

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
September 11, 2023**

1. CALL TO ORDER

Mayor Duane Poppe called the regular meeting of the Osseo City Council to order at 7:00 p.m. on Monday, September 11, 2023.

2. ROLL CALL

Members present: Councilmembers Juliana Hultstrom, Ashlee Mueller, Mark Schulz, Alicia Vickerman and Mayor Duane Poppe.

Staff present: City Administrator Riley Grams, Financial Consultant Gary Groen, Police Chief Shane Mikkelson, Firefighter Drew Cogswell, and City Attorney Mary Tietjen.

Others present: Karen Ruzicka, City Resident; Firefighters from the Osseo Fire Department.

3. PLEDGE OF ALLEGIANCE

Poppe led the Pledge of Allegiance.

4. APPROVAL OF AGENDA [Additions - Deletions]

Poppe asked for additions or deletions to the Agenda.

A motion was made by Hultstrom, seconded by Mueller, to accept the Agenda as presented. The motion carried 5-0.

5. CONSENT AGENDA

- A. Approve August 28 Work Session Minutes
- B. Approve August 28 Council Minutes
- C. Accept August Fire Activity Report

A motion was made by Hultstrom, seconded by Mueller, to approve the Consent Agenda. The motion carried 5-0.

6. MATTERS FROM THE FLOOR

Firefighter Drew Cogswell addressed the Council regarding Department policies and minimal call and training numbers. Mr. Cogswell mentioned he had been a firefighter in Osseo for over ten years, and that he has struggled to make the minimum number of calls over the last year due to personal constraints. He said that he would like to tender his resignation from the Department. Councilmember Hultstrom would not accept his resignation and asked Staff to meet regarding Department policies in the very near future.

7. SPECIAL BUSINESS

A. ACCEPT DONATIONS

Grams stated the City has received the following donations:

Donor	Amount/Item	Designated Fund
Realife Cooperative of Osseo	\$250	MiniDazzle

Staff recommended the Council accept the donations.

A motion was made by Mueller, seconded by Hultstrom, to adopt Resolution No. 2023-41, accepting a donation from Realife Cooperative of Osseo. The motion carried 5-0.

8. PUBLIC HEARINGS – None

9. OLD BUSINESS

A. APPROVE SECOND READING AND ADOPTION OF CANNABIS BUSINESSES ORDINANCE

City Attorney Tietjen stated the Council has addressed cannabis and hemp product regulation at several recent work sessions and Council meetings. The Council directed staff to prepare an interim ordinance, as allowed by the State Cannabis Act, to temporarily prohibit the establishment and operation of cannabis businesses within the City. She commented on how the moratorium would provide Staff with time to further study this topic. It was noted the Council held the required public hearing at its meeting on August 28, 2023, and approved the first reading of the interim ordinance. Staff explained the proposed moratorium would be in place until January 1, 2025, unless the Council repeals the Ordinance sooner.

A motion was made by Hultstrom, seconded by Vickerman, to approve the Second Reading of Ordinance No. 2023-05, authorizing a study and imposing a moratorium on the operation of cannabis businesses in the City of Osseo. The motion carried 5-0.

A motion was made by Hultstrom, seconded by Mueller, to adopt Resolution No. 2023-42 authorizing summary publication of Ordinance No. 2023-05. The motion carried 5-0.

10. NEW BUSINESS

A. APPROVE 2024 PRELIMINARY CITY BUDGET AND TAX LEVY

Grams stated the Council previously reviewed the preliminary 2024 budget developed by Staff at the work session meeting on August 28. Many of the recommendations made by the Council at the work session meeting have been incorporated into the proposed budget, however, a majority of the Council directed Staff to bring the preliminary budget largely as presented back to the Council for preliminary approval at the

September 11 meeting. The proposed preliminary 2024 city budget shows a full balanced budget between expenditures and revenue. The total proposed expenditures budget for 2024 is \$4,129,612. This represents an increase of 25.21% over the 2023 adopted budget (\$831,444 total increase). Staff reviewed the preliminary budget department-by-department.

Grams reported the proposed budget increase for 2024 is expected to be around 25%. This is due in large part to the increase in the public safety areas of the budget (Police and Fire). He stated that Policing in the community has changed from a few years ago, and the Council has worked to address several key issues in the Policing area over the last 12 months. This includes an updated contract (with additional wage increases, hiring and retention bonuses, and a new Officer Wellness policy) with LELS #182 and hiring additional full-time Police Officer positions (as well as a Police Investigator position) in the 2024 calendar year. Additionally, the Council directed Staff to budget for a new full-time Fire Chief position beginning in 2024, replacing the current part-time Chief model. This new position will be expected to lead the Fire Department into the future and help determine the model of fire fighting for the Osseo community.

Grams explained additionally, this proposed budget includes the standard Staff wage increases and insurance increases for 2024. He stated that 2024 is also a big election year, with a presidential election year included. Public Works also has a proposed part-time position to help with summer and winter duties. He added that contracted Infrastructure Technology services are projected to increase as a result of increased data security measures. The proposed preliminary 2024 budget is an investment into the quality of life that Osseo residents and businesses expect.

