**Rugby Job Development Authority**

**July 15, 2019 – 12:00 PM**

**Board Minutes**

**Special Meeting**

**JDA Office**

**Members Present:** Chairman Blair Brattvet; Susan Selensky; Terry Hoffert; Jodi Schaan; Gary Kraft and Mayor Susan Steinke. **Members Absent:** Rob St. Michel. Also present was Executive Director Liz Heisey, and Sue Sitter from the Pierce County Tribune.

**Call to Order:** Brattvet called the meeting to order at 12:10 PM

**Consideration of Agenda - amendments, additions, deletions to the agenda:** There were no amendments, additions, deletions to the agenda. Motion by Kraft to approve the agenda. Second by Hoffert, no further discussion was held, vote was unanimous to approve, motion carried.

**2020 Preliminary Budget –** The 2020 Preliminary Draft Budget was presented by Heisey with the most recent sales tax projection provided by the City. Discussion was held on the Projected Sales Tax based upon City analysis. Heisey informed the Board that the City Council had decided not to reduce the amount of sales tax allocated to the JDA. Rental income from the Johnson Clinic and Thrivent Financial, interest, and possible property tax were reviewed.Discussion was held on expenditures based upon the continuation current programs and operating expenses. Hoffert expressed concern over the request for mills and felt it would invite lots of negativity and also felt that the JDA should not request the levy unless it was absolutely necessary. Steinke noted that the loan that was paid off will save over $24,000. Schaan also emphasized that the JDA did have much healthier fund balances in past years and did not need the levy. Steinke pointed out the huge impact that Chalmers had on the budget which was a nearly 4 million dollar project. She noted that only way out of Chalmers is through and that Chalmers is showing really good turn around. We need to be focused on the development. Brattvet added that the downturn in sales tax is a legitimate reason to request the levy at this time. Schaan stated what we can do to help people, community development, student loan incentives, and recruitment. Schaan and Kraft felt the JDA needed an assistant to help in the office. Schaan recommended to the board that the expenditure line for administrative assistance be increased to 12,000 for administrative assistant to cover a maximum of 19 hours a week. The Board reviewed the beginning and ending fund balances and also discussed the deficit. Steinke led the discussion on the request of up to 4 mills and the average cost to a taxpayer with a $100,000 home. Steinke stated that the City Auditor’s estimated that the average cost to a tax payer with a $100,000 home would be $4.50 per mill. If the JDA requests all 4 mills, the cost would be around $18.00. Heisey stated that the JDA has authority under the NDCC to request a levy up to 4 mills since it was established by resolution in May 1988.

**Consider Request for the levy** – After discussion the total expenditures as presented with an administrative assistant was $389,853. The $288,650 revenues reflected were based upon a City projected of in revenues $229,000 in sales tax, rental and interest income. The budget as presented showed $94,202 deficit without requesting a levy. Information received from the City Auditor as of the date of the meeting showed the estimated value of 1 mill to be $8,000. It was also noted that the Sales tax is projected and any requested mill levy is also subject to change. The Board generally felt it was important to keep the programs we have and provide assistance to the director. Motion by Schaan to approve the 2020 Preliminary budget with expenditures of $389, 853 including expenditures for an administrative assistant, estimated revenues, and the request for 4 mills. Second by Selensky, roll call vote, Hoffert voting no, Kraft, Steinke, Selensky, and Schaan voting yes.

**Adjournment:** 12:36PM