



City of Blaine Anoka County, Minnesota Minutes - Final

10801 Town Square Dr.
Blaine MN 55449

City Council Workshop

**While this is a public meeting where interested persons are welcome to attend, it is a work session for Council and staff to discuss issues before them. It is not for the purpose of receiving public input.*

Thursday, August 16, 2012

6:30 PM

Cloverleaf Farm Room A

Meeting Number 12-46

NOTICE OF WORKSHOP MEETING

The meeting was called to order by Mayor Ryan at 6:30 p.m.

Quorum Present.

ALSO PRESENT: Clark Arneson, City Manager; Patrick Sweeney, City Attorney; Bob Therres, Public Services Manager; Bryan Schafer, Community Development Director; Joe Huss, Finance Director; Joel Merry, Accounting Supervisor, Al Thorp, Senior Engineering Technician; Jane Cross, City Clerk; and Recording Secretary Linda Dahlquist.

Present: 6 - Councilmember Clark, Councilmember Kolb, Councilmember Bourke, Councilmember Herbst, Mayor Ryan, and Councilmember Swanson

Absent: 1 - Councilmember Hovland

1.0 [WS 12-41](#)

2011 CAFR/AUDIT REVIEW

Sponsors: Huss

Finance Director Huss stated HLB Tautges Redpath (HLBTR) will discuss the City's 2011 Comprehensive Annual Financial Review (CAFR) and the auditing process.

Peggy Moeller, HLB Tautges Redpath, Ltd. stated the audit consisted of four reports: Comprehensive Annual Financial Report (CAFR), Internal Control, State Legal Compliance Report, and Communication with Those Charged with Governance. She stated for the CAFR the City received a Clean Opinion on the 2011 financial statements and the City received the 2010 GFOA Certificate of Achievement for Excellence in Financial Reporting program. She stated the Report on Internal Control findings showed two weaknesses, which were errors in calculating storm water billing for commercial accounts and an audit adjustment. She stated the State Legal Compliance Report had three compliance findings. She stated the report for Communication with Those Charged with Governance resulted with no disagreements with

management. Ms. Moeller stated the City implemented GASB Statement No. 54, Fund Balance Reporting and Fund Type Definition for the year ended December 31, 2011 were Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Councilmember Swanson commented because of GASB No. 54 it will look as though the City has more money under the unassigned category. Ms. Moeller replied yes, all cities in Minnesota will show large unassigned funds, but other states may question the amount in the fund because they do know Minnesota cities use the funds for six months before the tax settlements come in.

Councilmember Clark asked about storm water billing errors. Ms. Moeller stated one bill had the acreage wrong. Councilmember Clark asked if more research has been conducted to find out if there are more wrong billings. Finance Director Huss replied a complete audit of every account is being conducted. He stated the findings have revealed a number of accounts that did not align on acreage. He stated the Finance Department found 20 acreage error billings out of 1,700 accounts.

Councilmember Herbst asked if the accounts will be credited for overpayments. Finance Director Huss replied overages will be refunded and underage will not be rebilled.

Councilmember Clark asked if the errors were made from data entry. Finance Director Huss replied the data sort was misaligned in the Excel spreadsheet.

Councilmember Bourke asked about the three State Legal Compliance findings. Ms. Moeller replied a payment of bills (contractor was paid late by 35 days), the City's Charter needs to be updated to include electronic payments, and a disbursement over \$10,000 needed Council approval (a piece of equipment had two separate invoices). Finance Director Huss replied the City formerly processed payments bi-weekly and has changed to weekly.

Councilmember Clark asked if the contractor invoiced on time, would the City have been within the limit. Finance Director Huss replied he believed changing to a weekly payment process will help. He stated contractors usually bill promptly. Ms. Moeller replied it is assumed the contractor billed in a timely manner.

Councilmember Clark asked what the cost is to process payments weekly. Finance Director Huss replied there is no additional cost.

Councilmember Kolb stated a Charter meeting is needed. She commented the items that were found were small, but overall the report was good.

