

CITY OF FALCON HEIGHTS
Regular Meeting of the City Council
City Hall
2077 West Larpenteur Avenue

MINUTES

May 8, 2024 at 7:00 P.M.

- A. CALL TO ORDER: 7:01 PM
- B. ROLL CALL: GUSTAFSON_X_ LEEHY_X_ MEYER_X_
WASSENBERG_X_ MIELKE_X_
STAFF PRESENT: LINEHAN_X_ VAN DER WERFF_X_
- C. APPROVAL OF AGENDA

Councilmember Leehy motions to approve the agenda;
Approved 4-0

- D. PRESENTATION
1. Year-End 2023 Audit Report

Administrator Linehan notes it's a statutory requirement to present the annual audit report for 2023. Staff has spent significant time gathering data.

Andrew Grice from the Auditing firm BerganKDV is presenting the auditor's report. He explains providing an unmodified or clean opinion is the best opinion to receive. There is one finding regarding the lack of segregation of accounting duties which is explainable because of the small size of the office. It is something for the Council to be aware of. There is a legal compliance report that goes over certain statutory requirements and any compliance issues will be noted in this report. There are no discrepancies found. Grice explains the fund balance increased, which is a measure of financial health of the city. There was a significant increase in the general fund revenue, due to Public Safety Aid received in 2023. There was also an increase in miscellaneous revenues, namely income from interest and permit fees. The expenditures in the general fund increased as well, the cost of public safety increased, and general government expenditures increased. It is a replica of 2022. The general fund budget to actual is where Council monitors. Actual revenues came in higher than anticipated, due to additional public safety aid. Licenses and permits came in higher as well as higher investment incomes due to favorable markets. On the expenditures side, this came out slightly lower than budgeted.

Grice provides a high-level overview of the enterprise funds. There is a decline in operating income in the sanitary sewer fund. Next is the storm drainage fund. There is an increase in operating income in the storm drainage fund.

Councilmember Meyer appreciates the positive audit and wonders how Falcon Heights compares to other cities.

Grice notes the bond rating this city receives is something to be proud of. It is important to keep high levels of reserve. This is very helpful when it comes to needing bonds.

Councilmember Leehy thanks Grice for the thorough audit. She wonders about the reserve fund.

Mayor Gustafson adds maintaining a reserve fund is favorable for the city's capital projects.

Finance Director Olson mentions it is key to remain compliant in an audit as the city continues to do so.

Administrator Linehan points out the finding of the lack of segregation of accounting duties. He notes even in bigger cities this is a common finding, but especially in smaller cities. Falcon Heights continues to work towards segregating the duties. There are checks and balances in place, but not a full separation of duties.

Councilmember Meyer motions to accept and approve the Year End 2023 Annual Audit;
Approved 5-0

E. APPROVAL OF MINUTES:

F. PUBLIC HEARINGS:

G. CONSENT AGENDA:

1. General Disbursements through 05/1/24: \$25,591.44
Payroll through 04/30/24: \$24,379.29
Wire Payments through 04/30/24: \$15,446.41
2. Accept Donation from AARP Tax-Aide
3. Pay Request #1 - Forest Lake Contracting Larpenteur Avenue Streetlight Project.

Mayor Gustafson appreciates AARP for providing Tax-aide to seniors and low-income residents in Falcon Heights. It was a popular service. He is excited to see the lights up on Larpenteur Avenue.

Councilmember Leehy motions to approve the consent agenda;
Approved 5-0

H. POLICY ITEMS:

1. Letter of Support for Falcon Heights Church Flood Mitigation Feasibility Study - Capitol Region Watershed District

Administrator Linehan explains there is a storm sewer drain that the Church wants to relocate. This turned into a bigger discussion with Roseville Engineering and the Capitol Region Watershed District. It is a main storm sewer drain for the region and CRWD has identified the need to add storage capacity to reduce flooding at other sub-watersheds. He mentions there are multiple benefits, therefore the city has a letter of support.

Councilmember Mielke wonders how much it will impact the parking lot of the church.

Administrator Linehan notes there would be a large underground storage system. It would free up space to the north of the lot. Removing the drain would allow the land to

become developed. It is still being scoped out. By creating a local stormwater storage system it will alleviate other watershed and protect residents' homes from flooding.

Councilmember Meyer wonders about the timeline of the project.

Administrator Linehan explains they are currently doing a Request for Proposal. The Church will need to support it, but they would not be able to provide full support until costs are determined. They are hopeful to complete the project this year. Once more details are known, the cost to the city will also be known.

Mayor Gustafson mentioned there was a typo in the draft letter. Linehan stated he would fix it before sending it.

Councilmember Mielke motions to approve Resolution 24-33 Supporting Application for Falcon Heights Community Church Flood Mitigation Feasibility Study;
Approved 5-0

I. INFORMATION/ANNOUNCEMENTS:

Councilmember Wassenberg represented Falcon Heights at the NYFS luncheon. He learned about the important work the organization does and noted it is a great benefit to the community.

Councilmember Leehy notes the PARCS and CEC held a joint meeting on Monday, May 6 in preparation for the Spring Together event. This will be held on Saturday, May 18 at Curtiss Field from 3:00 – 5:00 PM. This year there will be an open mic. Leehy encourages all residents and musicians to come out and enjoy free ice cream, lawn games, and music. She thanks the Lauderdale and Falcon Heights Lions Club for providing their sign to be put on the City Hall lawn to help promote the Spring Together event.

Administrator Linehan notes Staff is preparing for Spring Together. The streetlights are up on Larpenteur. The 2024 PMP is a mill and overlay of Roselawn Ave. The project might be moved up to the end of this month or the beginning of June and it will be completed before the State Fair. Residents on Roselawn will be notified once the start of the project is known.


J. COMMUNITY FORUM:

Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification, but no council action or discussion will be held on these items.

K. ADJOURNMENT: 7:39 PM

Councilmember Meyer motions to adjourn;
Approved 5-0

Dated this 22nd day of May, 2024



Jack Linehan, City Administrator



Randall C. Gustafson, Mayor