

# **CITY OF WILLMAR**

**FINANCE COMMITTEE MEETING**  
**5:45 PM, THURSDAY MARCH 4, 2021**  
**TELECONFERENCE GO TO MEETING**

## **AGENDA**

1. Meeting Called to Order
2. Roll Call
3. Action Items
  - a. Willmar Township Fire Contract - Resolution
  - b. Community Center Budget Amendment (Pen Pals Grant) - Resolution
  - c. Park and Recreation Budget Amendment (Tobacco Grant) - Resolution
4. Discussion Items
  - a. Industrial Development Fund Report
  - b. Departmental Update Report
5. Future Agendas
  - a. Pre- Audit 2020 General Fund Department Overages
  - b. Civic Center Budget Amendment (Ice Rental)
  - c. Investment Policy
  - d. Fund Balance Policy
  - e. Federal Path Local Financing/2021 Improvement Financing

Adjourn



Committee Action Request

<b>Committee Meeting Date:</b>	Finance Committee March 4, 2021	<b>Agenda Item Number:</b>	3.a.
<b>Agenda Section:</b>		<b>Originating Department:</b>	City Clerk
<b>Resolution</b>	Yes	<b>Prepared by:</b>	Judy R. Thompson, City Clerk
<b>Ordinance</b>	No	<b>Reviewed By:</b>	Brian Gramentz, City Administrator
<b>No. of Attachments</b>	3	<b>Presented By:</b>	Judy R. Thompson, City Clerk
<b>Item:</b>	Willmar Township Fire Agreement		

**RECOMMENDED ACTION:**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_ to Recommend Council Approve a Resolution Authorizing the Mayor and City Administrator to Execute the Fire Agreement with Willmar Township for the period April 1, 2021, through March 31, 2022.

**OVERVIEW:**

Willmar Township is under an annual contract for Willmar Fire Department service. A statewide formula has been used for decades to calculate the Township cost sharing proposal and is enclosed with current numbers.

Willmar Township

<b>2021</b>	<b>\$31,838.72 based on 179 firefighter hours accumulated in 2020</b>
2020	\$28,408.48 based on 126 firefighter hours accumulated in 2019
2019	\$30,366.27 based on 220 firefighter hours accumulated in 2018
2018	\$22,482.47 based on 142 firefighter hours accumulated in 2017
2017	\$19,896.79 based on 86 firefighter hours accumulated in 2016
2016	\$16,308.64 based on 36 firefighter hours accumulated in 2015

**PRIMARY ISSUES/ALTERNATIVES TO CONSIDER: N/A**

**BUDGETARY/FISCAL ISSUES:** \$31,838.72 for the Willmar Townships fiscal year of which, \$15,919.36 is due April 1, 2021, and \$15,919.36 is due October 1, 2021.

**ATTACHMENTS:**

- Resolution
- Fire Agreement
- Fire Cost Formula

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION APPROVING WILLMAR TOWNSHIP FIRE AGREEMENT  
IN THE AMOUNT OF \$31,838.72

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

WHEREAS Willmar Township annually contracts with the City of Willmar Fire Department for fire protection services; and

WHEREAS it is the established practice of the City of Willmar to use a statewide formula to calculate the township cost sharing proposal;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to execute the fire protection agreement with Willmar Township for the period April 1, 2021 through March 31, 2022, in the amount of \$31,838.72.

Dated this 15<sup>th</sup> day of March 2021.

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK

AGREEMENT FOR FIRE DEPARTMENT SERVICE

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by and between the City of Willmar, a municipal corporation of Kandiyohi County, Minnesota, hereinafter referred to as "City", and the Township of Willmar, a political subdivision of the State of Minnesota, hereinafter referred to as "Township".

WHEREAS, the Township deems it advisable to have available for the benefit of the residents of said Township services of the City's Fire Department, and the electors of said Township having, pursuant to law, provided a fund for the furnishing of said services, and

WHEREAS, the City has authorized its Mayor and City Administrator to enter into a contract with the Township for the furnishing of said services;

NOW, THEREFORE, IT IS AGREED between the parties hereto, that for the period commencing April 1, 2021, and terminating March 31, 2022, the Fire Department of the City will answer fire calls within the Township of Willmar which the City is requested to answer by the township, and will respond to such calls with such fire fighting apparatus of the City Fire Department as may be authorized by the Insurance Services Office, and all equipment and resources deemed necessary by the incident commander, and will render all assistance possible in the saving of life and property, subject to City retaining in its corporate limits sufficient firefighters and equipment to maintain its fire class rating, and subject to the terms of this Agreement.

