



Regular City Council Meeting Minutes draft
June 24, 2021 at 9:00am
City Council Chambers
315 Main Street South

In attendance – Mayor Carl Pederson, Councilor Gina Pettie, Councilor Mary Kay Sloan, Councilor Steve Ovick and Councilor Kyle Palmer

Staff in attendance – Interim City Administrator Lynda Woulfe, Park and Recreation Director Stacy O’Rourke, Liquor Store Operations Manager Lara Smetana, Public Works Supervisor Maury Montbriand, Administrative Assistant Carissa Kranz, Fire Chief Tom Miller, Safety Inspector Andy Luedtke, Interim Treasurer Catherine Demes Maydew (remote) and City Auditor Andy Hering from Redpath

Others in attendance – Resident and Pine City Area Chamber of Commerce Executive Director, Becky Schueller

Call to Order – Mayor Pederson called the meeting to order at 9:01am and led the Council in the Pledge of Allegiance.

Proposed Additions or Deletions to Agenda – Nothing at this time.

Open Forum – Nothing at this time.

Consent Items: The following consent items were submitted:

Budget Year to Date Update

May 2021 Department Reports Budget vs Actual

Resolution #21-32, Authorizing Phase Four of the Orderly Annexation Agreement Dated August 2, 2006 between City of Pine City and Pokegama Township

2021 Pine County Parade Contribution - Authorization to spend budgeted funds of \$1,500.00

Motion made by Ovick, second by Palmer to approve Consent Items as presented. Verbal vote all in favor, motion carried.

Presentation of Draft 2020 Audit - City Auditor Andy Hering gave a presentation on the draft 2020 Audit. Financial results indicated that the fund balance increased \$48,504.00 during 2020, the fund balance total on December 31, 2020 was \$2,079,861 and the unassigned fund balance was 92% of the 2021 budgeted expenditures. Hering noted that most City’s have a minimum of 40-50% in their policies and Woulfe stated this will be discussed further during the 2022 budget process. Hering presented the internal control and legal compliance findings which were:

- Late Filing of Report of Outstanding Indebtedness: A report of outstanding indebtedness is required to be filed with the County Auditor by February 1st of each year. For 2020, the City did not file its report until February 11th.
- Report and Payment of Abandoned Property: As of December 31, 2020 there were eight checks totaling \$3,088 which have been outstanding longer than three years. If truly still outstanding, it is required the funds be turned over to the state as unclaimed property.
- Inadequate Property Tax Levy for Debt Service: The G.O. Equipment Certificate of 2019A was issued in 2019. Resolution 19-32 approved a tax levy for 2019 (to be collected in 2020) in the amount of \$76,550. This amount was not included in the City’s debt levy certified in December 2019. The City reserves the right to reduce the levy to the extent permitted by MN Statute 475.61, subdivision 3. As December 31, 2020, the corresponding debt service fund contained a deficit cash balance of \$1,589. A \$69,040 payment on the 2019A debt was made on Jan 12, 2021.

Motion by Sloan to accept the preliminary 2020 Audit and to allow staff to work on the remaining inaccuracies or deficiencies with Redpath to make any corrections needed prior to submission of the 2020 Audit to the Auditor's Office on June 30, 2021, seconded by Ovick. Verbal vote all in favor, motion carried.

Visioning Session

City Council and Staff members entered into a Visioning Session at 9:55am. During the Visioning Session an open discussion was held and City Council and Staff members shared their thoughts on overall future 1-2 year and 3-5 year goals and visions for the City. The Council agreed on the following goals:

One to two year goals:

- ★ City Hall Renovation
- ★ Carrying out Park Plan and Street Plan
- ★ Expand housing options for single family, senior living, and higher end homes
- ★ Install lighting and railing on Interstate Highway 35 Bridge
- ★ Local Option Sales Tax

Three to Five Year Goals:

- ★ Hilltop park finished.
- ★ Increase connectivity and walkability by implementing a sidewalk plan.
- ★ Embrace the beauty of what Pine Technical College brings to town. Actively Partner with College and seek to retain students to work and live here.
- ★ Discuss a way to increase our boat slips so community members can easily access our city amenities.
- ★ A long-term park plan that includes connectivity between parks, improvements to all of the City's parks.
- ★ Resume collaborative meetings with the City, School District, and Pine County. Meet to discuss projects, and share resources, avoiding overlap. Choose a project to work on together.
- ★ Install a flashing crossing light and sidewalk to connect ALC and High School. Work with the County and School. Improve street lights in this section.

Five Year Plus Goals:

- ★ Parks programming for everyone (ages and abilities)
- ★ Trailer park rehabilitation
- ★ Fast Internet for all parks
- ★ Tackle a City-wide health initiative
- ★ Add directional signage downtown. Partner with Chamber and Downtown businesses to create a parking strategy with signage.
- ★ Decrease crime - increase communication with County deputies.
- ★ Adopt
- ★ Focus on water quality

Visioning Session concluded at 2:48pm.

Adjourn

Meeting adjourned at 2:48pm.

Carl Pederson, Mayor

Linda Woulfe, Interim City Administrator

Minutes taken by Carissa Kranz, Administrative Assistant
Next Regular Council meeting is July 7, 2021 at 6:30pm