



CITY COUNCIL MEETING AGENDA
TUESDAY SEPTEMBER 2, 2025

CITY COUNCIL MEETING TIME: 6:30 PM

1. Call to Order

2. Pledge of Allegiance

3. Roll Call

4. ****Consent Agenda****

All items listed under Consent Agenda are considered to be routine by Council and will be acted on by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- a. Approval of City Council Minutes from the July 30, 2025, City Council Workshop.
- b. Approval of City Council Minutes from the August 19, 2025, Regular City Council Meeting.
- c. Approval of Accounts Payable; (Batch #1 - Checks No. 23884-23904).
- d. Large Assembly Permit: 2026 Copeland Road – Private Wedding – September 13, 2025.

5. Reports of Boards and Committees by Council and Staff.

6. Lake Minnetonka Communications Commission – 2026 Approved Budget. The 2026 Budget is presented for information only.

7. Open/Misc.

8. Adjourn.

MINUTES OF A WORK SESSION OF THE
INDEPENDENCE CITY COUNCIL
WEDNESDAY, JULY 30, 2025 – 7:00 AM.
(WHPS Conference Room)

1. CALL TO ORDER.

Pursuant to due call and notice thereof, a work session of the Independence City Council was called to order by Mayor Spencer at 7:16 a.m.

2. ROLL CALL

PRESENT: Mayor Spencer, Councilors Betts, McCoy and Fisher

ABSENT: Grotting

STAFF: City Administrator Kaltsas, Administrative Services Director Simon, Public Works Supervisor, Lehman

VISITORS: Chief DuRose, Steve McDonald from ABDO

3. General Administration

a. 2025 Draft Budget Discussion

- City Budget and General Tax Levy
- WHPS Budget
- Fire Budgets

Kaltsas said he has received all emergency service numbers. Market value is up 4.68%. He said he anticipated an increase. Last year was 7% and 8.18% increase overall. We set a goal to stay under 40% and we have been trending downward. We are at 32.32%. Independence is still in a strong position. Emergency services account for 90% of our projected increase. The city budget is flat to accommodate other areas that need more priority attention. Last year we brought on 2025 GO Bonds for next year. We also buffered our street fund with \$75k so we can take that back out this year so it wouldn't be as much of an impact to taxpayers.

McDonald said the tax capacity is highlighted in the table, 4.68%. There is an 8% increase in levy and only 4% growth. He said the city had a target of 40% a long time ago, but tax capacity has a positive impact on tax rate. We track Corcoran, Dayton and Greenfield.

Kaltsas said if you look at these cities that are growing, you have the growth offsetting the costs. Greenfield has zero police. Independence has maintained a rate at or below theirs and that's with police. We operate very well. He also stated that we hired a part time employee for lawn mowing that we don't know if we will have every year, but we programmed it in just in case. We try to be conservative on licensing and permits. We have been trending high, but he said he doesn't want to put it higher and then the building stops. We don't know what will happen with the tariff changes. Fines and forfeitures are down a little. We reduced the budgeted amount to reflect the actual. He said

he added the county CAM money for the local roads and streets. It has been consistent and the county gave him a projected amount. We are not required to pay the county assessor anymore and that was a big number. They are also adding in a 3% COLA increase. The cost of health care is also going up by 8% next year. We are in a good position staffing wise. Bruce is going off insurance as well. Our benefits YoY including MN paid leave which will have a minimal impact overall on our budget. Most of our budget is holding flat.

McDonald said the city maintained positive results in general activity and have more revenues than expenses. The budget will be close to break even by end of year. Watershed has budgeted break even and has a positive \$1,000 for 2024.

Kaltsas said there were some changes for capital planning and public works. He said mid-year some equipment was purchased. Every year the city looks at this to see if there needs to be any changes. The single axel is a replacement truck targeted for 2029. The city is budgeting for that. Admin capital equipment is pretty balanced. The building was renovated a couple years ago and the city will start to plan for repairs.

McDonald said the debt schedule is reflecting future interest. The city paid off two bonds and the levy is done. New bonds are coming on from a payment standpoint as well.

