INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, SEPTEMBER 8 5:30 P.M. – 8150 BARBARA AVENUE

1. CALL TO ORDER:
The City Council of Inver Grove Heights met in special session on Monday, September 8, 2025, in person. Mayor Dietrich called the meeting to order at 5:30 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:
Present In-Person: Mayor Dietrich; Council Members: Gliva, Murphy, Scales, and T'Kach
Staff In Attendance: City Administrator Wilson, City Clerk Kiernan, City Attorney Nason, Community Development Director Ziemer, Finance Director Hove, Human Resource Manager Schefchik, Public Works Director Connolly, City Engineer Merchlewicz, and Assistant Finance Director Ellison

3. APPROVAL OF AGENDA:

Motion to approve agenda as published by Murphy, second by Gliva.
Ayes: 5
Nays: 0 Motion carried.

4. PRESENTATIONS: None

5. CONSENT AGENDA:
- **A.** Approval of Amended Minutes of the July 14, 2025, City Council Meeting
- **B.** Approval of Disbursements, **Resolution 2025-194**
- **C.** Personnel Items
- **D.** Supplemental Personnel Actions
- **E.** Summary of Conclusions Regarding City Administrator's Performance Evaluation
- **F.** Resolutions Declaring Costs to be Assessed, Ordering Preparation of Proposed Assessments, and Calling for Assessment Hearing for Pavement Management Project 2025-09E, **Resolutions 2025-195 & 2025-196**
- **G.** Resolutions Declaring Costs to be Assessed, Ordering Preparation of Proposed Assessments, and Calling for Assessment Hearing for Pavement Management Project 2025-09G, **Resolutions 2025-197 & 2025-198**
- **H.** Resolutions Declaring Costs to be Assessed, Ordering Preparation of Proposed Assessments, and Calling for Assessment Hearing for Pavement Management Project 2023-09E, **Resolutions 2025-199 & 2025-200**
- **I.** Approval of Storm Water Facilities Maintenance Agreement for 6128 Blackberry Trail
- **J.** Authorization to Enter Into Contract for New Phone System
- **K.** Approval of New Massage Therapist Licenses
- **L.** Authorization to Enter into Contract with Met Life for Employee Life Insurance, Long-Term Disability Insurance and Paid Family & Medical Leave Coverage

Motion to approve Consent Agenda Items B, C, E-G, I-K, L, Omitting A, D, H, and L by Gliva, second by Scales.
Ayes: 5
Nays: 0 Motion carried.

Clerk Kiernan stated that for Consent Item 5A there were only corrections to the verbiage.

Motion to approve Consent Agenda Item A by Gliva, second by T'Kach.
Ayes: 5
Nays: 0 Motion carried.

Council Member Scales stated that for Consent Item 5D, he just wanted to clarify the item including Version A.

Motion to approve Item D with Version A by Scales, seconded by Murphy.
Ayes: 4
Nays: 1 (T'Kach) Motion carried.

For Consent Item 5H, John Wendt, 8804 Argenta, stated that Argenta Trail remains incomplete, with only mud and dirt and no paving, curbing, or final grading. He emphasized that under the City's special assessment policy, an assessment hearing should only occur once a project is deemed substantially complete, not when it is scheduled to be. He requested that the Council delay calling for the assessment hearing until substantial completion is reached.

Mayor Dietrich asked Public Works Director Connolly to address what the process is for these resolutions, at what point in the process they should occur, and what can be expected.

Director Connolly explained that City policy requires assessment hearings only after projects are deemed substantially complete. He noted that while none of the projects on the docket are yet complete, the Bacardi project should be finished this week, and the Argenta Trail project is expected to reach substantial completion by September 30, 2025. The proposed assessment hearing is scheduled for October 13, two weeks after that date.

Council Member T'Kach asked if the project could be delayed until the end of September to allow for substantial completion.

