

I. CALL TO ORDER

President Scott Decker called the meeting to order at 8:00 AM.

II. ROLL CALL

Present were: President Scott Decker, Vice President Jason Fridrich, Commissioners Nikki Wolla, John Odermann and Suzi Sobolik

Absent: None

1. ORDER OF BUSINESS**BUDGET OVERVIEW**

City Administrator Brian Wunningham presents the budget with some adjustments. He presents the differences between original preliminary budget and the one presented for approval. The City wanted to concentrate an effort on cost and where the funds will come from. He highlighted the personnel request in new draft and reduce those down to the bare requirement looking at the risk for the city. He presents options for the cost of living adjustment – 8 cities surveyed 4% average. Administrator Wunningham feels the City is in the ball park in merit increases. Merit increase of 2%. Measure would be 1% for the year and keep at pace.

Commissioner Suzi Sobolik states the City has added a 1% cost of living to the pay salary.

City Administrator Brian Wunningham Brian states the budget shows change wage scale 1%. Looking at 1-3% and using the CARES act funds and use that for increase of wages. That would be a one-time premium pay. Health care credit – consider 20 year spread instead of 40 year spread. A lot of cities went to 100% medical. I think we are good in 80/20.

Deputy City Administrator Linda Carlson states unassigned cash for public safety items. She states the Cares act in 2020 went to general fund and upon that the general fund did not need oil impact transfer and so zero in sales tax. She states \$ 7.2 million cash left over and upon current proposed general budget business continuity is \$6.7 mill and we are going to have \$7.2 million upon projection that is where the public safety items are coming out of is the cash on hand.

Administrator Brian Wunningham states it is worth writing that it was originally from cares act. Auditors told us no risk on how to use that fund at all so use it as commission wishes.

Deputy City Administrator Linda Carlson states the general fund expenditures is what we have to propose and that we are bound by general fund in all dept. General fund is all dept. She states most of your taxes that are put into the general fund to help support those dept. with an oil impact fee transfer. All expenditures are every dept. Ms. Carlson explains general fund expenses and income to the commissioners.

President Scott Decker states that the City only spent \$72 million in 2020 and our budget states that we allowed \$78 million.

Deputy City Administrator Linda Carlson states it shows \$72 million as this is what the City spent. If we don't spend as much as budgeted goes back to where it came from. Sales tax worksheet shows actual expenditures. The balance goes into the next year.

Commissioner John Odermann states he would like something to explain where we understand this as we hear this from you but how can we get this out to the public. We only spent \$72 but see \$78 on the reports. Commissioner Odermann state it would behoove the City to show the community that we only spent \$72 and not \$78 and \$6 million transferred to other funds.

Commissioner Nikki Wolla states the city should post the summary to the public this would keep it clear.

Deputy City Administrator Linda Carlson states this would not be very hard to put as a dash board that have all the expenditures by ordinance and what was really spent.

Commissioner Suzy Sobolik states this would be very helpful to see the actuals and why we didn't spend the money or where did the money go to.

Commissioner John Odermann states this is typical business accounting, if you have left over funds from last year sit on it for next year as it might be used this year.

Public Works Director Gary Zuroff states the general versus enterprise fund that is the difference – general is gone but enterprise is held on.

President Scott Decker states the City carries over funds next year for the projects but when we tell someone it went into the general fund, it is a black hole that sucks up all the dollars. President Decker states CARES act is in the general fund, it is dumped into black hole and what are you going to use it for. I would like to see the wage study in the affect just sit the year. President Decker is not opposed to onetime bonus, \$2400 dollars for everyone but up to commission. Health care credit, President Decker states he thinks the City needs to use 20 year spread to make more beneficial to spread. COLA – he would like to see it not be in there and use a one-time premium payment using care act money.

Commissioner John Odermann states he doesn't agree with that people get the situation nationally and locally right now. He states the City needs to stay competitive.

Commissioner Jason Fridrich states the employees received 4% last year and new wage scale this year.