Kaltsas said the police budget increased \$244, 719, an increase of 14.42%. Independence went up by another percent. Fire had a 17.05% increase. Elections will go up for next year since it's an even year. Last year was zero in our budget since we are every other year. The \$9,100 does not include our staff time. To hold an election, it costs about \$30-40k. The general fund tax levy has an increase of 6.8%. Fisher asked how many dollars of the police increase is from our percentage.

Spencer said 10.14% up on base budget.

DuRose mentioned adding the 11th officer. Health care is up 13-14% cost wise. He said they are seeing critical technology that needs replacement and software needing to be updated that will cost around \$30-40k. He said as he is acclimated to the area, he will be looking at other revenue sources. The equipment is needed and that is expensive. We need to keep the officers safe, but there will be grants to help offset the costs.

Betts asked if they are up to 11 officers.

DuRose said Thompson is moving to FL so they have been interviewing for his replacement. He said they have operated with 10 officers before, but they will need to shift some officers around.

Kaltsas said he would like to fine tune the police budget a little more. They planned for debt levy but that will inch up over the next couple of years. If market values swing downward, that will put more strain on the budget.

Spencer asked if we have taxable market value for Bridgevine and Kochs developments.

Kaltsas said we should. He said there has been a lot of building. He said we are up 10% higher in building and those are significant houses. That will help a little. The lakes are also staying strong. The city has seen the valuations on lakes have helped hold up.

Fisher said the car condos will help too.

Kaltsas said those would help a lot and its about a \$50m in valuation.

Fisher said there are three presales.

Kaltsas said those will help a lot in a couple of years. Commercial will be good.

Betts asked about the commercial across the road at sam's.

Kaltsas said one building is rented out and two of the 4 are rented. That will have a couple million commercial valuation. He is one of our highest commercial tax payers with just one building down there. His tenants are national brands.

Spencer said we have tried to keep our percent somewhere comparable to our neighbors. It would be great to get 6% but it's hard.

Kaltsas said he can make it happen but what happens next year when he can't make it work.

Spencer said if we get a flat market value that will be a big swing especially if schools and county go up.

McDonald said Wayzata was up over 10% increase.

Spencer said Delano was up too. He said its going to be a tough year for everyone. He said school is going up and Hennepin County is going up big so let's try to do everything we can.

Kaltsas said this is our preliminary. He said it's good to adopt high and we can come down.

Spencer said we have reasons why this is going up. We have the road projects, expenses with the fire merger. We could come in lower if we didn't have all of that.

McDonald said with public safety your hands are somewhat tied.

Spencer said we committed to the 11th officer, and we knew that would have a ripple. The CIP plan is good.

B. Miscellaneous Administration Updates

a. Highway 12 – Discussion on Contracting with Lobbyist for Funding

Kaltsas said he and Phil Kern talked about how to fund Highway 12. He said he ran into a lobbyist to go after funding for Hwy 12. He wants to put a roundabout at County Line Rd but would also like to make it a broader project to do the whole stretch. The timing would be this Fall to get into bonding bills for next session and would cost around \$50k. His council is very interested. They want to know if Independence wants to partner with Delano. Kaltsas said he thinks it could yield results. He said Watertown has a different lobby group and have been very successful with public utility money. He said Independence hasn't tried this before and we have been unsuccessful with applying for grants because we were not competitive enough. Independence is on the edge of the metro district but not important enough to rise to the top with funding. He said if we can move that funding line to be even with maintenance district (St. Cloud) we could be #1 rated road and would have received funding.

Betts asked what we are proposing.

Kaltsas said road plans from County Rd 90 to County Line Rd. Maple Plain would like funding too but their section needs a lot more work.

Spencer asked the cost again.

Kaltsas said \$50k.

Fisher asked if we are competing with Hwy 55.

Kaltsas said yes.

Fisher said that's a big push.

Spencer said Hwy 12 is a state Hwy so you can go after Federal funding instead. It would be nice to do it sooner rather than later fi they are doing the roundabout at County Line Rd.

Fisher said he thinks it's worth it.

Kaltsas said he would like to talk to the Watertown group as well since they have been doing so good.

Spencer said he would like to partner with Delano on something. We have an opportunity to improve our relationship with Delano and work together long term. Let's try it.