Director Connolly stated that staff can follow any direction the Council chooses but noted that, for consistency, assessments are typically declared in September with hearings held in early October. He explained that under State Statute 429, a 30-day prepayment option must be offered, and assessments must be certified to the County by the end of November. If hearings are not held by the end of October, assessments cannot be levied until 2026. He added that because Argenta Trail is not expected to be substantially complete until September 30, waiting would not allow enough time for notice before the October 13 meeting. Calling hearings in September provides flexibility, with the option to continue them into the second October meeting if needed.

Council Member T'Kach asked if the project might be substantially complete by September 22, noting that this is the next meeting date, and whether the hearing could be delayed two weeks to allow for that.

Director Connolly stated that he does not believe the work will be done by September 22, based on information from the City of Eagan, which is managing the project. He explained that the contractor anticipates having the curb and the first two layers of asphalt installed by September 30, at which point the project would be considered substantially complete.

Council Member Scales asked for clarification, noting that if the project is not substantially complete and the timeline is missed, would the assessment then be delayed until the following year's tax roll.

Director Connolly confirmed that if assessments are not certified to the County by November 30, they will not be placed on the tax rolls until the following year, delaying them to 2027. He explained that while the City can carry the costs, it complicates decisions on when to levy assessments and whether to charge interest. He added that the standard protocol, established through the Payment Management Initiative, is to hold assessment hearings at the end of projects so that assessments can be placed on the next year's tax roll without delay.

Council Member Scales asked for clarification on the true cost of following the process, questioning whether delaying until substantial completion results in higher costs for the City or for residents, and whether the interest falls on the City or the residents.

Director Connolly explained that in the first year the interest is absorbed by the City, meaning costs are carried without recovery. For residents, the impact could include a change in the interest rate the following year and an additional year of payments, since a 10-year assessment starting a year later would effectively take 11 years to pay off.

Council Member Gliva asked if the assessment does not get on the tax rolls for 2026 and there is a change in ownership, who would be responsible for paying it.

Director Connolly explained that the record owner at the time the assessment hearing is called is responsible, as required by statute. Notices are sent based on the County's property records, and staff verifies ownership before mailing. If ownership changes after the hearing is called, it is the responsibility of the parties involved in the sale to ensure the assessment information is communicated.

Council Member Murphy asked if the project itself is on schedule.

Director Connolly stated the project has faced delays but remains on schedule, with substantial completion expected by the end of September.

Council Member Murphy asked whether Mr. Wendt's Street is expected to be substantially complete by the end of the week and if that is the current estimate.

Director Connolly clarified that it is the Bacardi Avenue project, not Argenta Trail, that will be essentially complete by the end of the week. He explained that Bacardi has been paved and will receive its second lift, noting it is a separate project located a block away.

Mayor Dietrich asked if the Council could, without affecting next year's tax rolls, delay action until September 22, and whether that applies to calling the resolution as written.

Director Connolly recommended approving the resolution to call the assessment hearing on the proposed date, noting this action only schedules the hearing and allows staff to complete statutory steps: determine actual costs per parcel, send notices, and, per internal practice, hold an open house before the hearing. He added that if concerns remain or work is not complete, the Council may continue the hearing or postpone the assessments to a later date.

Mayor Dietrich asked if there would be any unintended consequences to waiting until September 22, noting that all deadlines would still be met and an additional 10 days of work would be completed.

Director Connolly stated that there would not be unintended consequences to waiting, but he did not believe conditions would change in two weeks, as the project will still not be complete until the end of September.

Mayor Dietrich asked if the project would still look like the picture shown by Mr. Wendt of its current condition.

Director Connolly stated that he would not expect the project to look the same, as additional work is scheduled. He noted that grading is planned for this week, curbing should begin by next week, and paving is anticipated within the next two weeks.

Mayor Dietrich asked if the project would still be on schedule.

Director Connolly stated that he expects the project to remain on schedule, noting that both the City of Eagan and the contractor have confirmed their intention to complete the work by the end of September. He added that without this assurance, he would have recommended waiting.

Mayor Dietrich clarified that she was asking if the Council delayed action until September 22.