Discussed**2.0** [WS 12-40](#)**2012 RESIDENT SURVEY RESULTS**

Sponsors: City Manager Arneson

Attachments: [Executive Summary](#)

City Manager Arneson stated the City contracted National Research Center, Inc. (NRC) to conduct a 2012 community-wide resident survey and introduced Tom Miller.

Tom Miller, National Research Center, Inc., (NRC), stated NRC mailed survey packets to 1,200 households with 436 surveys completed and returned. He stated the results were weighted on gender, age, housing tenure (rent or own) and housing unit type (attached or detached) with benchmark comparisons of results for national and Minnesota jurisdictions. He stated the survey will serve as a consumer report card for the City by providing residents the opportunity to rate the quality of life in the city and community's amenities, service delivery and satisfaction with local government. He stated the data is based on Census data.

Councilmember Clark asked what areas had more responses. Mr. Miller replied NRC looked at the three Wards and the response rates were similar. He noted the demographic responses from residents ages 18- 35 were less likely to participate, so there is a smaller representation in this group.

He stated the City's Quality of Life and Community were rated similar to the Minnesota benchmark and above the national benchmark and included: a place to live; a place to raise children; your neighborhood as a place to live; a place to work; and, a place to retire.

Councilmember Swanson asked about the residents who did not answer a question. Mr. Miller replied the residents who did not answer the question were removed from the percentage.

Mr. Miller stated Government Performance compared favorably to the national and state benchmarks. The community's overall direction and the value for tax dollars were above the averages in other communities, while welcoming citizen involvement was similar to benchmarks. He stated the City rated higher than the national and state on the value of services for the taxes paid to the City and the overall direction that the City is taking.

Mr. Miller stated the Community Characteristics rating is above the national and state benchmarks in the overall quality of new development, cleanliness, overall appearance, and employment opportunities. He stated the lowest rated was traffic flow on major streets.

Mr. Miller stated the Community Participation rating was much less than national and Minnesota benchmarks.

Mr. Miller stated Safety in the City (day and night) ratings daytime safety was higher than after dark. He stated safety in neighborhoods and commercial areas could be compared to national and Minnesota benchmarks with the City faring better than the national average ratings and was at least as highly rated as other communities in Minnesota.

Mr. Miller stated the Overall City Services received high ratings on fire, garbage collection and recycling and lowest ratings were street repair maintenance, property maintenance enforcement, and traffic signal timing. He stated the overall city services were much above the national and Minnesota benchmarks.

Mr. Miller stated the Importance of the 29 City Services, fire, police, crime prevention, and drinking water received the higher importance/higher quality ratings. He stated the higher importance/lower quality ratings were: snow removal, street repair/maintenance, street lighting, economic development, and traffic enforcement. He stated these services were rated above the benchmarks and were rated excellent or good.

Mr. Miller stated the Key Driver Analysis ratings were above the benchmark except for traffic signal timing, which was below the benchmark.

Mr. Miller stated the Changes to City Services to increase were traffic signal timing and street repair/maintenance, and to decrease athletic field maintenance and fire prevention and education.

Mr. Miller stated the City Employees rating as excellent or good which is much above the national and Minnesota benchmarks.

Mr. Miller stated the Information Sources residents currently use are the newsletter, friends/neighbors, newspapers, and City website, and wanted in the future are the newsletter, regular mail, City website, and local newspaper. He noted that social media is not used in local government.

Mr. Miller stated for the Blaine Community Center most residents would support the City building a community center, but would oppose a property tax increase to fund construction.

Mr. Miller concluded the highlights of the survey were the City employees, overall City services and community participation, and the opportunities were traffic and traffic signal timing and volunteerism.

Mayor Ryan asked if there is a good time to conduct a survey. Mr. Miller

replied there is no special time to conduct a survey.

Councilmember Swanson asked if the residents are content with paying their level of taxes. Mr. Miller replied he could not answer the question because the tax question was not asked directly on the survey. He stated some of the residents feel they are paying a fair amount and others do not.

City Manager Arneson stated the survey will be brought back to the Council Workshop on September 20, 2012, for discussion. He stated the survey results will be posted on the City's website.

Discussed

ADJOURN

The Workshop adjourned at 7:30 p.m.