

Fergus Falls

Port Authority

112 West Washington, Fergus Falls, MN 56537
Phone: (218) 332-5459 FAX: (218) 332-5449

MEMORANDUM

TO: Port Authority Commissioners
Rolf Nycklemoe
Bill Sonmor
Mayor Ben Schierer
News Media

FROM: Klara Beck

DATE: August 29, 2024

A Port Authority meeting will be held on **Tuesday, September 3, 2024** in the Council Chambers of City Hall following the City Council meeting

The Agenda is as follows:

- 1) Approval of Meeting Minutes from August 19, 2024 Port Authority meeting
- 2) 2025 Port Authority Budget Discussion
- 3) Old Business
- 4) Adjourn

For accommodations if you have special needs, please call 332-5400 or 1-800-627-3529, TTY, Voice, ASCII (Minnesota Relay Service)

Port Authority
August 19, 2024

The Fergus Falls Port Authority held a meeting on August 19, 2024, in the City Council Chambers. Port Authority President Scott Rachels called the meeting to order at 5:58 pm and the following members were in attendance: Rufer, Kremeier, Rachels, Fish, Job and Kvamme. Hicks was absent.

Minutes

A motion and second were made by Job and Kvamme to approve the minutes from the June 17, 2024, meeting and the motion carried with Kremeier abstaining (Kremeier was not a member of the Port Authority for its last meeting).

RFQ for Snow and Lawn Services

The Port Authority owns the Community Behavioral Health Hospital (CBHH) building at 1801 Alcott Ave W, which is leased to the State of Minnesota. As the landlord, the Port is responsible for providing lawn maintenance and snow/ice removal services for the facility. The last Request for Quotes (RFQ) was issued in 2020. Staff recommends initiating a new RFQ process for these services, with the contract running from November 1, 2024, to November 1, 2026. A motion was made by Kvamme and seconded by Rufer to approve the RFQ process, and the motion carried.

Request for Right of First Refusal, SCR Solutions

The Port Authority owns the land behind SCR Solutions which is part of a conservation easement with the DNR. Staff have been talking with the DNR about removing the easement to promote industrial growth. SCR Solutions understands the land is not available at this time but have provided a written request for the right of first refusal if the easement were to be lifted. A motion and second were made by Rufer and Kvamme to direct the City Attorney to draft a proposal agreement for the first right of refusal with SCR Solutions and the motion carried.

2025 Port Authority Budget

Finance Director Bill Sonmor reviewed the Port Authority's proposed budget. As a separate legal government entity, they have levied a tax of \$72,000 for 2024. They are proposing a levy of \$120,000 in 2025, which includes a \$48,000 contract with Greater Fergus Falls for economic development professional services. A working group of City Council members and Greater Fergus Falls will be discussing a services agreement and will bring forward a recommendation to the Port Authority at their next meeting. Sonmor also reviewed staffing, the farmland rental and the CBHH facility portions of the budget. The CBHH facility is fully funded by the State of Minnesota. The Port will be asked to adopt the preliminary budget following discussion at a September 3 meeting.

The meeting adjourned at 6:15 pm

Lynne Olson

Fergus Falls

Port Authority

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MEMORANDUM

TO: Port Authority Commissioners

FROM: Bill Sonmor, Port Authority Treasurer

DATE: September 3, 2024

RE: 2025 Port Authority Budget

On August 19, 2024, the Fergus Falls Port Authority discussed the proposed 2025 Port Authority Budget. The budget presented at that time included a proposed 2025 property tax levy of \$120,000, total revenues of \$372,090 and total expenditures of \$366,866. The primary change to the budget from 2024 to 2025 was a levy increase of \$48,000 to provide additional funding for Greater Fergus Falls.

Since the meeting on August 19, 2024, the City of Fergus Falls Tax Levy Committee has continued to modify the City and Port Authority 2025 proposed budgets. The Tax Levy Committee has removed the \$48,000 additional funding for Greater Fergus Falls.

The revised 2025 Port Authority budget now includes a proposed 2025 property tax levy of \$67,000, total revenues of \$319,090 and total expenditures of \$319,090.

Please approve the proposed 2025 property tax levy of \$67,000 and the proposed 2025 budget of \$319,090.