Director Connolly stated that if the Council delayed action until September 22, it would be possible, but the challenge would be that if an issue arose and the hearing needed to be continued, there would be no further meeting this year. In that case, the Council would have to either vote on it fully or delay certification until next year.

Council Member T'Kach asked if the resident understood the discussion and where the Council was in the conversation.

Mayor Dietrich asked Mr. Wendt if he understood Director Connolly's explanation and if it was agreeable to him.

Mr. Wendt responded no, stating that he is not an engineer and not skilled in statutory interpretation, but observed that much of what he has heard are assurances and expectations of completion, largely dependent on the City of Eagan.

Mayor Dietrich asked the Council what their desire was with respect to this item.

Council Member Scales expressed concern with referring to the project as substantially complete when it is not. He noted uncertainty that it would be complete within the next two weeks but stated he may be open to revisiting the discussion at that time.

Mayor Dietrich noted that the two-week period amounts to 14 days, with at least 10 workdays, and stated that there should be some forward progress by then.

Council Member Scales stated that he does not like using the term substantial completion when it is not being followed and added that even if there is a future cost to the City, he believes the wording is important.

Council Member Murphy agreed with Council Member Scales but noted the Council would face the same decision at its next meeting, emphasizing that the project will be completed and assessments will follow.

Council Member Gliva asked for confirmation that if the project were delayed, the public hearing could be continued.

Director Connolly confirmed that the Council has the authority to continue a public hearing if issues have not been fully addressed. He emphasized, however, that an assessment hearing must first be scheduled for it to occur.

Council Member Gliva stated that by the time of the hearing, the Council would likely have more information on whether the project was substantially complete and could then decide as a body whether to move forward with the public hearing.

Director Connolly explained that scheduling the hearing for October 13 provides flexibility, as it could be continued to October 27 if the project is delayed. If set only for October 27, action must be taken that day with no buffer. He noted earlier hearings also help staff manage the tight 30-day processing and certification timeline with the County.

Council Member Scales remarked that it appeared the City was in effect requesting a variance.

Director Connolly acknowledged Council Member Scales' concern and said he would need to review the exact policy language. He explained that the City does not usually wait for full substantial completion before calling assessment hearings, noting that projects like 50th Street and Argenta were not complete when hearings were scheduled. He clarified that substantial completion is defined contractually, and while the City aims to avoid hearings before that point, it is common practice to schedule them earlier. He added that Bacardi should be completed within a week, with 50th Street and Argenta by the end of the month, and all three hearings are set for October in line with the City's usual practice.

Council Member Scales stated that his understanding was if the project is not complete at the time of the public hearing, the Council could keep the hearing open and not move forward, which would serve as the stopgap.

Director Connolly confirmed that was correct and stated that if the project were not completed, such as not being paved, he would acknowledge the error, apologize, and recommend that the Council table the matter.

Council Member Scales stated that if the Council has the ability to stop and not move forward if the project is not at the proper level, he was satisfied.

Council Member T'Kach asked if the planned curbing over the next week or two would typically mean that the finish grading would also be completed as part of that work.

Director Connolly explained that additional gravel will be placed this week to prepare for curb and driveway installation, with curbing expected by the end of this week or next. After curing, two lifts of asphalt will be applied, while the final lift is planned for next year after a freeze-thaw cycle to ensure durability.

Council Member T'Kach acknowledged residents' frustration but noted the Council can delay or continue the hearing to prevent an assessment if the project is not substantially complete.

Director Connolly confirmed that option is available to the Council.

Council Member T'Kach stated she was comfortable either delaying the item for two weeks to allow time for grading and curb work or relying on staff's assurance that if the project is not substantially complete, the hearing can be continued, and the assessment may not occur this year.

Motion to approve Item H by Gliva, seconded by Scales.
Ayes: 4
Nays: 1 (Dietrich) Motion carried.

