

EAST BETHEL CITY COUNCIL WORK MEETING

July 14, 2025

The East Bethel City Council met on July 14, 2025, at 5:30 p.m. for the regular City Council Work meeting at City Hall.

MEMBERS PRESENT: Ardie Anderson Suzanne Erkel Brian Mundle
 Tim Miller Jim Smith

ALSO PRESENT: Matt Look, City Administrator
 Mike Jeziorski, Deputy City Administrator/Finance Director

1.0 – Call to Order

The July 14, 2025, City Council Work meeting was called to order by Mayor Anderson at 6:00 p.m.

2.0 – Adopt Agenda

Mundle stated I'll make a motion to adopt tonight's agenda. Smith stated I'll second. Anderson asked any discussion? To the motion, all in favor say aye. **All in favor.** Anderson asked any opposed? That motion passes. **Motion passes unanimously.**

3.0 – 2026 Proposed Budget

Jeziorski stated that, based on inputs from the City Council, Department Heads, and the Union Contract, the budget model and budget book were prepared for the City Council to review at tonight's meeting. The proposed 2026 general fund expenditure budget is projected to increase by 7% or \$479,400.

Jeziorski stated that the 2026 budget model currently reflects the following expenditure inputs, which are the primary drivers of the overall increase. The MN Public Employees Association labor agreement was approved at the June 9th, 2025, City Council meeting. The labor agreement included employee wage adjustments of 8% for 2026 and an increase to the cafeteria contributions for City employees of \$25 per month. The MN Public Employees Association represents 9 of the 22 proposed full-time City Staff.

Jeziorski noted that the proposed increases for contracted services are as follows: Law Enforcement Contract - \$110,000, the City Attorney Contract - \$10,000, the Metro-INET JPA - \$13,000, the Audit Contract - \$2,000, and Elections - \$21,000.

Jeziorski noted that the proposed increases for transfers are as follows: Equipment Replacement Fund - \$22,000, Street Capital Fund - \$50,000, and Park Capital Fund - \$10,000.

Smith asked what the normal costs for elections are. Anderson stated that the last election was \$16,000.

Jeziorski noted that the proposed increases for Other are as follows: MN Paid Leave Program - \$24,000, and Civic Plus Module Implementation \$40,000.

Jeziorski stated that this expenditure increase would then result in a corresponding levy increase (general tax levy and debt service levy) of 3.8% or \$246,100 in order to balance the 2026 budget.

Erkel asked if the contracts that they signed included the monies that are increasing, or if they are an additional increase. Jeziorski stated that they are different for each contract.

Lieutenant Derek Peters presented the 2026 Law Enforcement Contract and noted that deputies were awarded a new contract, which included a 5% wage increase. Peters noted that their total cost for personnel comes out to \$1,325,113.00.

Peters stated that for vehicles, the City pays for 2 cars. They have a 24-hour car and a power car that runs 12 hours per day. The 24-hour car gets replaced every other year, and the power car gets replaced every third year. Peters stated that \$52,500 is the total cost for vehicle maintenance.

Peters stated that Emergency Communication and Equipment fees come out to \$36,718. Erkel asked how often the radios get replaced. Peters stated that it depends on how much they are used.

Erkel asked if the \$3,000 in funds is not used, does the City still pay. Peters asks that the City still pay for them so that they do not have to charge the City later or back bill.

Peters noted the costs for insurance on the cars, phones, administrative costs, APS leads system, administrative clerical substation computer line charges, and County IT charge, all listed in the 2026 Law Enforcement Contract.

Erkel asked if they would reimburse the County for what the City pays them. Peters stated that he is not aware of that.

Chief Deputy Bill Jacobson stated that every City in Anoka County includes county-level costs for the Sheriff's office, like the 911 center, justice services division, jail division, SWAT team, reserve unit, and other specialty units. Jacobson stated that there are also services at the Police level for each city.

Miller asked where the 7.6 deputies come from, with 168 hours of full-time work on the 24-hour car and 84 for the 12-hour car. Commander Lenzmeier stated that the 7.6 represents additional relief cars built in to accommodate sick leave, vacations, etc.

Fire Chief Cielocha stated that the budget is going up about 7%, largely due to wage increases and adding numerous personnel. Fire Chief Cielocha highlighted line items such as replacing small tools, emergency management training, and preparing the EOP.

Erkel asked about the Fire Pension Contribution and why there is an increase. Jeziorski stated that as the number of paid on-call firefighters increases, that number will also increase.

Erkel asked about the \$20,000 increase for the clothing and personal equipment. Fire Chief Cielocha stated that from the quote they received, it will cost \$3,200 per coat and pant set, not including helmet, boots, gloves, and hoods.

Erkel asked why there is a \$10,000 increase for conference meetings. Fire Chief Cielocha stated that it is the training aspect, making sure personnel are educated. Fire Chief Cielocha noted that some of those funds will be reimbursed from the MBFTE.

Mundle asked how many firefighters the City has and asked if they have a target goal for recruitment. Fire Chief Cielocha stated they currently have 28, and the budget takes into account a goal of 40.

Fire Chief Cielocha stated they are working on reducing the number of calls they go to, which will impact the final line item.

Public Works Manager Ayshford stated that the main changes are the wages portion. Ayshford highlighted the park maintenance budget, the street maintenance budget, recycling operations, water and sewer expenditures, sewer budget, ice arena fund, and equipment replacement funds.