As payment for such services, the Township agrees to pay, pursuant to the formula attached hereto and made a part hereof, the amount of THIRTY-ONE THOUSAND, EIGHT HUNDRED THIRTY-EIGHT DOLLARS AND SEVENTY-TWO CENTS (\$31,838.72) payable FIFTEEN THOUSAND NINE HUNDRED NINETEEN DOLLARS AND THIRTY-SIX CENTS, (\$15,919.36) on April 1, 2021, and FIFTEEN THOUSAND NINE HUNDRED NINETEEN DOLLARS AND THIRTY-SIX CENTS, (\$15,919.36) on October 1, 2021.

IT IS FURTHER UNDERSTOOD AND AGREED that at times weather and road conditions through the seasons of the year demand for City's firefighters and equipment to be used at a fire within the City, or other special circumstances, may interfere in the rendering of the service contemplated herein, and in the event, failure to furnish the service herein agreed upon shall not be a breach of this Agreement. In an event whereby equipment and firefighters cannot leave the City, Willmar Fire Command will activate mutual aid to render service to the township. Failure of the City to provide the services herein contracted for shall not result in the City being liable to Township or its residents for actual or consequential damages or for any other damages.

IT IS FURTHER UNDERSTOOD AND AGREED that the City will submit a billing statement to the Township within five (5) working days subsequent to a fire call listing the number of firefighters involved, firefighter hours, vehicles in use, and other data pertinent to assisting the township in making a "bill for services rendered" to the property owner receiving fire assistance. It shall be further understood that the sum total of the billings will not necessarily equal the annual contract price between the City and Township due to various formula charges such as building and/or vehicle depreciation costs and administration and training costs, which will not be a part of the individual billing statements.

IT IS FURTHER UNDERSTOOD AND AGREED that in the event of a hazardous materials incident the City reserves the right to exclude the call from the annual Funding Formula and bill the cost of the services rendered for special hazardous materials equipment and related costs directly to the owner of the property.

Township does hereby guarantee to the City that it is an equal opportunity employer and that it meets all United States Government and State of Minnesota Equal Opportunity Employment Requirements or that they are exempt from these provisions.

This Agreement may be terminated upon thirty (30) calendar day's written notice by either party or the other party, and the cost of services prorated to the time of termination.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by the respective officers thereof, and the respective seals of the parties have been affixed thereto.

CITY OF WILLMAR, A MUNICIPAL CORPORATION

BY: \_\_\_\_\_

MARV CALVIN, MAYOR

(S E A L)

BY: \_\_\_\_\_

BRIAN GRAMENTZ, CITY ADMINISTRATOR

(S E A L)

In the Presence of:

TOWNSHIP OF WILLMAR

\_\_\_\_\_

BY: \_\_\_\_\_

DONAVON C. MONSON, CHAIRMAN

(S E A L)

\_\_\_\_\_

BY: \_\_\_\_\_

DUWAYNE A. UNDERTHUN, SUPERVISOR

(S E A L)

WILLMAR TOWNSHIP - 2021

FIRE COST FORMULA

$$S = [(C \times 1.05) + E/20 + P/50] \frac{(U + V)}{2}$$

- S = Cost of fire service for one year.
- C = 2020 actual operating cost of the Fire Department.
- E/20 = Cost of apparatus used for township fires depreciated for 20 years.
- P/50 = Cost of physical plant depreciated over 50 years.
- 1.05 = A number that when C is multiplied by it, the answer will be C plus an additional 5 percent charge for administration and accounting.
- U = Percent of Fire Fighting hours used by contracting unit in 2020.
- V = Percent market valuation of buildings and mobile home personal property for the area of the contracting unit being served as to the total market value of buildings and mobile home personal property in the area served by the Fire Department.
- C = \$792,569.91 (2020 Fire Department costs).
- E/20 = \$76,197.10 (cost of apparatus sent to township \$1,523,942.00) [units (5257) \$598,000 + (5276) \$315,942 + (5298) \$610,000]
- P/50 = \$3,888.85 (cost of building to maintain trucks \$194,442.50).