Mayor Dietrich stated that significant progress can be made in 10 days and, while appreciating staff's proactive approach in bringing the item forward, noted that the Council has until September 22 and expressed that as her preference.

For Consent Item 5L, City Administrator Wilson explained that the agenda item seeks approval to contract with MetLife for long-term disability and paid family and medical leave benefits for 2026.

She noted that while the cost tables contained inaccuracies, staff still recommends the action, clarifying that the savings should be listed as $28,100 rather than $39,857.

Motion to approve Item L by Murphy, seconded by Scales.
Ayes: 5
Nays: 0 Motion carried.

6. PUBLIC HEARINGS: None

7. REGULAR BUSINESS:

A. Adoption of Preliminary 2026 Budgets and Tax Levies for Taxes Payable 2026, **Resolutions 2025-201, 202, 203, & 204**

Finance Director Hove presented the 2026 Preliminary General Fund Budget and Tax Levy, outlining the proposed budget and levy, required Council actions, prior budget discussions, cost increases, use of fund balances, fund allocations, levy impacts, and statutory requirements.

The Council was asked to adopt the Citywide Preliminary Tax Levy. Each year, the Council must pass a preliminary levy by September 30. When the final levy is adopted in December, it may be lower but cannot be higher than the preliminary levy. Proposed tax notices sent to residents in November are based on the approved preliminary levy. Additional actions included adopting the Special Taxing District Preliminary Levies, adopting the Preliminary General Fund Budget, and setting the date, time, and place for the statutorily required public meeting on the City's proposed budget and levy.

The budget process included three Council work sessions. On July 21, the first draft of the General Fund Budgets and Tax Levy was reviewed. On August 5, discussions covered Debt Service, the Economic Development Authority, the Host Community Fund, the Pavement Management Fund, Internal Service Funds, and the Public Safety Small Equipment Fund. On September 2, the Council reviewed the General Fund Budget and Tax Levy along with the Administrator Wilson's recommendations.

The General Fund covers Administration, Mayor and Council, Human Resources, the City Clerk and Elections, Communications, Finance, Community Development, Planning, Inspections, Police, Fire, Engineering, Streets and Street Lighting, Parks and Recreation, and transfers to the Economic Development Authority and Parks Capital. It also funds the Crossings Tax Abatement. Items not funded by the General Fund include the Community Center, Golf Course, Utilities such as Water, Sewer, and Storm, and the Convention and Visitor's Bureau.

Known cost increases for 2026 included Minnesota Paid Family and Medical Leave at $151,900, which represents a 0.44% increase to the levy. Other personnel changes totaling approximately 3.5% added $734,044, or 2.15%. The Fire SAFER Savings Plan added $235,000, or 0.69%. The phase-in of three 2025 Fire hires added $209,300, or 0.61%. The Fire AFLAC benefit added $24,120, or 0.07%. The phase-in of three 2025 Police hires added $101,500, or 0.30%. These combined for a total increase of $1,455,864, which represents a 4.26% impact on the levy.

Additional 2026 budget assumptions included a reduction of $24,000 in revenue from NDC4, a 3% increase to Pavement Management levy funding, and a 3% increase to Parks Capital Replacement levy funding.

The budget recap included use of the Fund Balance. In 2026, the City will continue spending down savings from the Fire SAFER Savings Plan, using $340,000. The final year of this savings spend-down will occur in 2027 with $135,000. One-time Public Safety Aid will provide $144,326 to support the phase-in of three new Police Officers, $36,120 for an additional emergency warning siren in the NWA, and $100,000 plus $80,000 from Forfeiture Funds for the purchase of a new incident command vehicle. Central Equipment will utilize prior Police savings to cover 2026 outfitting costs for leased vehicles. For City facilities, $500,000 of fund balance will be used for ongoing capital needs, with a future goal to revamp the allocation formula to include a capital component for these costs.

