



Fire Board Meeting
Tuesday July 02, 2024 5:00PM

Big Lake Fire Department • 20243 County Road 43 NW • Big Lake, MN 55309

The Big Lake Fire Board met on Wednesday July 02, 2024, at the Big Lake Fire Department, located at 20243 County Road 43, Big Lake, Sherburne County, State of Minnesota. The meeting was called to order by Board Chair Bruce Aubol at 5:00PM and the Pledge of Allegiance to the United States of America was recited.

Joint Powers Board Officials present were Chair Bruce Aubol, Paul Knier, Kim Noding, and Dean Brenteson. Additional attendees: Fire Chief Seth Hansen, Assistant Fire Chief Mark Hedstrom, Town Treasurer Ken Warneke, City Administrator Hanna Klimmek, Town Clerk Brenda Kimberly-Maas, City Finance Director Deb Wegeleben, and Town Deputy Treasurer Becky Guthrie. There was one member of the public in the audience.

Approval of Meeting Agenda

Motion/Second to approve the presented agenda by: Knier/Brenteson. Approved by Aubol, Brenteson, Knier, and Noding. Opposed: None. Motion Prevailed.

Approval of Consent Agenda

The consent agenda consisted of 05/07/2024 Meeting Minutes; claims paid 05/03/2024 through 07/02/2024 (*claims and payroll were reviewed in electronic format, prior to the meeting*).

Motion to approve the Consent Agenda as presented by: Knier/Noding. Approved by Aubol, Brenteson, Knier, and Noding. None opposed. Motion Prevailed.

Open Forum:

None.

Regular Business

2023 Financial Audit Results

Creative Planning associates were onsite at the Big Lake Township town hall on Wednesday June 6 and 7, 2024 and performed the annual audit of the Big Lake Fire Department financials. Board members were given copies of the reports, for review. The auditors gave the fire department did not identify any deficiencies in internal control they considered to be material weaknesses. They reported staff was helpful during their performance of the audit. Lack of segregation of duties was the only significant finding, which is generally found in agencies of similar size. The audit resulted in a clean or unmodified opinion on regulatory basis of accounting. Creative Planning will be filing the necessary reports with the Office of the State Auditor, for the Department, as part of their work.

Motion/Second to approve the 2023 financial audit report by: Brenteson/Noding. Approved by Aubol, Brenteson, Knier, and Noding. Opposed: None. Motion Prevailed.

2024 McGrath Consulting Group, Inc. Study

In 2023 the Big Lake Fire Board entered a contract for a staffing study to be done for the Big Lake Fire Department by McGrath Consulting Group, Inc. The study was completed and presented to the Big Lake Township Board and Big Lake City Council, during a public meeting. The study will be reviewed by the City Council and Town Board, at public meetings to be held at their respective chambers.

Motion/Second to accept the study done by McGrath Consulting Group, Inc. by: Aubol/Noding. Approved by Aubol, Brenteson, Knier, and Noding. Opposed: None. Motion Prevailed.

Personnel Policy Updates

Staff made some updates to the personnel policy based on the legislative changes to the Earned Sick and Safe Time. As of May 24, 2024, paid on call firefighters are now not covered by Minnesota's Earned Sick and Save Leave (ESST) law. Staff recommended the removal of pages 27 - 30, as these pages contain the section pertaining to ESST.

Motion/Second to remove pages 27-30 from the Personnel Policy, to reflect legislative changes to the Earned Safe and Sick Time legislation enacted on May 25, 2024 by: Aubol/Noding. Approved by Aubol, Brenteson, Knier, and Noding. Opposed: None. Motion Prevailed.

With the law changes, staff is inquiring on what the Fire Board would propose to do with the ESST fire fighters had accrued since January 1, 2024. The State does not offer any guidance on what steps should be taken regarding any accrued amount and is leaving that up to each government entity. Staff contacted the City's Attorney on this matter. Per the attorneys' research the Fire Department is not obligated to pay out any accrued hours. For further insight, staff inquired with surrounding departments to find out what they planned to do regarding their members' accrued ESST. Albertville and St. Michael responded. St. Michael's plan is to remove the accrued time and Albertville is leaving the accrued time on the books and allowing the staff to use if they can but will not paying it out at the time of termination.