Administrator Brian Winningham reviewed Mandan and Bismarck wages and they stayed competitive. Cities that are trying to stay competitive in their area. Dickinson is incentivizing that job, either you want to live her, move here for the job. Police and fire are a little over us in other cities, during the pandemic. I think 2021 budget is really hard to look at as a lot of cities froze. The City had a wage study that updated old job descriptions and wasn't complete as there was no fundamental review of all the cities job descriptions. Eventually we will get to that. Goal is to take a person and do more than what they should be and then another position that we really do not need. Wage study did not go back to other years. Wage study we do pay very well for some jobs. Low end – start points start very descent. Administrator Winningham states if a person is here for a long time it will be much cheaper to replace them. Ability to say that we can replace long term employees for a cheaper rate to hire them. I think we are about right. It is offer that we go back and work through the pandemic. It is 100% necessary right now. I think we pay our city workers well. Now person for 18 years should be paid more and I will try and show them the goodness of working for the city. Personnel – new requests either position that we are adapting – new position or with IT – looking to change the name of that. We are not in that reorganization. Dev services – if we had 2 or 3 more developers in the city we would struggle. He feels the City should take as much development as possible. Not enough information right now to bring this forward.

Commissioner Jason Fridrich discussions some of positions which show different titles such as Development I, Development II they are in the notes as to be approved positions. He discusses the HR Coordinator.

Deputy City Administrator Linda Carlson states these are just notes. Staff did not change that is when we meet with dept. heads and they are asking for their requests. They actually signed the sheet along with me saying this is the wish list that is coming before Mr. Winningham. Those notes were and we did not touch those notes. Ms. Carlson states this is the optimate in proposed budget. Personnel, - numbers have been adjusted accordingly for budget.

President Scott Decker states he seen the notes, city commission costs 2021 budget 76,960 but you actually spent 83,000.

Deputy City Administrator Linda Carlson states in 2021 budget there was \$76,960 should have been \$83,000 and this was a mistake in wages and not right in budget book. The book

and the ordinance is different and that is why note there as actual budget is 83,000 according to the scale that is exactly what is should have been.

Commissioner Jason Fridrich questions why there is a 3.4% in wage changes. Because of new pay study?

Deputy City Administrator Linda Carlson states the budget for 2022 include 2% performance and 1% for COLA. In all dept. it was 3% cola and changed down to 1% cola and 2% performance. When we did medium for insurance we were told 8-10% increase and we only had a 2% increase in our health insurance so we are going to have a decrease of what proposed in the preliminary.

Commissioner Jason Fridrich discusses the forestry increase of over \$7,000 in forestry. Finance – 5% raise. 2021 to 2022 – this would be given both merit and COLA. What he was making when we adopted new pay scale. Discuss forestry. HR – how does gross wages go up 25,000 this year.

Deputy City Administrator Linda Carlson states Accountant Morey is not available today.

City Administrator Brian Wunningham cannot explain that for the HR increase. Maybe this was not pulled out from preliminary budget. The City will review that. That would have been with HR manager for 2022 and that would have added the money but we are not going to do that change this year.

Commissioner Nikki Wolla discusses forestry wages and questions what the changes are.

City Administrator Brian Wunningham states 2021 approved ordinance budget. Take the 2021 budget that we included wage study and make another sheet and it would be easier to look at a see what 2021 wage look at now.

Commissioner John Odermann states with the wage study was not the approved 2021 budget.

Deputy City Administrator Linda Carlson states we look at impact of personnel we take current personal and look at what they are at today and figure out employee and employer cost of all the cost. Flag for employees at Step 18, they can't go 2% but if COLA comes in it would change by 1% or whatever the COLA is.

City Administrator Brian Wunningham states with the addition of the 4% wage increase the budget was not adopted with the wage scale, 2021 skewed. If we take the 4% and then add in the wage study then we would have the right numbers for 2021.

Public Works Director Gary Zuroff states in 2021 budget the City had the first budget and 2021 revised. Discussed salary for forestry at that time.

Commissioner Jason Fridrich discusses the personnel revised requests for 2021.

City Administrator Brian Wunningham states these changes were internal. He had reviewed some positions to relook at some of them intent to change now to bring that forward. This information would be too much to bring into 2022. I think we should we do those on a more routine basis. Not additional 14 employees in 2022 budget.

Commissioner Jason Fridrich questions the years changes of 2021 \$45,000 and were those changes made and did we adopt this. He states these are changes of grades and steps which were sent to the Commission in August.

Administrator Wunningham states the City did not adopt this. No other changes except for the ones that are on the sheet highlighted. Revised budget for 2020 that included wage increase that was not in the scale 4%.

Deputy City Administrator Linda Carlson states the 2020 revised amount was due to when the 2020 budget was approved the city had the wage scale that they were working on and we approved the wage scale and then rescinded the wage scale but already approved the budget but we went back. 2021 does not have the 4%. The City would have to revise the

2021 budget and put employees in and want another revised column would put the 4% in and then the wage scale.

