **Presiding Officer.** The Mayor, or in the Mayor's absence, the acting mayor, shall preside at a council meeting, preserve order and decorum, and decide questions of order. -In the absence of both, the Clerk shall call the meeting to order and shall preside until the council members present at the meeting choose one of their members to act temporarily as presiding officer. -The Mayor's duties under this subsection shall be in addition to the duties, rights, and privileges as a council member.
- (b) **General Rules.** In all matters of parliamentary procedures, the City Council shall be governed by the latest printed edition of "Robert's Rule of Order."
- (c) **Special Rules.** The following special rules shall be applied:
  - (1) A motion before the City Council shall be reduced to writing by the Clerk at the request of any council member.
  - (2) Such other special rules may be adopted and included in this subsection as the City Council, from time to time, deems necessary.
- (d) **Suspension of Rules.** The operation and effect of any rule established or followed pursuant to this section may be suspended upon a majority vote of the City Council.

**Sec. 2-27. Order of Business.** At the hour appointed for a City Council meeting, the members shall be called to order by the Mayor, and in the Mayor's absence, by the Acting Mayor. The Clerk shall call the roll and note the absentees. -If a quorum is present, the City Council shall then proceed with its business, including, but not limited to, the following items ~~and not necessarily in this order:~~

- ~~(1)~~ ~~(1)~~ Call to Order
- ~~(1)~~(2) Call of Roll
- ~~(3)~~(2) Pledge of Allegiance
- ~~(4)~~ Approval of the Agenda
- ~~(5)~~(3) Approval of the Minutes
- ~~(6)~~ Oath of Office
- ~~(7)~~ Public Hearing
- ~~(8)~~(4) Open Forum
- ~~(9)~~(5) Consensus Motions
- ~~(10)~~(6) Economic Development Commission
- Advisory Boards and Commissions
- ~~(11)~~(7) Environmental Management Commission
- Award of Bid



- ~~(8) Parks and Recreation Commission~~
- ~~(9) Planning Commission~~
- ~~(10) Old Business~~
- ~~(11) Hearings~~
- ~~(12) Public Works Director/City Engineer~~
- ~~(13) Development/Planning/Redevelopment~~
- ~~(124) Other Staff Staff Reports~~
- (135) City Attorney
- (146) Administrator's Report
- (157) Council Presentations
- ~~(18) Award of Bids~~
- (169) Claims
- (1720) Adjournment

If a special meeting is required, the time shall be established at a prior meeting.

### Sec. 2-28. Voting.

- (a) **Procedure.** The votes of the members on any motion pending before the City Council shall be by voice vote. If the vote is not unanimous, the names of those voting for and against shall be recorded in the minutes. -If any council member does not vote, their abstention shall be recorded as "name - abstention." The Mayor shall call for roll call votes whenever a voice vote of the City Council is not clear as to the disposition of the action before the City Council or whenever the Mayor feels a roll call vote should be taken. -In the event of a roll call vote, the Clerk shall call for the vote in the following order: -member presenting the motion, member seconding the motion, remaining members at random, and Mayor. Except as otherwise provided by law, a majority vote shall prevail where at least a quorum is present.
- (b) **Two-thirds vote required.** A two-thirds vote of all members of the City Council shall be required in the following instances:
  - ~~(1) To adopt or amend the zoning ordinance.~~
  - ~~(2) To adopt a resolution authorizing the City to accept donations or gifts of real and personal property pursuant to Minnesota Statutes, Section 465.03.~~
  - ~~(3) To adopt a resolution amending the Comprehensive Plan.~~
  - ~~(4) Other as required by MN State law.~~
- (c) **Four-fifths vote required.** A four-fifths vote of all members of the City Council shall be required in the following instances:
  - (1) To adopt a resolution vacating any alley, street, public grounds, public way, or any part thereof, when a petition to vacate is not submitted by a majority of the owners of the land abutting the land to be vacated.
  - (2) To adopt a resolution ordering any public improvement not petitioned for by the owners of at least thirty-five (35%) percent in frontage of the real property abutting on the streets named in the petition as the location of the improvement.
  - ~~(3) To adopt a resolution declaring that the public improvement revolving funds, or any portion thereof, accumulated under Chapter 2, Article VIII, shall be declared surplus and deposited in the general fund of the City.~~

(4) To adopt a resolution authorizing the publication of an ordinance by title and summary, per Minn. Stat. 412.191, subd. 4.

(5) Other as required by MN State law.

## **Sec. 2-29. Ordinances and Resolutions.**

- (a) All legislation of the city shall be by ordinance or resolution. -Ordinances, resolutions, and other matters requiring City Council action shall be prepared at the direction of the City Council; provided however, that the City Administrator or City Attorney may present ordinances, resolutions, and other matters for consideration. -Pursuant to Minnesota Statutes, Section 415.19, Pprior to the proposed enactment of any ordinance, the document shall be posted on the city's web site for a minimum of ten (10) days during which time the public may provide input to the City Clerk. (Ord. 837, 04/10/18).-Failure to provide notice described in this section does not invalidate the ordinance or amendment to an ordinance adopted.
- (b) A majority vote of all members of the City Council shall be necessary for approval of any ordinance, unless a larger number is required by statute. -Except as otherwise provided by statute, a majority vote of a quorum shall prevail in all other cases. -Every ordinance shall be signed by the Mayor, or in the Mayor's absence, by the Acting Mayor, attested to by the City Clerk, and published once in the legal newspaper. -Proof of publication shall be attached to and filed with the ordinance. -Every ordinance shall be recorded in the ordinance book within forty-five (45) days after its publication. -All ordinances shall be suitably entitled.
- (c) The City Council may determine that publication of the title and a summary of an ordinance would clearly inform the public of the intent and effect of the ordinance and may, by four-fifths vote, direct publication of only the title and summary. Council must approve of the text of the summary prior to publication. -The summary must include notice that a printed copy of the ordinance is available for inspection during regular business hours. -A copy of the entire ordinance must be posted in the community library. If no community library exists, †The entire ordinance is to be posted in the same location as other any other public location that the City Council designates notices.

**Sec. 2-30. Minutes of Meetings - Generally.** The City Clerk shall provide a printed copy of the minutes of each meeting to each council member. -Amendments or corrections proposed by any member of the City Council may be made by the Clerk, but no amendment to which objection is raised by any council member shall be made without the approval of a majority of the City Council.

**Sec. 2-31. Same - Contents.** The City Clerk shall record all material matters considered by the City Council in the minutes. -Ordinances, resolutions, communications, and claims considered by the City Council need not be recorded in full in the minutes if they appear in other permanent records of the Clerk and can be accurately identified from the description given in the minutes. The City Council may, at its discretion, direct that any one of the above be fully set out in the minutes or made a part thereof. The Clerk is to summarize the discussion and highlight action items for each agenda item. An individual council member may request a specific comment be recorded for the record on a case-by-case basis.

**Sec. 2-32. Same - Posting.** ~~The Clerk shall provide the M~~minutes of all regular and special City Council meetings ~~shall be posted for a minimum of one (1) week following their approval in the place designated for posting official notices in the City Hall~~to any person upon request.





