

WAITE PARK CITY COUNCIL REGULAR MEETING**AUGUST 7, 2023****1. CALL TO ORDER**

A meeting of the Waite Park City Council was held on Monday, August 7, 2023, beginning at 6:30 PM.

MEMBERS PRESENT

Members present were Mayor Miller, Members Blackburn, Linquist, Schmitt and Theisen

MEMBERS ABSENT**CITY REPRESENTATIVES PRESENT**

City Representatives present or on the call were City Administrator Johnson, Planning and Community Development Director Noerenberg, Police Chief Reznicek, City Clerk Brenny, Finance Director Virnig, Attorney Storm, HR/Payroll Clerk Glanz and SEH Engineer Blommel

OTHERS PRESENT

Justin McGraw, CDS, PLLP – Audit Report

2. PLEDGE OF ALLEGIANCE**3. PUBLIC INPUT****4. COUNCIL AGENDA**

Administrator Johnson requested to remove item 6.B. Ordinance 85 – Local Sales & Use Tax Amendments from the agenda.

Member Theisen moved to approve the agenda as amended, seconded by Member Schmitt. Motion carried unanimously.

5. CONSENT AGENDA

- 5.A. Approve 6/26/23 Council Meeting Minutes
- 5.B. Approve 6/29/23 Council Meeting Minutes
- 5.C. Approve 7/17/23 Council Meeting Minutes
- 5.D. Approve Water Treatment Facility Improvements - RFP
- 5.E. Approve Babe Ruth Charitable Gambling Donation

Member Theisen asked to pull item D. Approve Water Treatment Facility Improvements – RFP.

Member Theisen moved to approve all other items on the consent agenda as presented, seconded by Member Schmitt. Motion carried unanimously.

Regarding item D. Approve Water Treatment Facility Improvements – RFP, Member Theisen asked about financing the project. Public Works Director Schluenz explained that it is part of the job of the organizations supplying the RFP's to propose funding sources as well. Administrator Johnson said that they are going to help identify all of the different funding sources that are out there right now. Schluenz said that first the City has to determine what we need, price it out and then figure out how to pay for it.

Member Theisen moved to approve D. Approve Water Treatment Facility Improvements – RFP, seconded by Member Schmitt. Motion carried unanimously.

6. REGULAR AGENDA**6.A. 2022 AUDIT REVIEW & FUND TRANSFERS**

Justin McGraw, representing the accounting firm of Conway, Deuth & Schmiesing, presented the City's financial statement and audit report for the fiscal period ending December 31, 2022. Mr. McGraw highlighted:

- Financial statements are the responsibility of the City's management.

6.A. 2022 AUDIT REVIEW & FUND TRANSFERS (Cont.)

- The firm's responsibility is to express opinions on these financial statements based on the audit.
- The audit was conducted in accordance with Generally Accepted Auditing Standards and Government Auditing Standards.
- Obtained reasonable assurance financials are free from material misstatement.
- Financial statements are presented fairly in their opinion.
- Presented a Statement of Net Position, which is a snapshot of the assets and liabilities. It was explained that there were changes mostly due to intergovernmental changes – water and sewer funds paying back the general fund.
- There was an increase in Noncurrent assets due to depreciation on current outstanding assets.
- It was explained that Total Liabilities increased a little from 2021 to 2022, mainly due to the timing of payments for the Waite Ave Road Project and due to PERA Liabilities.
- The City's overall net position is moving in the direction the auditors want to see it trending towards.
- Presented graphs showing percentages of 2022 General Fund Revenues and Expenditures. Revenues increased from 2021 to 2022 as well as expenditures. This then decreased the Fund Balance. Auditors expect to see this increase in 2023 as the City of St. Cloud pays back their portion of Waite Ave Road Project. Auditors said that the fund balance is sitting at roughly 5 months' worth of expenses. There was an increase in intergovernmental revenue.
- It was presented that the Amphitheater is very close to breaking even, without the one-time capital costs.
- Presented a graph on Major Capital Project Funds. The amphitheater project fund is decreasing. The new Public Safety Facility Fund is starting to earn money.
- Presented graphs on a few Special Revenue Funds, this mostly comes from local sales tax.
- Presented information regarding water and sewer fund cash and investment balances.
- The Water Fund Cash and Investment Balances increased from 2021 to 2022. Operating expenses increased from 2021 to 2022 as revenues also increased from prior years. The water fund revenue can cover water fund expenses.
- The sewer fund had a cash increase from 2021 to 2022. The expenses decreased from 2021 to 2022, while the revenues increased.
- Storm water fund cash and investment balance increased slightly from 2021 to 2022. Operating and nonoperating revenues and expenses increased from 2021 to 2022.