Expenditures by function in the proposed 2026 General Fund totaled $36,851,206 before reductions. Police accounted for $13,239,384, or 36%. Fire was $7,373,584, or 20%. Public Works was $5,080,405, or 14%. Parks and Recreation was $3,902,280, or 11%. Administration and Finance was $3,798,961, or 10%. Community Development was $2,475,655, or 7%. Transfers to other funds totaled $797,937, or 2%. The Tax Abatement payment was $183,000. After reductions of $193,300, the revised total budget was $36,657,906.

The General Fund Budget Tax Levy calculation was based on total expenditures of $36,657,906. Subtracting $6,052,765 in non-property tax revenues, including building-related permits, licenses, grants, State aid, charges for services (Engineering, Administrative Allocations to Utility Funds), and interest. Of this, $30,422,141 came from the General Fund Tax Levy, and $183,000 from the Tax Abatement Levy, totaling $30,605,141.

The proposed 2026 Preliminary Tax Levy by fund compared to 2025 showed the General Fund increasing from $28,549,075 to $30,422,141. The General Fund Tax Abatement changed slightly from $183,300 to $183,000. The Pavement Management Fund increased from $2,934,750 to $3,022,792. Debt Service increased slightly from $2,547,632 to $2,550,657. The overall total increased from $34,214,757 to $36,178,590, a 5.74% increase. This was in line with Council's direction that the total levy should not exceed 5.74%. Tax Abatement and Debt Service levies remained unchanged from earlier presentations, while the Pavement Management Levy reflected the planned 3% increase.

The proposed 2025 Citywide Tax Levy totals $36,178,590, which reflects an increase of 5.74%. This levy change results in a 0.45% adjustment to the tax rate. For residential property owners, the impact is calculated using the City's median valued property. In 2025, the median value is $362,200, compared to $349,100 in the prior year. For this median property, the annual change in City taxes amounts to $80.59.

Approval was also needed for the Special Taxing District Preliminary Levies. The Storm Water Special Taxing District Levy, established under Minnesota Statute 444, funds trunk storm sewer improvements connected to the 70th Street East Reconstruction Project from Cahill Avenue to Concord Boulevard, known as City Project 2001-02. It also covers Babcock Trail, South Grove, and 70th Street. The district contains approximately 3,000 parcels and has a 10-year term from 2018 through 2027. The annual levy is $79,394. As with the Citywide levy, the Council must pass a preliminary levy by September 30 each year, with the final levy in December potentially lower but not higher.

The public meeting on the City's proposed budget and levy is scheduled for Monday, December 8, 2025, at 6:00 p.m. in the Council Chambers at 8150 Barbara Avenue in Inver Grove Heights.

Council Member T'Kach asked what the current balance is in the Police Forfeiture Fund.

Director Hove stated she did not have a ballpark figure available but could provide it later, estimating the balance was under $150,000.

Council Member T'Kach stated that this gives her some perspective on how much they are contributing to this.

Director Hove noted that this was recommended by the Police Chief as part of the request to replace the vehicle.

Council Member T'Kach asked how much confidence there is in the revenue projections for building fees and other fees anticipated in 2026.

Finance Director Hove stated that staff has good confidence in the current estimates. Adjustments are sometimes made before the final levy in December, particularly after receiving final State Police Aid, but those changes are typically not significant.

Council Member T'Kach asked if staff is confident that the estimates for next year's general fees are conservative, noting that economic conditions could shift either way.

Director Hove stated that staff reviews average collections, particularly building permit revenues, over a three-year period and found them consistent. She noted that fund balance exists to help manage fluctuations between strong and weak years. While revenues can change, current estimates are based on past trends and will be reviewed again before year-end.

Council Member Scales commended staff for capturing prior discussions and for reliably estimating revenues despite fluctuations. He expressed confidence in the budget, acknowledged the challenges of uncertainty, and noted staff's ability to identify savings without significant impact.

Mayor Dietrich asked whether there are standard guidelines for the percentage of General Fund expenditures by function, such as typical ranges for Public Safety, Administration, or Finance, noting that staff expertise informs expectations but inquiring if the Council has benchmarks for comparison.

