

City of North Saint Paul
March 4, 2025
Approved City Council Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Monge called the meeting to order at 5:15 p.m.

II. ROLL CALL

Present: Council Member Nordby
Council Member Woods
Council Member McKenzie
Council Member Schweer
Mayor Monge

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

III. ADOPT AGENDA

On motion by Council Member Schweer, seconded by Council Member McKenzie, with all present voting aye (5-0), motion carried to approve the agenda as submitted.

IV. TOPICS

A. Finance – Various Topics

Finance Director Dan Winek presented this item and provided an overview of the tax increment financing (TIF). He defined why TIF is important and noted some developments would not be able to move forward without TIF assistance. He also described the different types of TIF districts, eligible costs for a TIF, and financing options.

Mr. Winek recommended his preferred financing method is a PayGO note. This method allows the City to enter into an agreement where the project is financed upfront by the developer.

Mr. Winek provided current TIF districts and their expiration dates. City Manager Frandle provided more details on each of the TIF districts including specific details and locations.

Council Member McKenzie inquired about potential business bankruptcy and how that could affect the life of the TIF loan. Mr. Winek explained the taxes on the TIF loan still need to be paid.

Council Member Nordby clarified that the minimum amount assessed value is tied to the life of the TIF. Mr. Winek stated special legislation has allowed the City to pool funding to allow for assistance with those funds. He added two-thirds of any remaining funds after the decertification of a TIF district would go back to Ramsey County. Mr. Winek suggested developing a TIF policy for the future.

Council Member McKenzie inquired about increasing TIF projects. Mr. Winek stated it comes down to the City's economic status and return value.

Mr. Winek also provided a summary of the 2024 budget stating the City is sitting at a surplus in the General Fund. He also provided information on budgetary estimates from the Enterprise Funds, summarizing the City has a surplus in that fund also. Mr. Winek is hopeful the surplus will mean a decrease in levies and rates for the upcoming 2026 budget.

Council Member McKenzie inquired about Fiber Optic Fund revenue. Mr. Winek explained revenue is created from charging the city's departments and long-term contracts with neighboring municipalities.

Council Member Nordby inquired about debt interest within the Enterprise Funds. Mr. Winek stated early payoffs from bonded debt often have penalties.

Mr. Winek provided a schedule of upcoming budget meetings in preparation for the 2026 budget discussion. Mr. Winek suggested eliminating some meetings with a preliminary budget meeting set for early August.

Council Member Schweer suggested a decrease in special meetings. Mr. Winek suggested an additional meeting regarding the Capital Improvement Plan in July, with the completion of most budgets including department budgets by September.

The City Council discussed a decrease in meetings. They discussed the pros and cons regarding the number of budgetary meetings. Mr. Winek noted a decrease in meetings would not create a loss of important budget material but would require work from the department heads and city staff to have prepared documents ready. The City Council liked the idea of workshops for other important city items. Mr. Winek also stated additional meetings can be scheduled if needed and recommended preparedness on behalf of city council members.

City Council agreed to a decrease in budgetary meetings and Mr. Winek stated he will bring forward a modified meeting schedule.

Mr. Winek provided a very brief Finance Department update. He thanked the city council, past and present, for their leadership. He also expressed his gratitude to his finance staff and stated they are currently working on payroll conversion, purchase order implementation, security, staff redundancy, and succession planning.

V. ADJOURNMENT

On motion by Council Member Nordby, seconded by Council Member Woods, with all present voting aye (5-0), meeting is adjourned at 6:27 p.m.

/s/ John Monge, Mayor

Attest:

/s/ Brian Frandle, City Manager / Clerk