

Hector Staff and Council Workshop
Monday, July 8, 2019
Hector Community Center

Meeting began at 6:05 p.m.

Attending: Jeff Heerdt, Penny Kandt, Janis Weikle, Andrea Aukrust, Zach Pierce, Doug Best.

Absent: Amy Hollan, Ken Rodmyre

- Chief Pierce provided an update on the SRO (fulltime) position. If Hector pursues the position with participation from Buffalo Lake, the expense will fall under budget. We had budgeted for 60% of the position. Buffalo Lake has declined to share the position, and Chief Pierce will continue discussions between Hector and the school. School is interested and may consider an increase in contribution. Aukrust expressed we may have difficulty getting applicants. Pay rate calculated was patrol officer pay rate of \$22.50/hour. Hope to have a decision of commitment from school by next month council meeting so can be included in the budget. Need to create a job description; get the agreement approved by city attorney; post for the position; conduct interviews; background check; hire and train. Coverage would include Little Stangs Learning Center.
- There was a discussion of improvements to the blight ordinance. Criteria and quantity of vehicles on personal properties needs to be defined. We are considering a maximum of 4 vehicles on the property. Vehicles would need to be parked on the approved surface only as in concrete, tar, or gravel. Parking vehicles on lawn/grass will not be permitted. Vehicles parked in the garage would not count toward the number allowed. Vehicles have to be licensed and insured. Storage containers will not be permitted. Storage sheds over 8' x 10' must be on a cement pad. Andrea will email ordinance and suggestions should be submitted to her.
- The ordinance regarding the height of grass considered blight is recommended to be reduced from 8" to 6".

Hector City Council Meeting
Monday, July 8, 2019
6:30 p.m.
Hector Community Center

MINUTES

Meeting called to order by Mayor Weikle at 6:34 p.m. followed by Pledge of Allegiance.

Council members present: Jeff Heerdt, Penny Kandt, Doug Best, Janis Weikle

Council members absent: Amy Hollan

Agenda

- Jeremy Boots will not be attending this meeting
- Under Ordinances, Resolutions, and Proclamations we will add 2019-241 Grass Blight Amendment Ordinance
- EDA – nothing to report and table EDA lot criteria
- Ken Rodmyre will not be attending this meeting

On a motion by CM Kandt, seconded by CM Heerdt and unanimously carried, agenda is approved with changes.

Consent Agenda

- Approve proposed workshop, and council minutes of June 10, 2019
- Approve emergency council meeting minutes of June 19, 2019
- Approve personnel committee recommendations
- Approve part-time patrol officers
- Approval of payables and additions

Mayor Weikle inquired where the work was done for the pending payment of \$3,000 for grading, dust control. Also, the destination of \$400 battery from Olinger Sales and Service. Admin. Aukrust will follow up.

On a motion by CM Best, seconded by CM Heerdt and unanimously carried, Consent Agenda is approved.

Residents addressing the council – none

Justin McGraw, CPA with Conway, Deuth & Schmiesing PLLP

- Justin presented the results of the 12/31/2018 city audit. (Copies are available at the city office.)
- Page 1 & page 2 – the breakdown of auditor’s report, standards used, and opinion.
- Page 3 – overall cash and investment balances for 2018, 2017 and 2016. Includes payoff of housing bonds from the sale of Prairie View facility.
- Page 4 – debt service for principle and interest payments over the next 5 years. Includes revenue and expenses of the city. Excludes enterprise funds of water and sewer.
- Page 5 – the breakdown of the government’s revenue by types, including property taxes. 88% to 90% of the city’s revenue is property taxes. Charges for services increased from 2017 to 2018 which relates to fuel purchase and sales at the airport.
- Page 6 – expenditures of governmental funds for the city, broken down by department. General government and public safety are the highest departments for expenditures, which is common for cities.
- Page 7 – general fund (main operating fund of the city). Overall the budget amounts, actual amounts, and comparison of how they performed. \$33K difference related to ambulance and fire calls less than expected/budgeted. Expenditure side has more flexibility. Overall, \$97K under budget. Public works dept. driver for the difference was overlay and seal coating that was budgeted, not used, and then transferred to capital projects fund. General government was over budget. City administrator search was not budgeted for.
- Page 8 – Three years of operating loss for enterprise funds.
- Page 9 – Water fund sales versus the cost of operating the fund. Sales continue at a steady trend increase, but the cost for 2017 and 2018 shows a loss, much of which is due to depreciation. Sewer fund saw a similar trend as water fund. Again, a lot of it is due to the depreciation of the assets of the sewer fund. Sewer fund did transfer \$235,000 as a one-time transfer to cover Prairie View sale shortfall. Refuse sales fund will be wrapping up (closed out in 2019) and had minimal activity yet in 2018. Prairie View activity also concluded in 2018. Hummingbird Court funds are consistent and continue to generate income.
- There were no instances of non-compliance by the city as it relates to state statutes.
- Government auditing standards – one material weakness with internal control of city financial records. Difficult with the number of staff members in the office. Not uncommon. Just be aware, and governance

