

Finlayson City Council
Regular Meeting
May 9, 2022

The regular city council meeting was called to order Monday, May 9, 2022 by Tom Price, Mayor at 6:30 PM followed by the Pledge of Allegiance.

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

Others present: John Mikrot, Wyatt Lucht, Russell Lucht, Erick Blaisdell, Bill Morgan

Addition: H: 4th of July fireworks application

Approval of Minutes:

A motion was made by Hedtke to approve minutes from the April 11, 2022 regular council meeting, seconded by Drahosh with all in favor and carried.

Reports:

Fire Department: Chief Wyatt Lucht reported that April had 7 total calls, five medical calls, one grass fire and one chimney fire for a total of 53 man hours. We received four radio units from the State Fire Marshalls office.

John Mikrot, Water/Sewer Operator: Mikrot indicated all hydrants have been flushed. Four hydrants will need servicing this year. Water tower is up to the summer level. Jetting is done for the year.

Zoning and Planning: None.

Nicole Bjorklund, City Administrator: Bjorklund gave an overview of the Liquor store financials stating April 2022 had an approximate net profit of \$20,000 with YTD profit at approximately \$30,000. April reconciliation is on hold until the POS company can fix one day of sales due to errors in reporting. The bar is in need of staff so Bjorklund has been running ads for bartenders as we are losing two of our current employees. We are in need to two people to help check ID's during the 4th of July. City wide garage sales are coming up June 4th, sign up with City Hall.

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

Old business:

- A. We placed an ad for bids for the 1999 Ram truck and received one bid for \$\$3,850 which did not meet the minimum required bid from the Council of \$6,500. Bjorklund suggested maybe putting it on MinnBid, which is where our new truck came from. Council agrees to place it for bid on MinnBid to recover some of the cost of the new truck.

- B. Pond mowing ad for bids pulled in five bids ranging from \$345 to \$1500 per bi-weekly mowing. Price and Drahosh abstain from voting due to personal conflict. Council is eliminating lowest bid due to being lower than last year and the individual last year said his bid last year of \$430 was even too low thus why we are bidding again. Council preference is between Dan Mans and John Mikrot. Byers made a motion to accept the bid of John Mikrot at \$645 per mowing, seconded by Hedtke with Luedtke in favor and carried.
- C. Acreage for haying at the sewage ponds want for bids with three bids received from \$70 to \$500 per year for 7 acres. A motion was made by Luedtke to accept the bid from Rodney Chesbrough at \$500/yr, seconded by Byers with all in favor and carried.

New business:

- A. Bradley Van Deinse from Eide Bailly discussed the 2021 audit via speakerphone. Bradley stated they gave the opinion that we had a clean audit with no concern for the financials of the City. Sample testing showed no issues with the records selected. There were six findings during the audit. Three that are typical in our audits every year include the inability to segregate duties due to staff levels, the auditors prepare our financial statements and journal entries done to make necessary adjustments during the audit. Additional findings are lack of sufficient collateral pledges for amount of funds at Northview bank, debt level in excess of 3% of taxable market value of city, and issuance of retroactive bonus payments to bar staff. Eide Bailly recommends a fund balance policy which would state a requirement for an unassigned fund balance. Water fund has had a loss of income for the past five years, recommend considering a review of the water rates. A motion was made by Hedtke to approve the findings of the audit, seconded by Drahosh with all in favor and carried.
- B. Based on the financial results from the audit and the predetermined bonus for bar staff based on profits higher than \$25,000, Bjorklund presented a spreadsheet with calculations of bonuses. A motion was made by Hedtke to approve the incentives, seconded by Byers with all in favor and carried.
- C. Finlayson Giese Lions have submitted an application for a temporary liquor license for the 4th of July. A motion was made by Luedtke to approve the application, seconded by Hedtke with all in favor and carried.
- D. Finlayson Community Club has submitted an application for a temporary liquor license for the 4th of July. A motion was made by Luedtke to approve the application, seconded by Hedtke with all in favor and carried.
- E. As with prior years, Finlayson Giese Lions have donated \$2500 towards the fireworks for the 4th of July. The City of Finlayson has previously matched the contribution. A motion was made to match the \$2500 by Drahosh, seconded by Hedtke with all in favor and carried.

- F. Pine County has requested a resolution to approve the re-construction of Finlayson Road (Cty Rd 35). Resolution 2022-05 was approved by motion from Byers, seconded by Luedtke with all in favor and carried.

- G. Pine County Auditors office has indicated that there is an option to have hired election judges do the election counting instead of our staff. Bjorklund pointed out that in talks with residents in years past regarding the mail ballot situation that residents would be upset with people who don't know the residents in our area and therefore a potential for fraud to get passed easier. A motion was made by Drahosh to keep our staff as the ones doing the election ballot counting, seconded by Luedtke with all in favor and carried.

- H. Jerry Pizella has submitted his application for the Fireworks display for the 4th of July. The display will be held in the field on the west side of town in Pogatchnik's field. A motion was made by Drahosh to approve the application, seconded by Hedtke with all in favor and carried

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

Nicole Bjorklund, City Clerk/Administrator