# COUNCIL MEMORANDUM

<b>To:</b>	Honorable Mayor and City Council
<b>From:</b>	Hannah Dunn, Community Development Specialist
<b>Date:</b>	November 14, 2023
<b>Subject:</b>	Home Energy Squad Rebates

At the September 18, 2023 Environmental Management Commission (EMC) meeting, it was suggested that the City look into the possibility of offering rebates to residents for home energy audits. Mayor Zabel, Council Liaison, suggested this be brought forth to the City Council so that they could evaluate the idea since it involves the expenditure of funds. This memorandum provides information for Council Members on home energy audits and potential rebates the City could offer.

## Home Energy Audits

Conducting a home energy audit is the first step to saving energy and money on bills.<sup>1</sup> During the audit, a trained auditor assesses a home for energy use and then provides a comprehensive plan for improving the home’s energy efficiency and safety. Home energy audits can help people understand how well their homes are functioning and prioritize what needs fixing, upgrading, or replacing. People can then reap the benefits of saved money, more efficient and weatherized homes, and reduced energy waste.

Homeowners can actualize the recommendations that a home energy audit offers through use of the 2022 Inflation Reduction Act (IRA). The IRA set aside billions of dollars for consumer incentives (e.g., tax credits, rebates). The Energy Efficient Home Improvement Credit – available to home and multifamily building owners now – provides tax credits for home improvements such as attic and wall insulation, heat pumps, windows, doors, and other appliances. Two rebate programs are starting in 2024 – Home Owner Managing Energy Savings (HOMES) Rebates and High-Efficiency Electric Home Rebate (HEEHR) Program – further incentivize home and multifamily building owners to make energy efficient upgrades. Therefore, now is an opportune time for homeowners to schedule home energy audits so they can better understand the upgrades needed for their homes and decide what IRA incentives to utilize.

Educating residents and connecting them to home energy audits helps the City meet the following 2040 Comprehensive Plan policies, which are also priorities in the 2023 EMC Work Plan:

- Promote reinvestment in residential and commercial properties through energy efficiency education, technical assistance, and financing programs.
- Connect low-income residents to home weatherization and energy efficiency resources to encourage housing stock reinvestment.

## Home Energy Squad

Xcel Energy and CenterPoint Energy’s [Home Energy Squad](#) (administered by Center for Energy and Environment) is a program that provides home energy audits. There are two different site visits that Home Energy Squad conducts:

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<sup>1</sup> Xcel Energy (n.d.). *Home Energy Audit*.  
<https://mn.my.xcelenergy.com/s/residential/home-services/home-energy-audit>

Energy Saver Visit	Energy Planner Visit
<p><u>Price:</u> \$70</p> <p><u>Intended for:</u> Newer homes (built in 2000 or after), mobile homes, condos, renters</p> <p><u>What's done:</u></p> <ul style="list-style-type: none"> <li>• Install energy-saving materials such as: LED lightbulbs, door and attic hatch weather-stripping, programmable thermostat, and high-efficiency water fixtures.</li> <li>• Assess and adjust water heater temperature.</li> <li>• Determine next steps.</li> </ul>	<p><u>Price:</u> \$100</p> <p><u>Intended for:</u> Homes built before 2000</p> <p><u>What's done:</u></p> <ul style="list-style-type: none"> <li>• Install energy-saving materials such as: LED lightbulbs, door and attic hatch weather-stripping, programmable thermostat, and high-efficiency water fixtures.</li> <li>• Assess and adjust water heater temperature.</li> <li>• Perform a blower door test to measure home for air leaks.</li> <li>• Complete an insulation inspection of attic and walls using an infrared camera.</li> <li>• Perform a safety test on home's heating system and water heater.</li> <li>• Determine next steps.</li> </ul>

Participants also receive access to free support and guidance for larger home energy improvement projects (e.g., additional insulation, attic air sealing, replacing old heating equipment). Home Energy Squad advisors connect homeowners to financing, rebates, and vetted lists of qualified contractors.

Home Energy Squad visits are available to Minnesota residents with an Xcel Energy or CenterPoint Energy account. While not all Oakdale households receive electricity from Xcel Energy (some receive electricity from North St. Paul), all households receive gas from either Xcel Energy or CenterPoint Energy and are therefore eligible for Home Energy Squad visits. Income-eligible households (less than 60% Area Median Income) receive free visits.

**City Rebates**

Center for Energy and Environment (CEE) administers the Home Energy Squad program and partners with Minnesota cities so they can “buy down the cost of visits and provide special resources for their residents”.<sup>2</sup> The following table highlights the cities that partner with CEE and the savings that those cities provide.

City	Reduced Cost of Visit
Bloomington, Brooklyn Center, Brooklyn Park, Coon Rapids, Falcon Heights, Fridley, Hopkins, Mahtomedi, Mounds View, New Hope, Plymouth, Roseville, Wayzata	<p><b>Energy Saver Visits</b> - \$35 (50% savings)</p> <p><b>Energy Planner Visits</b> - \$50 (50% savings)</p>

<sup>2</sup> Home Energy Squad (n.d.). *Cities with Reduced Costs*. <https://www.mncee.org/home-energy-squad?cities-with-reduced-costs>

City	Reduced Cost of Visit
Burnsville	<p><b>Energy Saver Visits</b> - \$35 (50% savings)</p> <p><b>Energy Planner Visits</b> - \$50 (50% savings)</p> <p>Burnsville offered this to the first 200 residents that scheduled a visit.</p>
Columbia Heights, Minnetonka	<p><b>Energy Saver Visits</b> - \$35 (50% savings)</p> <p><b>Energy Planner Visits</b> - \$50 (50% savings)</p> <p>Columbia Heights and Minnetonka offered this discount to residents for a limited time.</p>
Edina	<p><b>Energy Saver Visits</b> - \$35 (50% savings)</p> <p><b>Energy Planner Visits</b> - \$50 (50% savings)</p> <p>Edina also offers free visits for income-qualified households (&lt;\$100,000 per year).</p>
Golden Valley, Richfield	<p><b>Energy Saver Visits</b> - \$35 (50% savings)</p> <p><b>Energy Planner Visits</b> - \$50 (50% savings)</p> <p>Golden Valley and Richfield also pay the full cost of visits for residents with household incomes between 60% and 80% Area Median Income.</p>
Minneapolis	<p>Minneapolis pays the full cost of Home Energy Squad visits for residents in Green Zone neighborhoods or households under 150% Area Median Income.</p>
St. Louis Park	<p><b>Energy Saver Visits</b> - \$35 (50% savings)</p> <p><b>Energy Planner Visits</b> - \$50 (50% savings)</p> <p>St. Louis Park covers the full cost of Home Energy Squad visits to household sizes that meet annual income limits.</p>
Woodbury	<p><b>Energy Planner Visits</b> - \$70 (30% savings)</p>

The majority of cities that partner with CEE offer a standard 50% rebate.

Subsidizing the cost of a home energy audit allows more residents to have access to this simple and effective action. Many households may exceed the income-eligibility threshold for free visits (60% Area Median Income) but still struggle to afford the cost of a visit. Therefore, cities have the opportunity to bring down the cost and incentivize households to participate.

