

**APPROVED MINUTES  
CITY COUNCIL  
SPECIAL MEETING  
CITY OF WYOMING, MINNESOTA  
NOVEMBER 12, 2020  
7:00 PM**

**CALL TO ORDER:**

*Mayor Lisa Iverson called the Work Session Meeting of the Wyoming City Council for November 12, 2020 to order at 7:00 PM*

**CALL OF ROLL:**

*On a Call of the Roll the following members of the Wyoming City Council were present: Councilmembers Lisa Iverson, Linda Nanko Yeager, Dennis Schilling, and Claire Luger.*

*ABSENT: Joe Zerwas*

*Also Present: Robb Linwood, City Administrator; Kelly Dumais, Assistant City Administrator; and Paul Hoppe, Public Safety Director, Mark Erichson, City Engineer, Fred Weck, Building Official/Zoning Administrator, Chuck Almhjeld, Public Works Superintendent, Jean McGann, AEM Financial, Jessi Sturtz, AEM Financial, Nick Dragisich, BakerTilly and Jonathan Loose, Wold Architects.*

**Mayor Iverson** – Read aloud a statement explaining that the Council is meeting via teleconference due to the COVID-19 pandemic. She explained that tonight’s meeting would be held according to State Statute 13D.021, will be live streamed on the City’s YouTube page, and will be recorded as part of the public record on the City’s website.

**DETERMINATION OF A QUORUM:**

1. Consider authorizing payment of recommended invoices and bills for Cares Act dollars.

City Administrator Linwood explained that staff requested the city council add this item to the special meeting tonight to ensure that any outstanding invoices were paid. The second component to this is the city received the final invoices today from Chisago County HRA/EDA for business grants and nonprofit grants. Mr. Linwood reported that the city council allocated over \$90,000 for these grants and was happy to report that there was almost \$85,000 allocated to businesses and nonprofits. Council Member Nanko Yeager questioned if the claims on the list fit the criteria of the Cares act expenditures. Mr. Linwood stated that staff has used the guidance from the Minnesota Management and Budget, the league of Minnesota cities, the US Treasury and the city’s financial consultant AEM.

**A MOTION WAS MADE BY COUNCILMEMBER SCHILLING, SECONDED BY COUNCILMEMBER LUGER, TO APPROVE PAYMENT OF RECOMMENDED INVOICES AND BILLS FOR CARES ACT DOLLARS.**

*Roll Call Vote:*

*Voting Aye: Schilling, Luger, Iverson and Nanko Yeager*

*Voting Nay: None*

*Abstain: None*

*Absent: Zerwas*

2. To consider **Resolution 20-11-101** a resolution certifying the general election results for the City of Wyoming

City Administrator Linwood stated that the some of the changes in the counting of absentee ballots allowed for the county auditor to update the final election results on November 10, 2020. It is necessary to send this resolution to the county auditor for final certification. Mr. Linwood thanked assistant city administrator Dumais for all her work organizing the Election Day and that it was a smooth process. The council thanked Ms. Dumais for her work.

**A MOTION WAS MADE BY COUNCILMEMBER IVERSON, SECONDED BY COUNCILMEMBER LUGER, TO APPROVE RESOLUTION 20-11-101 A RESOLUTION CERTIFYING THE GENERAL ELECTION RESULTS FOR THE CITY OF WYOMING**

*Roll Call Vote:*

*Voting Aye: Schilling, Luger, Iverson and Nanko Yeager*

*Voting Nay: None*

*Abstain: None*

*Absent: Zerwas*

3. 2021 Budget Discussions and considerations

**Draft Storm water Study**

Nick Dragisich from BakerTilly presented a draft storm water utility fee study. Mr. Dragisich explained that Bakery Tilly was engaged by the City of Wyoming to undertake a comprehensive storm water utility rate and fee study. Baker Tilly partnered with WSB who provided their knowledge of the City's storm water system's operational and capital needs. The purpose of the study is to provide the City of Wyoming with a report establishing equitable storm water rates for residential, commercial, and industrial customers over the next five years.

The overall objective of this study was to recommend rates and fees that will equitably recover the cost of providing storm water service to customers. The recommended rates and fees should ensure adequate funding for operating and maintenance costs and capital needs, while minimizing the impact on rates to the greatest extent possible. New rates recommended should be fair and equitable to all customers.

The City's most recent financial reports for the Surface Water Fund was reviewed to gain an understanding of its recent financial performance and trends. The City's capital improvement plan for the Surface Water Utility is incorporated into financial projections. The capital improvement plan included projected improvements through 2025. Three financial projections were made for the Surface Water Fund. The first assumed no increase in rates, the second projected rate increases needed provide adequate funds over the planning period and the third incorporated additional transfers into the Surface Water Fund to soften the impact of rate increases.

The financial projection with no rate increases shows the Surface Water Fund would run out of cash in 2021 with a negative projected ending cash balance of (\$11,899). Ending cash would grow more negative each year reaching a negative (\$1,328,807) at the end of 2030.

The second financial projection was made incorporating rate increases needed to adequately fund the Surface Water Fund over the planning period. The financial projections show that the quarterly charges for all land uses would need to increase each year. The increases need to be larger in the early years for several reasons. First, because the operating budget is projected to increase from \$100,285 in 2020 to \$181,865 in 2021, and second

because of the capital improvements projected to be acquired. Remember there have been no capital improvements paid for from the Surface Water Fund over the past four years. The agricultural and residential land use designations would need to increase from its current \$2.00/quarter (\$0.67/month) in 2020 as follows:

- \$4.00/quarter (\$1.33/month) in 2021
- \$7.20/quarter (\$2.40/month) in 2022
- \$9.36/quarter (\$3.12/month) in 2023

From that point forward the increases needed are much smaller or about .20 cents per year.

