

**CITY OF LE CENTER
WORKSHOP MEETING
TUESDAY, AUGUST 22, 2023 – 6:00 PM
10 W. TYRONE ST. LE CENTER, MN 56057**

*** MINUTES ***

1. CALL TO ORDER

Present: Mayor Christian Harmeyer, Council Members Jennifer Weiers, Nathan Hintz, Collin Scott

Absent: Council Member Dan Steffen

Staff Present: City Administrator Dan Evans, Liquor Manager Becky Vikla, Public Works Superintendent Dan Steinborn, Pool Manager Dorothy Dinwiddie, Police Chief Appointee Mitch Overn.

2. DISCUSS HEALTH INSURANCE PLAN OPTIONS FOR 2024

Evans presented the current health insurance plan through Blue Cross Blue Shield (BCBS) Blue Access Gold \$500 deductible. Evans indicated that the City currently offers one health plan option. Adding a second plan option might help with recruitment and retention of employees in this job market. Evans presented BCBS Blue Access Health Care Savings (HSA) Gold \$3500 deductible plan. Evans recommend that the City would fund an HSA account for each employee who elects this plan at 75% off the annual deductible. This HSA account could be used towards deductibles and other qualified medical expenses not currently covered by the city, such as vision and dental. This option was discussed and well received by the council as a recruitment and retention tool for employees. This plan option was factored into the proposed FY 2024 budget.

3. DEPARTMENT HEADS PRESENT THEIR BUDGETS

Pool Manager Dorothy Dinwiddie presented her budget. Dinwiddie presented wage information from five other pool managers in the area, St. Peter, New Prague, Bell Plaine, Gaylord, and Le Sueur. The average wage/stipend for these pool managers is \$13,986.00. Dinwiddie's annual stipend for 2023 is \$5,250. Dinwiddie indicated that she did not typically receive a COLA increase as other employees did throughout her career. It was discussed that Dinwiddie was not compensated enough in comparison to other individuals in her field. It was generally agreed that Dinwiddie should be paid a \$12,500 stipend along with a wage of \$20.00 an hour for all shifts that are covered by her, in the absence of pool staff. The overall pool budget was discussed as needed and no major changes have been made from this year.

Liquor Manager Becky Vikla presented her budget. Vikla indicated that she increased her entertainment line item to \$9,200 from \$4,000 saying that bands bring in good business and they can generate increased revenues. Vikla stated that she is attempting to reduce the amount of inventory she has on hand to help keep cost down.

Police Chief Appointee Mitch Overn presented his budget. Overn indicated that he would like to see an increase in the clothing allowance line item for part-time Officers. Currently part-time Officers do not receive an annual cloth allowance for uniforms or other gear necessary to do the job. It was generally agreed that part-time Officers should receive an annual clothing allowance reimbursement of \$300. This would increase the line item from \$4,350.00 to \$6,150. It was discussed that the dept. should pay for part-time Officers body armor. Much of this cost could be recovered by utilizing state and federal reimbursement funds.

Public Works Superintendent Dan Steinborn present his budget. Steinborn indicated a few street repair projects to include Woodlawn St patch to remove and replace for \$2,758.00, E Lanesburgh St in front of Winco entrance to remove and replace for \$21,200.00, and chip sealing 50,697 yards of street, in accordance with the 5-year approved chip sealing plan for \$102,350.00. Steinborn recommended two additional street repairs to be paid out of the capital improvement fund, they are Ottawa St edge mill and pave for \$15,000.00, and Solberg St edge mill and pave for \$56,770.00. Steinborn also mentioned the need for a pickup truck. It was recommended to wait until 2025 to make that purchase. Steinborn requested the council consider a wage adjustment for a full-time maintenance worker Bob Krenik. This is to match a similar wage of an employee who has the same/similar credentials and years of service. The council generally agreed with this and will be discussed further at the next regularly scheduled council meeting.

4. CITY ADMINISTRATOR EXPLANATION OF TOTAL BUDGET

The council discussed the remain general fund departments; Council, Administration, Elections, Ambulance and Fire Commissions, Building Official, Emergency Management, Parks, and the Library. These departments were discussed as needed.

Evans indicated the general fund levy would be \$876,350, the capital improvement levy would be \$20,000 and the debt service levy would be \$560,256, for a total levy of \$1,456,606.00. The total levy increase for this proposed general fund budget would be \$167,028 or 12.95% from 2023. The overall general fund budget would be \$2,198,850.00 an increase of \$308,600 or 16.33% from 2023.

The water and sewer funds were discussed as needed. Evans indicated that the water fund was budgeted with a deficiency of \$33,543.00 and the sewer fund with a deficiency of \$128,480. Evans indicated that it's a slow process getting the new approved utility rates in place into our utility billing system. Evans said ever account will be audited to ensure that customers are being charged in accordance to the lasted fee scheduled. Once these rates are implemented, the city should start to see the fund balance improve as laid out in the utility study.

The refuse fund was discussed as needed. Steinborn indicated that the land fill that the street sweepings are taken to, will start to charge for that service in 2024, however it's unknown of cost associated with that. The Council will discuss in December on whether bag prices or solid waste fees will increase.

5. COUNCIL DIRECTION FOR STAFF

Proposed budget and levy were generally agreed upon, no major changes to the provide documents.

6. DISCUSS RATES FOR CITY OWNED COMMERCIAL BUILDING LOCATED AT 200 EAST BOWLER ST.

Evans provided a breakdown of costs associated with the commercial property from 2021 to mid-2023. Cost includes electric, gas, taxes, and insurance with a monthly average of \$588.93 in 2021, \$619.33 in 2022 and \$612.68 in 2023. Currently the monthly rent is \$600 with the city paying for the above costs. It was suggested that the rent should be \$850.00 per month with a cap of \$200 for electric and \$150 for gas. Evans said the building is leased through September and that he would work on getting a tenant.

7. ADJOURNMENT

There being no further business; Motion by Weiers, Seconded by Scott, for Mayor Harmeyer to adjourn the meeting at 9:40 p.m. All in favor, motion carried.

Dan Evans, Administrator