### Partnerships with CEE

Cities that partner with CEE have discretion regarding the size of the Home Energy Squad rebate they offer. Once a rebate amount is determined, CEE programs it into their system so that when a resident schedules a visit in a rebate-eligible city, the discount is automatically applied. Many partner cities then receive quarterly invoices from CEE detailing the number of households that utilized the rebate and the amount owed to CEE. For a city that is interested in dedicating only a certain amount of money for rebates,

CEE will monitor resident signups and the budget. When the budget is almost met, CEE will confirm with the city whether they want to continue or stop the rebate campaign.

Once a city decides to move forward with the rebate partnership, an agreement is drawn up between the city and CEE. Once this is approved, the discount for residents goes into effect. Cities have dedicated CEE webpages and receive sample social media posts to promote their rebates.

In the form that rebate-eligible customers sign with CEE for the visit, there is a clause stating that because the city is paying for a portion of the visit, CEE has the right to share information with the city upon request. The visit reports help cities understand recommended upgrades for homes, thus allowing them to better set and plan for climate, energy, and sustainability goals.

Some cities also offer other rebates that encourage homeowners to make recommended upgrades to their homes. For example, Fridley has a [bonus rebate](#) available to residents for insulation and air sealing. Additionally, cities further partner with CEE and offer financing options to residents to help them complete home improvement projects.

In the final report provided to the homeowner, CEE includes materials and resources that detail additional rebates available in their city and other state / federal rebates. Providing this information removes barriers and encourages residents to more seriously consider implementing the upgrades that Home Energy Squad recommends.

### **Oakdale and Home Energy Squad Rebates**

Offering Home Energy Squad rebates to Oakdale residents is currently unfunded. Staff can identify one-time monies for a pilot project and explore the addition of this initiative into future budgets if desired by Council. It is important to note that a potentially eligible expense of the Local Affordable Housing Aid (available starting in 2024) is home energy audits, though this money only captures renters with incomes less than 80% Area Median Income (AMI) and owners with incomes less than 115% AMI. Oakdale residents with household incomes that exceed these thresholds would not be eligible for Home Energy Squad rebates if funded through the Local Affordable Housing Aid.

### **COUNCIL DIRECTION REQUESTED**

EMC has brought this item to Council's attention for consideration. If the City Council is interested in pursuing a partnership with CEE to offer Home Energy Squad rebates, staff is requesting Council direction on program parameters, timing for implementation, and a potential budget and funding options.





# COUNCIL MEMORANDUM

<b>To:</b>	Honorable Mayor and City Council
<b>From:</b>	Kyle Stasica, Accounting Manager Christina Volkers, City Administrator
<b>Date:</b>	November 14, 2023
<b>Subject:</b>	2024 Property Tax Levy, Budget, Capital Improvement Plan, and Vehicle and Equipment Replacement Fund

## BACKGROUND

Tonight’s discussion regarding the 2024 property tax levy is intended to continue the process of aligning City Council priorities with financial resources to provide Oakdale property owners, residents, and visitors with quality City services at a responsible taxing level.

This informal discussion is intended to provide staff with direction to prepare a final tax levy for consideration at the December 12, 2023 City Council Truth-in-Taxation meeting, which will then will be certified to Washington County for 2024 property taxes.

Prior 2024 budget discussions:

May 23, 2023 City Council Workshop: Staff presented a conceptual 2024 budget that incorporated cost of living and merit increases based on the current staffing model; increases for employee sponsored benefits; presumed inflationary impacts; department requested enhancements/adjustments; and new personnel. While this model was early in the planning model, it also provided an update on current trends in local government, including several proposed legislative changes.

June 27, 2023 City Council Workshop: Staff presented the department requested 2024-2033 Vehicle & Equipment Replacement Plan and 2024-2028 Capital Improvement Plan (CIP) to the City Council. The proposed property tax levy to support the CIP for 2024 was requested at \$1,710,000 which represented a \$556,654 or 49.6% increase compared to the 2023 levy. This funding provides for street maintenance, vehicle and equipment replacement, park enhancements, and facility improvements.

July 25, 2023 City Council Workshop: Staff presented the 2024 department requested General Fund, Special Revenue Fund, and Debt Service Fund budgets and property tax levy to the City Council. The discussion focused on staffing requests, investments in software to improve citizen engagement, and accommodating inflationary pressures for fuel, utilities, and operating supplies. The direction provided during this discussion was to further scrub the budget and identify one-time expenditure requests, while maintaining the staffing and service level currently included in the draft budget.

August 8, 2023 City Council Workshop: Staff presented the 2024 department requested Water, Sewer, Surface Water, and Street Light Fund budgets and utility rates as well as an update on the 2024-2033 Vehicle & Equipment Replacement Plan and 2024-2028 CIP. While the utility fund operating budgets are requesting moderate increases compared to 2023 levels, the majority of the recommended rate increases are proposed to be used to invest in capital projects and to avoid increasing the City’s debt burden. These projects include water tower reconditioning/painting, lift station rehabilitation, well inspection and rehabilitation, and underground utility infrastructure improvements coordinated in conjunction with street reconstruction projects.

August 29, 2023 City Council Workshop: Staff presented revised 2024 department requested General Fund, Special Revenue Fund, and Debt Service fund budgets. Significant changes from the July 25, 2023 workshop included the reallocation of non-reoccurring expenditures from the General Fund to other funds and scrubbing requests to better align budget requests with historical performance and Council priorities. In addition to the discussion on the requested budgets, staff was able to prepare a tax capacity analysis and potential property tax impact to sample parcels based on values that were distributed by Washington County on August 23, 2023. Council direction was to move forward with the current department requested budget and levy as presented, while outlining a desire to hold additional informal discussions between the certification of the proposed and final levy, to identify opportunities to further reduce the budget and property tax impact.

September 12, 2023 City Council Meeting: Staff presented the proposed 2024 property tax levy of \$18,227,988, up 13.46% or \$2,163,131 over 2023. For the median residential property in Oakdale valued at \$343,300 which experienced an increase of 8.98%, estimated increase of City's share of their property tax bill is approximately \$122.15 or 10.44% for 2024. As a reminder, assessed values are not final.

October 24, 2023 City Council Meeting: Staff presented the results of the General Obligation Improvement Bonds, Series 2023A (the Bonds). Original principal on the Bonds was projected to be \$3,705,000. Due to savings on the 2023 Street Improvement Project, the Bonds were issued for \$2,860,000, a true interest cost of 4.03%, and a final maturity of February 1, 2034, meeting the parameters adopted by City Council per Resolution 2023-91. The scheduled levy for 2024 is \$268,777, over \$116,000 less than the estimated \$385,000 included in the 2024 Proposed Tax Levy submitted to Washington County. These savings will be reflected in the final tax levy.

