

City of Bigfork
Regular City Council Meeting
June 14, 2022
5:30 p.m.

Members Present: Bryan Boone, David Mann, Paul Gustafson, Ben Maxa
Members Absent: Andrew Francisco, Junior Council Member Lilli Danielson
Also Present: Daniel Loch, Tim Johnson, Joe Zimmer, Justin McPherson, Sally Sedgwick,
Sarah Stone

Mayor Boone called the meeting to order at 5:31 p.m.

The pledge of Allegiance was recited, and the Public Forum was opened.

As no one else wished to address the Council, the public forum was closed.

Swim Lessons at the Bigfork Beach added to the agenda. Motion by Mann to approve agenda as amended, seconded by Gustafson, motion carried unanimously (MCU).

Consent Agenda: Motion by Gustafson, seconded by Maxa and MCU to approve the consent agenda including:

1. Minutes of the May 10, 2022, Regular City Council meeting
2. City Clerk's office report for May 2022,
3. Financial report for May 2022,
4. Public Works Department Report for May 2022
5. Payroll and timecards for May 27 2022, and June 10, 2022, regular payrolls, in the amount of \$8,854.99
6. Claims paid in May in the amount of \$6,162.22 and claims for payment in the amount of \$83,821.28
7. Resolution 2022-06 Budgeted transfers.

2021 EXIT Tax Report from Daniel Loch at CLA-Microsoft Teams MTG: Daniel Loch of CLA presented the Audit Presentation Exit Conference for the year of 2021. The City's Audit team was Doug Host, Daniel Loch, Morgan Swenson, Elizabeth Kisch, and Kamryn Scoles. Their required communications are the timing of the audit, accounting policies, management judgements, accounting estimates, issues discussed, and difficulties encountered. The material weaknesses found were the segregation of duties, audit adjustments and controls over financial reporting, these were found weak due to the fact that there is only one person responsible for the accounts which is typical for a city of our size. There were no significant deficiencies determined at this time.

In 2021 there were two findings from the auditors that were not compliant with the Minnesota statutes. Those were that the levy specified and such that it will produce 5% more than the amount needed to meet principal and interest payments when due, and that the firefighter supplemental State aid was not transmitted within 30 days of receipt but rather 42 days.

The financial results that were found for the General Fund was that the fund balance was positive at the end of 2021. There was a \$87K increase in revenues and a \$152K decrease in expenditures. The Fund balance increased by \$159K. Disbursements decreased approximately 34% the main decreases being in Highways and streets, and Airport expenditures.

Water Fund Operations had an overall reduction in net position of approximately \$67K in 2021. Most of this amount is from Water Main breakages and labor to fix them. Sewer Fund Operations had an overall reduction in net position of \$22K in 2021.

The Key issues that were found by the Auditors regarding financial stability were:

- General Fund had an increase in Fund Balance of approximately \$159,000 due primarily to an increase in grants.
- Sewer Fund showed net loss after transfers of approximately \$22,000.
- Water Fund showed net loss after transfers of approximately \$67,000.
- Water and Sewer Fund have healthy net position.

Sewer Lift Station Pumps- MN Pump Works: Justin McPherson from MN pump works was up here doing service agreements for the sewer lift stations and came to tonight's meeting to discuss his findings. His tech recommended a control replacement and a panel replacement. He doesn't think the panel needs to be replaced but does think that the pumps need to be replaced, they are on their last leg. If the pump failed it would create a very large problem resulting in sewage backup. He did provide a quote on what it would cost to replace the pumps. The quote stated that it would cost \$20,957.90, this quote including the pumps and the labor to install them. The pump is a completely different pump than the other stations currently have so it is not interchangeable with any of them.