Reported no instances of noncompliance and there were no difficulties in performing the audit. General recommendations or items auditors want the Council to be aware of include timely bank reconciliations, fraud reporting policy and Auditor prepared Financial Statements. New accounting standards are coming out that address leases for IT arrangements for fiscal year 2023.

Member Linquist moved to approve the fund transfers and accept the 2022 Audit Report as presented. Motion seconded by Member Schmitt. Motion carried unanimously.

6.B. CONSIDERATION OF NEW PAY PLAN STRUCTURE & IMPLEMENTATION

Sarah, from Baker Tilly provided a brief overview of how they study the market to be able to recommend a pay plan for the City of Waite Park.

The City contracted with Baker Tilly to update the pay compensation plan. The proposed recommendations were presented by Baker Tilly on July 10th to the City Council and employees. The proposed pay plan addresses concerns with being competitive in the market and creates enough separation between positions to allow room and incentive for employees to consider advancements. Presented was a copy of the two pay plans that include one for non-exempt and one for exempt employees. As part of the implementation of this, the implementation of the old pay plan to the new pay plan was discussed. There are two options to consider which include 1) moving everyone closest to the nearest step without decreasing pay or 2) moving everyone to the same step and grade that they are currently on in the old pay plan. Based on the discussion with council, the recommendation was to have

6.B. CONSIDERATION OF NEW PAY PLAN STRUCTURE & IMPLEMENTATION

(Cont.)

employees remain on the same step they are currently on in the old plan. Implementation of the new plan was also being proposed to start on August 21, 2023, to line up with a new pay period.

Included in the pay plan process, employees had the opportunity to have their job description reviewed if they felt that it did not reflect what they were currently doing. The City did have seven positions that are currently being reviewed by Baker Tilly and any recommended changes will be considered at the August 21st council meeting. As part of this process, staff want to provide an opportunity to discuss the findings of this review with employees prior to any council action.

Member Theisen moved to approve the new pay plan structure for non-exempt and exempt employees and keep them on the same step they were under the old plan. Motion seconded by Member Schmitt. Motion carried unanimously.

6.C. CONSIDER MOA WITH COLLECTIVE BARGAINING UNITS RE: PAY PLAN IMPLEMENTATION

The City has four collective bargaining units within the organization and as part of consideration of the pay plan implementation, the City will need to consider each of the MOA's with each collective bargaining unit. The MOA's include the new proposed salary schedule and allow for the implementation of the proposed plan via contract. If the City Council chooses to move forward with the pay plan implementation, each MOA is separate and will need to be considered individually. The MOA's have been sent to each bargaining unit.

Member Theisen moved to approve the Police Admin Memorandum of Agreement as presented, seconded by Member Schmitt. Motion carried unanimously.

Member Theisen moved to approve the Police Sergeants Memorandum of Agreement as presented, seconded by Member Linquist. Motion carried unanimously.

Member Theisen moved to approve the Maintenance Worker Memorandum of Agreement as presented, seconded by Member Linquist. Motion carried unanimously.

Member Theisen moved to approve the Police Officer Memorandum of Agreement as presented, seconded by Member Schmitt. Motion carried unanimously.

7. COUNCIL/MAYOR

7.A. APPROVE BILLS

Member Theisen moved to pay the bills as presented, seconded by Member Schmitt. Motion carried unanimously.

8. ADMINISTRATOR UPDATE

Mayor Miller explained that United Way has a "Day of Caring" and has asked the City for a volunteer opportunity. The Mayor and Public Works Supervisor Dubay decided that cleaning up Rock Island Park would be a good option. This will be taking place on September 18th from 9am-11am and the City will be providing the volunteers.


Mayor Miller said the Senior Picnic is August 9th.

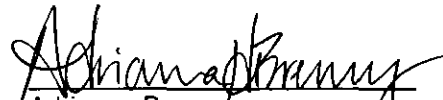
Administrator Johnson said that they are planning a budget work session for September 18th with the potential of a council meeting after. There will also be a Council meeting on September 25th.

Public Works Director Schluenz said the DNR report shows that Waite Park is now in a severe drought which means the City has to reduce water consumption to 1.5x of January usage. This means the City is declaring a watering ban.

ADJOURNMENT

Mayor Miller declared the meeting adjourned at 7:14PM.


Richard E. Miller
Mayor


Adrianna Brenny
City Clerk