

Finlayson City Council  
Regular Meeting  
September 14, 2020

The regular city council meeting was called to order Monday, September 14, 2020 by Tom Price, Mayor at 6:30 PM followed by the Pledge of Allegiance.

Council Members present: Jeremy Byers, Nadine Hedtke, Mike Drahosh, and Joe Luedtke.

Others present: John Mikrot, Wyatt Lucht, Bill Morgan, Barb Morgan, Shelly Goodman, Kati Hanson and Vickie Oetterer.

Approval of Minutes:

A motion was made by Drahosh to approve minutes from the August 10, 2020 regular council meeting, seconded by Luedtke with all in favor and carried. A motion was made by Byers to approve minutes from the August 10, 2020 public hearing, seconded by Drahosh with all in favor and carried.

Additions: K: Christensen/Beck building permit

Reports:

Fire Department: Chief Wyatt Lucht reported that August had a total of seven medical calls, and three fire calls, for a total of 125 man hours. One public service call for downed power lines took seven hours to be cleared. This call consumed nearly all of our man power available and should have been handled within an hour but ECE refused to remedy the situation claiming it wasn't their pole when in fact it was. In the future when there is a public service need that ties up all of our services we will charge the utility company accordingly. New firefighter/ rescue personnel of Austin Baumann presented to the council. He will take Firefighter 1 training in October. Motion made by Drahosh to accept new member Baumann, seconded by Hedtke with all in favor and carried.

John Mikrot, Water/Sewer Operator: The lift station repair is still waiting for the parts to arrive. Hydrants flushing will be done the first week of October.

Zoning and Planning: See G, I, K in new business.

Nicole Bjorklund, City Administrator: Bjorklund gave an overview of the Liquor store financials stating August 2020 had a net loss of approximately \$13,500 and YTD we are at a net loss of almost \$15,000. August expenses included the bond payments and liquor liability insurance. Shortfall also came from Howie's Mud Bog occurring in September this year. Bjorklund has been in discussion with the Lion's Club regarding opening the pull-tab machine. This will hopefully bring in more business or at least retain some business for longer periods. The Lion's have also requested approval to start bingo again. The Council is requesting a plan from the Lion's on how they intend to operate under reduced capacity. MN Dept of Health came to the Muni for a COVID-19 inspection after receiving a complaint call that we were not wearing

masks or social distancing. After his inspection and discussion with Bjorklund, the inspector ruled that we are doing everything as expected based on the guidelines and even more than he is seeing at most bars and closed the case with no issues cited.

A motion was made by Drahosh to accept August financials and pay bills seconded by Luedtke with all in favor and carried.

#### Old Business:

- A. Finlayson Ag Center was sent a letter indicating they needed to remove their property and items that were located on city land at the end of Broadway St. The Ag Center sent a letter back indicating they would be removing the items but that the City needed to look at improper drainage issues before piling snow by Creamery lake because in the past when snow use to be piled there it would drain back to the Ag Center and freeze up and cause issues with their equipment. Tom, Wyatt and Mutt are going to look at the property and determine what needs to be done.

#### New business:

- A. Jamie Fay of Eide Bailly presented the 2019 financial audit via phone conference and computer presentation to the City Council. Jamie Fay indicated that they had to review more data than normal because of the nature of the previous auditors' departure. However, she did indicate that the three findings in the audit were those that are typically seen in cities of similar size. One major reporting change is that the fire department is included in the general government reporting per the governmental accounting standards. Operating income for the water fund needs to be closely watched as it needs improvement, possibly raising rates. Liquor store fund should have greater gross profit also. Overall, the audit went well and there were not major issues.
- B. Approval of the 2019 financial audit given by motion from Drahosh, seconded by Hedtke with all in favor and carried.
- C. With the operating gross profit from the Muni just over \$55,000, the employees that are currently working that worked in 2019 will be receiving incentives. Motion made by Byers to approve the incentives, seconded by Luedtke with all in favor and carried.
- D. Bjorklund has researched the pay for the council members compared to other cities of similar size and Finlayson City is on the lower end of the pay scale. Residents present at the meeting believe the council position should be a public service free of charge and it shouldn't be passed on to taxes. Taxes will not be affected by any increase as the increase proposed in total for all four council members and mayor would be less than \$800 for the entire year. A motion was made by Drahosh to approve the rate increase to \$85 for mayor and \$65 for council with \$30 remaining the rate for special occurrence meetings effective for 2021 meetings, seconded by Luedtke with all in favor and carried.

- E. The proposed 2021 budget and levy information was given to the council members by Bjorklund. A motion was made by Hedtke to approve the proposed budget, seconded by Drahosh with all in favor and carried.
- F. Resolution 2020-05 for the proposed tax levy was approved by motion from Drahosh, seconded by Hedtke with all in favor and carried.
- G. USPS postal carrier Colstrud indicated to Bjorklund that Dixon Line is in rough shape, even when they grade it. Bjorklund advised the council that Dixon Line is due for more gravel in 2021 and this makes it even more of a priority due to safety. Considering winter is coming soon, it would be pointless to add gravel now, tabled until spring 2021.
- H. The appetizer/pizza oven is in need of repair or replacement. Bjorklund had a service call made to determine the issue and cost of repair. The oven keeps overheating and flashing various error codes. The quote came in at approximately \$3200 for parts and labor. A new comparable rapid cooking oven would be at least \$5000. Council decided to table the idea until it could be justified spending so much on an oven that is only 7 years old during times when we are short on revenue anyway.
- I. Northern Contractors is building a subdivision on Broadway Street north of the DSE Factory. One building permit has been pulled and is nearing completion of a duplex unit. For the property division with the county, there is a variance that is needed due to the width of the frontage requirement in the zoning ordinance. There is a 10ft shortfall on the width though all other areas of the measurements are met or exceeded. A motion was made by Byers to approve the variance for the county, seconded by Luedtke with all in favor and carried.
- J. The normal meeting date in October falls on a holiday therefore Bjorklund suggests Tuesday, October 13<sup>th</sup> as the substitute meeting date. A motion was made in agreement to the meeting date change by Hedtke, seconded by Drahosh with all in favor and carried.
- K. Brian Beck submitted a building permit application for a storage shed for Steve Christensen. A motion was made by Luedtke to approve the application, seconded by Drahosh with all in favor and carried.

A motion made by Luedtke to adjourn, seconded by Byers with all in favor and carried.

Nicole Bjorklund, City Clerk/Administrator