

TOWN OF LAPOINTE

**PUBLIC HEARING:
2025 BUDGET**

**THURSDAY, DECEMBER 5, 2024
6:00 PM AT TOWN HALL**

Minutes

17 townspeople were present in person including the Town Board members/Town Hall Staff, and 3 members of the public via zoom
Please see sign up sheet for list of present town electors.

I. Call to Order:

Meeting called to order by Glenn Carlson at 6:00pm.

II. The purpose of this Public Hearing is to discuss the 2025 proposed budget.

John Carlson asked about the Harbor Commission funds, specifically the -\$425,000 that was paid back to the town. Glenn mentioned the town gave the Harbor Commission a \$450,000 loan, which has been paid back. The \$425,000 was given to the Harbor Commission when it began and that has not been paid back. Jim Peters asked for clarification about expenditures conservation/development "Planning and Zoning" \$204,000 and \$134,000 Energy Committee. Glenn clarified 157,500 of the 204,000 is what is paid for accommodation tax to the Chamber of Commerce, which shows up under "Planning and Zoning" because they issue short term rental permits. The \$134,000 is the town's share of the ESB micro-grid with the Energy Committee. John Carlson asked if it was said how long it will take for the micro-grid to pay back the town in energy savings. Glenn commented it isn't about saving it is a resiliency and to provide reliable power in the case there is a long-term power outage if a grid goes down. The Townspeople and Town Board discussed the town limit of borrowing and including the tax levy by 5%, the town borrowing limit is roughly \$2,000,000. Michael Kutcha mentioned the town is planning on borrowing \$442,000, there's \$268,000 in capital expenditures, he asked what the rest of the borrowing will be used for. He also mentioned in 2024 and in 2025 there was budgeted for \$225,000 in accommodation tax revenue, however currently there is only \$95,000 and asked why there is such a gap. Glenn clarified that usually the majority is paid by the end of October, however this year we received over \$100,000 in November for accommodation tax revenue. Michael Kutcha stated there is roughly \$660,000 in reserve and 1.4 million of debt repayment in 2025 and asked what the plan is for covering the debt for Harbor Commission/Ferry Line. Glenn mentioned the Harbor Commission is discussing a substantial increase in tariffs (boat fare) to bring in revenue and cover some debt owed. The bulk of this

revenue will be profited from the tourists who visit. Eric Eoloff asked a few questions regarding the purchase of the ferry line/budget as a new full-time resident. John Carlson discussed the issues with raising the ferry boat fares, in relation to the Affordable Housing Committee and the people who live here. Paul Brummer mentioned the older ferry boats and the future need for upgrades/replacements and the hefty costs that will require. Evan Erickson made a comment on the Harbor Commission/Ferry revenue and stated in 2026 we will be able to collect federal program funds of \$300,000-\$400,000. He stated the timeline of when the ferry was purchased, the Harbor Commission was unable to apply for federal funds for 2025. The rates would most likely continue to stay raised from \$9/per trip to \$12/per trip to continue to pay off debt.

III. Adjourn: Motion by Mike Anderson to adjourn, seconded by John Carlson, 17 Ayes, Motion Carried. 6:19pm

Submitted by Town Clerk, Alex Smith.
Approved as submitted.