level can help by asking questions about bills and being a second set of eyes.

- Management Letter from the accounting firm was also provided.
- Recommendations – debts upon balance. Review the status of the fund balance and take steps to make corrections.
- Page 16 – Contact information for auditor

Ordinance, Resolution, and Proclamation

- Resolution 2019-17 – A resolution accepting donations and designating their use. Donation from Moore Engineering Inc. in the amount of \$200 for Hector Corn Chaff Days and payable to Hector Community Spirit.

On a motion by CM Best, seconded by CM Kandt and unanimously carried, Resolution 2019-17 is approved.

- Resolution 2019-18 – A resolution accepting donations and designating their use. Donation from Nic Heiderscheidt and Sam Heiderscheidt of Sky Apply LLC, in the amount of \$300 for Hector Corn Chaff Days and payable to Hector Community Spirit.

On a motion by CM Kandt, seconded by CM Best and unanimously carried, Resolution 2019-18 is approved.

- 2019-241 – An Amendment of Ordinance of Chapter 92 of the Hector City Code regarding Health and Safety Nuisances. 92.23 (Grass height amended) – First Reading July 8, 2019; Second Reading August 12, 2019; will be published in the paper August 14, 2019; then official after 30 days.

On a motion by CM Best, seconded by CM Kandt and unanimously carried, Ordinance Amendment is approved, and the first reading is complete.

Administration

- An emergency council meeting was held June 19, 2019, and the council approved to enter into a 3-year contract with MMS Environmental to maintain our water and wastewater facilities.
- Admin. Aukrust attended a meeting June 25th regarding the frost boil damage and FEMA funds being awarded. FEMA will cover 75% and the state will cover 25%. Our project includes the parking lot in front of the fire department in addition to two side-street locations. Funds must be used within 18-months of approval.
- Streets are being swept for Corn Chaff Days. Crosswalk and curb painting will continue. Hearing many compliments about job city workers are doing and still waiting on street signs.

- Paving in Sampson 3rd Addition will begin tomorrow.

Airport – did not meet in July

EDA – nothing to report

Emergency Services

- Prepping for Corn Chaff Days.
- SRO position – will continue to inquire and will meet with Supt. and the school board.
- Friday night dance will be held at Fire Hall; Saturday softball game; Sunday pancake breakfast.
- Ambulance runs in the '90s now.

Public Utilities – included in previous updates. Nothing new on the repairs from the lightning strike.

Kirgiss tiling project – nothing new to report

Colfax alley – nothing new to report

Residents addressing the council

- Sandy Hughes complimented Gina on a good job of mowing. Sandy also requested a larger flag for the city cemetery. Should also look at the city park one. Also said funeral home debris would be removed in the next couple weeks.
- Ron Ebbers inquired what the status was on his sewer problem. Expecting Jeremy Boots (Moore Engineering) tomorrow and still gathering information to resolve the problem correctly.
- Paul Kokesh asked about the turnoffs from Hwy 212 by the meat market. Should have a turning lane from the east and a bypass from the west by the meat market. Admin. Aukrust to follow-up again with MnDOT now that we have the Dollar General traffic. Also, need paint corrected for turn lane off of Hwy 212 on to Main Street going north. Also, is there anything that can be done at the intersection of Hwy 212 and the Y on the west end of town. Better markings?

Correction from June 10, 2019 council meeting minutes – the bench donated for the library was from Judy Swezey, in honor of her mother Ruth Swezey, former BLHS teacher.

On a motion by CM Heerdt, seconded by CM Kandt and unanimously carried,
the meeting adjourned 7:30 p.m.

Respectfully submitted by:

A handwritten signature in cursive script that reads "Andrea Aukrust". The signature is written in black ink and is positioned above the printed name.

Andrea Aukrust, City Administrator