

Finance Committee Meeting Minutes
Tuesday, July 10, 2023 at 5:00 P.M.
City Hall Council Chambers

1. CALL TO ORDER

Derek Lundell called the meeting to order at 5:00 p.m. Roll call: Derek Lundell, Council Member – present; Steve Gesme, Council Member – present; Matt Montgomery, Mayor – present
Also present: City Administrator Neil Jensen, City Clerk Sara Peer, Utility Clerk Ellen Hartman, Council Member Diane Johnson, Babe O’Gorman, Officer Truax and union rep

2. APPROVE MEETING MINUTES

Action – ***Motion by Montgomery, second by Gesme, to approve minutes from June 12, 2023 Finance Committee meeting, passing unanimously.***

3. ELECTIONS

Peer reported on a meeting with Goodhue County election officials. Cannon Falls had 257 absentee voters during the last election, and Red Wing had 284. GC told Peer that Cannon Falls is no longer required to have absentee voting. Consensus of the committee was CF has a lot of absentee voters and it is a service the City should continue providing. Peer also reported that City Hall will be required to be open more hours to provide more absentee voting time, resulting in increased costs. Consensus of the committee to approve the increases to the election budget.

4. PAY STUDY

Jensen reported David Drown has completed the pay study and will present it at the July 10th city council meeting. Comparison cities were similar in size and budget, from the outer ring metro and Rochester, and Lake City. PD and Ambulance will be getting the largest increases, most City staff will receive 4-5% increases. LGA could potentially cover a portion of the increased wages. The plan meets pay equity as of today. The goal is to keep employees longer, to avoid turnover, hiring and training expenses.

5. SANDSTONE RIDGE

Jensen reported Leon Endres wants a purchase agreement drafted for Sandstone Ridge. Endres would like to purchase for \$1 with existing curb and gutter removed. Jensen suggested a 10-year tax abatement to cover the cost of C&G removal, since the City is not in the construction business. Endres will fix the roads and replat; there will be a call back if Endres does not fulfill his obligations. Consensus to move forward with the PA.

Action – ***Motion by Gesme, second by Montgomery, to direct Jensen to draft a purchase agreement with Leon Endres for Sandstone Ridge, with a \$1 purchase price and tax abatement for curb and gutter removal, passing unanimously.***

6. 2023 BUDGET DISCUSSION

Jensen reported that the pay study needs to be concluded to finalize the budget. Most departments came in at a 2% increase; one department had a 6% increase and that will need to be addressed. Jensen requested that a member of the Finance Committee call for a special meeting at tomorrow’s council meeting; the special meeting would August 1st at 5pm to work on the budget.

7. 2023 RECONSTRUCTION PROJECT

Jensen reported that the Johnson Family has agreed to sell the City two lots for \$50,000, which are needed for the 2023 Reconstruction Project. The purchase price is a compromise between the City's offer and the Johnson's first offer. Purchasing the lots will allow the City to do the project correctly, with a storm pond and the removal of the sewer bridge.

Action – ***Motion by Gesme, second by Montgomery, to direct Jensen to present the City Council with a purchase agreement for \$50,000 for two Johnson lots needed for the 2023 reconstruction project, passing unanimously.***

ADJOURNMENT

Action – ***Motion by Gesme, second by Montgomery, to adjourn at 5:30 p.m., passing unanimously.***

Respectfully Submitted,
Ellen Hartman, Utility Clerk