Assumptions and factors impacting the department requested 2024 budget and tax levy include:

- Removal of one-time expenditures and revenues from the 2023 budget.
- Five new regular full-time employees: Three licensed officers in the Police Department, one Maintenance Worker in Public Works, and an Assistant City Administrator in the Administration Department.
- Continued support of a full-time career based public safety service model.
- Reducing debt related to equipment through long-term planning and internally prefunding these needs through the Vehicle and Equipment Replacement Fund (VERF).
- Funding to promote strategic development and redevelopment while maintaining Oakdale's strong sense of community and independent neighborhoods.
- Software improvements/agreements to modernize resident reporting of non-emergency community issues; work order processing; City code book online and codification; and employee performance management.
- Services to ensure public safety policies are consistent with legislation, case law, changes in best practices, and Minnesota POST requirements.
- Increased worker compensation premiums due to modification and rate changes.
- Proposed grade/step and cost of living adjustments in accordance with the City's classification and compensation program.
- Contingency for Medical, Dental, Life, and Disability insurance increases.
- Reduce the debt levy for the fourth consecutive year and to the lowest level since 2017.

**2024 Property Tax Levy**

Currently, the 2024 Property Tax Levy is \$18,065,658, an increase of \$2,000,801 or 12.45% over 2023. Based on the preliminary values provided by Washington County, the estimated tax capacity rate to support this levy is 37.951% which would be a 0.697% decrease from the 2023 rate. The table below presents the changes from the 2024 Proposed Property Tax Levy, approved at the September 12, 2023 City Council meeting, to the current 2024 adjusted property tax levy.

Fund	Department	2024 Proposed 9/12/23	2024 Adjusted 11/14/23	Change	Comments
General Fund	Finance	\$65,000	\$59,250	(\$5,750)	Estimated audit fee of \$65,000 vs contract amount of \$59,250
General Fund	Finance	7,500	5,800	(1,700)	Estimated actuarial fee of \$7,500 vs contract amount of \$5,800
General Fund	Finance	3,500	1,500	(2,000)	Decrease bank service charges to in-line with past actuals
General Fund	Information Tech.	5,757	-	(5,757)	Remove IT overtime and associated employer expenditures
General Fund	Forestry	10,000	-	(10,000)	Move non-recurring ash tree removal to Special Project Fund
General Fund	Recreation	12,900	4,500	(8,400)	Move initial setup fees for CivicRec software to Special Project Fund
General Fund	Recreation	12,500	-	(12,500)	Move Summerfest fireworks to Charitable Gambling Fund
<b>Total General Fund</b>		117,157		(46,107)	
Debt Service Fund	NA	2,138,888	2,022,665	(116,223)	2023A estimated property tax levy was \$385,000 vs \$268,777 actual
<b>Total</b>		<b>\$2,256,045</b>	<b>\$2,093,715</b>	<b>\$162,330</b>	

The below table shows the four most recently approved property tax levies by fund, the 2024 Proposed Property Tax Levy approved at the September 12, 2023 City Council meeting, and the current 2024 adjusted property tax levy.

Fund	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Proposed 9/12/23	2024 Adjusted 11/14/23	YtY Change	% Increase
General Fund	\$9,000,046	\$9,716,075	\$10,798,983	\$12,631,812	\$14,399,100	\$14,352,993	\$1,721,181	13.6%
Debt Service Fund	2,768,305	2,721,921	2,520,139	2,289,699	2,138,888	2,022,665	(267,034)	-11.7%
Municipal Building Fund	440,000	440,000	-	60,000	135,000	135,000	75,000	125.0%
Park Capital Fund	100,000	100,000	120,000	170,000	245,000	245,000	75,000	44.1%
Street Improvement Fund	200,000	200,000	200,000	225,000	345,000	345,000	120,000	53.3%
VERF	-	-	320,000	688,346	965,000	965,000	276,654	40.2%
Comm & Econ Devl Fund	25,000	55,000	84,500	-	-	-	-	-
Ambulance Fund	300,000	300,000	300,000	-	-	-	-	-
<b>Total</b>	<b>\$12,833,351</b>	<b>\$13,532,996</b>	<b>\$14,343,622</b>	<b>\$16,064,857</b>	<b>\$18,227,988</b>	<b>\$18,065,658</b>	<b>\$2,000,801</b>	<b>12.45%</b>

**General Fund Budget**

Currently, 2024 General Fund expenditures are budgeted for \$22,211,982, a \$1,871,938 or 9.2% increase from 2023. As detailed above, this is a decrease of \$46,107 since last presented at the September 12, 2023 City Council meeting. The tables below show the four most recently approved General Fund budgets and the current 2024 adjusted budget by department and expenditure type.

Expenditure Type	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adjusted 11/14/23	YtY Change	% Increase
Personnel	\$7,698,989	\$8,177,980	\$9,255,857	\$11,802,070	\$12,978,449	\$1,176,379	10.0%
Benefits	2,498,481	2,899,671	3,135,561	4,081,190	4,548,926	467,736	11.5%
Professional Services	2,010,475	1,988,650	2,354,821	2,465,923	2,440,596	(25,327)	-1.0%
Supplies	803,275	773,750	854,325	1,033,495	1,208,450	174,955	16.9%
Operating	537,651	460,024	491,725	619,200	679,705	60,505	9.8%
Other	157,500	170,000	176,200	212,200	228,631	16,431	7.7%
Capital Outlay	6,000	2,500	94,463	125,966	127,225	1,259	1.0%
Other Financing Uses	-	39,500	-	-	-	-	-
<b>Total</b>	<b>\$13,712,371</b>	<b>\$14,512,075</b>	<b>\$16,362,952</b>	<b>\$20,340,044</b>	<b>\$22,211,982</b>	<b>\$1,871,938</b>	<b>9.2%</b>

Department	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Requested 11/14/23	YtY Change	% Increase
City Council	\$86,594	\$76,130	\$83,095	\$56,095	\$88,572	\$32,477	57.9%
Administration	562,322	652,723	670,565	574,713	802,555	227,842	39.6%
Elections	44,000	-	81,702	11,130	97,088	85,958	772.3%
Legal Services	331,905	346,534	385,192	426,100	502,827	76,727	18.0%
Communications	95,612	127,770	158,506	275,829	303,602	27,773	10.1%
Human Resources	4,150	-	294,298	347,256	406,438	59,182	17.0%
Risk Management	232,500	-	393,400	453,400	617,157	163,757	36.1%
Information Technology	372,100	417,927	577,736	834,277	748,952	(85,325)	-10.2%
Finance	546,534	1,416,920	690,888	859,981	932,609	72,628	8.4%
Property Assessments	288,730	-	139,337	147,487	153,627	6,140	4.2%
Community Development	624,817	592,755	583,694	620,271	578,891	(41,380)	-6.7%
Building Maintenance	443,111	348,350	346,450	533,836	650,002	116,166	21.8%
Police	5,485,219	5,656,304	6,080,241	6,426,202	7,104,052	677,850	10.5%
Fire*	976,857	1,096,150	1,388,948	3,950,312	4,081,721	131,409	3.3%
Building Inspections	446,268	434,348	629,099	736,259	680,345	(55,914)	-7.6%
Engineering	501,845	531,955	562,126	546,952	527,203	(19,749)	-3.6%
Parks	792,340	816,423	901,820	983,133	1,128,758	145,625	14.8%
Forestry	329,284	389,273	417,804	418,647	458,903	40,256	9.6%
Street	951,351	1,058,060	1,083,917	1,163,102	1,215,122	52,020	4.5%
Vehicle Maintenance	413,184	421,833	452,464	460,218	602,905	142,687	31.0%
Recreation*	183,648	128,620	441,670	514,844	530,653	15,809	3.1%
<b>Total</b>	<b>\$13,712,371</b>	<b>\$14,512,075</b>	<b>\$16,362,952</b>	<b>\$20,340,044</b>	<b>\$22,211,982</b>	<b>\$1,871,938</b>	<b>9.2%</b>

\* Note that in 2021 the Recreation Fund and in 2022 the Ambulance fund, were closed to the General Fund. Budgets for these closed funds were then added to the General Fund in the subsequent year.