4. Maple Plain Fire Department Merger with West Suburban Fire District

a. Review Fire District Merger

b. Review Probable 2026 Fire Budget

Kaltsas said he went to the Maple Plain workshop the other night to represent Independence. They are overwhelmingly in support of the merger. The merger talks have been going on with Maple Plain and West Suburban. Maple Plain would dissolve on December 31, 2025, and the members would be hired by West Suburban. All Maple Plain equipment would be donated to West Suburban. It would be a nonprofit 501(c3). We would enter into a 5-year contract. We have been in a contract with Loretto already in 2012/2013 with an auto renewal every 3 years unless we opt out. That only covers 1/3 of our city. This would cover 2/3. Maple Plain would lease their fire station to West Suburban and discuss those terms. Independence and Maple Plain would continue to make annual contributions to PERA for 5 years to add firefighters to retirement programs. West Suburban has a higher pension. In 2026 PERA admin says there is a \$61k pension payout amount that is necessary to bring officers onto their retirement plan. Maple Plain Fire has a retirement organization and is its own entity. That would be dissolved. They would move it to the WS PERA, and employees would get paid out for the years of service they have put in and then they would join WS as a member and their years of service would be acknowledged by WS. They would get their payout at MP rates and after one year and 1 day, they would get the higher rate at WS.

Betts asked if they could reinvest that money.

Kaltsas said yes, they can roll it into an IRA.

Betts asked if they have full authority over it if they don't want to put it in a pension.

Spencer said they would have to take it out.

McCoy said MP currently has \$55.5k for municipal contributions. He asked if that is going to continue.

Kaltsas said it is replacing that amount. This is an amount in the new budget that WS would be contracting with us for.

McCoy said that won't come close to making it up. The initial figures were over \$100k to get us up to the \$8,000 mark.

Kaltsas said we were trying to convert the current pension but stay in the pension. Trying to catch up was a much larger amount. This amount is what PERA gave us to bring MP up to WS. They will get our 2% and \$36k to go to the pension fund also. This is the amount on top of that.

McCoy said this is a good deal.

Kaltsas said some of the firefighters won't be eligible for 5 years. Maple Plain has firefighters that won't hit the threshold.

Spencer said Loretto has done a much better job managing this. The market has been good to them. There is a component in the original budget for pension contributions from the cities. It is a good deal. He sees benefit in the contribution too. We would still have to talk about soft costs like fire trucks.

McCoy said he is 100% committed to this. He noted that we are giving up everything and we have to put in the contract a lot of parameters to protect us as a city and taxpayer. That's the only negative.

Kaltsas said that would be our next step for negotiations. We need to talk to Jeff and get the 5-year contract figured out. We have to have the ability to extend beyond the 5 years since we are putting all of our eggs in one basket.

5. Adjourn

Betts, seconded by Fisher motioned to adjourn at 9:00 a.m.

Respectfully Submitted,
Amber Simon/ Recording Secretary

MINUTES OF A REGULAR MEETING OF
THE INDEPENDENCE CITY COUNCIL
TUESDAY, AUGUST 19, 2025 – 6:30 P.M.
City Hall Chambers

1. CALL TO ORDER

Pursuant to due call and notice thereof, a regular meeting of the Independence City Council was called to order by Mayor Spencer at 6:30 p.m.

2. PLEDGE OF ALLEGIANCE.

Mayor Spencer led the group in the Pledge of Allegiance.

3. ROLL CALL

PRESENT: Spencer, McCoy, Betts, Fisher, Grotting
ABSENT: None
STAFF: City Administrator Kaltsas, Administrative Services Director Simon,
Public Works Supervisor Ben Lehman
VISITORS: See Sign-in sheet

4. ****CONSENT AGENDA****

All items listed under Consent Agenda are considered to be routine by Council and will be acted on by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- a. Approval of City Council Minutes from the July 15, 2025, Regular City Council Meeting.
- b. Approval of Accounts Payable; (Batch #1 - Checks No. 23817-23826, Batch #2 - Checks No. 23827-23836 and Batch #3 - Checks No. 23837-23852).
- c. Approval of a Solicitor Application for Food Truck to be Located in the Parking Lot at Westpoint Church Located at 9090 Highway 12.
- d. 2nd Quarter Building Permit Report – For Council Information Only.

