

City of North Saint Paul
October 18, 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
Council Member Petersen
Council Member Cole ABSENT
Council Member Wong
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

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

IV. TOPICS

A. Update – Public Employees Insurance Program (PEIP)

City Manager Brian Frandle stated insurance rates are expected to rise 50% and turned the presentation over to Finance Director Dan Winek. Mr. Winek provided a brief history of the City's involvement with PEIP and stated the City was notified about the rate increase on September 30th. Due to the rate of the increase, the City has the option to opt out in the middle of the contract with PEIP without penalties, but must give a 30-day notice. Mr. Winek also noted that Gallagher has been contacted to search other providers with an Referral for Proposal (RFP) being published and will bring that information back at the next City Council meeting.

Mr. Winek discussed how this affects the 2023 budget stating our levy was certified on September 30th and cannot be increased. He stated department representatives will meet next Thursday to discuss further. He also provided different options to cover the cost of the rate increase.

B. 3rd Quarter – Statements of Revenues, Expenditures, and Changes in Fund Balance for the General Fund

Mr. Winek discussed the 3rd quarter statements providing numbers to show budget deficits and surplus amounts for the 2022 general fund. He noted much of the deficits are due to an overall market value adjustment. He also noted revenue will show up right away where expenditures

often take 2-3 months to show up on the budget. Mr. Winek stated looking ahead to 2023, he would like to provide a community outreach program on the budget.

C. 2023 Internal Revenue Service Funds and Other Budgets

Mr. Winek provided reports on these two items and stated the next workshop will be discussing enterprise funds, the second meeting in November will be looking at City fees and rates, and the first meeting in December is when the City approves the 2023 budget.

Council Member Thorsen inquired how many municipalities Metro INET serves and what services they provide. Mr. Winek does not have specific numbers but estimated around 20 municipalities and listed the services as phones, network, emails, servers, cyber security, security cameras, IT issues and maintenance, software updates, and troubleshooting. Council Member Thorsen also questioned why an RFP has not been completed for this type of service. Mr. Winek stated before an RFP can be produced, the City needs to determine the services provided and what services are lacking.

Council Member Thorsen voiced his concern over the lack of change with a company or contract. He suggested looking at services that are not utilized or can be done through City staff. Mr. Winek commented a 10% savings is needed in order to consider changing companies or policies. It is the difference between outsourcing versus insourcing.

Mr. Winek provided budget numbers for all other departments. The Community Center was discussed as a budget concern.

Mr. Winek explained that the insurance rate increase does not put the City in a financial pinch as there are various options on how the City can cover the costs. Mr. Winek thanked the City Council for their continued dedication and thoughtful suggestions.

V. **OTHER BUSINESS**

There were no presentations.

VI. **ADJOURNMENT**

There being no further business, on motion by Council Member Wong, seconded by Council Member Petersen, with all present voting aye (4-0), Mayor Furlong adjourned the workshop meeting at 6:25 p.m.

/s/ Terrence J. Furlong, Mayor

Attest:

/s/ Brian Frandle, City Manager / Clerk