Director Hove explained that expenditure percentages vary by City depending on priorities, such as whether a community has a full-time Fire Department. She noted that Public Safety typically accounts for over half of most budgets, reflecting the high cost of providing the service, and stated that the City's figures are consistent with comparable cities.

Mayor Dietrich asked that staff provide updates during future budgeting sessions if any expenditure percentages appear out of line or indicate a concerning trend.

Director Hove said that staff could provide those updates.

Motion to approve Resolution 2025- 201 Adopting Proposed City Wide Tax Levies for Payable 2026. Resolution 2025-202 Adopting Proposed Storm Water Special Taxing District Tax Levies for Payable 2026, Resolution 2025-203 adopting the preliminary general fund 2026 budget, and Resolution 2025-204 setting the date, time, and location for the public budget discussion by Scales, seconded by Gliva.
Ayes: 5
Nays: 0 Motion carried.

B. 1st Reading of Ordinance Amending City Code Related to Requirements for Addressing the Council.

City Administrator Wilson delivered the first reading of an ordinance amending the requirements for addressing the City Council.

The current City Code is found in Title 1, Chapter 5, Section 7 specifies that each person addressing the Council shall give his/her name and address in an audible tone for the records and, unless further time is granted by the presiding officer, shall limit his/her address to a reasonable time except at a public hearing when the limit shall be three (3) minutes.

The proposed City Code language remains in Title 1, Chapter 5, Section 7. It states that unless additional time is granted by the presiding officer, each person addressing the Council shall limit their comments to three (3) minutes. The presiding officer, generally the Mayor, may still invite speakers to share their name and address, but it is no longer required. The revision clarifies that the three-minute standard applies to all comments and not only to those given during public hearings.

Council Member Murphy asked for clarification on whether, during public hearings and public comment, a person must reside in Inver Grove Heights to address the City Council.

Administrator Wilson confirmed that was correct.

Council Member Murphy asked how the City could prevent individuals during public comment from using the forum for unrelated solicitations, while reiterating agreement that residents should not be required to give their address on television.

Administrator Wilson explained that during public comment, speakers may at times present items such as sales pitches, fundraising requests, or political statements. If a public comment period is provided, however, the City does not regulate the content, and speakers are allowed their three minutes.

Mayor Dietrich asked for confirmation that the policy prohibits the use of profanities and similar language.

Administrator Wilson explained that someone could be ruled out of order for using profanities but emphasized that the City should not regulate the content of speech.

Council Member T'Kach opposed limiting all public comments to three minutes, stating it reduces meaningful input and said she would vote against the policy unless the previous allowance is restored.

Administrator Wilson explained that the code allows the presiding officer to grant more time, but the phrase reasonable time is vague. She noted it has long been the City's practice under both the current and prior Mayors to limit comments to three minutes, and she viewed the change as aligning the code with actual practice.

Council Member T'Kach said she appreciated the clarification but noted that some residents may be nervous speaking before officials and may need extra time. She expressed a preference for keeping the current language at a minimum.

Administrator Wilson said that if it is the direction of the majority, the change could be made back in time for the second reading.

Mayor Dietrich reminded residents that there are multiple ways to reach Council Members beyond public comment, including City phone numbers, City email, and community forums such as Inver Grove Chat, noting these as alternatives if the three-minute comment period is not sufficient.

Council Member Scales supported the three-minute limit, noting it has been the consistent practice and helps ensure fairness rather than subjective application. He acknowledged exceptions have been made for individuals with difficulty speaking and emphasized the Council's flexibility in accommodating unique situations. He added that clear rules are necessary to prevent meetings from becoming overly lengthy, and the three-minute guideline allows everyone an opportunity to be heard efficiently.

Council Member Murphy agreed with the three-minute limit, noting the presiding officer's discretion to extend time if appropriate. He asked whether there is language in place that prevents individuals from making multiple three-minute appearances.

Administrator Wilson responded that she was not aware of such language. She explained that while she had focused only on the section being amended, she did not believe any provision exists beyond the presiding officer's discretion to decline recognizing someone a second time.