Administrator Winningham states the City will make a timeline budget from 2020, revised 2020 and then 2021.

Commissioner Nikki Wolla states the Commissioners are not targeting specific employees. Spent a lot of time to get everyone on the same level field, maintain and keep it realistic. Not targeting. Spent time and money on wage study and want to stick to it. Laurie Graves states she will come through and review it.

Commissioner Jason Fridrich states the Commissioners rescinded because employees were upset and went out and got someone outside of the facility and then we adopted it and gave 4% until wage study. Gave them the cities we wanted to look at and gave them all job descriptions to review.

City Administrator Brian Winningham states the City is in a good place and employees should feel like they receive comparable wages. What we will look at how the revision was done and where we put the numbers in 2021. Don't want to see a budget book that we put out to the public without clarification where huge spike in wages. That will create some distrust. By line where money is going and try to call out those perceptions. There will be 3% - 2% in merit and 1% COLA.

President Scott Decker asks the Commissioners if they are ok with 1% COLA that is forever and this is \$130,000. One time of \$2400 is \$511,000 to do so that would one time would up the GPT transfer.

Commissioner John Odermann feels that is the least we could do as the cost has gone up on everything and cost most to live in Dickinson. Important that we just don't implement the wage study and we don't do anything next year. At least tell staff we did 1% for you.

Commissioner Fridrich states the City employees received 4% last year is a concern plus we added health care benefit.

Deputy City Administrator Linda Carlson stated the employees received a small one in 2018, 2019 froze and 2020 4% - 4% brought everyone up to market. I was against 4% raise as I thought we were going to be out of the market but it actually brought us into the market.

Administrator Winningham states it is cheaper for city to do it one time to use other legislative dollars and not tax payer's money. Cares acts funds were to use as premium type pay for employees. Amount for sworn officers – cares act funds. When the \$3.4 million come to city how do we address back to the public.

Commissioner Jason Fridrich thought we were going to use cares act money for citizens. Every household or business in this town were affected by COVID. Those dollars need to be used something for the public.

Commissioner John Odermann states during shut down last year did we send anyone home? This impacted the entire city I would be more apt to do utility credits where the money goes back to the citizens who worked and had to fight to try and make ends meet and maybe they couldn't make ends meet or lost their housing. That is something we should consider what we can do for business and citizens and maybe utility credits and for those whom were shut down for months, licenses or permits. Several staff members more attractive than a pay raise is a health credit.

City Administrator Brian Winningham states maybe FSA for people don't take the health insurance. This 1% credit could be a double edge sword. Mr. Winningham is trying to entice people to not take the insurance. He feels the City can weather that, not need a premium for 2022 and not a COLA but I am going to be talking about this next year. Next

year during budget our wages are going to be good and comparable. It won't be skewed. Sadly, we are going to talk about 2023 budget before the end of this year.

Commissioner Suzi Sobolik states she does not get a COLA every year and may get a performance every year.

City Administrator Brian Wunningham states the Social Security increase is 6.3%. Most govt employees due receive 1-3% increase each year. Do you want to use federal dollars for a premium payment. City employees should be here as we run essential services. You gave an 80 hour fall back that you receive pay and then we continue that in 2021 and continue you that right now. COVID pay when you are sick. The City already offers 80 hours. He feels the City is in a good place. Do not do a COLA. The City could do something for premium pay as I don't want to get the pay scale too far behind and can address that next year.

Commissioner Jason Fridrich states the pay study will be reviewed every 3 years.

City Administrator Brian Wunningham states he has yet to find someone who has not been paid at the rate they should be. Jobs that are not listed correctly as someone is doing 3 or 4 tasks and that has come before the commission. Over several years job descriptions were not looked at. Pretty rare for the city.

Commissioner John Odermann is fine with not paying a COLA to the employees.

Commissioner Nikki Wolla would like to not give a COLA in 2022.

President Scott Decker states a 2% step increase and health care 1% would be in the budget for 2022.

Commissioner Jason Fridrich states he does not want to give an increase for 2022.

Deputy City Administrator Linda Carlson states then it is a no to the COLA. Vote to premium pay is no. She states there are 6-8 people are stepped out of the wage scale.

Commissioner Jason Fridrich questions how did the City come up with \$2400 premium pay for the employees.