Staff is provided several options for the board to consider regarding members' accrued ESST:

1. Remove all ESST time balances – no payment.
2. Follow the ESST guidelines for using accrued balances – meet 80-hour threshold from responding to incidents or training time. Members who did not meet the 80-hour threshold will have their accrued time removed – no payment.
 - a. Using the end date of May 25, 2024 – the effective date of the ESST law change:
 - i. Liquidate the leave balance for those members who'd met criteria. Cost = \$2,173.34.
 - b. Using the end date of May 31, 2024:
 - i. Liquidate the leave balance for those members who'd met criteria. Cost = \$2,417.16.
3. 80-hour threshold is not used as criteria for liquidation.
 - a. Using the date of May 25, 2024 – the effective date of the ESST law change:
 - i. Liquidate ALL leave balances. Cost = \$2,234.13
 - b. Using the end date of May 31, 2024:
 - i. Liquidate ALL leave balances. Cost = \$2,487.97
4. Leave the balances on the books and allow staff to use if unable to attend a scheduled work detail. Completed documentation will be needed, showing date, hours and event name before anything will be paid. At termination the leave will not be paid out and just removed from the books.

Deb Wegeleben informed the Board the 2024 budget included money for ESST because when it was adopted, the ESST law did not exclude paid-on-call firefighters. Board members considered the options presented and decided to liquidate all balances accrued as of May 25, 2024 – when the

legislative change to exclude paid-on-call firefighters ent into effect, regardless of the number of hours worked – option 3.b.i..

Motion/Second to liquidate all accrued ESST, as of May 25, 2024, regardless of number of hours worked or completing training, at the cost of \$2,487.97 by: Knier/Brenteson. Approved by Aubol, Brenteson, Knier, and Noding. Opposed: None. Motion Prevailed.

2025 Fire Preliminary Budget

The Board was presented with the 2025 proposed budget, which had been reviewed by the Finance Committee. The overall general operating budget increase is \$19,580 or 3.81%. Significant changes are listed below:

FIRE DEPARTMENT DRAFT PERSONNEL BUDGET

2025 draft personnel budget is \$284,612 an increase of \$3,123 or 1.1% over 2024 personnel budget. Below is the basis of how this draft personnel budget was calculated:

- Wages and Fringe – increase of \$8,571
 - There is a proposed increase to the pay scale
 - Starting wage is begin at \$16.00
 - Step Increase for all employees that are not on the final step of the pay scale (2% between Steps)
 - No proposed increase to any stipends
 - Mandated new law of Safe & Sick leave pay from 2024 is no longer required for paid on call firefighters, this is a decrease of \$5,589
 - Mandated new law of Paid Family Medical leave act - \$956, this is schedule not to begin until January 1, 2026, again just budgeting in the event the State moves up the first payment due. There is a possibility that paid on call firefighters could be exempt, however there has been no movement at the legislative level yet.
 - Budgeting for Hartford Life Insurance - \$5,000
 - Staff is looking into a \$100,000 life insurance policy for the firefighters.
- Work Comp – calculated with a 10% increase over what was paid in 2024. This is a decrease from the 2024 budget of \$5,448

FIRE DEPARTMENT DRAFT OPERATIONAL EXPENDITURE BUDGET

- Fire Administration – Operating Supplies – Admin, there is a decrease to this line item of \$1,500
- Fire Administration - Professional Services – Audit, there is an increase of \$1,500 as a full Fire Relief actuary will be needed. These are done every other year. However, if it is approved for the fire department to move to the Statewide Volunteer Firefighter plan, an actuary will no longer be needed.
- Fire Administration - General Liability Insurance, there is an increase of \$6,538, this is an 15% increase above what was actually paid in 2024.
- Fire Fighting – Fire Uniforms – Wildland Replacement – new line item with a yearly budget of \$5,500 for yearly replacements
- Fire Training – Meals for Training increase of \$3,500 to \$5,000, this is based on what has been spent so far in 2024 and the knowledge that additional training will be needed
- Fire Station Buildings - Utilities – Electricity/Gas/Water, there is an increase of \$728