2025 Port Authority Proposed Budget

Fund 202

	2023 Actual	2024 Budget	2025 Proposed	2025 Levy Brd	Difference	Comments
Port Authority revenue						
31110 000 Current general property taxes	\$58,748.38	\$72,000.00	\$120,000.00	\$67,000.00	(\$5,000.00)	\$48,000 Inc for GFF - Removed
31120 000 Delinquent general property taxes	1,132.85	0.00			0.00	
31130 000 Mobile home tax	74.26	75.00	75.00	75.00	0.00	
33402 000 Homestead & ag credit aid	9.26	10.00	10.00	10.00	0.00	
36210 000 Interest on investments	20,467.41	10,000.00	10,000.00	10,000.00	0.00	
36290 000 Sale of investments		65,287.00			(65,287.00)	
36399 000 Miscellaneous	112,830.86				0.00	
36401 000 Rents	221,971.93	240,229.00	242,005.00	242,005.00	1,776.00	\$218,598 CBHH \$23,407 Farm
39310 000 General obligation bond proceeds	55,182.60				0.00	
Port Authority revenue total	\$470,417.55	\$387,601.00	\$372,090.00	\$319,090.00	(\$68,511.00)	
46500 Economic development and assistance						
101 Full-time employees-regular	\$53,595.29	\$61,200.00	\$55,096.00	\$55,096.00	(\$6,104.00)	42.5% Jill and 20% Klara
102 Full-time employees-overtime					0.00	
121 PERA contributions	4,019.51	4,589.00	4,132.00	4,132.00	(457.00)	
122 FICA contributions	3,141.90	3,793.00	3,416.00	3,416.00	(377.00)	
131 Health	14,289.04	14,067.00	15,417.00	15,210.00	1,143.00	
133 Life	97.32	162.00	100.00	100.00	(62.00)	
135 Medicare	734.87	887.00	800.00	800.00	(87.00)	
151 Workers' comp insurance premiums	632.46	584.00	650.00	650.00	66.00	
208 General office supplies	419.27	500.00	500.00	500.00	0.00	
301 Auditing & accounting services	1,216.00	1,216.00	1,255.00	1,255.00	39.00	3% Increase
304 Legal Fees			1,000.00	1,000.00	1,000.00	
305 Employment services	39.60	40.00	40.00	40.00	0.00	
309 Other professional services	1,387.25	5,000.00	5,000.00	5,000.00	0.00	
321 Telephone	146.10	130.00	130.00	130.00	0.00	
322 Postage	14.37	30.00	20.00	20.00	(10.00)	
349 Other advertising		100.00	100.00	100.00	0.00	
351 Legal notices publishing		200.00	200.00	200.00	0.00	
361 General liability insurance	443.90	424.00	412.00	412.00	(12.00)	
415 Other equipment-rental	326.85	623.00	900.00	900.00	277.00	Based on 2024 Copier Rent
433 Dues & subscriptions	27.44		55.00	55.00	55.00	Time Clock Plus
438 Miscellaneous		1,947.00	1,000.00	1,476.00	(471.00)	
481 Property tax/Solid waste assessment	8,624.00	10,000.00	10,000.00	10,000.00	0.00	2024 \$9,930
Ec development and assistance total	\$89,155.17	\$105,492.00	\$100,223.00	\$100,492.00	(\$5,000.00)	

**2025 Port Authority Proposed Budget
Fund 202**

	2023 Actual	2024 Budget	2025 Proposed	2025 Levy Brd	Difference	Comments
46507 CBHH Facility						
101 Full-time employees-regular	\$10,611.34	\$11,000.00	\$13,655.00	\$13,655.00	\$2,655.00	Jill 18%
121 PERA contributions	795.82	825.00	1,024.00	1,024.00	199.00	
122 FICA contributions	614.10	682.00	847.00	847.00	165.00	
135 Medicare	143.65	160.00	198.00	198.00	38.00	
208 General office supplies	88.68	100.00	100.00	100.00	0.00	
301 Auditing & accounting services	1,297.00	1,297.00	1,297.00	1,297.00	0.00	
307 Management fees/outside services	83,643.76	90,000.00	90,000.00	90,000.00	0.00	
309 Other professional services		500.00	500.00	500.00	0.00	
322 Postage	1.23	5.00	5.00	5.00	0.00	
361 General liability insurance	241.60	259.00	204.00	204.00	(55.00)	
362 Property insurance	8,905.96	9,263.00	10,412.00	10,412.00	1,149.00	
401 Building repairs & maintenance	13,500.00	101,000.00	97,500.00	97,500.00	(3,500.00)	Included to balance with rent
438 Miscellaneous		431.00	356.00	356.00	(75.00)	
481 Property tax/Solid waste assessment	1,248.00	1,300.00	2,500.00	2,500.00	1,200.00	
CBHH Facility total	\$121,091.14	\$216,822.00	\$218,598.00	\$218,598.00	\$1,776.00	
46510 Economic Development						
309 Other Professional Services			48,000.00	0.00	0.00	Greater Fergus Falls - Removed
361 General Liability			45.00	0.00	0.00	
Economic Development	\$0.00	\$0.00	\$48,045.00	\$0.00	\$0.00	
47100 Debt service payments						
602 Other long-term obligation principal	\$394.87				\$0.00	
612 Other long-term obligation interest	29.33				0.00	
Debt service payments total	\$424.20	\$0.00	\$0.00	\$0.00	\$0.00	
49390 Transfers						
720 Operating transfers	\$86,793.00	\$65,287.00	\$0.00	\$0.00	(\$65,287.00)	2024 - Dairy Loans
Transfers total	\$86,793.00	\$65,287.00	\$0.00	\$0.00	(\$65,287.00)	
New accounts						
					\$0.00	
					0.00	
					0.00	
New accounts total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Port Authority expense total	\$297,463.51	\$387,601.00	\$366,866.00	\$319,090.00	(\$68,511.00)	