***CITY OF BERTHA***

***TODD COUNTY, MINNESOTA***

***REGULAR MEETING OF CITY OF BERTHA***

***HELD AT THE BERTHA COMMUNITY CENTER***

***MONDAY, JULY 11, 2016***

***Members Present:*** Zimmerman, Olson, Hoemberg, Nelson & Bowman

***Staff Present:*** Clerk Umland, Public Works Templin & Police Berndt

***Guest Present:*** Mark Fay, Trinity Gruenberg, Amy Botzet, Jean Schuster, Keith Porter, Ben Harnack, Russ Vandenheuvel, Dean Klebs, and Beu Byman.

***Declaring a quorum, Mayor Zimmerman called the meeting to order at 6:30 p.m. and the citizens recited the Pledge of Allegiance.***

***Public Comments: An opportunity for members of the public to address the City Council on items not on the current agenda. Items requiring Council action may be deferred to staff or committee for research and future agenda, if appropriated.***

Mayor Zimmerman thanked everyone who participated in volunteering to make Bear Country Days a huge success.

Dean Klebs expressed his appreciation on how well Bertha Bear Country Days was run. He said that there was a lot of cooperation, time and money put into this festival and thought the alumni band was a great hit. He questioned the Independent News wording of the minutes for June about the discussion on renting chain link fence from Line Building Supply. Mayor Zimmerman clarified this issue by stating a motion was made to approve splitting the cost between the city and the fire department.

Mark Fah, owner of Traditions Bar & Grill, thanked everyone for their cooperation to make the event a huge success. It was nice to see the community come together and for the great support. He was impressed that there were no fights or issues during the week-end. He also reminded the citizens in attendance of his upcoming grand opening. He is interested in putting together a fall festival. He would like to put Bertha back on the map.

Amy Botzet informed the council that Bertha Community Connect Club will be hosting National Night Out at the Bertha Community Center on August 2nd starting at 5:30 p.m. National Night Out is a nationwide safety event that occurs the first Tuesday in August every year. This night is designed to build stronger neighborhood spirit and police-community partnerships.

***4. Communications Reports***

 ***A Enterprise Reports –*** June reports reviewed.

 ***B. Fire/Ambulance Reports*** - Ben Harnack, representing the Bertha Firemen Relief Association, explained to the council the process of being able to sell pull tabs and conduct meat raffles at Traditions Bar & Grill. The department must have 15 active members to qualify for the premise permit. To be an active member they must be on the department for at least six months. The department must have an organization license, must also obtain a gambling manager’s license and obtain a premise permit. Ben Harnack will be the gambling manager who will be licensed by the Gambling Control Board. The council will have to pass a resolution approving a premise permit, which allows the association to sell pull tabs at Traditions Bar & Grill.

Mr. Harnack explained that the Relief Association would like to see the Council approve an increase in the annual payment amount for firefighter’s pension. The Bertha firefighters’ relief association is the administrator of single-employer defined benefit plan available to firefighters, which operates under the provisions of Minnesota state statute. It is governed by a board of directors and trustees elected by members of the association. The majority of the pension funding comes from the State of Minnesota’s 2% premium tax. The City receives this and is required to pass it on to the association. Benefits are payable in a lump sum based on years of service. The volunteer don’t become eligible for any retirement proceeds until after 10 years of service. Keith Porter has reviewed the actuarial and supports that the department is sound and would be able to cover an increase. This increase will not require a City contribution at this time. The association would like to increase it by $200.00 to minimize cost and paperwork of increasing it every year. **Council Member Hoemberg moved, seconded by Nelson, to adopt Resolution 2016-18, *A Resolution Authorizing an Increase in annual Pension Amount from $1,100.00 per firefighter years of service to $1,300.00 per year of service effective January 1, 2017. The motion carried without a dissenting vote.*** Mr. Harnack stated that the tractor pull was a huge success with 138 hooks. During the year, they will make more improvements to the site.

Russ Vandenhuevel stated they have 2 more EMT volunteers with potential of two more if they pass their test.

