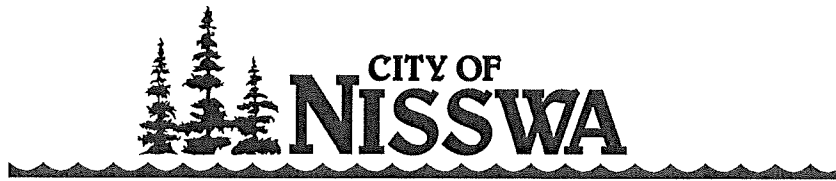


**CITY OF NISSWA  
AGENDA – SPECIAL COUNCIL MEETING  
WEDNESDAY, SEPTEMBER 19, 2018  
6:00 P.M. – CITY HALL**

- A. Call to Order
  
- B. Memo from Jenny Max re: Request Approval of Preliminary 2018 Pay 2019 Levy (Council Information)
  - 1. Proposed 2019 Budget Summary
  - 2. 2018 Pay 2019 Levy Summary of Changes
  - 3. 2019 Budget Assumptions
  - 4. Memo from Planning Commission re: Code Enforcement Officer funding request

*Note: Approval of the Preliminary 2018 Pay 2019 Levy will take place at the regular Council meeting.*

- C. Adjourn



September 19, 2018

To: Nisswa City Council  
From: Jenny Max, City Administrator

**Action Requested:** Request Approval of Preliminary 2018 Pay 2019 Levy at an amount of \$2,348,916, which is an increase of 9% over the Pay 2018 levy.

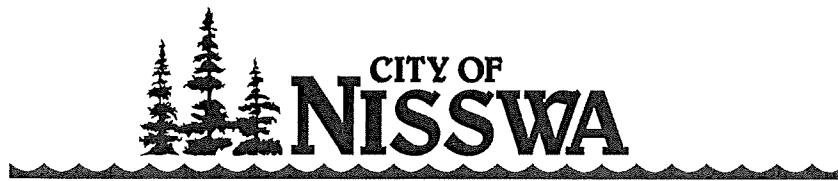
**Background Information:**

Please find attached information related to the Preliminary 2018 Pay 2019 Levy for the City of Nisswa. Per MN Statutes, the City is required to adopt a preliminary levy on or before September 30, 2018. The preliminary levy amount sets the maximum levy that the City can adopt before year end. The preliminary levy information is used by the County to send out proposed 2019 property tax statements.

The Proposed 2019 Budget Summary (#1) document reflects a balanced General Fund budget at \$2,929,721. In order to balance the budget the preliminary levy amount is \$2,437,819, which is an increase of \$282,819 from the current 2018 levy. This represents a 13.12% increase from 2018.

The Summary of Changes (#2) document details the larger budget items that are contributing to the proposed budget/levy increase. They are itemized below as follows:

- A. Wages increase – The wages incorporated into the budget reflect the approved union contract cost of living/step increases, as well as cost of living increases for non-union employees. See the Budget Assumptions (#3) document for more detail.
- B. Debt Service – The increase represents the additional 2018 street improvement bond plus one extra payment for this new debt due to the timing of the bond issuance. This will level out in future years.
- C. County Road Projects – With the upcoming CSAH 13/77 and CSAH 115 County road projects, it is important to consider budgeting funds to cover any local cost sharing that may be required per the current County policy.
- D. Plow Truck – This is the first of ten years' worth of saving for a new plow truck. The funds will be put into an investment account.
- E. Planning & Zoning Part-Time Employee – Attached is a Memo (#4) from the Planning & Zoning Commission regarding a request for a part-time code enforcement employee. The estimated cost of \$15,000 would be for code enforcement assistance during the summer months.



- F. Planning & Zoning Attorney Services – This item is to have the City Attorney present at the monthly P&Z Commission meetings. City Staff feels having the City Attorney present would help provide clarity and guidance on a variety of matters that come before the Commission. Tom Pearson did confirm his availability to attend the monthly Commission meetings, if the City requested him to do so.
- G. Police Squad Car – Chief Taylor was informed that there will be a substantial cost increase in squad car pricing for the new Ford Explorer body style. Council input is requested to determine if we want to keep the same brand for our vehicles or if we want to pursue another brand to see if we can keep costs at their current level.
- H. Parks Department Truck – The Parks Department is looking to purchase a used vehicle. This would allow staff to not have to use their personal vehicles for work use.
- I. Other/Misc – These are all smaller items that are not individually large enough to separately itemize. Repairs and maintenance, dues for software programs, etc.

Items A and B are both required budget items, and reflect a 5.22% increase. Items C – I are items that have merit for consideration into the budget, but staff is looking for Council input regarding prioritizing these needs.

The Council can certainly set a maximum levy of \$2,437,788 which provides a balanced preliminary budget; however, since this amount reflects an increase of 13.12%, I anticipate this being too high for the Council to approve. My recommendation at this time is to set a Preliminary Levy maximum amount of \$2,348,916, which is an increase of 9% over the Pay 2018 levy. Staff will continue to work on the 2019 budget once we have some direction and input from the Council on which items have the highest priority for the 2019 budget.

