

**Finance & Administration Committee**  
**Minutes and Report to City Council**  
**1:00 p.m., March 21, 2024**

Roll Call:

Terra Waldrop  
Juanita Brace  
Drew Hoel  
Alta Long

- Administrative Department.
  - Interest income on existing fund balances is up substantially due to higher interest rates.
  - Other revenue lines are projected based on property tax levy and IML estimates of state-shared revenues.
  - Small equipment includes funds for computer replacements.
  - No capital spending is planned
  - Cashford playground is included as a possible project, using the entire balance of that bequest.
  
- Long reviewed the FY2025 Capital Plan, which includes completion of the maintenance building, firing range, Fire Station, and Police Station remodel projects already approved and underway. It also includes the Meadowview water main and master meter station replacement projects that are already out to bid, and the South Washington Street repaving project currently under design. Long reviewed a few other smaller projects by department, but noted that most other discretionary spending has been limited due to the very large projects underway.
  
- Long reviewed cash flow projections for each of the funds. General Fund shows the expected decrease in operating fund balance due to the large projects, but no decrease in Rainy Day reserves. Long recommends not adding to the Rainy Day fund this year, as last year. Equipment Reserves are projected to increase, and Pavement Maintenance reserves will likely be drawn upon for South Washington Street. The Water Fund is currently cash-poor due to engineering expenses on large projects, which will be partially refunded through the loan and grant financing of those projects. The TIF Fund now consists only of the Barker/Prairie Street TIF, which has a significantly negative balance. All other fund balances are considered healthy and appropriate.
  
- Wage and Salary. Hoel passed along Mayor Kleiss' recommendation for wage and salary increases, since Kleiss was not present. The recommendation is a 4% base increase for hourly employees, with 0.5% or 1% more for salaried employees. Committee members indicated consent with the mayor's proposal, which will be forwarded the full council.

Meeting adjourned at 1:55 p.m.