 ***C. Law Enforcement -*** Mr. Berndt presented his June activity report. The monthly report showed the following violations for Bertha: 2-accidents, 2-citations, 7-warnings, 2-public assists, 5-assisted other agencies and 21-citizens calls. Mr. Berndt put together a Bertha dog registry and did city wide nuisance check along with Member Bowman. Mayor Zimmerman reviewed a letter that he composed to be sent to all residents not in compliance along with picture(s) of the specific violation. The council had no objection to the letter and wanted it sent out the next day. The council suggested the citizens to have until August 5th to correct their violation. A follow-up inspection will be done during the second week of August. If corrections are not made prior to this inspection, the next step of enforcement will be initiated. This could be a fine, formal charges or special assessments if the city incurs a cost in completing the improvement for the residence.

 ***Discussion about violations of Chapter 10 relating to animals –***

1. There are a few residents that are violating the code by owning, possessing or harboring more than 2 dogs per household. The council decided to give them six months to get in compliance with this violation.
2. The other violation is that some dog owners do not have current licenses for their animal. Mr. Berndt asked the council for direction on what the next step they want him to take. The consensus of the council was move forward with a citation to all dog owners that are not in compliance or haven’t made any attempt for arrangements.

Mr. Berndt suggested installing security cameras in the business district just in case of any incidents that might occur to protect the community. The council gave him authority to go ahead to bring some quotes to the next meeting. He stated Bertha Bear Country Days was a huge success and no major problems occurred.

 ***D. Public Works Report -*** Mr. Templin supplied the council with his June activity report. Some of the highlights for the month were mowing, trimming and hauling brush. He mentions to the council that they should start thinking about investing in a replacement tractor used for ditches.

***E. Overview of July Agenda –*** reviewed

***Consider Business Items***

1. ***Keith Porter of Mayer, Porter & Nelson presented the 2015 Financial Audit.***

The 2015 audit report contains the Management Discussion and Analysis and the Basic Financial Statements. The audit is reported on the accrual basis with fund accounts. The governmental funds would be the general, fire and revolving loan funds. The business-type funds consist of water, sewer, and ambulance. The governmental funds are supported by taxes and government programs and enterprise funds are supported by user fees.

***Internal Controls*** are considered in performing the audit and are considered for financial reporting purposes on material weakness and significant deficiencies.

 ***Compliance*** – The audit firm performs tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement, non- compliance with which could have a direct and material effect on the determination of financial statement amounts. Testing results disclosed no instances of noncompliance or other matters that are required to be reported under the Government Auditing Standards.

 ***Segregation of Duties –*** *Porter stated in a smaller city it is financially difficult to maintain a segregation of duties; therefore; it is imperative that Council take an active role, review financial documentation and review bank statements comparing authorized claims to actual cancelled checks. As is the present practice and make sure two signatures are on all checks.*

 *The City has formally adopted a fund balance policy regarding maintaining a minimum fund balance for the General Fund. The policy states that the City will maintain unassigned portions of the fund balance for cash flow in a range equal to 35-50% of the General Fund operating expenditures. During 2015 the City was at 49%.*

 *After reviewing the 2015 financial statements, Beinhorn, Mayer & Nelson LTD have recommended elimination of the 404 Public Works Capital Fund. The audit firm split the $51,954.09 between the water & sewer funds. Fund 404 now has a zero balance and is an inactive fund. 51% has been put under the water fund (601) & 49% has been added to the sewer fund(602) by the auditor. There is no need to have the 404 fund since the project has been completed and now is closed.*

*Mr. Porter touched briefly on making sure contractor submit IC134 prior to getting fully reimbursed for service done for the city.*

 ***Motion was made by Hoemberg to transfer $26,496.59(51%)in fund 404 Capital Project Fund to 601 Water Fund, transfer $25,457.50 in fund 404 Capital Project Fund to 602 Sewer Fund, and bring Fund 404 Capital Project Fund to a zero balance and inactivate the fund. Seconded by Bowman and unanimously carried. The complete 2015 audit is on file at the city office.***

 ***Motion by Nelson, second by Olson to accept the 2015 Audit for the City of Bertha as prepared by Mayer, Porter & Nelson LTD. Motion Carried.***