FIRE DEPARTMENT DRAFT REVENUE BUDGET

- Township and City's share for Fire Protection Service will each increase by 5.23% or \$11,450, total amount to each entity will be \$230,468

- Orrock Township share for Fire Protection Service, under the new contract, is budgeted at \$72,082
- Donations, \$5,000 is still budgeted, these funds do go into the Fire Departments Special Revenue Fund for unbudgeted items
- Training Reimbursement is budgeted for \$1,000, additional funds received increase fire departments fund balance

FIRE DEPARTMENT DRAFT CAPITAL IMPROVEMENT PLAN (CIP) BUDGET

The Fire Departments CIP Plan are capital items or improvements that are funded by the City and Township and must be approved each year. The CIP plan reflects the total cost, which then is split between the City and Township 50/50. **This is only a plan not a guarantee that the assets will be purchased.** Below are the CIP items through 2031.

- 2023 CIP items
 - Station Truck Bay Floor Repairs - \$55,000 – moved to 2024
 - Replace 2000 Grass Rig 16 - \$143,000 – not purchased
 - Replace 2000 Water Tender 17 - \$330,000 – not purchased
 - Parking lot repairs - \$100,000 – not completed yet, might be in 2024
- 2024 CIP items
 - Station Truck Bay Floor Repairs - \$55,000, Moved from 2023, increased to \$70,000
 - Replace Side by Side - \$30,000, moved to 2026, will need to use the funds for building maintenance
 - Possibly selling snow machine to get side by side
 - Thermal Image Camera - \$15,000, Moved to Truck bay floor, as two cameras were purchased in 2022
- 2025 CIP items
 - Replace 5 Computers - \$6,500
 - Replace 2004 Grass Rig 1 was moved to 2027
- 2026 CIP items
 - Replace Jaws of Life - \$50,000
 - Replace 2003 Ladder 1 moved from 2027 - \$2,250,000, will need to prepay in 2025
- 2027 CIP items
 - Replace 2004 Grass Rig #1 - \$175,000
- 2028 CIP items
 - Radios replaced – 44 @ \$6,500 - \$286,000
 - Grant funding will be researched to help with purchase
- 2029 CIP items
 - Air Packs – 22 @ \$7,500 - \$165,000
 - Grant funding will be researched to help with this purchase
 - Replace 2006 Tender - \$400,000
- 2030 CIP items
 - Replace 5 Computers - \$7,000
 - Replace Command Vehicle - \$50,000
 - Could possible purchase a vehicle from the City's fleet if one is in line for replacement that does not have a lot of miles and is in good condition
- 2031 CIP items
 - Jaws of Life - \$55,000
 - Replace an Engine - \$900,000

Fire Staff has indicated that they would like to retain the 2000 Grass Rig 14 to be used as a Duty Officer unit until Grass Rig 16 to be replaced and then Grass Rig 14 would be sold and Grass Rig 16 would then be converted to the Duty Officer unit.

Motion/second to approve the 2025 Big Lake Fire Department Operations and Capital Improvement budget by: Knier/Noding. Approved by: Aubol, Brenteson, Knier, and Noding. Opposed: None. Motion Prevailed.

The 2025 Preliminary Operations and Capital Improvement budget will be presented to the City Council and Town Board for approval at their respective meetings, for final approval and adoption.

Payroll Direct Deposit

During the March JPB meeting, the Board directed township staff to investigate options to be able to offer payroll direct deposit. Staff first contacted the CTAS experts at Minnesota Office of the State Auditor to find out if they knew of software that would be able to automatically pull records from CTAS and format it for ACH configured files. Or one that could take a comma separated variable file and format it to ACH compatible information. Staff were informed there was no known interfacing software. But there are governing agencies who have worked with their banking institution to perform ACH/payroll direct deposit. Staff then contacted personnel at Old National Bank to discuss payroll direct deposit options. CTAS has the ability to generate comma separated variable files. Though NACHA files are preferred, CSV files can be formatted for ACH compatibility.

Old National – the department’s banking institution, has a product called OnPointe Treasury platform which is used for their ACH/direct deposit service and will accept CSV formatted data.

