

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Special Work Session – April 18, 2023

Pursuant to due call and notice, a special work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Tuesday, April 18, 2023, at 5:30 p.m. in the Council Chambers of City Hall, Mayor Prince presiding.

Upon roll call, the following Councilmembers were declared present: Prince, Fiskevold Gould (5:40 p.m.), Peterson, Rivera, Eaton, Thayer. Absent: Johnson

Staff Present: Finance Director Ron Eischens, City Attorney Katie Nolting, City Engineer Sam Anderson, City Clerk/acting City Manager Michelle Miller.

Mayor Prince stated that the purpose of the meeting was to receive the 2022 Financial Review.

2022 Year End Financial Review

Eischens stated the purpose of the meeting was to review 2022 city financial results; review city reserve balances; discuss debt position and to approve a resolution designating general fund balance. Eischens briefly reviewed the City Fund Summary, comprising of 34 total funds managed by the City. Eischens noted an undesignated surplus of \$548,216.

Staff recommends Council approve a resolution increasing designating fund balance for cash flow and unplanned expenses by \$226,600 to \$7,516,981 which is 50% of 2023 budget to meet city policy requirements; together with 2021 undesignated \$272,100 leaving \$321,616 available for other purposes. Staff recommends allocating \$200,000 for a future fire truck purchase. Concerns related to the general fund focus on staffing, including reactionary to workload, recruitment/retention challenges and the ability to maintain service levels.

Upon review of the City Special Revenue Funds, Eischens noted concerns as follows:

- Future of Neilson Reise Arena
- Joint Planning Board Future
- Future street projects significantly exceed funding
- Annual street funding not adequate to maintain conditions
- City buildings are aged and in need of significant repair

Eischens reviewed the City Debt Service Funds with no concerns noted. Staff continue to be concerned with the long term Sanford Center Capital Improvement Fund. Eischens reported on the liquor operations stating that the discretionary cash available after \$73,000 for solar panel costs is \$126,000. Eischens does not recommend having the discretionary balance going below that amount. Concerns related to liquor operations includes: staff scheduling, Lakeview store upgrades and parking limitations at First City Liquor.

As described above, staff is seeking a resolution designating fund balance for cash flow and other unplanned expenses of \$7,516,981; representing 50% of 2023 General Fund Budget; \$200,000 for future fire equipment purchases and \$121,616 for City Hall renovation costs.

RESOLUTION NO. 6482: Designating Fund Balances was offered by Councilmember Thayer, who moved its adoption, and upon due second by Councilmember Rivera was passed by the following roll call vote: Yeas: Rivera, Peterson, Fiskevold Gould, Thayer, Prince, Eaton. Absent: Johnson.

ADJOURN

There being no further business, motion by Peterson seconded by Fiskevold Gould, to adjourn the meeting. Motion carried. Meeting adjourned at 6:17 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk