



## FINANCE COMMITTEE MINUTES

3:00 PM February 18, 2025  
City Hall – 300 4th Street

### Present:

Mayor Scott Korthuis  
Accounting Manager Christy Fowler

### Councilmembers:

Kyle Strengtholt (Chair)  
Nick Laninga

1. The Finance Committee reviewed and approved the January 21, 2025 minutes.
2. The Committee reviewed and approved the Payroll for the month of January 2025.

### 3. The 2024 Overtime numbers were reviewed.

The committee reviewed the payroll overtime impacts for January.

- Police incurred 334.50 compared to 212 hours in January last year (2024). Included in these hours is 114 hours of Holiday time worked. Police continues to experience vacancies in the roster due to long term medical leaves, and January saw the last of the field training for newest police officer.
- Fire incurred 396.75 hours compared to 144 hours in January last year (2024). 32% of Fire OT was due to sick leave coverage and 24% is due to Kelly Days.

Committee discussed Small Cities report that emphasized police officer hours. Some cities have incorporated strategies such as contracting with the Sheriff to cover.

### 4. Sales Tax - YTD Review and Source Breakdown.

Sales Tax revenues for January came in at \$298,344, which is 1.2% (\$3,526) below budget and 8.6% (\$28,010) below January 2024. Small Cities report is showing other cities are experiencing flat or downward trending sales tax.

### 5. The Claims Clearing Certificates were reviewed and approved for December 31, 2024 through February 10, 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: 2024 Berthusen Park Annual Report.

**6. Finance Department Informational or Added Items**

- A. The Monthly Financial Reports were provided for the year ended December 31, 2024 and Month ended January 31, 2025, but not reviewed. It was noted that multiple departments were over budgeted expenditures for 2024.
- B. Cash Flow statement & Projection were provided for up to January 31, 2025, but not reviewed. Finance is monitoring the cash balances and will evaluate monthly whether there is opportunity for payback of the interfund loan at a quicker rate or if there are other cash flow considerations. The current cash balances are expected to maintain the majority of expenditures for the City through until May with the next influx of Property tax revenue.
- C. Finance Committee briefly discussed
- a. Legislative items, including the potential changes to Real Estate Excise Tax (REET) eligible items. It was noted that most of the changes involve the inclusion of more programs related to low-income housing.
  - b. Audit Updates related to where we stand and the progress to the regular audit as well as Arpa.
  - c. School Impact Fees were discussed as to where we stand with recent talks from the school district to utilize impact fees in order to pay for needed renovations to aging schools. It is an option but more information and discussion is needed as to the details on what kinds of fees and specifically what they will be used for.

**The meeting was adjourned at 3:50 pm. The next Finance Committee meeting is on Monday, March 17 at 3:00 pm.**