Payment for Actual Fire Calls
Protection  
U = Use of Fire Department by Firefighter Hours    V = Market Value of buildings in Fire Service  
2020
2020

<u>Unit</u>	<u>Firefighter Hours</u>	<u>Percent of Total</u>	<u>Unit</u>	<u>Market Value</u>	<u>Percent of Total</u>
City of Willmar	6,391	.9644	City of Willmar	\$1,020,292,200	.9045
Willmar Township	179	.0270	Willmar Township	\$48,452,000	.0429
Dovre	57	.0086	Dovre	\$59,362,500	.0526
<b>TOTAL</b>	<b>6,627</b>	<b>1.0000</b>	<b>TOTAL</b>	<b>\$1,128,106,700</b>	<b>1.0000</b>

U = .0270

V = .0429

S = [(\$792,569.91 x 1.05) + \$76,197.10 + \$3,888.85] x  $\frac{.0270 + .0429}{2}$

S = \$912,284.35 x .0349

S = \$31,838.72



**Committee Action Request**

<b>Committee Meeting Date:</b>	March 4, 2021	<b>Agenda Item Number:</b>	3.b.
<b>Agenda Section:</b>	Finance Committee	<b>Originating Department:</b>	Parks and Recreation
<b>Resolution</b>	No	<b>Prepared by:</b>	Rob Baumgarn, Parks and Recreation Director
<b>Ordinance</b>	No	<b>Reviewed By:</b>	Brian Gramentz
<b>No. of Attachments</b>	6	<b>Presented By:</b>	Rob Baumgarn, Parks and Recreation Director
<b>Item:</b>	<b>Budget Amendment for "Community Pen Pal" Program and Grant Acceptance</b>		

**RECOMMENDED ACTION:**

Moved By: \_\_\_\_\_ Second By: \_\_\_\_\_, to recommend to the City Council of Willmar to approve the budget amendment for the "Community Pen Pal" program and acceptance of the grant.

**OVERVIEW:** Community Pen Pals is a program that launched the week of January 10, 2021. This program is working with senior citizens, Willmar Cardinal Place, DREAM Academy, Bethesda, Copperleaf and KMS Schools to combat depression and loneliness during the winter months and the long year we have encountered. The program has received funding from Walts, Interfaith Group of Willmar and the West Central Tribune, totaling \$700.00 and is the recipient of the Southwest Regional Sustainable Development Partnerships grant (\$500). The recommendation is that the donated dollars be submitted as revenue contributions to the Willmar Community Center to cover the expenses of the program. Start-up costs include postage, envelopes and printing materials. Participants receive a kit that includes 12 pre-stamped envelopes, writing prompts and mailing labels, as well as instructions to the program. The cost currently to cover 80 senior writers and 80 students is \$1500.

We need to amend the budget for \$1,700 to budget code 101.45435.0229 to show the revenue from the grant and donations.

**PRIMARY ISSUES/ALTERNATIVES TO CONSIDER:**

Transfer funds to the Community Center budget and make adjustments to already approved budget for 2021 or create a separate budget line to cover expenses of the program.  
Deny the proposal for adjusting the Community Center Budget and find an alternative route to accept donations towards the program.

**BUDGETARY/FISCAL ISSUES:**

- Walts: \$200
- Interfaith: \$250
- West Central Tribune: \$250
- Print Masters of Willmar: In-kind printing materials for start-up
- The Southwest Regional Sustainable Development Partnerships grant: \$500