The third financial projection was made incorporating rate increases and transfers in needed to provide adequate revenues for the Surface Water Fund over the planning period. The transfers in are projected in 2021 (an additional \$25,000 above the \$250,000 already budgeted) and \$25,000 in 2022 for a total of \$50,000. These transfers are repaid with 3% interest in 2023 and 2024 by transferring out \$26,500 in each of those years. The financial projections show that the quarterly charges for all land uses would increase at a slower rate in the first two years but would match the rate projected in the previous financial projection in 2024 and thereafter. The benefit of this approach is lesser increases in the first two years, but it does require the transfers in to accomplish this.

The agricultural and residential land use designations would increase from its current \$2.00/quarter (\$0.67/month) in 2020 as follows:

- \$3.60/quarter (\$1.20/month) in 2021
- \$6.48/quarter (\$2.16/month) in 2022
- \$9.40/quarter (\$3.13/month) in 2023

From that point forward the increases needed are much smaller or about .20 cents per year.

A chart was presented that showed a comparison of City of Wyoming's 2020 and projected 2021 through 2023 residential quarterly Surface Water bills compared to the 2020 quarterly bills of six neighboring communities. Wyoming's current and projected residential quarterly bills are less than all of the neighboring communities 2020 bills.

### **Space needs assessment Wold Architects**

Jonathan Loose from Wold architects gave presentation on the current condition of the City of Wyoming facilities. Mr. Loose identified the guiding principles that the group is using to evaluate facilities, review of condition assessment, review of functional assessment, space needs summary and next steps. Mr. Loose explained that guiding principles the following: Focus and Functional Operations, Sustainability, and Financial Resilience.

Mr. explained that a condition assessment was completed on each facility that evaluates the physical infrastructure of the existing facilities. Each buildings systems are evaluated in order to create a report of items that need to be replaced or upgraded to maintain the building as a city asset into the future. Mr. Loose gave assessments of Wyoming City Hall, the Wyoming Fire Department, Wyoming Public Works and the Wyoming Police Department. Mr. Loose talked about part of the planning process is to simultaneously evaluate the existing facilities in terms of both infrastructure and programmatic needs. He then went through a second assessment that was completed that identified facilities Functional Assessment. The functional assessment is to evaluate the adequacy of space sizes and arrangements in supporting the operations of each city function – both currently and projected into the future. An ideal utilization of space that is needed to support city

operations is the outcome of the functional assessment. Mr. Loose then went through the results for all city facilities and identified existing utilization size and project utilization size. Lastly it was discussed as far as next steps what the council wants to focus on as far as short term goals, midterm and long term goals along with Budget analysis for potential options.

## 2021 Budget Discussion

Jean McGann, President of AEM was present to discuss the 2021 Wyoming city budget. She did introduce Jessi Sturtz, the new finance director for the City of Wyoming.

Ms. McGann gave an overview of the 2021 Budget and explained that the city of Wyoming tax capacity has increased from 2021 over 5%. She then highlighted some of the following items.

Key items in this year's budget:

- The 2021 tax rate is proposed to decrease 0.27% to 43.31%
- The total 2021 tax levy is proposed to increase \$212,774 or 5.02% from 2020
- The general levy increased \$107,960 or 3.33%
- Factors relating to this increase are explained in this memo under the General Fund Budget Summary section
- The debt levy increased \$210,402 or 31.18% Increase is due to the issuance of the 2020A bonds for the 2020 street project and the subsequent tax levy needed to fund debt service payments
- The capital levy decreased \$105,588 or 38.31%
- Staffing
  - New full-time maintenance employee is budgeted and allocated equally to the Water, Sewer, and Surface Water funds
  - Promotion of a current maintenance employee to a lead utility operator. This position is allocated 55% General fund, 20% Water fund, and 25% Sewer fund
  - The Crime Analyst will be promoted to full-time starting in July 2021
  - All employees are projected to receive a COLA increase and eligible employees will receive a step increase
  - Premiums for both workers compensation and property/liability insurance have increased \$15K and \$9K, respectively, and an effort was made to more accurately allocate these premiums to departments. The Police Department was the hardest hit by the increases and change in allocation.

The impact of the proposed 2021 City of Wyoming tax levy and tax rate is shown below:

| (Decrease)           |                     | Taxable             | 2020 Taxes     | 2021 Taxes     | Increase           |
|----------------------|---------------------|---------------------|----------------|----------------|--------------------|
| <b>Property Type</b> | <b>Market Value</b> | <b>Market Value</b> | <b>Payable</b> | <b>Payable</b> | <b>in Property</b> |
| <b>Taxes</b>         |                     |                     |                |                |                    |
| Residential          | \$ 100,000          | \$ 71,800           | \$ 313         | \$ 311         | \$ (2)             |
| Residential          | 200,000             | 180,800             | 788            | 783            | (5)                |
| Residential          | 300,000             | 289,800             | 1,263          | 1,255          | (8)                |
| Residential          | 400,000             | 398,800             | 1,738          | 1,727          | (11)               |
| Commercial           | 500,000             | 500,000             | 4,031          | 4,006          | (25)               |

*Note: change in market value has not been assumed*

The council had discussion on the overall budget and more in depth on items on the budget including questions on street bonds debt service, colas, cable franchise fees, and tree city USA.

**A MOTION WAS MADE BY COUNCILMEMBER SCHILLING, SECONDED BY COUNCILMEMBER LUGER  
“WORK SESSION MEETING” OF THE WYOMING, MINNESOTA CITY COUNCIL REGULAR MEETING AT  
9:07PM**

*Roll Call Vote:*

*Voting Aye: Schilling, Luger, Iverson and Nanko Yeager*

*Voting Nay: None*

*Abstain: None*

*Absent: Zerwas*