Council Member Murphy suggested this may be a topic for discussion at the next meeting, noting it could pose a problem for a minority and potentially become an issue.

Motion to approve the first reading of Ordinance amending Inver Grove Heights City Code Title 1, Chapter 5, Section 7, Regarding Addressing the Council by Gliva, second by Scales.
Ayes: 4
Nays: 1 (T'Kach) Motion carried.

8. PUBLIC COMMENT:

Kelly Kayser, 1953 59th Court East, raised concerns about golf balls from Southview Country Club's driving range posing risks to vehicles, pedestrians, and motorists. She reported recent damage to her vehicle and noted multiple golf balls along the roadway, calling it a recurring safety issue. She urged the City to consider requiring safety nets, citing its authority to regulate public health and safety.

Council Member Scales asked whether the resident had to cover the cost of the vehicle damage or if the golf course assumed responsibility.

Ms. Kayser explained that the golf course did not cover the damage. While they tried to identify who on the range hit the ball, no one came forward, and the course does not carry insurance for such incidents.

Ms. Kayser noted that if a resident were struck by a golf ball, they would be responsible for their own medical costs, just as her family had to absorb the financial impact of the vehicle damage.

Mayor Dietrich asked Clerk Kiernan to provide the Council with the information shared by the resident, and Clerk Kiernan confirmed she would do so.

Mark Sampson, 3118 Cuneen Court, raised concerns about the City's budget and tax increases, noting that Inver Grove Heights' tax portion of property bills has risen significantly since 1998 compared to Dakota County and schools. He highlighted that the City's average tax increase has been well above inflation and questioned whether the current increase is 4.56% or 5.74%. He also asked why bonds are being paid off early, the terms of those bonds, the interest rate being paid, and the interest earned on related funds. He indicated he would submit additional questions in writing.

Mayor Dietrich clarified that the questions were regarding the tax levy and the bond rates and terms and asked that they be left with Clerk Kiernan to ensure proper follow-up.

Mr. Sampson questioned the rationale for paying off bonds issued in 2014–2015 when interest rates were low, noting that the City may be earning more on funds in the general account. He expressed concern that at least half of the property tax increase appears tied to retiring these bonds.

Mayor Dietrich noted that she did not have the requested data available.

Administrator Wilson clarified that the 2026 budget does not include any early bond payoffs, only scheduled debt payments. She offered to discuss further what may have led to the impression that early payments were planned.

Mr. Sampson stated that City staff should begin managing the budget in line with the inflation rate plus new tax revenue, warning that the current trend is unsustainable. He added that if current leadership cannot achieve this, new leadership may be necessary.

9. <u>MAYOR AND COUNCIL COMMENTS:</u>

Council Member Scales thanked City staff, first responders, and the community for making IGH Days a success. He noted strong turnout, well-maintained parks, a lively parade, popular events like the classic car show, and appreciated first responders for ensuring safety while engaging with residents. He said the event reflected the community spirit of past years.

Council Member Murphy expressed appreciation for the community's participation in IGH Days, noting the enthusiasm of children at the parade. He highlighted how Police Officers engaging with kids by handing out candy was a memorable moment, along with the fire trucks, which added to the enjoyment of the event.

Council Member Gliva echoed the positive comments about the weekend's events and shared appreciation for a resident who promptly returned a lost credit card. She expressed gratitude to the individual for demonstrating honesty and goodwill, noting it was a meaningful way to conclude the weekend.

Mayor Dietrich said she had the privilege of attending events with the 2025 Royalty, Miss Inver Grove Heights, her Princesses, and Little Miss, including the coronation. She expressed appreciation for the Royalty's role as ambassadors for the City, commending them for being well spoken and representing Inver Grove Heights positively.

10.<u>ADJOURN:</u>
Motion to Adjourn at 6:20 p.m. by Gliva, second by Scales.
Ayes: 5
Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Tammy Greenlee