Vision 2040-United Way Grant: \$500

**ATTACHMENTS:**

Southwest Regional Sustainable Development Partnership grant application

Southwest Regional Sustainable Development invoice for grant

Vision 2040 Grant application

Vision 2040 Community Pen Pal Project Budget

Inter Faith donation receipt

Resolution

**WILLMAR COMM CENTER EXPENSE REPORT**

**CODE: 101.45435.0229**

**GENERAL SUPPLIES**

DATE	VENDOR	DESCRIPTION	AMOUNT
4-Jan	cub	envelopes	\$ 6.45
4-Jan	USPS	PEN PAL ENVELOPES	\$ 685.55
4-Jan	USPS	STAMPS FOR MAILING	\$ 14.85
1/4/2021	USPS	PEN PAL ENVELOPES	\$ 311.85
4-Feb	usps	PEN PAL ENVELOPES	\$ 312.15
5-Feb	USPS	kit mailing	\$ 44.00
DONATIONS/GRANTS			AMOUNT
	Walts	Donation	\$ 200.00
	West Central Tribune	Donation	\$ 250.00
	InterFaith Group	Donation	\$ 250.00
	Vision 2040-United Way	Grant	\$ 500.00
	SW RSDP	Grant	\$ 500.00

Total \$ 1,374.85

TOTAL \$ 1,700.00

Dollars spent \$ 1,374.85  
 Dollars Remaining \$ 325.15



**Committee Action Request**

<b>Committee Meeting Date:</b>	March 4, 2021	<b>Agenda Item Number:</b>	3.c.
<b>Agenda Section:</b>	Finance Committee	<b>Originating Department:</b>	Parks and Recreation
<b>Resolution</b>	No	<b>Prepared by:</b>	Rob Baumgarn, Parks and Recreation Director
<b>Ordinance</b>	No	<b>Reviewed By:</b>	Brian Gramentz
<b>No. of Attachments</b>	3	<b>Presented By:</b>	Rob Baumgarn, Parks and Recreation Director
<b>Item:</b>	<b>Park and Recreation Budget Amendment (Tobacco Grant)</b>		

**RECOMMENDED ACTION:**

Moved By: \_\_\_\_\_ Second By: \_\_\_\_\_ to recommend to the City Council of Willmar to approve the budget amendment increase for the amount of \$1,000 to replace the outdated tobacco free park signs.

**OVERVIEW:** With the new City Tobacco Policy approved by the council in December 2020 the Parks and Recreation Board is recommending replacement of the old tobacco signs with updated signage at the City Parks and facilities to prevent tobacco usage in city parks and facilities.

Kandiyohi-Renville County Statewide Health Improvement Program (SHIP) and The Kandiyohi County DFC Coalition Drug Free Communities has agreed to contribute \$500 dollars each to this project as long as they are represented on the signs. The cost of the signs will be fully covered by these donations.

We need to amend the budget for \$1,000 to show the revenue from the grant and the donation. The budget code for this amendment would be 101.45432.0225

**PRIMARY ISSUES/ALTERNATIVES TO CONSIDER:**

- Do not approve the budget amendment.
- Do not accept the grant dollars.

**BUDGETARY/FISCAL ISSUES:**

Kandiyohi-Renville County Statewide County Statewide Health Improvement Program donation: \$500  
The Kandiyohi County DFC Coalition Drug Free Communities grant: \$500

**ATTACHMENTS:**

- Future Signage
- Tobacco Policy
- Resolution

2021

INDUSTRIAL DEVELOPMENT

The Industrial Development Fund was established for the systematic development of the City's Industrial Park. All remaining Sales Tax dollars were transferred to this fund in 2012. The land release was obtained from the FAA in 2016, and this fund will continue to be used for the redevelopment of the Old Airport Site, and replenished with proceeds from the sale of Industrial Park land. Sale of two parcels anticipated in the fall of 2018 or Spring of 2019 is estimated to generate between \$700,000 to \$750,000. Programed \$700,000 in 2019. The anticipated sale did not materialize in 2019 thus the fund will not end as anticipated. This fund still needs the cost share for the Wye Project to be adjusted fo the contract obligation of \$ 680,648 with the MUC match of \$ 680,648. for a total Wye agreement with the State of Mn at \$ 1,361,296.

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Mayor Proposed</u>	2020 <u>Adopted</u>	2021 <u>Proposed</u>
Unassigned Bal.	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Assigned Bal.	614,825	608,567	790,557	790,557	900,272
Revenues	183,010	246,655	109,715	109,715	81,000
Expenditures	(189,268)	(64,665)	0	0	0
Prior Adjust.	0	0			
Balance-Dec. 31	<u>1,608,567</u>	<u>1,790,557</u>	<u>1,900,272</u>	<u>1,900,272</u>	<u>1,981,272</u>