**CITY OF NISSWA  
PROPOSED 2019 BUDGET  
BUDGET SUMMARY**

	2017 Prior year Budget	2018 Current year Budget	2019 Future year Budget	18 vs 19 Budget Incr/Decr \$	18 vs 19 Budget Incr/Decr %	
<b>General Fund Revenues</b>	\$ 2,543,285	\$ 2,646,902	\$ 2,929,721	282,819	10.68%	
<b>Expenditures</b>						
COUNCIL	21,012	21,012	21,012	-	0.00%	
MAYOR	6,098	6,098	6,098	-	0.00%	
ELECTION	-	2,800	2,000	(800)	-28.57%	voting booths
CITY CLERK	158,728	198,285	223,201	24,916	12.57%	Payroll, (New PT Ee)
ACCOUNTING	17,000	18,000	18,000	-	0.00%	
ATTORNEY	20,000	20,000	25,000	5,000	25.00%	Based on CY activity
P & Z	93,071	110,967	136,489	25,522	23.00%	New PT Ee, Atty Services
GOVT. BLDGS.	211,038	53,304	66,129	12,825	24.06%	Website, utilities, R&M
PUBLIC RESTROOM	11,250	10,000	12,780	2,780	27.80%	Supplies, cleaning fire hall
POLICE	597,848	620,356	641,508	21,152	3.41%	Squad car price inc; dues inc.
FIRE ADMIN	143,000	143,000	143,000	-	0.00%	
PUBLIC SAFETY	1,060	1,060	1,060	-	0.00%	
ANIMAL CONTROL	5,800	5,800	5,800	-	0.00%	
HWYS & STREETS	821,728	616,493	699,193	82,700	13.41%	County road cost, Plow Truck
STREET LIGHTS	15,750	17,250	18,830	1,580	9.16%	Utilities
SANITATION	51,000	46,000	46,000	-	0.00%	
ECONOMIC DEV	3,795	3,795	3,795	-	0.00%	
DEBT SERVICE	69,358	499,594	559,277	59,683	11.95%	2 Yrs of levy \$ for '18 bond
CEMETERY	13,850	10,450	10,650	200	1.91%	
UNALLOCATED EXP	281,899	281,899	289,899	8,000	2.84%	Gen Insurance
<b>General Fund Expenditures</b>	<u>\$ 2,543,285</u>	<u>\$ 2,686,164</u>	<u>\$ 2,929,721</u>	<u>\$ 243,557</u>	9.07%	
<b>Net Surplus/(Deficit)</b>	\$ -	\$ (39,262)	\$ -			
<b>Proprietary Funds</b>						
Revenues	\$ 4,140,495	\$ 4,290,780	\$ 4,498,729	207,949	4.85%	
Expenditures	4,017,787	4,284,651	4,446,182	161,531	3.77%	
<b>Net Surplus/(Deficit)</b>	<u>\$ 122,708</u>	<u>\$ 6,129</u>	<u>\$ 52,547</u>			
<b>Nonmajor Funds</b>						
Revenues	\$ 451,654	\$ 449,532	\$ 483,052	33,520	7.46%	
Expenditures	451,654	452,524	483,052	30,528	6.75%	
<b>Net Surplus/(Deficit)</b>	<u>\$ -</u>	<u>\$ (2,992)</u>	<u>\$ -</u>			
<b>TOTAL ALL FUNDS</b>						
Revenues	\$ 7,135,434	\$ 7,387,214	\$ 7,911,502	524,288	7.10%	
Expenditures	7,012,726	7,423,339	7,858,955	435,616	5.87%	
<b>Net Surplus/(Deficit)</b>	<u>\$ 122,708</u>	<u>\$ (36,125)</u>	<u>\$ 52,547</u>			

City of Niswaw  
Proposed 2019 Budget

Proprietary / Nonmajor Funds

		2017	2018	2019	18 vs 19	18 vs 19	
		Prior year	Current year	Future year	Budget	Budget	
		Budget	Budget	Budget	Incr/Decr \$	Incr/Decr %	
<b>Proprietary</b>							
Receipts	WASTEWATER	485,495	487,430	487,430	-	0.00%	Not updated yet
Disbursem.	WASTEWATER	418,337	444,560	444,560	-	0.00%	Not updated yet
	Net Surplus/(Deficit)	67,158	42,870	42,870			
<b>Proprietary</b>							
Receipts	PICKLE	1,017,650	1,010,800	1,010,900	100	0.01%	
Disbursem.	PICKLE	962,100	969,923	1,001,223	31,300	3.23%	
	Net Surplus/(Deficit)	55,550	40,877	9,677			
<b>Proprietary</b>							
Receipts	SPIRITS	2,637,350	2,792,550	3,000,399	207,849	7.44%	
Disbursem.	SPIRITS	2,637,350	2,870,168	3,000,399	130,231	4.54%	
	Net Surplus/(Deficit)	-	(77,618)	-			
<b>Nonmajor</b>							
Receipts	FIRE ^	210,412	210,412	210,412	-	0.00%	
Disbursem.	FIRE ^	210,412	210,412	210,412	-	0.00%	
	Net Surplus/(Deficit)	-	-	-			
	^ Finalize early 2019						
<b>Nonmajor</b>							
Receipts	COMM. CENTER	18,600	19,000	20,000	1,000	5.26%	
Disbursem.	COMM. CENTER	18,600	19,000	20,000	1,000	5.26%	Utilities
	Net Surplus/(Deficit)	-	-	-			
<b>Nonmajor</b>							
Receipts	PARK AND REC	222,642	220,120	252,640	32,520	14.77%	
Disbursem.	PARK AND REC	222,642	223,112	252,640	29,528	13.23%	New Truck, utilities, R&M
	Net Surplus/(Deficit)	-	(2,992)	-			

