

City of North Saint Paul
May 20, 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	absent
	Council Member Woods	arrived at 5:16 p.m.
	Council Member McKenzie	
	Council Member Schweer	
	Mayor Monge	

Staff: City Manager Brian Frandle and Assistant to the City Manager Jennie Kloos

III. ADOPT AGENDA

On motion by Council Member Schweer, seconded by Council Member McKenzie, with all present voting aye (3-0), motion carried to approve the agenda as submitted.

IV. TOPICS

A. Review of the 2024 Financial Report with the City's Audit Firm of LB Carlson LLP

Finance Director Dan Winek reviewed the audit process, thanked everyone involved, and introduced Jackie Hegel from LB Carlson LLP.

Ms. Hegel summarized the audit report and noted that the City of North St. Paul qualified for the ACE audit. Ms. Hegel summarized the audit's responsibilities and issued an opinion on the financial plan. She noted the positive operating results and issued a clean financial statement, which showed zero deficiencies and issues of noncompliance.

Ms. Hegel recommended bill payment within the 35-day time limit. She also followed up on findings from the previous year relating to group insurance and found no concerns. She also recommended monitoring the individual and fiber optic fund deficit. She suggested a clearer, well-documented reconciliation process and policy.

Ms. Hegel provided details on portions of the financial report, noting expenditures versus revenue in the general fund. She summarized each enterprise fund's growth and noted that the fiber optic fund saw a deficit but was better than the previous year, while the other enterprise funds remained positive.

Mayor Monge inquired about how much is left to pay in the fiber optic fund. Mr. Winek noted that there is about \$1.9 million left for the City to pay. Mr. Winek stated there are approximately

nine years left, and at that point, a decision can be made as to what to do with the remaining deficit.

Council Member Woods inquired about the public safety budget. Mr. Winek stated the public safety budget was \$2.2 million under budget due to a shift in federal dollar funds to cover public safety salaries. He added that these funds were originally COVID funds and were dedicated to street projects, but were not needed and were utilized to cover public safety salaries for 2024.

Council Member Schweer suggested working on a clearer policy and procedure for deposit and escrow reconciliation.

Ms. Hegel summarized that the City of North St. Paul is in good financial standing.

Mayor Monge called for a short recess at 5:48 p.m.

Mayor Monge reconvened the recess at 5:58 p.m.

Mr. Winek provided more clarifying information on the general, enterprise, and internal funds to help define the financial report, especially regarding the net position and the unrestricted fund balance. Mr. Winek stated it is important to look at the unrestricted fund balance or cash when looking at a net position change. This provides more clarity and a statistically better number.

Mr. Winek stated the City is currently looking at a 6% levy increase for 2026 to help with street maintenance, parks, and facilities, and discussed the unrestricted fund balance regarding the enterprise funds and stated they have performed positively, and there is no plan to change rates.

Mr. Winek noted that the budget discussion will begin in July. Mayor Monge appreciated his work on the financial planning. Mr. Frandle recognized and thanked the Finance Department for the large amount of work that has been done.

V. ADJOURNMENT

On motion by Council Member McKenzie, seconded by Council Member Woods, with all present voting aye (4-0), meeting is adjourned at 6:21 p.m.

/s/ John Monge, Mayor

Attest:

/s/ Brian Frandle, City Manager / Clerk