



AGENDA
BIG LAKE CITY COUNCIL WORKSHOP
COUNCIL CHAMBERS

SEPTEMBER 14, 2022

5:00 p.m.

- 1) CALL TO ORDER**
- 2) ROLL CALL**
- 3) PROPOSED AGENDA**
- 4) BUSINESS**
 - 4A. Discuss Bond Call Options
 - 4B. Discuss Liquor Store Part-time Hourly Pay Plan Adjustment
 - 4C. Lakeside Park Flag Display Update
- 5) OTHER**
- 6) ADJOURN**

Disclaimer: This agenda has been prepared to provide information regarding an upcoming work session of the Big Lake City Council. This document does not claim to be complete and is subject to change.



WORKSHOP ITEM

Big Lake City Council

Prepared By: <i>Deb Wegeleben, Finance Director</i>	Meeting Date: <i>9/14/2022</i>	Item No. 4A
Item Description: <i>2012A and 2014A GO Bonds that are now callable</i>	Reviewed By: <i>Hanna Klimmek, City Administrator</i>	
	Reviewed By: <i>N/A</i>	

COUNCIL DIRECTION REQUESTED

Provide direction to move forward or not on calling the 2012A and 2014A GO Bonds.

BACKGROUND/DISCUSSION

When the City issues debt, the bonds each have a call date which allows the City to call the bonds prior to their maturity date. This is called a Cash Call and in the event the City has sufficient cash to do so can result in an interest savings. Currently the following two debt issuances are now callable:

- 2012 General Obligation Refunding Bonds, Series 2012A. These bonds were issued to refund original debt that was used for the Fire Hall, and street projects including utilities. If the City chooses to Cash Call the 2012A bonds, there would be a savings of \$33,638.89 in interest.
 - The Debt Service fund would pay in-cash \$45,287.31 (there is enough funds to pay this portion).
 - The Water Fund would pay in-cash \$467,505.13. These funds would have to come out of operating cash.
 - The Sewer Fund would pay in-cash \$262,953.68. These funds would have to come out of operating cash.

- 2014A General Obligation Tax Abatement Bonds, Series 2014A. These bonds were issued to refund the original 2005A EDA Public Project Revenue Bonds that were used for the Liquor Store facility. If the City chooses to Cash Call the 2014A bonds, there would be a savings of \$10,263.89 in interest, plus the total levy for 2023 would decrease by \$27,250 for the 2023 debt payment or about .50%.
 - The Debt Service fund would pay in-cash \$96,461.25. This fund does not have enough cash to cover, so a transfer would need to be done from the Liquor Store, or General Fund for approximately \$72,000.
 - The Liquor Fund would pay in-cash \$256,524.86. These funds would have to come out of operating cash

If Council directs staff to move forward with the Cash Call, staff will bring back a resolution for approval at the September 28, 2022 meeting and then the bonds would be called on November 3, 2022.

FINANCIAL IMPACT

Savings to the levy as well as interest savings to the Enterprise funds, which has an impact on rates; however, there could be a need for transfers at year-end if the Water or Sewer funds need additional cash for operations. Those transfers could come from the CIP funds or General Fund.

STAFF RECOMMENDATION

Move forward with the calling of bonds.

ATTACHMENTS

2022 Proposed Cash Call General Obligation Bonds breakdown

2012A CALLED			4,996.11	750.00		AS OF 8/31/2022			
	%	PRINC	INTEREST	FEE	TOTAL	CASH AVAIL	+/-	INTEREST SAVING - LESS FEE	
217-000-00-85	5%	45,000.00	249.81	37.50	45,287.31	57,582.12	12,294.81	230.19	
401 - SEWER	34%	261,000.00	1,698.68	255.00	262,953.68	1,116,480.85	853,527.17	12,038.62	
301- WATER	61%	464,000.00	3,047.63	457.50	467,505.13	1,122,403.70	654,898.57	21,370.07	
					-		-	33,638.89	
		770,000.00	4,996.11	750.00	775,746.11			33,638.89	
					-			-	
					-			-	
2014A CALLED			2,236.11	750.00		AS OF 8/31/2022			
FOR LIQUOR STORE	%	PRINC	INTEREST	FEE	TOTAL	CASH AVAIL	+/-	INTEREST SAVING - LESS FEE	
221-000-00-85	27%	95,655.00	603.75	202.50	96,461.25	11,842.48	(84,618.77)	2,814.98	LEVIED IN 2022, PENDING AddIt CASH \$13k
501 - LIQUOR STORE	73%	254,345.00	1,632.36	547.50	256,524.86	1,571,094.93	1,314,570.07	7,448.91	
								10,263.89	
		350,000.00	2,236.11	750.00	352,986.11			10,263.89	
								-	

Would also reduce 2023 through 2025 levy as would no longer levy a portion - short fall in cash for debt service fund would be around 72K this would need to be transferred from the Liquor Store, General Fund or CIP Funds



WORKSHOP ITEM

Big Lake City Council

Prepared By: <i>Deb Wegeleben, Finance Director</i>	Meeting Date: <i>9/14/2022</i>	Item No. 4B
Item Description: <i>Adjust Liquor Store Hourly Pay Plan for grades 2,3, and 4 to Market</i>	Reviewed By: <i>Hanna Klimmek, City Administrator</i>	
	Reviewed By: <i>Greg Zurbey, Liquor Store Manager</i>	

COUNCIL DIRECTION REQUESTED

Provide staff direction in changing the Liquor Store Part time hourly Pay Plan.