### Enterprise Fund Budgets

The City's Water, Sewer, Surface Water, and Street Light Utility operations are defined as enterprise funds, which are self-supporting operations that sell goods and services to the public for a fee, and are accounted for using the same accounting framework followed by entities in the private sector. This fee-based structure is different than the majority of the City's funds, which are allocated a portion of the property tax levy paid by property owners.

In addition to the wages, benefits, supplies, and other ongoing operating costs associated with each specific activity, these utility funds are also used to accumulate revenues that are annually transferred to the Utility System Replacement Fund (USRF) to facilitate capital improvements related to the City's utility infrastructure. These projects include utility improvements in conjunction with roadway reconstruction; water tower reconditioning; water meter transmitter replacements; well inspection and reconditioning; and lift station rehabilitation. Proposed rate increases are as follows:

- Water 10%
- Sewer 6.5%
- Street Light 3.5%
- Surface Water 1.5%

The proposed rate increases are to fund future capital needs through the annual transfer into the Utility System Replacement Fund, which is used to finance capital projects. The table below shows historical data for the annual transfer into the Utility System Replacement Fund.

Fund	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Adjusted 11/14/23	YtY Change	% Increase
Water Fund	\$400,000	\$400,000	\$450,000	\$500,000	\$590,000	\$90,000	18.0%
Sewer Fund	400,000	400,000	778,593	540,000	690,000	150,000	27.8%
Street Light Fund	-	245,000	338,000	90,211	150,000	59,789	66.3%
Surface Water Fund	120,000	120,000	120,000	100,000	220,000	120,000	120.0%
<b>Total</b>	<b>\$920,000</b>	<b>\$1,165,000</b>	<b>\$1,686,593</b>	<b>\$1,230,211</b>	<b>\$1,650,000</b>	<b>\$419,789</b>	<b>34.1%</b>

### **Second Draft Enterprise Modifications**

Staff increased the Surface Water transfer out to the USRF by \$120,000 to a total of \$220,000 to match the transfer into the USRF and the CIP.

The tables below shows the three most recently completed years' actuals, 2023 adopted budget, and the current 2024 adjusted budget by revenue and expenditure type.

Water Fund	2020 Actual	2021 Actual	2022 Actual	2023 Adopted	2024 Adjusted 11/14/23	YtY Change	% Increase
<b>Revenue</b>	\$2,656,173	\$2,821,817	\$3,124,518	\$3,072,241	\$3,500,015	\$427,774	13.9%
Personnel	394,756	394,785	390,514	460,024	489,772	29,748	6.5%
Benefits	179,448	179,568	202,503	246,646	239,332	(7,314)	-3.0%
Professional Services	533,647	393,506	304,366	465,085	471,855	6,770	1.5%
Supplies	110,262	139,954	352,607	310,000	689,000	379,000	122.3%
Operating	376,516	437,220	459,900	432,550	460,800	28,250	6.5%
Other	59,990	72,330	74,844	107,400	109,900	2,500	2.3%
Capital Outlay	686,374	677,644	620,990	681,727	681,727	-	0.0%
Other Financing Uses	925,000	975,004	1,025,000	1,075,000	1,165,000	90,000	8.4%
<b>Total Expenses</b>	3,265,993	3,270,010	3,430,724	3,778,432	4,307,386	528,954	14.0%
<b>Total</b>	<b>(\$609,819)</b>	<b>(\$448,194)</b>	<b>(\$306,205)</b>	<b>(\$706,191)</b>	<b>(\$807,371)</b>	<b>(\$101,180)</b>	<b>14.3%</b>

Sewer Fund	2020 Actual	2021 Actual	2022 Actual	2023 Adopted	2024 Adjusted 11/14/23	YtY Change	% Increase
<b>Revenue</b>	\$4,493,470	\$4,192,260	\$5,342,933	\$4,580,338	\$4,820,000	\$239,662	5.2%
Personnel	223,678	210,361	225,856	315,854	334,729	18,875	6.0%
Benefits	154,252	149,865	139,524	192,281	185,803	(6,478)	-3.4%
Professional Services	144,880	120,322	121,561	203,985	190,785	(13,200)	-6.5%
Supplies	68,273	38,606	29,637	59,000	59,000	-	0.0%
Operating	2,474,427	2,449,510	2,538,814	2,570,840	2,714,178	143,338	5.6%
Other	60,676	74,403	76,031	107,400	109,900	2,500	2.3%
Capital Outlay	485,811	471,156	438,990	504,715	504,715	-	0.0%
Other Financing Uses	925,000	975,004	1,353,593	1,115,000	1,265,000	150,000	13.5%
<b>Total Expenses</b>	4,536,997	4,489,227	4,924,005	5,069,075	5,364,110	295,035	5.8%
<b>Total</b>	<b>(\$43,526)</b>	<b>(\$296,967)</b>	<b>\$418,927</b>	<b>(\$488,737)</b>	<b>(\$544,110)</b>	<b>(\$55,373)</b>	<b>11.3%</b>

Street Light Fund	2020 Actual	2021 Actual	2022 Actual	2023 Adopted	2024 Adjusted 11/14/23	YtY Change	% Increase
<b>Revenue</b>	\$974,587	\$993,952	\$1,104,301	\$590,022	\$625,000	\$34,978	5.9%
Personnel	55,098	58,756	67,864	73,446	78,985	5,539	7.5%
Benefits	8,120	9,092	22,673	28,049	26,675	(1,374)	-4.9%
Professional Services	37,645	38,096	32,462	56,400	62,050	5,650	10.0%
Supplies	18,378	13,229	21,928	22,750	31,250	8,500	37.4%
Operating	159,708	161,764	190,952	182,500	202,500	20,000	11.0%
Other	-	7	-	-	-	-	0.0%
Capital Outlay	267,615	343,148	380,899	276,761	276,761	-	0.0%
Other Financing Uses	39,996	294,992	388,000	140,211	200,000	59,789	42.6%
<b>Total Expenses</b>	586,560	919,083	1,104,778	780,117	878,221	98,104	12.6%
<b>Total</b>	<b>\$388,027</b>	<b>\$74,869</b>	<b>(\$478)</b>	<b>(\$190,095)</b>	<b>(\$253,221)</b>	<b>(\$63,126)</b>	<b>33.2%</b>