Smith asked if all the funds in the motor fuels budget will be used by the end of the year. Ayshford stated that they did not have to plow much this winter, so not all the funds were used and will go back into the General Fund.

Erkel asked why they are budgeting \$24,000, not \$17,000-18,000, that was spent in 2024. Ayshford noted that they budget a little high, so they do not have to search for money if storms come through.

Erkel stated that all these things are raising up the levy.

Erkel asked if, when roads are being resurfaced, the costs are going down since the prices of oil are going down. Ayshford stated that most of those projects come out of the Street Capital Fund, not the Street Maintenance budget.

Smith asked about the salt, the depth of snow, and when they plow. Ayshford stated that on any road 40 MPH and above, they plow anytime there is snow coverage for safety.

Jeziorski stated that all activity relating to recycling is covered through the grant and reimbursed by Anoka County.

Jeziorski stated that the debt fund transfer is one way they can keep the levy increase to about 3%.

Jeziorski noted that all the hook-up charges over the past 10 years have been accumulated in the water fund and will be used to pay the debt service fund.

Erkel asked about the base charge for the mobile park. Jeziorski stated that it is for the whole park.

Erkel asked about the increase in professional services. Jeziorski stated that as customers have been added to the system and the flow is increasing, the Met Council is charging them more to treat the wastewater.

Miller asked if the community can get behind and support the hockey team coming in. Ayshford stated that it is a men's junior team coming in, and they will have concessions run by the youth hockey teams and play during some of the primetime hours.

Ayshford stated that for 2026, they have a plow truck due for replacement. Erkel asked if they just got a plow truck. Ayshford stated that they just got one delivery that was ordered in 2023.

Jeziorski stated that East Bethel has a comprehensive schedule listing for all equipment that needs to be replaced. He noted that there are 3 steps in place to get these equipment needs taken care of.

Erkel asked what would happen if they pushed all their 2026 needs back to 2027 to decrease the levy and give them a buffer in the funding. Ayshford stated that the big-ticket items are the plow trucks and fire trucks, but if they push them off, the price can go up year to year.

Ayshford stated that all this money has been saved from their planning schedule, so it is sitting in their fund.

Mundle stated that he is appreciative of how Ayshford assesses every piece of equipment and sees when replacements and fixes are needed.

Jeziorski discussed the general government section of the budget. Jeziorski highlighted the bigger line items, a 15% increase to the City Administration department, budget modules for Civic Plus, and a 525% increase for elections.

Jeziorski noted that the increase for elections is a bit misleading because it is every-other-year.

Erkel asked why elections are costing \$10,000 more than they did in 2024. Jeziorski noted that in 2024, there was an issue recruiting election judges, so they are doing research on a good wage increase to retain and recruit election judges. There was also overtime recorded in administration, which is an election expense.

Erkel asked why the increase is 15% for City Administration if COLA is over 8%. Jeziorski stated that it also includes the CivicPlus modules.

Erkel asked about the \$10,000 increase in Engineering up to \$20,000 when they spent less than \$10,000 in 2023 or 2024. Jeziorski stated that it is based on the actuals of 2023 and 2024, but they have lots of projects in the pipeline that need to be funded through Engineering for this year.

Jeziorski noted that the \$6,500 under Civic Events covers the Booster Day fireworks.

Jeziorski highlighted the bigger line items on the revenue side of the General Fund.

Erkel asked if, when they anticipate building inspection permits and State Aid payments, does it usually come to fruition. Jeziorski stated that the State is facing some deficits, so he cannot predict, but it has come to fruition for them in recent years.

Mundle asked if, overall, there is a 3.8% increase. Jeziorski stated that everything taken into account is a proposed 3.8% increase in the levy.

Mundle stated that traditionally, they try to stay between a 2-3% increase. Jeziorski presented the levy trends from 2014 when he started with the City.

Mundle asked if they did the 3.8% for this next year, would it create an upward trend for future years. Look noted that one of the drivers for the increase this year was the Union negotiation and wages, but they are in a 3-year contract, so they will go down for the next two years to stabilize.

Erkel asked if they put off the snowplow purchase for another year, would that bring the levy increase down closer to 3%. Jeziorski stated that it would not affect the levy; they would have to adjust the equipment replacement transfer to decrease the levy increase.

Look noted that 15 years on a plow truck is a significant amount of time, and he would defer to Ayshford for their expertise on that decision.

Jeziorski discussed the budget levy and timeline; they will consider the preliminary 2026 budget and levy at the September 8, 2025, City Council meeting. At that point, the levy can only be decreased, no longer increased.

Miller asked if the \$200,000 general fund transfer to cover the cost of the levy is the maximum amount. Jeziorski stated that completing the audit gives them the starting point for the fund balance, so they estimate what that will be for 2025.

Look reminded the Council on how to find details about the 2026 category in the Budget packet.

4.0 – Adjourn

Mundle stated I'll make a motion to adjourn. Smith stated I'll second. To the motion, all in favor say aye. **All in favor.** Anderson asked any opposed? That motion passes. **Motion passes unanimously.**

Work Meeting adjourned at 6:56 p.m.

Submitted by:

Lilian Rokosz

TimeSaver Off Site Secretarial, Inc.