Motion by Fisher, seconded by Betts to approve the Consent Agenda. Ayes: Spencer, McCoy, Betts, Grotting and Fisher. Nays: None. Absent: None. Abstain. None.
MOTION DECLARED CARRIED. 5-0

5. Set Agenda – Anyone Not on the Agenda can be Placed Under Open/Misc.

6. Reports of Boards and Committees by Council and Staff.

Fisher attended the following meetings:

- Groundbreaking ceremony of car condos
- Delano Sportsman Trap Shooting

- Workshop
- Personnel Committee Meeting

Betts attended the following meetings:

- Workshop

McCoy attended the following meetings:

- Public Safety Commission
- Ground Breaking Ceremony of Car Condos
- Loretto Fire Quarterly Meeting
- Workshop

Grotting attended the following meetings:

- Planning Commission

Spencer attended the following meetings:

- Planning Commission
- Meeting with Joe Baker (PSCWMC) & Scott Beaupre (Lake Sarah Assoc.)
- Pioneer Sarah Creek Watershed Commission Meeting
- Meeting with MP Councilmember DeLuca (Fire Dept. Update)
- WHPS Commission Meeting
- West Suburban Fire Dist. Quarterly Meeting
- McGarry's Fundraiser Photo Op
- Delano Trap Shooting – Multi City Event
- Eagle Scout Board or Review for Keegan Flansburg
- Workshop
- Personnel Committee Meeting
- Cody Thompson (WHPS) last day lunch
- Tour De Tonka Delano Rest Stop Volunteer
- Delano Honors the Blue

Kaltsas attended the following meetings:

- MP City Council Workshop on Fire Merger

Simon attended the following meetings:

- Planning
- Workshop
- Groundbreaking Ceremony of Garage Condos

7. Sean Keating (Applicant/Owner) requests that the City consider the following action for the Properties located at 1875 Highsted Dr., Independence, MN (PID No.s 20-118-24-42-0002 and 20-118-24-42-0001):

- a. **RESOLUTION No. 25-0805-01** – Considering a minor subdivision to allow a lot line rearrangement to realign the existing property line that separates the two properties. The proposed lot line rearrangement would shift the boundary away from the existing house and to the east which would bring the existing house into conformance with applicable building setbacks.

Mayor Spencer introduced the item as a request from Sean Keating for the city to consider a minor subdivision and a lot line rearrangement at 1875 Highstead Drive. He asked Mark Kaltsas to introduce the item.

Kaltsas explained that this item was coming before the council after being considered at the planning commission. The applicant, Sean, approached the city about the possibility of subdividing this property. "We call it a subdivision, but it's really a minor subdivision to allow a lot line rearrangement," Kaltsas clarified. He noted that "the current lot lines go actually through a corner of the house. It's always been a unique and kind of different lot, although it is what we would consider lawful or legal nonconforming. Both lots are legal nonconforming in their current arrangement."

Kaltsas explained that a minor subdivision to do a lot line rearrangement "seems to make a lot of sense." The property is zoned agriculture and guided agriculture by the city's comprehensive plan. In the before condition, the large lot was 29.05 acres, and the small property was 10.42 acres. In the after condition, they would be really the same sizes, just being reconfigured. The larger parcel, tract B on the map, would be 29.46 acres, and the small lot would be 10 acres in its entirety.

He detailed that the applicant was proposing to "take and just turn the smaller lot to more of a north south axis so that the proposed track B and the existing house on the property can meet all applicable setbacks, plus have a frontage access on Highstead Drive." Kaltsas felt all of that made sense to bring tract B into conformance so that it would become a lawful conforming lot. The smaller tract A parcel "sets itself up well that if the applicant and owner ever does decide to sell that, that lot can act on its own and then also be a lot that could meet all applicable requirements."

Kaltsas reported that the planning commissioners discussed it, thought it was very clear, and "kind of a clean application." They liked that this would bring the properties into conformance and clean up a unique condition that "we're not sure how came to be." They recommended approval to the city council. There were no comments made at the public hearing.

Mayor Spencer asked if anyone had any questions for Mark, and if the applicant was present. Kaltsas replied no, explaining that the applicant "did actually write in, and he said he wasn't going to be here tonight. He asked if that was going to be an issue. I said yours looked pretty good. So probably not. And he said that everything looked like he had intended it to be."

