



FINANCE COMMITTEE MINUTES

3:00 PM May 19, 2025
City Hall – 300 4th Street

Present:

Mayor Scott Korthuis
City Administrator John Williams
Finance Director Laura Scholl

Councilmembers:

Kyle Strengtholt (Chair)
Lee Beld

1. **The Finance Committee reviewed and approved the April 21, 2025 minutes.**
2. **The Committee reviewed and approved the Payroll for the month of April 2025.**
3. **The 2025 Overtime numbers were reviewed.**

The committee reviewed the payroll overtime impacts for April.

- Police incurred 290 hours in April compared to 254.5 hours in March and is down from 328 hours in April 2024. 33% of the year has elapsed, and Police has expended 46% of the OT budget for the year.
- Fire incurred 684.5 hours in April compared to 442.25 hours in March and is up from 484.5 hours in March 2024. April represents the highest month of OT hours for Fire since prior to 2022. 122 Hours or 18% represent hours related to training for the Quint ladder truck. 15% of Fire OT was due to sick leave coverage and 19% was due to Kelly Days. 33% of the year has elapsed and Fire has used 59% of the OT budget for the year.
- The Committee discussed some general ideas for limiting the impacts of OT – and there was a suggestion of a combined Finance and Public Safety Committee meeting.

4. Sales Tax - YTD Review and Source Breakdown.

Sales Tax revenues for April came in at \$250,749, which is the lowest month June 2020. This does not follow the trend line of the last few years which typically increase in April over March. This amount is 5.8% (\$15,304) below budget and 16.3% (\$48,862) below March 2024. Overall, this puts us on par for budget YTD, but 4.8% (\$59,706) below 2024, with February being our only month in a positive position. This is being monitored closely and further discussions will occur once we receive May sales tax in the next couple of weeks.

5. The Claims Clearing Certificates were reviewed and approved for April 16 through May 14, 2025.

The report is sorted by supplier, then by check number then invoice number. There is an indent at the start of each supplier name and totaled at the bottom of each supplier.

6. Council Packet items presented:

- A. Reports: Payroll & Claims
- B. Consent: RES-25-1118 Updating the City's Travel and Business Expense Policy – approved for Council review.

7. Finance Department Informational or Added Items

- A. The Monthly Financial Reports were reviewed for the Month ended April 30, 2025. Revenues are down in REET, Motor Vehicle Taxes, Licenses & Permits, and Court Revenues. Police, Fire and Parks departments are currently exceeding their YTD budgets. In reviewing Sewer Revenues, it is expected that we will increase budgeted Sewer revenues in a mid-year Budget Amendment.

Cash Flow statement & Projection were provided for up to April 30, 2025. As of the end of April, the City ended with 41 days total Cash on Hand, and 25 days of Unrestricted Cash in the General Fund. The State Auditor indicates a bare minimum balance of 60 days on hand and recommendations are 90 days. The City is starting to receive the 1st half of the property taxes which is helping cash flow for April. Comparing cash flow projections to actuals shows the projections to be fairly accurate for January, February and March. Long term projections indicate that additional work will be needed when it comes to budget time. The summer months also have historically been high for project and operating expenses, which will demonstrate where we are at budgetarily.

- B. The Committee briefly discussed long term revenue generating options including what would be required to do a levy lid lift.

The meeting was adjourned at 3:56 pm. The next Finance Committee meeting is on Monday, June 16th at 3:00 pm.