Set up, implementation, and staff training is free of charge. There is a monthly fee for the OnPointe Treasury platform. Adding one account to the platform and service (assuming we would not exceed 50 ACH items in a month) will incur a monthly fee. The 2024 rates are per month is \$43 (\$516, annually). This is billed as an automatic debit out of the checking account around the 17th of each month.

The monthly fee breakdown is:

- ONPointe Treasury: Information Reporting: - (mobile app/viewing the account detail transactions/images of deposits & cleared checks/history & statements/user controls & restrictions/E-Statements/stop payments/account transfers/customizable reports)
 - Info Reporting Base Fee Per month - \$20.00
 - Per Account Per Month - \$3.00
 - Per Item Reported - \$0.03 (first 100 items are free)
- ONPointe Treasury: ACH Origination - Available w/Dual Control:
 - ACH Origination Base Fee Per Month - \$15.00
 - ACH Origination Per Account Per Month - \$5.00
 - ACH Items Originated (first 50 free) - \$0.35

Payroll direct deposit will be an ALL or NONE situation, for the department. Meaning physical checks will not be issued and all members will be required to provide their banking information.

Payroll stubs and required reports will still be printed and distributed to the members, since this is not an option through OnPointe. Nor does the Town have the capability to offer a secure online portal for members to access their payroll documents. The city’s software would be able to accommodate this. However, since payroll is an accounting task, all bill paying would have to be done by the city if they took over payroll. This would leave the township as a silent partner.

Assistant Chief Hedstrom informed the Board, he had spoken with some department members who requested direct deposit in hopes they would get paid earlier in the month. Payroll is currently to be delivered to the members in their department mailboxes no later than the 15th of the month. Supervisor Brenteson stated that since checks wouldn't be presented for signature to Board Chair Aubol at the Town's first meeting of the month; payment may be able to be sooner. Staff indicated that payroll processing would remain the same, other than staff will have the additional task of creating the data file to transmit payroll information to the OnPointe platform.

Board members noted the study performed by McGrath indicated direct deposit was something that should be a priority.

Motion/second to implement payroll direct deposit by: Aubol/Noding. Approved by: Aubol, Brenteson, Knier, and Noding. Opposed: None. Motion Prevailed.

Department Updates

~ Chief Hansen informed the Board the department was given the opportunity to conduct a live burn training on June 23, 2024. The Ewald and Rita Petersen home was offered to them for this training. Fire fighters from Monticello, Buffalo, and Inver Grove Heights were able to participate in the training.

~ The new ladder truck is in the pipeline for manufacturing.

~ Engine 22 started leaking water out of the rear pump panel, during the live house burn.

McQueen was out on June 24th to make repairs.

~ Assistant Chief Hedstrom requested the updated Personnel Policy be sent to him. He will then distribute it to department members. It had not been given to staff, as it was known that revisions were going to be made. Deb Wegeleben noted language for direct deposit of payroll will need to be added. Including the set date when payment will be in the member's bank accounts.

~ Member Brenteson asked who won the annual Guns & Hoses softball game, at SpudFest. Chief Hansen was pleased to say the fire department won the game 10-5.

Fiscal Update

Treasury Report

The financial reports were emailed to Board members in advance of the meeting. The cash balance statement was also provided to the board for review. Treasurer Warneke reviewed the interim financial report ending on 06/30/2024. The general fund balance \$ 196,471.42; donation fund balance of \$ 30,923.01. The total treasury ending balance was \$ 227,394.43. *Financial Reports are retained as part of the Official Minutes and available in the Clerk's Office.*

Motion/Second to approve Financial Reports by: Knier/Brenteson. Approved by Aubol, Brenteson, Knier and Noding. Opposed: None. Motion Prevailed.

Adjournment

Motion/second to adjourn by: Knier/Noding. All present Board Members Approved. Motion prevailed. Meeting adjourned at 5:58 PM.

Respectfully Submitted,
Brenda Kimberly-Maas
Town Clerk

Accepted this 3rd day of September 2024, by the Big Lake Fire Board.

Bruce Aubol, Chair

Attest:_____
Brenda Kimberly-Maas, Clerk