Surface Water Fund	2020 Actual	2021 Actual	2022 Actual	2023 Adopted	2024 Adjusted 11/14/23	YtY Change	% Increase
<b>Revenue</b>	\$519,610	\$713,409	\$987,294	\$741,343	\$756,480	\$15,137	2.0%
Personnel	236,728	229,191	228,294	190,829	203,493	12,664	6.6%
Benefits	35,736	36,186	66,181	62,908	67,873	4,965	7.9%
Professional Services	21,792	68,025	15,543	97,750	98,250	500	0.5%
Supplies	23,735	25,197	17,589	23,100	25,750	2,650	11.5%
Operating	813	3,279	-	1,150	1,150	-	0.0%
Other	4,481	3,815	3,879	5,000	5,000	-	0.0%
Capital Outlay	96,386	-	-	-	-	-	0.0%
Other Financing Uses	120,000	120,000	120,000	100,000	220,000	120,000	120.0%
<b>Total Expenses</b>	539,671	485,693	451,485	480,737	621,516	140,779	29.3%
<b>Total</b>	<b>(\$20,060)</b>	<b>\$227,716</b>	<b>\$535,809</b>	<b>\$260,606</b>	<b>\$134,964</b>	<b>(\$125,642)</b>	<b>-48.2%</b>

Note that in the Surface Water Fund will be reclassified to an enterprise fund from a special revenue fund at the end of 2023 for more accurate presentation. Amounts in table above include activity of the 2020-2023 special revenue fund and the 2024 enterprise fund.

### Special Revenue Fund Budgets

The City has three Special Revenue Funds: Forfeited Proceeds, Charitable Gambling, and Community & Economic Development Fund. Special Revenue Funds are used to account for the proceeds of a specific revenue source (other than for major capital projects) that have restrictions on the specified purpose of any expenditures.

### Second Draft Special Revenue Fund Modifications

Staff recommends moving \$12,500 for Summerfest fireworks from the General Fund – Recreation budget to the Charitable Gambling Fund.

The tables below show the three most recently completed years' actuals, 2023 adopted budget, and the current 2024 requested budget by revenue and expenditure type.

Forfeiture Fund	2020 Actual	2021 Actual	2022 Actual	2023 Adopted	2024 Requested 11/14/23	YtY Change	% Increase
<b>Revenue</b>	\$47,631	\$54,616	\$5,606	-	-	-	0.0%
Professional Services	29,916	17,164	-	56,000	56,000	-	0.0%
Supplies	65,856	53,690	1,848	-	-	-	0.0%
Operating	7,651	11,888	1,260	-	-	-	0.0%
Capital Outlay	57,870	26,524	990	-	-	-	0.0%
<b>Total Expenses</b>	161,293	109,266	4,097	56,000	56,000	-	0.0%
<b>Total</b>	<b>(\$113,662)</b>	<b>(\$54,650)</b>	<b>\$1,509</b>	<b>(\$56,000)</b>	<b>(\$56,000)</b>	<b>-</b>	<b>0.0%</b>

Community and Economic Development Fund	2020 Actual	2021 Actual	2022 Actual	2023 Adopted	2024 Adjusted 11/14/23	YtY Change	% Increase
<b>Revenue</b>	\$14,792	\$91,095	\$88,839	-	-	-	0%
Professional Services	1,842	28,923	59,567	-	112,500	112,500	100%
Other	-	17,700	124,859	-	-	-	0%
<b>Total Expenses</b>	1,842	46,623	184,426	-	112,500	112,500	100%
<b>Total</b>	<b>\$12,950</b>	<b>\$44,472</b>	<b>(\$95,587)</b>	<b>-</b>	<b>(\$112,500)</b>	<b>(\$112,500)</b>	<b>-100%</b>

Charitable Gambling Fund	2020 Actual	2021 Actual	2022 Actual	2023 Adopted	2024 Adjusted 11/14/23	YtY Change	% Increase
<b>Revenue</b>	\$64,679	\$114,269	\$76,977	-	\$73,200	\$73,200	100%
Professional Services	-	-	-	-	12,500	12,500	100%
Other	-	-	-	-	16,000	16,000	100%
Capital Outlay	-	-	-	-	156,052	156,052	100%
Other Financing Uses	32,500	37,500	-	-	-	-	100%
<b>Total Expenses</b>	32,500	37,500	-	-	184,552	184,552	100%
<b>Total</b>	<b>\$32,179</b>	<b>\$76,769</b>	<b>\$76,977</b>	<b>-</b>	<b>(\$111,352)</b>	<b>(\$111,352)</b>	<b>-100%</b>



Capital Improvement Plan (CIP) and Vehicle & Equipment Replacement Fund (VERF)

The CIP and VERF are planning documents intended to assist policy makers and staff plan for major capital improvement, renewal, and replacement expenditures. With growth, the need for services will continue to increase in the City. At the same time, the costs of vehicles, equipment, and infrastructure are expected to increase. The CIP formalizes a process in which future projects and outlays can be identified and prioritized. It is intended to provide a realistic projection of future capital expenditures necessary to meet the anticipated needs of the community.

Every first year of the CIP being discussed for the next budget year, and Vehicle and Equipment Replacement Fund (2024), becomes a capital budget upon adoption by the City Council. Projects identified in years 2025 and beyond should be considered for planning purposes only, and not categorized as fixed commitments.

**Third Draft VERF Modifications**

Staff is recommending the Mobile Field Force/SWAT truck with planned purchase in 2025, be moved to 2027 and a marked squad scheduled for 2027 for the Police Department be moved up to a 2025 purchase. After review, staff has ranked the squad vehicle as a higher priority.

**Third Draft CIP Modifications**

Staff is recommending R2024-01 2024 Street Improvement Project cost be increased from \$3,741,854 to \$3,800,000. After further review of the project scope and materials costs, staff felt this number was more accurate.

Staff is recommending U2024-01 Painting Water Tower 3 cost be decreased from \$2,600,000 to \$2,000,000 after early discussions with the consulting engineer on the project.

Additionally, staff is recommending the following for the Drinking Water Settlement Fund:

Drinking Water Fund Project	Current CIP Year	Adjusted CIP Year	Current CIP Cost	Adjusted CIP Cost	Change
Modifications to Wells No. 5 & No. 9 and SCADA Upgrades	2024	2026	\$400,000	\$600,000	\$200,000
Decommission Well 1	2024	NA	130,000	150,000	20,000
Convert Well 1 Building to Electroni PRV	2024	NA	75,000	100,000	25,000
Demolition of Public Works Facility	2025	2026	250,000	300,000	50,000
Expansion of Public Works Treatment Plant	2025	2026	5,890,000	6,000,000	110,000
Raw Water Transmission Lines for New Wells	2025	NA	1,119,942	1,200,000	80,058
Stormwater Management for Plant & Transmission Lines	2025	2026	2,483,983	2,500,000	16,017
Decommission Well 8	2025	NA	130,000	150,000	20,000
<b>Total</b>			<b>\$10,478,925</b>	<b>\$11,000,000</b>	<b>\$521,075</b>

**COUNCIL DIRECTION REQUESTED**

Staff would like to hear from the Council on the 2024 Proposed Levy, 2024 Budgets, 2024-2033 Vehicle & Equipment Replacement Plan, and 2024-2028 Capital Improvement Plan as currently presented. This direction is requested in order to prepare a final 2024 tax levy for consideration at the December 12, 2023 City Council Meeting.

