

**MINUTES**  
**COMMITTEE-OF-THE-WHOLE WORK SESSION**  
**May 6, 2024**  
**City Council Chambers**

MEMBERS PRESENT: Mayor Steve King. Council Members Paul Fischer, Laura Helle, Geoff Baker, Michael Postma, Joyce Poshusta, Jason Baskin, and Council Member-at-Large Jeff Austin.

MEMBERS ABSENT: None

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Public Works Director Steven Lang, Planning and Zoning Administrator Holly Wallace, Parks and Recreation Director Jason Sehon, Fire Chief Jim McCoy, Library Director Julie Clinefelter, and Human Resources Director Trish Wiechmann.

APPEARING IN PERSON: Austin Daily Herald, KAUS Radio, Craig Popenhagen and Sterling Shatek of CliftonLarsonAllen, LLP.

Mayor King opened the meeting at 6:09 p.m.

**Item No. 1 2023 Audit Review**

Craig Popenhagen from our auditors, CliftonLarsonAllen, LLP, presented the results of the 12/31/23 audit, noting the City once again received an unmodified, or clean, opinion. The City has received the GFOA's Excellence in Financial Reporting award for 38 consecutive years, and there is an expectation that this report will also be granted such award. Mr. Popenhagen made some comments regarding the financial statements, as follows:

- General Fund total fund balance is at \$11,821,095. Unassigned/Assigned fund balance is at \$11,384,746 at December 31, 2023.
- Assigned/Unassigned fund balance in the General Fund is now at 58% of expenditures, up from 57% in 2022. The Office of the State Auditor recommends fund balance in the range of 35% to 50%, so Austin is above that and in a very healthy position.
- 52.56% of the General Fund revenues are Intergovernmental Revenues (mainly LGA), as Austin is still heavily dependent on the State of Minnesota to help fund operations.
- Expenditures for public safety are 43.56% of General Fund expenditures, while culture and recreation make up 21.72%. The state average (based on 2021 reported numbers) indicates Austin spends almost twice as much as others on culture and recreation. This is a result of two arenas, a nature center, and other amenities that are provided to our citizens.
- However, the City only has 12.51% of the General Fund expenditures used for general government administration. This indicates a lean administration department.

Mr. Dankert noted that on the expenditure side the General Fund was at 97% of budgeted expenditures, but with the \$411,000 of unspent capital items that were carried over and should have been purchased in 2023, we would have been at 99% of the budgeted expenditures. This shows our budget process works well, and that staff are not exceeding the authority approved by the elected officials.

Mr. Dankert thanked the department heads for following the procedures and policies the elected officials have approved to once again make this a successful audit.

Motion by Council Member Baker, seconded by Council Member Poshusta to recommend approval of the audit report to Council. Carried 7-0. Item will be added to the May 20, 2024 Council Agenda.

### **Item No. 2 Mower County Veterans Memorial**

On May 6 the Council was presented with a request for a contribution towards a re-do of the Mower County Veterans Memorial. Council Member Baker noted it is a good project and would support \$5,000 to \$10,000 for a contribution to the project. Council Member Baskin agreed, noting he would like to approve \$10,000.

Motion by Council Member Baker, seconded by Council Member-at-Large Austin to approve \$10,000 contribution towards the Mower County Veterans Memorial (to come from Contingency). Carried 7-0. Item will be added to the May 20, 2024 Council Agenda.

### **Item No. 3 Dobbins Creek South Branch Community Assessment Report Update**

Public Works Director Steven Lang discussed his memo regarding a review done by Mower County Environmental Services Department for the Dobbins Creek area and options for managing failing septic systems. The project review included 76 properties in the area east of the Austin Country Club. This review identified the following:

- 37 compliant systems
- 37 noncompliant systems – failure to protect groundwater
- 2 noncompliant systems – imminent threats to public health
- 50 of the systems are 20+ years old

Alternatives and estimates were reviewed for solutions to the problem, including a private sewage treatment system, a community cluster system, and regionalization with the City of Austin.

An informal poll of people present at a meeting indicated the following desire:

- 10 owners wanted a private sewage treatment system or stay in County with individual systems
- 5 owners wanted a community cluster system
- 17 owners wanted a regional system and annexation into the City of Austin

At this time this is for informational purposes only, as Mower County is taking the lead on this. We want to ensure Council is updated on this as it could take a few years for any plan to be finalized.

**Item No. 4 Administrative Report**

None.

**Open Discussion**

None.

Moved by Council Member-at-Large Austin, seconded by Council Member Baskin, adjourning the meeting at 6:47 p.m. Carried.

Respectfully Submitted,

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Tom Dankert, Director of Administrative Services