City of Nisswa  
 2018 Pay 2019 Levy  
 Summary of Changes

2017 Pay 18 Levy	\$	2,154,969	
Proposed 2018 Pay 19 Levy	\$	2,437,788	
<i>Increase</i>	\$	282,819	13.12%

<u>Breakdown:</u>	Cost \$	% inc	Notes
Wages Increase	52,726	2.45%	A
Debt Service	59,683	2.77%	B
County Road Projects	50,000	2.32%	C
Plow Truck	31,000	1.44%	D
P&Z P-T Employee	15,000	0.70%	E
P&Z Attorney Svcs	7,500	0.35%	F
Police Squad Car	10,000	0.46%	G
Parks Dept Truck	10,000	0.46%	H
Other/Misc	46,910	2.18%	I
	<u>282,819</u>	<u>13.12%</u>	

City of Nisswa  
2019 Budget Assumptions

<u>SALARIES</u>	<u>COLA</u>
Non Union	1.50%
Supervisors	2.00%
Teamsters	1.50%

*All full time employees will also receive a step (3.0%) if not currently at the top step  
All part time employees will receive a step upon completion of 2,080 hours (as of 1/1/18)*

HEALTH INSURANCE

Single	\$ 745.00 per month
Family	\$ 1,150.00 per month

*Amounts above reflect a \$0 increase from 2018*

UTILITIES Increase of 3% over current year for electric and gas

SUPPLIES Maintained as flat as possible

REPAIRS AND MAINTENANCE Maintained as flat as possible



# Memo

**To:** City Council  
**From:** Desmond McGeough, Planning & Zoning Administrator  
**Date:** September 14, 2018  
**Re:** Request for funding of part time code enforcement officer.

## **BACKGROUND INFORMATION:**

At their September 11, 2018 Planning Commission raised concerns regarding to the number of applications that have outstanding conditions of approval or have not been followed up on to determine compliance with conditions. The Commission believes that conditions of approval on CUPs, IUPs and Plats should be monitored or enforced on a regular basis.

Likewise can be said about zoning violation complaints, which generally tend to occur in the busiest part of the development season. In addition to formal complaints, Commission will often ask staff to investigate potential violations during the summer months as well.

Staff informed the Commission that there had been some discussion with the City Administrator about the need to consider a seasonable code enforcement officer to monitor condition compliance and address zoning violations. Such position could potentially be contracted out to a third party, such as Sourcewell. At the meeting, Don Jacobson stated he would like to see some funds in the 2019 budget for help on enforcement issues. Planning Commission concurred that additional resources are needed to address this concern.

## **Attachments**

Draft minutes from the September 11, 2018 Commission Meeting



**Draft Minutes**  
**September 11, 2018**  
**Planning Commission Meeting**

**Planning & Zoning Administrator's Report**

Mann stated he brought up some items a month ago and would like to discuss these as well. Laufman suggested that they be added to the Commission Discussion Items.

**Conditions**

Laufman questioned if we are doing any follow up with this list of conditions. Mann had the same thought and would like to see this list updated.

Dawn Music (audience) is a resident on West Linden. She questioned why Grand View Lodge was continuing to have new permits issued if these conditions have not been fulfilled for the Garden Cottages. Beaver stated that many applications haven't been followed up on or enforced. McGeough stated he will work with Mark Ronnei to get these cleaned up. Beaver believes that conditions should be monitored on a regular basis. McGeough stated he was working with the City Administrator to get a part-time employee to assist with enforcing conditions. Jacobson stated he would like to get some funds in the budget for 2019 to get some help on enforcement. McGeough will add this request to his staff report to the city council. Jacobson stated we should send a letter stating these conditions must be met or administrative fees will be issued. Mann would like this letter to go out within the next 10 days. Mann thinks the spa should be put on hold until these conditions have been satisfied. He would like the Density Calculations reviewed for accuracy. Haecker stated that many letters need to be sent based on this list of conditions not fulfilled. The City Attorney should be consulted for potential violations on a CUP and what can be done.

Mann has concerns for the capacity of our city sewer due to the rate the Garden Cottage is building at, as it is higher than the expected rate. Hallan stated that he is working with city staff on this and the future sewer expansion.

Mann stated that Sullivan's Storage property still has their For Sale sign up. This was supposed to be removed. McGeough stated he would follow up with Sullivan.