Mayor Spencer commented, "It's just one of those things that just kind of makes sense. I don't know where it came from, to be honest. It was an interesting prior division." When he asked how long it had been that way, Kaltsas responded, "As far back as Kings owned it and built their house. So, I don't know what or how that got done, but that's what it was." There was some discussion about whether it followed section lines, with Kaltsas confirming it was part of a section line but noting the configuration was still unique.

After confirming there were no other questions:

Motion by McCoy, seconded by Grotting to approve Resolution 25-0805-01 for a minor

subd. to allow a lot line rearrangement. Ayes: Spencer, McCoy, Betts, Grotting and Fisher. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5-0

8. Scott Kirchner (Applicant/Owner) requests that the City consider the following action for the Property located at 6551 County Road 6, Independence, MN (PID No. 34-118-24-12-0001):

- a. **RESOLUTION No. 25-0805-02** – Considering a minor subdivision to allow a rural view lot subdivision. The proposed rural view lot would be 10 acres and located on the south side of County Road 6 along the east property line.

The council examined Scott Kirchner's request for a minor subdivision to create a 10-acre rural view lot on the south side of County Road 6 at 6551 County Rd. 6, Independence, MN. Mark Kaltsas offered a detailed presentation on the proposal, emphasizing the current zoning of the property as agriculture and its adherence to local ordinances. The existing 71.18-acre property would be subdivided, resulting in a 10-acre lot and a remainder of 61.18 acres.

Mark Kaltsas noted that the proposed 10-acre parcel would feature a substantial frontage of nearly 900 lineal feet, exceeding the minimum requirement for rural view lot subdivisions. He explained that the planning commission had previously discussed whether a second rural view lot could potentially be subdivided in the future, highlighting considerations about the nominal 40-acre basis for such subdivisions.

Council members discussed the strategic implications of the property division, recognizing the applicant's current intent to proceed with only one subdivision to facilitate the construction of a new home. The discussion acknowledged the applicant's potential interest in future subdivisions, although current plans do not include additional actions. The council ultimately appreciated the thoroughness of the proposal and its compliance with the city's guidelines.

The applicant, Scott Kirchner, expressed his intent to possibly consider further subdivision opportunities in the future, should the need arise. He affirmed that the current application was primarily driven by immediate plans for personal development. The council responded positively, encouraging open dialogue about strategic planning for further development opportunities.

Motion by Grotting, seconded by Betts to approve Resolution 25-0805-02 for a 10-acre rural view lot subdivision. Ayes: Spencer, McCoy, Betts, Grotting and Fisher. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5-0

9. Consider the Revocation of a Conditional Use Permit as Requested by the Property Owner for the Property Located at 7104 Pioneer Creek Drive.

- a. **RESOLUTION No. 25-0805-03** – Considering revocation of the Conditional Use Permit which granted approval of an Accessory Dwelling Unit (ADU) on the Property Located at 7104 Pioneer Creek Drive.

The council approved the request to revoke a previously granted Conditional Use Permit (CUP) for an Accessory Dwelling Unit (ADU) at 7104 Pioneer Creek Drive, following a change of plans for the property. The decision followed the landowner's request to repeal the CUP since the new plans did not include the ADU.

Motion by Spencer, seconded by Fisher to approve Resolution 25-0805-03 to revoke the CUP for an ADU at the owner's request. Ayes: Spencer, McCoy, Betts, Grotting and Fisher. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5-0

10. Consider Approval of the Personnel Committee Recommendations.

Council members engaged in a comprehensive discussion regarding the renewal and extension of Mark Kaltsas' contract. They considered his past contributions, noting that his performance is crucial to the city's achievements. The contract adjustments aimed to align his compensation with market standards while acknowledging his dual role as a contract administrator and planner. The revised terms include an automatic annual salary increase of 5%.

Additionally, the personnel committee evaluated the city's administrative services director. In recognition of her dedication and the recent attainment of her clerk certification following a three-year training program, Amber received a merit-based pay increase of \$2 per hour, effective immediately.

The council underscored the importance of transparency and fairness in rewarding staff efforts, agreeing that these contract changes reflect both market conditions and the high value placed on their contributions. They praised Mark and Amber for their outstanding work, which is integral to the effective functioning of the city.

Motion by McCoy, seconded by Betts to accept the personnel committee's recommendations. Ayes: Spencer, McCoy, Betts, Grotting and Fisher. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5-0

11. Open/Misc.

12. Adjourn.

Motion to adjourn the meeting was made by Councilmember Fisher, seconded by Councilmember Betts. The motion carried unanimously. 5-0

Meeting adjourned at 5:27pm pm.