City Administrator Brian Wunningham states based on 1-3%. Some employees will impact as they will not see a 2%. If they are at 18 they are not receiving anything. When employees have been here 18 years and top at scale there should be some way to say something. If healthcare is taken this will change a little bit. Mr. Wunningham states if an employee has received a pay check for 18 years. City has provisions for that person to adapt to a new position.

HR Coordinator Shelly Nameniuk states the City has received quotes for new insurance and they will take a look to see what the best is for the city. Would be nice to change it to a January 1 renewal. Ms. Nameniuk states she is not real confident we are ready to change.

City Administrator Wunningham states a change in insurance would have to be worth it to see a significant savings. It would be greater than 10%. There is some risk of leaving the state.

President Scott Decker does not agree with a COLA as the employees will be getting a 2% merit.

Deputy City Administrator Linda Carlson states if an employee received \$2400, the cost would be \$448,800; FT employee would receive \$1,872 after insurance. Possibly a one-time premium pay in 2021. We have come in lower because of cares act. It would be just

a wash if they decide. Maybe instead of amount of check decide what you want to spend for premium pay. All employees would get \$2,400. 26 PT limited hour/season employees. 187 FT employees.

Commissioner John Odermann questions why is the City doing this, because we have the money to do it. How is this any different than when they go on PTO? It is the taxpayer's money going to a public entity that has tax payer's money that we spend. Just because we have a pool of money – windfall – we didn't send people home just because we were not deeply impacted as other business or other entities. I am having a hard time with the idea that we are going to give employees money.

City Administrator Brian Winningham feels the city should pay for those that stayed during COVID. The City pays employees sufficiently so it helps the citizens. To provide better service at all times. Make every citizen feel special.

Commissioner Suzi Sobolik employees here had a job the whole time and a stressful time. A lot of employers did share the money with the employees to thank their workers behind their regular pay. Thank you for working through this. Some people got to stay at home and this would be a bonus for sticking through with the city with this. There were a lot of different avenues to handle employment. This is way we are benefiting our employees. that would be my argument for this premium pay's.

Commissioner John Odermann states what was done by other businesses and organization for others to maintain their income of their employees that had to go home? They were given those payments to pay their income. I think the chamber they actually did a good job maintaining work and revenue for employees but it did get dicey there to lay people off but tightened their belt. I haven't had enough time to digest it to make a confident decision as how I really feel. I am really uneasy on making that decision.

Deputy City Administrator Linda Carlson states since this premium pay is not going to be part of the 2022 budget that I bring information to you where we are actually in the 2021 and what it would impact for the end of the year and it would take it off of the 2022 budget. This is an option. Ms. Carlson will bring examples of the premium pay.

President Scott Decker discusses the step increase, health care increases for 2021 – essentially a 3% increase for each employee.

HR Coordinator Shelly Coordinator suggests flex dollars and then the employee would get the entire amount instead of taxes taken out. Only thing doesn't help part time people. Could give them \$1,000.

President Scott Decker discusses the GPT and 2022 solid waste building approved. President Decker's suggestion was to not to build – just design.

Deputy City Administrator Linda Carlson states at the last budget meeting the commission decided to take \$50,000 and get design and then moved the rest of the funds to the next year.

President Scott Decker states if the public want to see the budget and the they see negative numbers, see us in the hole in the GPT.

Deputy City Administrator Linda Carlson states the public cannot see the worksheet but it's in draft form.

President Decker is interested in the revenue fund and the transfer to general fund.

Deputy City Administrator Linda Carlson states the City has extra money in interest revenue fund as they are very conservative.

Commissioner Jason Fridrich states the City is taking $\frac{3}{4}$ of the money to balance the budget and not using it for what it was intended for. Maybe just put all money in funds and then use it from there. There will not be any money built up in there as it is swiped over to general fund to balance it.

Deputy City Administrator Linda Carlson states the 1/2 % sales tax which is property tax relief was being used and then it went into the red. Commissioners asked for the City to find other money to put more money into general fund instead of raising GPT and this is what we used.

President Scott Decker states the Commissioners never said to stop using GPT.

Deputy City Administrator Carlson states the Commission asked the City to go back and see what we could do without taking more money out of GPT to fix the streets.

President Scott Decker states the City might as well abolish those accounts. Set those aside for specific five things.

Deputy City Administrator Carlson states the interest fund use to go to all depts. The City was building up reserves and interest was building up. One way to stop using operational money and use it more for capital. These are pots of money.