BACKGROUND/DISCUSSION

During the August 25, 2022 budget workshop, Council directed staff to review the possibility of increasing the City’s Pay Plan for grades 2-4, which represents the part-time hourly Liquor Store Staff. With the increase to the City’s Pay Plan for these grades, the part-time liquor store staff would be more in line with the retail service industry. Following is the recommended increase to the City’s Pay Plan:

- Stock Clerk; grade 2 - \$15.00 to \$19.00 per hour
- Store Clerk; grade 3 - \$15.90 to \$20.14 per hour
- Part Time Lead Clerk; grade 4 - \$16.85 to \$21.35 per hour

Staff is recommending implementing this change effective upon the beginning of a pay period after Council approval. For the remainder of 2022, this would be an additional increase to the 2022 budget of approximately \$15,000. With the change to the 2022 budget, and the proposed market rate adjustment to the entire Pay Plan there would be an additional increase to the 2023 budget of \$35,000.

FINANCIAL IMPACT

2022 budget would see an increase of \$15,000, future budgets would reflect the Pay Plan change.

STAFF RECOMMENDATION

Direct staff to bring forward a Pay Plan adjustment for Part-time Liquor Store Staff effective upon the beginning of a pay period after Council approval.

ATTACHMENTS

City of Big Lake Pay Plan with changes to grades 2-4



WORKSHOP ITEM

Big Lake City Council

Prepared By: <i>Norman Michels, Streets/Parks/Fleet Superintendent</i>	Meeting Date: <i>9/14/2022</i>	Item No. 4C
Item Description: <i>Flag Display at Lakeside Park Update</i>	Reviewed By: <i>Hanna Klimmek, City Administrator</i>	
	Reviewed By: <i>Deb Wegeleben, Finance Director</i>	

COUNCIL DIRECTION REQUESTED

Direction on the proposed design plan for the installation of the flag display at Lakeside Park.

BACKGROUND/DISCUSSION

Staff was contacted by the Big Lake American Legion Post 147 about the possibility of installing a flag display at Lakeside Park. Council Member Seefeld brought this up under “Other” at the July 13, 2022 Council Workshop, and Council directed Staff to move forward with getting pricing on both a single and a triple flag display. Based on this direction, Staff reached out to Coil’s Flags, Flagpoles and Embroidery of St Cloud for an estimate. This company is the vendor that the City purchases replacement flags from that are flown at the Veterans Memorial. Coil’s Flags has submitted an estimate in the amount of \$10,195.

Staff, with assistance from Coil’s Flags and the American Legion decided that the best place for a flag display would be at the center island entering the park, and that a trio flag display using a 30-foot pole flying the American flag in the center with two 25-foot poles on each side flying the State flag and the POW flag, would look the best. Staff has also discussed this idea with the City Planner and the Park Advisory Committee, and has received support from both.

The Public Works Department would install the flag pole bases with support from Coil’s Flags, and Coil’s Flags would install the poles. Staff would work with a licensed electrician to install the lights to light up the flags during nighttime hours.

FINANCIAL IMPACT

During the July 13, 2022 Workshop, the City Council was agreeable to pay the upfront costs of the purchase and installation of a flag display, with the understanding that the Big Lake American Legion would donate to the City, the total cost of the project over a period of time. The American Legion has already donated \$5,000 towards the project. All donations towards this project will be brought to Council at a later date. The upfront costs for the project will be funded from the Parks Equipment CIP Fund.

STAFF RECOMMENDATION

Staff is asking for a consensus of the City Council on the proposed design plan for the installation of the flag display at Lakeside Park.

ATTACHMENTS

Coil’s Flags Estimate

Coil's Flags, Flagpoles, & Embroidery

2803 Clearwater Road
 Suite B
 St. Cloud, MN. 56301

Estimate

Date	Estimate #
7/22/2022	803

Name / Address
CITY OF BIG LAKE 18041 198th Ave BIG LAKE, MN 55309

Project

Description	Qty	Cost	Total
SENTRY - 25' X 5" X .156" SATIN, US FLAG SIZE 5X8	2	3,000.00	6,000.00T
SENTRY - 30' X 5" X .156" SATIN, US FLAG SIZE 6X10	1	3,300.00	3,300.00T
INSTALLATION	1	895.00	895.00T
POLE SPACING WOULD NEED TO BE 12' APART			
Tax Exempt		0.00%	0.00
Thank you for the opportunity!		Total	\$10,195.00

Customer Signature _____