

Administrator/Clerk's Report

City Council Meeting, June 25, 2018

To: Mayor and Council
From: John M. McCarthy
Date: June 22, 2018

Presentation

2017 Financial Statement: Thomas Cummings and Monica Hauser, Hawkins Ash CPAs, will review the 2017 Financial Statements with Independent Auditors' Report.

Dundas Dukes and State Tournament: Thanks to the work of the Dundas Dukes and the Faribault Lakers, Dundas and Faribault have been awarded the 2022 Minnesota Class B and C State Tournament. The tournament is a three weekend event.

Business

Consider Bridgewater Representative to Serve the Remaining Term on the Dundas Planning Commission. The Bridgewater Township Board has submitted the names of Frances Boehning and Kathleen Doran-Norton to serve the remainder of John Klockeman term. (Motion)

Approve Request for Exclusive Use of Parks: The Dundas Dukes and the Northfield Area YMCA have teamed up to provide several opportunities to enjoy summer in Dundas. They are requesting the City approve the exclusive use of the Pavilion at Memorial Park and Mill Park at certain times to provide organized events. Recommend finding the request is in the public interest and approving the activities, permitting exclusive use of the requested areas and waiving fees associated with the request. (Motion)

Call for Public Hearing to Consider Amending the Zoning Ordinance: The City has an interim moratorium prohibiting ground mounted solar energy equipment. The Planning Commission has been studying the how and if to regulate the equipment and prepared a draft of the ordinance. Recommend calling a public hearing to be held by the Dundas Planning Commission on Thursday, July 19 at 7:00 PM, to consider the draft ordinance. (Motion)

Administrator's Report

Financial: General Fund revenues as of May 31, 2018, are \$92,802 or \$2,148 less than last year. General Fund operating expenditures for the 5 months ending in May are \$410,020 or about 40.5% of the budget. Water Fund revenues are \$146,951 or \$39,468 more than 2017. YTD operating expenditures are \$75,490 or \$6,854 less than last year. Sanitary Sewer Fund Revenue is \$187,545 or \$19,850 more than 2017 with operating expenditures of \$103,416 being \$18,638 less.

First Half Property Taxes: The City has received a payment of \$351,454 from Rice County for the 70% payment of the first one half of the 2017 taxes paid in 2018. The payment is \$170,783 less than last year due to not having any TIF revenue.

Planning Commission: The Planning Commission met on June 21 to review recommended edits to a proposed solar ordinance and a concept plan for a small residential development.

Police Officer Assists with Delivery of Baby: A recent police report which described an event as; "Aid Other Jurisdiction - Driving Complaint turned into a baby delivery" explained how Officer Murray responded to a

concern regarding a speeding vehicle. When Murray clocked a vehicle traveling at an excessive speed with the emergency flashers running, he made a traffic stop and determined the passenger was in labor and about to deliver. He requested an ambulance and with Rice County Deputy Malecha who had just arrived, assisted the pregnant female out of the car where she gave birth about 12 minutes after Murray received the call. The ambulance arrived shortly afterward and transported the mother and baby.

S & P Rating Call: I participated in a rating call to establish the City's bond rating on June 19. S&P Global conducts a review of City's finances and financial planning to establish the rating which financial institutions use to set interest rates used when they bid to purchase the bonds. Among the items reviewed are the Preliminary Official Statement prepared by the City's municipal advisor, the latest Financial Statement, the current CIP, the City's 2018 General Fund Budget S&P and the City's financial policies. We also reviewed the 10-year enterprise fund projection and the 4-year general fund projection. These items, along with the monthly financial information provided to the Council are key to the rating. S&P will issue their rating on June 28.

LMC Annual Conference: I attended the LMC Annual Conference in St. Cloud on June 20 through 22. In addition to general sessions, I attended educational sessions titled "What's Your Community Vision and How Do You Get There?", "New Engagement Strategies to Build Public Support for Projects", "Financial Planning Strategies to Meet Your City's Goals" and "Your Economic Development Toolbox". I also attended a Coalition of Greater Minnesota Cities review of transportation funding.

NAFRS: The NAFRS Board held a regular meeting on Thursday, June 21.

Elections: Early voting for the Primary Election begins on June 29. Voting for federal, state and county candidates may be done in person at the Rice County Government Services Building or Northfield City Hall. Voting by absentee ballot is also available at that time.

Work Session

Review Draft 2019 Operating Budget Public Safety: The 2019 extended budget anticipated an approximately 4.6% increase in the Public Safety Budget. The preliminary 2019 public safety budget suggests the increase will be in the neighborhood of 5.3%.

Public Safety consists of Police, Fire, Emergency Warning, Animal Control and Building Inspections. The first run of a budget indicates no recommended change in Emergency Warning, Animal Control or Building Inspections. The budget for Fire Protection does not appear to need modification but will need review based on action taken by NAFRS in July. The Police Department budget makes up about 81% of the public safety budget or about 33% of the general fund operating budget.

A line by line review of the Police budget indicates:

1. There is a substantial increase in the proposed wage and benefit section due to the following:
 - a. The contract settlement with LELSI
 - b. An increase in the budgeted O.T. hours to account for the department's participation in the To Zero Death Program. As an offset, the program repays the City for the costs associated with the participation. .
 - c. An increase in hours scheduled for part time officers. It is anticipated another officer will be hired later this year.
 - d. A place holder for clerical hours required for a new mandated reporting system. Right now, one of the full time officers is handling this responsibility.
2. Projected increases in insurance
3. Anticipated increases in the costs of vehicle operations.
4. It has been the policy of the City to budget for anticipated capital expenses by building a reserve prior to the expense. It is anticipated a squad car will be replaced in 2021, so the recommendation is to follow policy and begin reserving funds. Most of the reserve set aside the last several years has been used for the purchase of the new squad in 2017.

Proposed Civic Center Including 2 Sheets of Ice and Improvements to Parks, Trails and Open Space. The Northfield City Council has acted to send a sales tax and automobile excise tax to the general election in November. Northfield Administrator Ben Martig will review the current status and action of the Northfield Council. Placing the question on the General Election Ballot will be considered at the first Council meeting in July.

Future Meeting Items
Items listed may be moved.

July 9, 2018

1. Approve Sale of 2018A Bonds
2. Consider Resolution Regarding ½ Cent Sales Tax
3. Consider Accepting 2017 Financial Statement
3. Worksession
 - a. 2019 Operating Budget Highways, Streets & Roads.

July 23, 2018

1. Worksession
 - a. 2019 Operating Budget General Government (Administration, Council / Elections, Planning & Zoning)

Continuing Projects

Administration:

1. City Hall Project
2. 2019 Budget
3. Comprehensive Plan

Public Safety:

1. Electronic Speed Signs

Public Works:

1. PUD Compliance for Dundas Dome
2. CSAH #1 Rebuild
3. Water Supply Plan