Commissioner Jason Fridrich states the City set buckets and once they are full we can transfer money but not until then. Could use these funds for study for public safety, etc. Revenue fund SIREN does this cost us \$200,000 a year.

Police Chief Dustin Designer states SIREN does not \$200,000 a year. Once we get the equipment this is not an annual cost. SIREN project 2025 as some of the equipment has been pushed way back. It is important to have a maintenance fund.

President Decker discusses the legacy loan program fund. Has staff looked at potential projects? \$300 million dollars only. \$260 million for infrastructure side.

Deputy City Administrator Carlson states what the legacy loan fund can be used for such projects as water and others. You can apply up to \$40 million dollars.

Public Works Director Gary Zuroff states there are a lot of projects that this could be used for. This loan sounds like the clean water and SRF drinking water the City has had a couple of projects on State Avenue. Some use for Sims and downtown. This is something that solid waste could use as building project. Director Zuroff states it is now a one stop shop.

Deputy City Administrator Linda Carlson states the difference between SRF and this loan is there are all these dept. have to decide that application and they decide where you are going to go, SRF or 40/40. They decide what their terms.

Interim City Engineer Loretta Marshik states projects that we have already gotten planned moves up on the list. Some projects the City knows that are out there that we need to do and out a little further may have us get them into design to have this process. If they are not ready at this time, maybe get them designed and ready if we would receive the funds. Engineer Marshik questions what the City can we do to make our projects appeal to the loan?

President Scott Decker states the City needs to be faster to the table. Table advantage of the terms.

Deputy City Administrator Linda Carlson states these five departments take a look at application and determine how long the loan will be for. The committee will need phase plan and what you need to pay and where is it coming from. The project is up to \$40 million and they decide the term of it.

Commissioner John Odermann feels this is a good plan of action with City Administrator Winningham to work on CIP Projects. Commissioner Odermann discusses the support letter for the CTE.

City Administrator Brian Winningham wants to make sure there is generally the number that we can be offered to put on the paper – example CTE critical as they have 10/1 grant application date. Rough number that we would be willing to support, possible a sliding scale. He states the CTE started for one thing and what you are seeing now they are not exactly sure what it is looking at, \$10 million dollar grant they are requesting.

Commissioner John Odermann would like for the City to committee up to \$2 million. Other support from School District, and County was phenomenal.

Commissioner Suzi Sobolik states they are asking for numbers on this letter. They were not asking private businesses yet asking for money. Make sure have the best programs that work for their organization and just need letters of support with funding. We want to see more culinary or more welders. Yes, use up to an amount.

City Administrator Brian Winningham states the direction is up in the air and we don't want to do more than an amount. CTE is going to benefit everyone but it is yet to be written.

President Scott Decker states the City we should also have a seat at the table. Hope they use it to the fullest potential of the facility.

Commissioner John Odermann states because of state statute it has to be the full school board and participating school boards. They wanted to have a lot of people at the table but with statute they cannot have a rep from the city.

City Administrator Brian Winningham states Maybe ex officio. Mr. Winningham has enough information to finish the draft letter. He states the City needs to hold some ties for future public safety training, high school in fire academy, criminal justice and hold something that we can hold anywhere. Not have CTE only.

Commissioner Suzi Sobolik states now that there is a full-time employee staff there things have shifted for the better there. Commissioner Sobolik questions the 2022 budget removed from city hall renovation – we won't need this.

Deputy City Administrator Linda Carlson states this was a place holder. Decided at beginning \$2 million is going to cover.

City Administrator Brian Winningham states the City will see what declining balance would be if we do so we don't go under. 1.5% sales tax what we are spending and receiving. What spending out of sales tax fund.

Deputy City Administrator Linda Carlson states in 2021 we will be up in revenue at the end of year. Feel like our numbers are coming in more like 2019. We would cover most of expense in 2021 at \$8.5 million.

ADJOURNMENT

MOTION BY: John Odermann

SECONDED BY: Suzi Sobolik

Adjournment of the meeting at 11:00 AM

DISPOSITION: Roll call vote... Aye 5, Nay 0, Absent 0
Motion declared duly passed.

OFFICIAL MINUTES PREPARED BY:

Rita Binstock, Assistant to City Administrator

APPROVED BY:

Brian Winningham, City Administrator

Scott Decker, President
Board of City Commissioners

Date: September 21, 2021