Joe Zimmer the Public Works Manger said they had an emergency at 3 AM, the pumps could not keep up with the drainage when the snow was melting this spring. It took over 24 hours for the pump to catch up. The bearings have been going out and stopped working completely. Joe has been reading it every day and the pumps are running 7-10 hours more than they have been in the past, this is usually a good indicator that it is time to replace the pumps. He said it is not costly to rebuild, as the pump station is about 20 years old and will continue to have issues and breaks. He stated that it would be more cost effective to replace them completely to avoid any complications and sewage backing up into the streets. To replace the panels alone would cost the city double the amount than just replacing them. Both pumps were running for 24 hours, and they should be running in turns not at the same time. It should be pumping 300 gallons a minute; it was pumping approximately 75 gallons a minute. Joe is trying to get funding from IRRRB for the sewer lift stations and the replacement pumps.

Justin recommended that the best bet for the city would be to put 2 new pumps in at the same time as it will be most cost effective. The flushable wipes are causing the pumps to constantly be plugged. Joe asked if Melissa could send a notice with the next water bill asking residents to discontinue using these wipes and flushing them as the grinders on the pumps cannot break them up. If the issue is not resolved Bryan discussed setting a city-wide ordinance banning the flushable wipes. Joe stated that the last year it has been happening more frequently as compared to the past years.

Ben Maxa said the city should replace both pumps at the same time as Justin said we would get approximately 20 years out of them. Bryan stated that instead of trying to scramble to find funding the city could borrow the money for its graduated investment fund with the plan of paying those funds back within 7 years. To replace the money taken from the investment fund Bryan introduced raising the yearly water bill \$18.75 per household in one year. Which would be equal to \$1.56 a month per household. **Motion by Boone to move forward replacing the pumps using the graduated investment funds with the intention to pay those funds back in 7 years, seconded by Maxa, MCU.**

UNFINISHED BUSINESS

Blandin Foundation Community Development Grant Ideas: Follow up: The Council has determined that the priority for this Grant is to put in a fishing pier at the Canoe landing. The council asked Melissa to contact Kacie from MN DNR in Grand Rapids to set up a meeting for her to come up and look at the area do discuss options and costs for this project. The council also discussed using the remaining funds to make any repairs needed to the Trussell Bridge. Bryan asked Joe to contact Widseth engineering to see if they could come up to determine the structural needs of the bridge and give a cost estimate to make those repairs.

NEW BUSINESS

Swim Lessons at the Bigfork Beach: Sarah Stone from EOWSKI said that she has been communicating with the YMCA about doing swim lessons at the Bigfork City Beach. They said that they can do that under their insurance. EOWSKI has said that the more kids that sign up the cheaper the fee for each kid. For 12 kids it would cost approx. \$208. Which would vary depending how many kids sign up for the lessons. Sarah is looking for permission from the City Council to use the beach for the swim lessons, and possible funding/donations for the costs of swim lessons. The City Council granted permission for them to use the beach for swim lessons. Bryan asked if she had talked with Sandy at the hospital regarding child education grants for covering the costs for each kid, or Community Ed. She said that she has not but will investigate it further. Sarah said EOWSKI would most likely donate up to \$1000 depending on how many kids sign up. **Motion by Boone to match EOWSKI's donation up to \$750.00 from the Gambling Tax Fund for Swim Lessons, seconded by Mann, MCU.**

Baseball Helmets: Mike Olson has reached out to the City Council requesting a donation from the city for 12 baseball helmets for the K-6 baseball league, and 2 bags for storage of the

equipment. Mike also stated that he has gotten donation from the Bigfork Boosters Club, the Bigfork Valley Community Foundation, and Golf on the Edge for other equipment needed. It was determined that the cost of the above items would be approximately \$500.00. **Motion by Mann to Approve the purchase of 12 baseball helmets and 2 equipment bags using the Gambling Tax Funds, seconded by Maxa, MCU.**

OTHER/ ANNOUNCEMENTS:

Bryan stated that he will be on sabbatical July 1st through Labor Day and will be out of reach unless there is an emergency. Drew is acting mayor.

The Session was closed for conducting the annual Employee Performance Evaluations.

Motion to adjourn at 7:24 p.m. by Mann, seconded by Gustafson, and MCU.

Melissa J. Grover

City Clerk/Treasurer

Approved at the regular meeting held on
July 12, 2022

Mayor