Respectfully Submitted,
Amber Simon/ Recording Secretary



NON-CITY ASSEMBLY PERMIT APPLICATION

Pd 8/1/25
per
Katie

Fees & Definitions:

| |
|--|
| 200+ Attendees (*Large Assembly) = \$100 |
| 100+ Attendees (*Medium Assembly) = \$25 |
| 50+ Attendees (Small Assembly) = \$25 |

*Medium & Large Assemblies require a \$500 WHPS deposit with application.
(Double fee for application received less than 45 business days prior to event).
NOTE: This application must be approved by Council at Council meeting.

Event Location: 2026 Copeland Rd
Number of People: 200 Date: Sept. 13, 2025
Type: ☐ Residential ☐ Corporate ☐ Partnership ☐ Group or Association ☒ Other

Event Holder's Name(s): Brett + Bethany Walker
Event Holder's Address: 2026 Copeland Rd

Contact Person's Name: Bethany Walker
Email: bethany.knauf@gmail.com Phone #: 612-227-5001

2nd Contact Person Name: Brett Walker
Email: walker.k.brett@gmail.com Phone #: 507-458-1603

SECURITY PLANS:

Wedding

Severe Weather Plans (in the event of): cancellation of event
or gather in basement of house

SOUND PLANS

Amplification and Sound Control: music will be inside barn
and off by 11 pm

Outdoor Music: ☐ Yes ☒ No Starting Time: 3:30 AM/PM Ending Time: 11 AM/PM or earlier if need be
music @ 7pm

FOOD and CONCESSION PLANS

Gather Kitchen 763-267-7440 lic # FBL-9054-54429

Vendor's Name, Address, and License Number (Copies of vendor license, insurance,
and permits must be provided.)

copies attached

Phone/763-479-0527
Fax/763-479-0528

1920 County Road 30
Independence, MN 55539

ASimon@ci.independence.mn.us
www.ci.independence.mn.us

Vendor Work # 763-267-7440 Vendor Cell # _____

Serving Alcohol:
☒ Yes ☐ No

Selling Alcohol (*If selling alcohol, contact the City
for a Permit.)
☐ Yes ☒ No

Restroom Provisions: Quantity 4
Locations: See parking map detail for
location - between parking area
+ shed

LIGHTING

Type: harn lights Quantity 8
Location of lights: all lights to be used are on property

\$1,000,000 Certificate of Liability Insurance-provide a copy: _____

PARKING PLANS: Please provide a site plan showing 1 parking space for each vehicle per
4 guests. If using adjacent property, written permission from property owners must be obtained.

July 31, 2025
Date

7-31-25
Date

Bethany Walker
Applicant's Signature

[Signature]
Applicant's Signature

Office Use Only

Application Received: 7-31-25 Application Fee: \$ 166.00 Date Fee Paid: 8-1-25

Received Date of \$1,000,000 Certificate of Liability Insurance: _____

Date West Hennepin Public Safety was notified of event. _____

City Official's Signature

[Signature]

West Hennepin Public Safety Official's Signature

Date

8-1-25

Date

Date Council Approved

9:33

5G

p: 0.19 mi
a: 51,743 sq ft

Map

Sat.

over flow
parking
here
if need be

298.4 ft

210.6 ft

225.4 ft

116.9 ft

154.6 ft

16.9

0 100ft



4071 SUNSET DRIVE ■ BOX 385 ■ SPRING PARK, MN 55384-0385 ■ 952.471.7125 ■ FAX 952.471.9151 ■ lmcc@lmcc-tv.org

From: Jim Lundberg, Operations Manager LMCC
To: All LMCC Member Cities
Reason: LMCC's 2026 Budget

At last Thursday's LMCC Full Commission meeting, the group unanimously approved our 2026 Budget. A copy is attached.

DEEPHAVEN

EXCELSIOR

For 2026, as we are currently going through a Due Diligence period as we appear very close to selling our building, we created 2 budgets:

GREENWOOD

-1 for our current location should things go south on our current Purchase Agreement

INDEPENDENCE

LONG LAKE

-1 for our new location in Long Lake at 2145 Daniel Street.