Grams commented in addition to approving the 2024 preliminary budget, the Council will also need to approve the General Fund Levy amount. This is the amount that the City needs to collect from tax paying properties within City limits to balance the preliminary budget. The proposed General Fund Levy and General Obligation Bond amounts are:

General Fund Levy	\$2,611,825
General Obligation Bond 2016B	\$ 145,000
General Obligation Bond 2022	\$ 122,100

Grams reported the current expenditures budget, including taxes levied for debt and fiscal disparities, results in a General Fund tax levy increase of 33.6% increase (\$656,826). This means that to fully balance the budget, we will ask the property owners of Osseo to pay \$656,826 more in taxes to cover all the services the City offers. The expected tax capacity rate will increase in 2024 from 58.09% to 68.73% (an increase of 10.65% from 2023, and a total decrease of 8.615% since 2013). The City Council should consider the preliminary 2024 budget and direct Staff accordingly. The preliminary budget must be approved no later than September 30, which is when the General Tax Levy amounts are due and certified to Hennepin County for preparation of preliminary property tax statements.

Vickerman requested further information regarding the proposed park expansion. Grams explained a portion of the parks fund would be transferred for this project. He anticipated the City would need additional outside funding to assist with this project.

Grams reiterated that the preliminary tax levy was the high-water mark and could be reduced between now and December when the final levy was adopted by the Council.

Schulz discussed how law enforcement has been impacted over the past three years and commented on how these changes have impacted the Osseo's Police Department. He stated the Council did not want to jeopardize the safety of Osseo residents, which meant the Council was considering further investments in the police department. He commented further on how median family homes would be impacted by the proposed tax levy increase. He reported the Council wanted to continue to provide top level services for its residents, which include City water, sewer along with police and fire services.

Poppe explained the Council understands how important public safety services were to Osseo residents. He indicated in order to provide police services to the community, this required increased staffing.

Schulz commented on how important it was for the City to have a police department in place in order to deter crime. He discussed the CSO program that would be coming to the City in 2024 which would further assist with deterring crime in the community. He believed it was a great benefit to Osseo residents for the City to have its own police department due to the strong police presence and short response times.

Vickerman stated response times would be very different if the City had to rely on getting policing services from the County or neighboring communities. She explained while the numbers may seem scary at first glance, it would cost the City more money to purchase police services from an outside agency.

A motion was made by Mueller, seconded by Schulz, to adopt Resolution No. 2023-43 approving the preliminary 2024 budget and property tax levy. The motion carried 5-0.

A motion was made by Vickerman, seconded by Mueller, to adopt Resolution No. 2023-44, reducing the debt service and tax levies for 2024.

Hultstrom requested staff speak further to why the City has two debt service levies. Groen explained the 2016 debt levy was for Central Avenue and runs through 2029. He reported the 2022 bond was for the County Road 81 frontage road. He indicated there would be little or no assessments for this project.

The motion carried 5-0.

B. APPROVE POSTING FOR THREE FULL-TIME POLICE OFFICER POSITIONS

Police Chief Mikkelson stated this posting will be the first step in hiring for the three full-time officer positions that are currently in the budget. We would post for the positions with all intention of not hiring until 2024. This would allow the police department to be ready when the budgeting process is finished to have candidates available for hire as soon as possible in 2024.

Vickerman questioned if this timeline included the training process. Police Chief Mikkelson stated if the process were started now, the candidates would be fully vetted and ready to be hired in January of 2024. He discussed how it would benefit the department to begin the process now and noted the new officers would not be paid until after they were hired in 2024.

A motion was made by Hultstrom, seconded by Vickerman, to approve posting for the three full-time police officer positions.

Mueller stated she fully supported the City hiring three additional officers for the Osseo Police Department.

The motion carried 5-0.

C. APPROVE ACCOUNTS PAYABLE

Grams reviewed the Accounts Payable with the Council.

A motion was made by Schulz, seconded by Mueller, to approve the Accounts Payable as presented. The motion carried 5-0.

11. ADMINISTRATOR REPORT

Grams thanked everyone for attending Lions Roar this past weekend. He thanked the Osseo Lions for hosting this event.

Grams sent his condolences to the family of Barry Anderson, who was a retired firefighter with the Osseo Fire Department.

12. COUNCIL AND ATTORNEY REPORTS

Hultstrom sent her condolences to the Barry Anderson family. She thanked the Osseo Lions for all of their efforts on Lions Roar.

Mueller stated Lions Roar was a tremendous success again this year.

Vickerman thanked all of the volunteers who worked to make Lions Roar a great event for the community. She sent her condolences to the Anderson family and thanked Barry for his dedicated service to the community as a firefighter. Vickerman recognized today was 9/11 and encouraged residents to reflect on what happened 22 years ago today.

Schulz thanked everyone who attended Lions Roar this past weekend and stated he appreciated all of the volunteers that made this event possible. He sent his condolences to the Barry Anderson family.

Poppe sent his deepest condolences to the Barry Anderson family.

13. ANNOUNCEMENTS

Poppe invited residents to visit the farmers market through the end of September every Tuesday from 3:00 p.m. to 6:30 p.m.

Poppe reported the City was seeking a Parks and Recreation Committee member. Those interested were encouraged to contact City Hall for further information.

14. ADJOURNMENT

A motion was made by Schulz, seconded by Hultstrom, to adjourn the City Council meeting at 7:41 p.m. The motion carried 5-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial