

Committee of the Whole Meeting
November 13, 2024

The Fergus Falls City Council held a Committee of the Whole meeting on Wednesday November 13, 2024, at 7:00 am in the City Council Chambers. Mayor Schierer called the meeting to order, and the following council members were in attendance: Job, Kvamme, Kremeier, Rachels, Hicks and Fish. Rufer was absent.

Audit Engagement Letter

BerganKDV submitted an engagement letter for the required 2024, 2025 and 2026 year-end audits. The rates for all three years are \$41,600 for the city's financial audit; \$4,400 to audit the component units and \$4,500-\$6,500 for federal single audits if the city receives more than \$750,000 in federal funds. Finance Director Bill Sonmor explained the fee for the component funds covers both Visit Fergus Falls and PEG Access and these organizations are charged for their share of the audit costs. A motion and second were made by Fish and Kvamme to recommend the council approve the audit engagement letter with BerganKDV for the financial audits of 2024, 2025 & 2026 and the motion carried.

Insurance Services

The city purchases property and liability insurance and workers compensation insurance through the League of Minnesota Cities Insurance Trust. The city has contracted with AMP Insurance for agent services with a 5% commission for the property and liability insurance and 0.5% for workers compensation. The five-year contract with AMP expires at the end of the year. AMP has proposed raising the rate for their workers compensation from 0.5% to 0.6% (a \$512 increase) and making no changes to their rate of commission. A motion and second were made by Rachels and Fish to recommend the council approve the renewal of a five-year agreement with AMP Insurance for Insurance Agent of Record services and the motion carried.

Information Technology System

Sonmor updated the council that the planned migration to Civic Systems LLC will begin in early summer of 2025. The city's core financial and accounting systems will change over first followed by the implementation public facing system next fall.

Labor Contracts

Human Resources Director Mike Hartwell reported all bargaining units representing city employees have signed agreements for two-year contracts in 2025 and 2026. The five groups represent Sergeants and Lieutenants; Police Patrols; Supervisors and Professionals; Teamsters and Non-Union employees. Each bargaining unit has agreed to a 3.5% increase in wages for 2025 and a 3.5% increase in wages for 2026. The increases and insurance costs have been factored into the 2025 budget. A motion and second were made by Rachels and Hicks to recommend the council approve the 2025 and 2026 contracts for each labor group and non-union employees and the motion carried.

Kremeier announced a town hall meeting will be held on November 20 at 6 pm at the Fergus Falls Public Library. The meeting adjourned at 7:18 am.

Lynne Olson