LORETTO

Both Budgets are within \$100.00 of each other and reflect the new business model that was approved at our May Full Commission meeting where I will be stepping aside and Tyler Rabe will take over as the Operations Manager at the end of the year.

MINNETONKA
BEACH

ST. BONIFACIUS

I ask that you bring this budget before your City Council for approval.

SHOREWOOD

Note: City approval is not required under our Joint Powers Agreement, but your vote of confidence is greatly appreciated!

SPRING PARK

WOODLAND

Thanks,

Jim Lundberg
Operations Manager
LMCC

| | B | C | D | E | F | G | H |
|----|---|-----------|---------|----------------|-----------------|-----------------|-----------------|
| 1 | | | | | | | |
| 2 | Lake Minnetonka Communications Commission | | | | | | |
| 3 | Approved 2026 LMCC Budget | | | | | 4071 Sunset Dr | 2145 Daniel St |
| 4 | | | | 2024 | 2025 | 2026 w/ 10% | 2026 w/ 10% |
| 5 | | | Code #: | Actuals | Budget | for Tyler | for Tyler |
| 6 | | | | | | | |
| 7 | Budget Revenues | | | | | | |
| 8 | Franchise fees | | 990.1 | \$ 174,697.47 | \$ 169,359.89 | \$ 120,731.79 | \$ 120,731.79 |
| 9 | PEG fees | | 915.2 | \$ 42,230.72 | \$ 41,897.09 | \$ 28,148.42 | \$ 28,148.42 |
| 10 | Commercial & VOD Services | | 930.2 | \$ 6,015.00 | \$ 6,500.00 | \$ 4,800.00 | \$ 4,800.00 |
| 11 | Total Budgeted revenues | | | \$ 222,943.19 | \$ 217,756.98 | \$ 153,680.21 | \$ 153,680.21 |
| 12 | | | | | | | |
| 13 | Franchise Salaries | Franchise | 101 | \$ 91,911.56 | \$ 94,668.33 | \$ - | \$ - |
| 14 | PEG Production Salaries | PEG | 102 | \$ 61,154.05 | \$ 61,800.00 | \$ 67,980.00 | \$ 67,980.00 |
| 15 | Franchise PERA Contributions | Franchise | 121 | \$ 6,893.12 | \$ 7,004.00 | \$ - | \$ - |
| 16 | PEG Production PERA Contributions | PEG | 120 | \$ 4,586.62 | \$ 3,939.00 | \$ 4,332.97 | \$ 4,332.97 |
| 17 | Franchise FICA Contributions | Franchise | 122 | \$ 6,620.08 | \$ 4,635.00 | \$ - | \$ - |
| 18 | PEG Production FICA Contributions | PEG | 123 | \$ 4,048.31 | \$ 4,326.00 | \$ 4,758.60 | \$ 4,758.60 |
| 19 | Franchise Health Insurance | Franchise | 131 | \$ 19,834.67 | \$ 14,878.80 | \$ - | \$ - |
| 20 | PEG Production Health Insurance | PEG | 132 | \$ 8,668.12 | \$ 6,140.04 | \$ 7,076.78 | \$ 7,076.78 |
| 21 | Franchise Worker's Compensation Insurance | Franchise | 151 | \$ 470.00 | \$ 561.50 | \$ - | \$ - |
| 22 | PEG Prod. Worker's Compensation Insurance | PEG | 152 | \$ 470.00 | \$ 561.50 | \$ 561.50 | \$ 561.50 |
| 23 | Total Budget - Personnel Expenses | | | \$ 204,656.53 | \$ 198,514.17 | \$ 84,709.85 | \$ 84,709.85 |
| 24 | | | | | | | |
| 25 | Office Supplies | Franchise | 200 | \$ 911.98 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 |
| 26 | Repairs & Maintenance Supplies | PEG | 220 | \$ 59.62 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| 27 | Studio Expendables | PEG | 221 | \$ 35.81 | \$ 200.00 | \$ 200.00 | \$ 200.00 |