Remaining Budget Calendar

**December 12, 2023** - Finance presents at the annual Truth-in-Taxation meeting. City Council adopts 2024 Budget, 2024 Tax Levy, 2024-2033 Vehicle & Equipment Replacement Plan, and 2024-2028 Capital Improvement Plan (CIP).

**Attachments**

Taxable Valuations, Levies, and Rates Calculation

Estimated Property Taxes Payable Median Value Home

Historical Median Value Home Property Taxes

Attachment 1

City of Oakdale, Minnesota

Draft Preliminary 2024 Tax Capacity Rate Calculation (City Portion Only) as of November 14, 2023

Pay Year	2013 Final	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final	2020 Final	2021 Final	2022 Final	2023 Final	(2) 2023 13.46% Levy Increase from 2023 (As of 8/29/2023)	(2) 2023 12.45% Levy Increase from 2023 (As of 11/14/2023)
<b>A. TAXABLE VALUATIONS:</b>													
A3. Values in the City of Oakdale	23,031,150	24,118,863	25,992,600	26,494,315	27,071,477	29,130,953	31,130,296	33,595,227	35,073,634	36,220,179	41,695,960	47,696,908	47,696,908
A4. Fiscal Disparity Contribution	(3,674,393)	(3,278,757)	(3,353,639)	(3,373,989)	(3,353,013)	(2,575,643)	(3,529,581)	(3,575,253)	(3,880,464)	(4,138,696)	(4,279,766)	(4,492,098)	(4,492,098)
A5. Tax Increment Financing Districts	(515,994)	(521,027)	(565,082)	(707,661)	(820,007)	(1,006,187)	(1,096,429)	(1,208,265)	(1,234,695)	(1,247,727)	(1,055,330)	(1,237,963)	(1,237,963)
A6. Values after FD and TIF	18,840,763	20,319,079	22,073,879	22,412,665	22,898,457	25,549,123	26,504,286	28,811,709	29,958,475	30,833,756	36,360,864	41,966,847	41,966,847
A7. Fiscal Disparity Distribution	4,018,310	3,896,687	3,962,763	4,249,897	4,393,092	4,525,412	4,795,549	5,086,664	5,058,774	5,548,520	5,485,631	5,596,165	5,596,165
A8. Value after Fiscal Disparity Sharing	22,859,073	24,215,766	26,036,642	26,662,562	27,291,549	30,074,535	31,299,835	33,898,373	35,017,249	36,382,276	41,846,495	47,563,012	47,563,012
<b>B. TAX DOLLARS</b>													
B1. Fiscal Disparity Adjustment	1,577,267	1,717,074	1,632,691	1,663,047	1,734,899	1,797,555	1,848,404	1,995,356	1,902,940	2,153,968	2,168,660	2,138,712	2,138,712
B2. Oakdale Taxpayer Levy	8,302,177	8,371,630	8,637,831	8,851,102	9,095,577	9,847,694	10,396,891	10,837,995	11,630,056	12,189,654	13,896,197	16,089,276	15,926,946
B3. Total Tax Levy	9,879,444	10,088,704	10,270,522	10,514,149	10,830,476	11,645,249	12,245,295	12,833,351	13,532,996	14,343,622	16,064,857	18,227,988	18,065,658
B4. Levy Change From Prior Year (\$)	(1,530)	209,260	181,818	243,627	316,327	814,773	600,046	588,056	699,645	810,626	1,721,235	2,163,131	2,000,801
B5. Levy Change From Prior Year (%)	-0.02%	2.12%	1.80%	2.37%	3.01%	7.52%	5.15%	4.80%	5.45%	5.99%	12.00%	13.46%	12.45%
<b>C. TAX RATES</b>													
C1. Fiscal Disparity Adjustment (B1/A7)	39.252%	44.065%	41.201%	39.131%	39.492%	39.721%	38.544%	39.227%	37.617%	38.821%	39.533%	38.217%	38.217%
<b>C2. Oakdale Tax Capacity Levy (B2/A6)</b>	<b>44.065%</b>	<b>41.201%</b>	<b>39.131%</b>	<b>39.492%</b>	<b>39.721%</b>	<b>38.544%</b>	<b>39.227%</b>	<b>37.617%</b>	<b>38.821%</b>	<b>39.533%</b>	<b>38.217%</b>	<b>38.338%</b>	<b>37.951%</b>
C3. Oakdale Tax Capacity Change from Prior Year (%)	14.162%	-6.500%	-5.023%	0.920%	0.582%	-2.964%	1.772%	-4.106%	3.201%	1.836%	-3.329%	0.316%	-0.697%



Attachment 2

CITY OF OAKDALE			
EST. PROPERTY TAXES - PAYABLE 2024 - AS OF NOVEMBER 14, 2023			
CITY PORTION OF TAXES ONLY			
TAX IMPACT FOR RESIDENTIAL PROPERTY WITH VALUE INCREASING 8.98% (THE MEDIAN INCREASE)			
<u>\$18,227,988 or 13.46%/\$2,163,131 Total Levy Increase</u>			
Pay Year	2023	2024	'23 to '24 Change
Market Value	315,000	343,300	8.98%
Market Value Exclusion	(8,900)	(6,300)	-29.21%
Taxable Market Value	306,100	337,000	10.09%
Tax Capacity	3,061	3,370	
Tax Capacity Rates:			
City	38.217%	38.338%	0.316%
Market Value Rates:			
City Referendum	0.000%	0.000%	0.000%
Property Taxes:			
City	1,169.84	1,291.99	122.15
City Referendum	-	-	-
Total	1,169.84	1,291.99	\$ 122.15
		City	10.44%
		City Referendum	0.00%
		Total	10.44%

CITY OF OAKDALE			
EST. PROPERTY TAXES - PAYABLE 2024 - AS OF NOVEMBER 14, 2023			
CITY PORTION OF TAXES ONLY			
TAX IMPACT FOR RESIDENTIAL PROPERTY WITH VALUE INCREASING 8.98% (THE MEDIAN INCREASE)			
<u>\$18,065,658 or 12.45%/\$2,000,801 Total Levy Increase</u>			
Pay Year	2023	2024	'23 to '24 Change
Market Value	315,000	343,300	8.98%
Market Value Exclusion	(8,900)	(6,300)	-29.21%
Taxable Market Value	306,100	337,000	10.09%
Tax Capacity	3,061	3,370	
Tax Capacity Rates:			
City	38.217%	37.951%	-0.697%
Market Value Rates:			
City Referendum	0.000%	0.000%	0.000%
Property Taxes:			
City	1,169.84	1,278.96	109.12
City Referendum	-	-	-
Total	1,169.84	1,278.96	\$ 109.12
		City	9.33%
		City Referendum	0.00%
		Total	9.33%



Attachment 3

**City of Oakdale, Minnesota**  
**Proposed 2024 Property Taxes for Median Value Residential Property as of November 14, 2023 (City Portion Only)**

