

City of North Saint Paul
November 1, 2022
Approved City Council Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 5:00 p.m.

II. ROLL CALL

Present: Council Member Thorsen ABSENT
Council Member Petersen
Council Member Wong
Council Member Cole
Mayor Furlong

Staff: City Manager Brian Frandle, Assistant to the City Manager Jennie Kloos, Finance
Director Dan Winek, Communications Consultant Kari Erpenbach

III. ADOPT AGENDA

Mayor Furlong requested that Topics A and B be removed from the agenda due to a situation that occurred earlier in the day.

On motion by Council Member Petersen, seconded by Council Member Cole, with all present voting aye (4-0), motion carried to approve the agenda as amended.

IV. TOPICS

- A. Police Department Staffing Update
- B. Unmanned Aerial Vehicle (UAV)

These two items were moved to the next workshop meeting.

- C. Employee Health Insurance Update

Finance Director Dan Winek updated City Council on the employee health insurance. Included in the packet are the deductible costs and increase in premiums. Mayor Furlong inquired about the reason for the high rates and if claims were made by a few people. Mr. Winek stated according to HIPPA laws, that information is confidential.

Mr. Winek provided information on how many staff take the single versus family coverage and how many opt out of the City's insurance. He discussed the recreation of the insurance committee and encouraged them to investigate what other municipalities and businesses are experiencing regarding rates. He inquired if the City Council thought an MOU could be put into place for 2023 only, stating the City would contribute more to the staff's health insurance. Then after the year is up on their 2-year contract, another RFP can go out, engage Gallagher again, and reach out to other insurance companies.

Mr. Winek provided statistics for City Council members to look at showing the cost differential on rate increments of 5%. Mr. Winek stated the rate increase would be absorbed through the general fund and if interested, he will create MOUs for the various Unions within the City.

After questions from City Council. Mr. Winek provided the following information:

- The MOU language is only for 2023
- Public and private sectors vary greatly on insurance rates and cost
- Health insurance and time off are very important for attraction and retention
- City employees that opt out of health insurance receive a \$4,800 stipend which is cheaper than staying on the City's insurance
- Other possible options to reduce cost

Council Member Cole suggested looking closely at other cities' and businesses' health insurance around North St. Paul and to bring that information back to City Council. Mr. Winek added he will provide the insurance committee with this information and get back to City Council.

D. 3rd Quarter – Statements of Revenues, Expenditures, and Changes in Fund Balance for the Enterprise Funds

Mr. Winek provided 3rd quarter estimates and stated City Council will look closer at rate and fee changes. He provided budgets for the six Enterprise Funds stating all of them, with the exception of the Fiber Optic budget, are all in the positive. The Fiber Optic budget will take approximately 25-30 years to be in the positive. Mr. Frandle added the supply chain continues to be a challenge and some items ordered in 2022 may not be paid out until 2023 when they are received.

E. 2023 Enterprise Funds Budget

Mr. Winek took a deeper look at the six budgets and reviewed their revenues, budgets, fund balances, and any significant changes that could cause a rate increase. He also attached line items in the packet for review and added current contracts remain in effect so adjustments to rates cannot be made until contract negotiations start up.

F. Enterprise Funds Financial Plans

Mr. Winek stated financial information was provided to City Council on August 23rd and September 7th. He suggested small incremental increases each year going forward and will provide budget updates bi-annually in order to make clearer projections. Mr. Winek expressed his gratitude and appreciation towards the City Council for their open and honest dialogue.

V. OTHER BUSINESS

None.

VI. ADJOURNMENT

There being no further business, on motion by Council Member Wong, seconded by Council Member Cole, with all present voting aye (4-0), Mayor Furlong adjourned the workshop meeting at 6:29 p.m.

/s/ Terrence J. Furlong, Mayor

Attest:

/s/ Brian Frandle, City Manager/Clerk