1. ***Temporary Family Health Care Dwelling of 2016-*** Bertha City Council will pursue opting out of the temporary family health care dwelling law approved by the Legislature and signed by Gov. Mark Dayton in May. The law allows local governments to issue permits that allow certain types of temporary dwellings to be placed in the yard or driveway of a home and used as living spaces for family member who needs assistance with medical issue. A motion approved Monday by the Bertha City Council sets a public hearing during August 8th meeting to discuss opting out. The law allows cities to opt out of the law, as long as they pass an ordinance to do so by September 1st. After due discussion , a motion was made by Member Nelson and seconded by Member Olson to recommend to the council to schedule a public hearing and approve an amendment to the City Code opting-out of the requirements of MN Statutes, Section 462.3593. All voted for the motion and it carried. Clerk Umland will draft an ordinance amendment and e-mail to the city attorney for approval.
2. ***Nuisance Property Evidentiary Hearing –*** City attorney appeared before Judge Anderson and requested a continuance. It was granted . Mr Churchwell will get a new date and time shortly. Mr. Berndt has made significant progress to his property and will be given at least another 30 days to get in compliance.
3. ***Street Improvements –*** no update to when they will be in town.
4. ***Street Light -*** The council had a request from Tony Carlson, owner of Bertha Trans. & Tire,

wanting to have a street light installed at the corner of his business. There was a brief discussion on if he was responsible to annually reimburse the city for the light. The citizens in attendance felt since it was in the business district that the city should provide

street lights. Motion by Nelson, seconded by Member Hoemberg to have Mn Power & Light install a LED street light at the corner of Main Street East and 2nd Ave SW at the expense of

the City of Bertha. Carried. The City of Bertha will file a request with Mn Power & Light to proceed with the street light for that intersection.

***6. Consider Consent Agenda – Action required***

 ***Note:*** The Consent Agenda listed those items of business which are considered to be routine which need no discussion. Consent items are acted upon by one motion. If discussion is desired by council, that item may be removed to an appropriate section of the regular agenda for discussion.

Mayor Zimmerman asked if there were any additions, corrections, deletions to be made to the Consent Agenda. Item E was deleted from the consent agenda. Motion by Bowman, seconded by Hoemberg, and passed by unanimous vote to approve the consent agenda as amended, ***removing Item E, Resolution 2016-16 until a later date.*** The consent agenda included the following items:

1. Approval of the June 13,2016 Regular Council Minutes
2. Approval of June Disbursements & Authorize Issuance in accordance with the list provided including all electronic payments - plus the following checks –

Check No 5516- Star Bank $12,732.00 to purchase a CD

Check No 5515-Star Bank $7,750.00 to purchase a CD

Check No 5509- F.I.R.E. - $1,500.00 training expense

Check No 5510 – F.I.R.E. -$650.00 training expense

Check No 5511 – F.I.R.E. $400.00 training expense

1. Review bank correspondence –Bank Investment Statement
2. The Initiative Foundation submitted literature indicating what the foundation’s mission is and all the activities they are involved with. Also, included were recent grants and scholarships awarded by their foundation along with recent business financing investments made by them . They formally ask the Council to support and approve their mission to invest in central Minnesota by making a donation of $410.00 in 2017. The foundation provides community and economic development through training, grants, and loans. Every donated dollar is matched by the McKnight Foundation, thereby doubling the reach and capacity of committed resources.
3. Res. 2016-16 Authorizing the Fire Dept. to accept grant money under the 2015 AFG –Removed

***7. Committee Report***

 ***None***

***8. Meeting/Conference/Correspondence***

 A. Combining Polling Place with Bertha Township- sent a letter but haven’t heard back.

 B. LMC Increase in dues – Received a letter has set a maximum member dues schedule increase of 3% for the League’s 2017 fiscal year that runs from September, 2016 through August 31, 2017.

 C. Hilltop Kitchens – informed the council that they were awarded a $100,000. grant from NJPA and

 have 92% of funds collected.

 D. Property owned by Jenni Eckel – House burn – Clerk Umland contacted Todd County Solid Waste and was informed that the ashes could not be buried in the basement but had to be hauled to Morris County.

9. **Adjournment**

 There was no further business to come before the City Council, Member Nelson moved, Member Bowman seconded the motion to adjourn. With all members in favor motion was carried. The meeting adjourned at 8:15 p.m.