MONDAY, May 20, 2024 – TWIN VALLEY CITY COUNCIL
SPECIAL MEETING
Twin Valley Community Center – 7:00 PM

MEMBERS: Paul Bekkerus, Michael Bolton, Mark Askelson, Tracy Christianson **VIA PHONE:** Mike Lampton

OTHERS: Taylor & Kelsey Bennefeld, Dan Buckle, Greg Crader, Connie Hamernik, Colleen Hoffman, Dudley Wells

PURSUANT DUE TO CALL and notice thereof the Twin Valley City Council held a special meeting on Monday, May 20, 2024. Mayor Bolton called the meeting to order at 7:00PM.

AUDIT—Colleen Hoffman from Hoffman, Phillip, & Knutson, city auditors, attending meeting to present the finished 2023FY Audit to the Council. For year end 2023 the city's assets exceeded liabilities by $6,211,846. The City's overall financial position decreased from last year, due primarily to depreciation of capital assets. Hoffman noted that both the water and sewer enterprise funds showed an operating loss for 2023, again due to depreciation, however suggested the City look into a rate increase in the coming years to continue to cover operating expenses; noting that the City of Twin Valley has some of the lowest rates in comparison to the City's they audit for. The Liquor Store also showed an operating loss of $11,000, due to depreciation and extra inventory at year end, to which she was not overly concerned about. Noted governmental funds are doing well, and Clerk is continuing to keep financials accurate. No new findings for 2023 were reported. Hoffman reminded Council that should any one of them ever have questions they should reach out directly to the firm at any time. MA/PB-m/s/p to accept the 2023 FY Audit as presented.

ANNEXATION—MA/PB-m/s/p to preliminarily approve the petition for annexation presented from M. & J. Kitchell with the following discussion points—Bekkerus and Lampton want to ensure that providing water and sewer services to the new land would not be an excess cost to the City. Mayor Bolton has only had one area member approach him with concerns about how much land was being annexed. Discussed the probability that if the Council were to not approve of the annexation, the proposed business would likely build all the same without being in City Limits. Discussed possible tax income to the city as a result of new development. Mayor Bolton invited business owner Dan Buckle to voice his opinion, Buckle stating that he did not feel the City should ever turn away new business wanting to come to town, noting that a little competition was not a bad thing for local businesses. Askelson inquired whether there would be any question on annexation of land if it were proposed for any other business (Dollar General) coming to the area, feels this is the best move to grow our city, increase out tax base, increase jobs and future opportunities for the City. A public hearing will be called for June 24, 2024 at 7:00PM in the Twin Valley Community Center as the next step in the annexation process.

DELAPIDATED PROPERTIES—Council received request for Demolition Incentive in the amount of $400.00 to cover landfill fees from the removal of a garage at 211 1st ST NW. MA/PB-m/s/p to approve payment. Home has been removed at 104 Norman Ave NW. Estate owners have inquired as to whether the City would accept the donation of this lot. Council consensus is to accept the land as donated, agreeing to pay any legal transfer fees. Bekkerus noting that he would gladly give the lot away in the future for a new home to be built. Bolton invited Dudley Wells to inquire about 201 Pleasant Ave SW; wondering where the City sat with current plans for the property. Visser's will be in with in the next couple of weeks to remove the current home and outbuilding. After which time, the City has already agreed to sell the land to the neighboring parcel and split the cost of demolition.

COMMUNITY FUND—In the previous two years the City has spent roughly $2,000 on donations to community organizations. Discussed using a portion of the ATM revenue for the year to create a new general fund line item for community donation requests. The ATM brings in roughly $400-$600 per month, fluctuating for a yearly revenue around $6,000. Will discuss further during budgeting meetings in the fall.

DONATION REQUEST—A request from the Twin Valley Community Booster Club for Town & Country Day's sponsorship was received. ML/PB-m/s/p to donate $500.00 as a Banner Sponsor. (Askelson and Christian abstained from the vote as board members for the Community Club).

EMPLOYEE BENEFITS—Clerk Johnson requested on behalf of the full-time employees a change in the current Health Insurance plan and City contribution. Currently the City markets commercially for health insurance and each full-time employee receives up to $600.00 from the City towards premiums, which vary based on employee age. Clerk requested the City move to the Public Employees Insurance Program, through Innovo and the State of Minnesota, which would lower out of pocket costs for employees and set a standard premium rate for all employees. Clerk asked that the Council agree to pay the cost of single coverage (currently $671) for all eligible employees and consider also giving each eligible employee up to $100 towards a Health Savings Account. Multiple Councilmembers expressed concerns over the increased costs to the City. Bekkerus was uncomfortable with the idea of agreeing to pay a single premium amount, wanting to place a set amount on City benefit contributions. Christianson suggested up to $750 to allow for more than $29 above the single premium rate towards employee's other insurance premiums or HSA. PB/MA-m/s/p to approve spending up to $700 per full-time employee's benefit package, starting July 1, 2024.
Johnson also proposed an update to the current vacation policy for employees, requesting to offer full-time employees up to two weeks of vacation from 1-5 years of employment, 3 weeks' vacation from 6-10 years, and leaving the remaining policy of 10-15 years of employment receiving 3 weeks' vacation up to the Council discretion whether to make a change or not. Askelson inquired who is checking on department head vacation hours and schedules, as the currently policy reads that employees must receive vacation approval from their department head, which in this case would be the Council. Clerk has a running spreadsheet that tracks available vacation and sick hours which is given to the auditor each year. Bolton voiced opinion that he did not feel it was necessary for the Council to micromanage Department Heads. After a lengthy discussion on options, including leaving the policy as is, making additional changes, or moving forward with suggestions from the Clerk, TC/MA-m/s/p to approve updating policy as follows—
15.2 Vacation Policy – Vacation Accrual Rate

> After employee probational period, full-time and full-time equivalent employees will be eligible for two (2) weeks (10 days or 80 hours, whichever is less) at an accrual rate of 6.67 hours per month.
> From five (5) years to nine (15) years of employment, full-time and full-time equivalent employees will be eligible for three (3) weeks' vacation (15 days or 120 hours, whichever is less) at an accrual rate of 10 hours per month.

Updates will not take place until January 1, 2025.

Meeting adjourned at 8:30PM, PB/MA-m/s/p.

Attest: ______________________________________

RACHEL JOHNSON, CLERK TREASURER

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