Pay Year	2013 Final	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final	2020 Final	2021 Final	2022 Final	2023 Final	(2) 2023 13.46% Levy Increase from 2023 (As of 8/29/2023)	(2) 2023 12.45% Levy Increase from 2023 (As of 11/14/2023)
Market Value	157,400	169,600	193,400	196,500	203,600	216,400	231,700	252,800	259,000	264,300	315,000	343,300	343,300
Market Value Exclusion	(23,074)	(21,976)	(19,834)	(19,555)	(18,916)	(17,764)	(16,387)	(14,488)	(13,930)	(13,453)	(8,890)	(6,343)	(6,343)
Taxable Market Value	134,326	147,624	173,566	176,945	184,684	198,636	215,313	238,312	245,070	250,847	306,110	336,957	336,957
Tax Capacity	1,343	1,476	1,736	1,769	1,847	1,986	2,153	2,383	2,451	2,508	3,061	3,370	3,370
Tax Capacity Rates:													
City	44.065%	41.201%	39.131%	39.492%	39.721%	38.544%	39.227%	37.617%	38.821%	39.533%	38.217%	38.338%	37.951%
Market Value Rates:													
City Referendum	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Property Taxes:													
City	\$ 592	\$ 608	\$ 679	\$ 699	\$ 734	\$ 765	\$ 845	\$ 896	\$ 951	\$ 991	\$ 1,170	\$ 1,292	\$ 1,279
City Referendum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 592</b>	<b>\$ 608</b>	<b>\$ 679</b>	<b>\$ 699</b>	<b>\$ 734</b>	<b>\$ 765</b>	<b>\$ 845</b>	<b>\$ 896</b>	<b>\$ 951</b>	<b>\$ 991</b>	<b>\$ 1,170</b>	<b>\$ 1,292</b>	<b>\$ 1,279</b>









# COUNCIL MEMORANDUM

<b>To:</b>	Honorable Mayor and City Council
<b>From:</b>	Christina M. Volkers, City Administrator
<b>Date:</b>	November 14, 2023
<b>Subject:</b>	2023 Volunteer of the Year Nominations

## BACKGROUND

The City’s volunteer recognition program started in 1998. From 1998 to 2001, up to four volunteers were recognized each year. In 2002, a change was made to select only one volunteer each year. This year’s nomination period was October 1<sup>st</sup> through October 31<sup>st</sup>. Submissions were made through a submission form on the City’s website. After the close of the nomination period, the City Council reviews nominations and selects the volunteer of the year. The designated volunteer is announced and recognized at the last regular City Council meeting of the year.

### 2023 Volunteer of the Year Nominations

Name	Narrative
“Oakdale Santa”	Every year, ‘Oakdale Santa’ braves the wintry elements to stand along Stillwater Boulevard and bring joy to Oakdale children. Even during COVID-19, Oakdale Santa found ways to stay safe but continued to hand out his trademark free candy canes to 600-700 children each year. Visiting with Santa has become an annual tradition for many Oakdale families.
Oakdale Summerfest Community Organization (OSCO)	I nominate the newly formed OSCO as volunteer group of the year. This group of 5 individuals have put countless hours of time, work and funds to ensure Summerfest celebration continues in our community. Paul Reinke, Marc Cove, Angie Propp, Larry Eberhard, and Pam Jungman truly deserve this award!
Karen and Duane Voy	The Voy’s are known as Oakdale’s resident beekeepers. They work incredibly hard to not only maintain hives here in Oakdale, but they offer it as an educational opportunity for kids and gardeners about why we need bees. They also do a wonderful job representing the Oakdale community, taking their award-winning honey to the Washington County Fair and State Fair.
Kim Ury	Kim is Oakdale’s only MN Water Steward and has helped residents control invasive species, helping the environment and wildlife. She freely gives of her time educating us by posting online and coming to our house to take out invasives. She’s generous and gives us free supplies and native plants. She also runs free nature field trip and classes for kids. Although I don’t think she’s part of any official committees, she is doing important work by working at a grass roots level to make all of our lives a little easier.
Kim Ury	Kim has been restoring the wetland behind her house by spending countless hours removing invasive plants and planting natives. She has been such an inspiration and has helped me and many other residents also take care of the invasives. She has done work at my and other people’s homes & gave us free plants and seeds. Because of all her selflessness and generosity, I feel encouraged to also help others. I follow her online posts that are very educational about the environment. She truly cares about other people and has done so much for Oakdale and its residents.

<b>Kim Ury</b>	Kim looks for ways to brighten everyone's day! She runs free grief and disability support groups as well as volunteers to help Oakdale residents with environmental issues. She takes out invasives and spreads native seeds around. You'll always see her offering a helping hand to a neighbor or friend in many different capacities. She is humble, often working behind the scenes, spending all her leisure time helping others. She gives of her time, service and energy without expecting anything in return and she is so encouraging to all of us who live in Oakdale.
<b>Monica Stiglich</b>	Monica Stiglich has represented Oakdale on the Minnesota 3M PFAS Settlement Citizen and Business Work Group since July of 2018. Monica also attended the Government and 3M Working Group, and the Drinking Water Supply Subgroup meetings as a representative of the public during the course of these meetings. Her unique combination of having a background in science/chemistry, being a long-time resident, and a passion for the natural environment provided invaluable perspectives to the discussions and decisions at the meetings. Monica Stiglich has also been active in supporting the community by participating and supporting the tree board events, along with her husband Bob Stiglich. Together they provided and prepared many of the meals for the other volunteers during the annual landscape partnership planting projects, and the buckthorn removal events. Monica Stiglich has given freely of her time and talents all for the benefit of Oakdale. We should be thankful for her contributions and recognize her as the special person she is. I proudly and passionately nominate Monica Stiglich as a candidate for Volunteer of the Year!

**Past Volunteer of the Year Recipients:**

<b>Year</b>	<b>Recipient(s)</b>	<b>Year</b>	<b>Recipient(s)</b>
<b>1998</b>	Pete Graske, Tom Wiener, Mark Tomasek, Hughie Russell	<b>2011</b>	Duane Ellertson
<b>1999</b>	Vickey Eberhard, Elva Reischl	<b>2012</b>	Marc Cove
<b>2000</b>	Frank Orsello, Angela Nielsen, Jeff Anderson	<b>2013</b>	Ted Bearth
<b>2001</b>	Ted H. Lillie, Robert Voigt, David Rose	<b>2014</b>	Howard Lentsch
<b>2002</b>	Kathy Holt	<b>2015</b>	Paul Dean
<b>2003</b>	Don Dufresne	<b>2016</b>	Randy Bastyr
<b>2004</b>	Bruce Stipe	<b>2017</b>	Jodi Christensen
<b>2005</b>	Kellie Zych	<b>2018</b>	Eric Morley
<b>2006</b>	Bill Rasmussen	<b>2019</b>	Maxine Bethke
<b>2007</b>	Jane Klein	<b>2020</b>	Larry Eberhard
<b>2008</b>	Bob Stiglich	<b>2021</b>	Sue Barry
<b>2009</b>	Paul Kachelmyer / Syd Williams / Steve Yahr	<b>2022</b>	Bill Burns
<b>2010</b>	John Larson	<b>2023</b>	

**COUNCIL DIRECTION REQUESTED**

Staff is requesting that Council review and discuss the nominations, and select the 2023 Volunteer of the Year recipient.