| 28 | Audit/Accounting Fees | Franchise | 301 | \$ 10,002.60 | \$ 9,700.00 | \$ 5,200.00 | \$ 5,200.00 |
| 29 | Access Contractors | PEG | 302 | \$ 22,133.25 | \$ 30,000.00 | \$ 25,000.00 | \$ 25,000.00 |
| 30 | Legal Fees | Franchise | 304 | \$ 4,286.00 | \$ 4,500.00 | \$ 2,500.00 | \$ 2,500.00 |
| 31 | Franchise Renewal Legal | Franchise | 305 | \$ 4,151.50 | | | |
| 32 | Payroll Services | Franchise | 314 | \$ 3,346.03 | \$ 3,250.00 | \$ 3,350.00 | \$ 3,150.00 |
| 33 | Janitorial Services | Franchise | 318 | \$ 3,270.95 | \$ - | \$ 3,270.95 | \$ - |
| 34 | Security Services | Franchise | 319 | \$ 312.00 | \$ 335.00 | \$ 335.00 | \$ 335.00 |
| 35 | Telephone/Communications | Franchise | 321 | \$ 1,788.18 | \$ 1,750.00 | \$ 1,800.00 | \$ 1,800.00 |
| 36 | Postage | Franchise | 322 | \$ 467.03 | \$ 350.00 | \$ 350.00 | \$ 350.00 |
| 37 | Computer Consulting | Franchise | 325 | \$ - | \$ 500.00 | \$ 500.00 | \$ 500.00 |
| 38 | Mileage | Franchise | 332 | \$ 95.14 | \$ 300.00 | \$ 100.00 | \$ 100.00 |
| 39 | Insurance | Franchise | 360 | \$ 5,750.00 | \$ 5,250.00 | \$ 5,750.00 | \$ 2,875.00 |
| 40 | Utilities | Franchise | 380 | \$ 6,723.75 | \$ - | \$ 6,700.00 | \$ - |
| 41 | Refuse & Recycling | Franchise | 384 | \$ 2,912.20 | \$ 1,850.00 | \$ 2,000.00 | \$ - |
| 42 | Contracted Building Repair | PEG | 401 | \$ 1,386.00 | \$ - | \$ - | \$ - |
| 43 | Building Rent | Franchise | 412 | \$ - | \$ 15,000.00 | \$ - | \$ 15,000.00 |
| 44 | Van Operation | PEG | 441 | \$ 882.06 | \$ 1,500.00 | \$ 1,500.00 | \$ 1,500.00 |
| 45 | Web streaming/Broadband | Franchise | 442 | \$ 4,821.37 | \$ 4,000.00 | \$ 4,000.00 | \$ 4,000.00 |
| 46 | Licenses | Franchise | 443 | \$ 1,749.34 | \$ 1,650.00 | \$ 1,750.00 | \$ 1,750.00 |
| 47 | Other Expenses / Contingency | Franchise | 740 | | \$ - | \$ - | \$ - |
| 48 | | | | | | | |
| 49 | Expenses Total | | | \$ 75,084.81 | \$ 81,235.00 | \$ 65,405.95 | \$ 65,360.00 |
| 50 | | | | | | | |
| 51 | Capital equipment expenditures budget | PEG | 720 | \$ 936.38 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 |
| 52 | Capital Software | PEG | 722 | \$ 2,746.36 | \$ 2,600.00 | \$ 2,750.00 | \$ 2,750.00 |
| 53 | Total Capital Expenses | | | \$ 3,682.74 | \$ 7,600.00 | \$ 7,750.00 | \$ 7,750.00 |
| 54 | | | | | | | |
| 55 | Total All Expenses | | | \$ 316,864.59 | \$ 287,349.17 | \$ 157,865.80 | \$ 157,819.85 |
| 56 | | | | | | | |
| 57 | | | | | | | |
| 58 | Total Income | | | \$ 251,537.68 | \$ 217,756.98 | \$ 153,680.21 | \$ 153,680.21 |
| 59 | Total All Expenses | | | (\$316,864.59) | \$ (287,349.17) | \$ (157,865.80) | \$ (157,819.85) |
| 60 | Annual Funding Balance after All Expenses | | | \$ (65,326.91) | \$ (69,592.19) | \$ (4,185.59) | \$ (4,139.64) |
| 61 | Transfer from cash reserves | | | | \$ 69,592.19 | \$ 4,185.59 | \$ 4,139.64 |
| 62 | Total after transfer from cash reserves | | | | \$ - | \$ - | \$ - |
| 63 | | | | | | | |