



## **CITY COUNCIL WORK SESSION MEETING AGENDA**

**AFTON CITY COUNCIL CHAMBERS  
3033 St. Croix Trail South  
Friday, September 16, 2016  
At 1:00 p.m.**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF AGENDA – September 16, 2016 Council Work Session**
- 4. CITY COUNCIL BUSINESS**
  - A. 2017 Preliminary Budget and Tax Levy
  - B. Upper 34th St. S. Maintenance
  - C. Fire Pension Benefit Increase Request
  - D. State of the City Letter
- 5. ADJOURN**

**A quorum of the City Council or Other Commissions may be present to receive information at, but not limited to, any of the following meetings: Planning Commission; the Public Works Committee; Parks Committee; Design Review and Heritage Preservation Commission; Lower St. Croix Cable Commission; LSCWMO; MSCWMO; I-94 Corridor Coalition and the 5-City Mayor's Alliance.**

**City of Afton**  
**3033 St. Croix Trl, P.O. Box 219**  
**Afton, MN 55001**

# **Meeting Date Sept. 16, 2016**

## **Council Memo**

To: Honorable Mayor Bend and Members of the City Council

From: Ron Moorese, City Administrator

Date: September 13, 2016

Re: 2017 Preliminary Budget and Tax Levy

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At the August 29 budget work session, the Council reviewed the proposed preliminary 2017 budget and tax levy. The Council agreed the key determinant of the final tax levy is the amount of funding needed to address priority street improvement needs. The Council is meeting with the Public Works Committee on Wednesday, September 14 to review and discuss the Public Works Committee's recommendations regarding priority street improvement needs as part of the process of developing a multi-year street improvement plan that reflects the prioritization of street improvement needs and the timing of meeting those needs, as well as funding options to meet those needs. The results of the joint work session will provide direction for determining the 2017 budget and tax levy.

Attached is the proposed preliminary budget and tax levy spreadsheet. Tom Niedzwiecki will attend the work session to provide advice and assistance regarding the street improvements funding and regarding any questions the Council may have concerning the budget and tax levy.

**City of Afton**  
**Prelim 2017 General Fund Budget**

	Audited	Audited	Year to Date	Annual Budget	Remaining	Annual Budget	Increase (Decrease) 2017 minus 2016 Budget	
	2014	2015	7/31/2016	2016	Budget \$	2017	\$	%
<b>#100 GENERAL FUND</b>								
<b>A: Revenue</b>								
<b>1-PROPERTY TAXES:</b>								
4000 General Fund Levy	860,094	899,578	525,967	974,804	448,837	1,003,443	28,640	2.9%
4003 Market Value Credit	0	0	0	0	0	0	0	
4005 Fiscal Disparity	47,649	44,904	37,176	43,820	6,644	49,525	5,705	13.0%
4015 Delinq Taxes, Penalties & Int	17,950	5,456	21,450	0	(21,450)	0	0	
4013 Street Improvement Capital Fund	200,000	200,000	100,000	200,000	100,000	225,000	25,000	12.5%
6928 Special Reserve Fund	294	5,000	1,500	3,000	1,500	9,500	6,500	216.7%
6932 Stormwater Fund	3,500	3,500	1,750	3,500	1,750	3,500	0	0.0%
6933 Vehicle/Equipment Replacement Fund	2,500	2,500	1,250	2,500	1,250	2,500	0	0.0%
6935 Comprehensive Plan/Planning	2,000	2,000	1,500	3,000	1,500	4,000	1,000	33.3%
6936 Flood Fund	5,500	5,500	2,750	5,500	2,750	5,500	0	0.0%
6937 DNR Levee Project Grant Match	95,000	95,000	47,500	95,000	47,500	95,000	0	0.0%
6934 Codification	100	100	100	100	0	100	0	0.0%
4843 MN Unemployment Claims	3,000	3,000	500	1,000	500	1,000	0	0.0%
6939 Election Fund	5,500	5,500	2,750	5,500	2,750	5,500	0	0.0%
6910 City Council Contingency Fund	0	0	0	0	0	0	0	
4842 Audit and Legal Reserve	100	100	500	1,000	500	1,000	0	0.0%
4844 Parks Capital Repairs/Trail & Ped Bridge	5,500	5,500	2,750	5,500	2,750	5,500	0	0.0%
4022 Afton Septic System - City Bldgs	15,000	15,000	7,500	15,000	0	15,000	0	0.0%
4897 Public Facilities Authority (PFA) Loan Interest	0	8,000	0	0	0	0	0	
4846 Sidewalk	2,000	2,000	1,000	2,000	1,000	2,000	0	0.0%
4012 Bldg & Land Capital Fund	6,000	6,000	3,000	6,000	3,000	6,000	0	0.0%
4818 City Share High Speed Internet	0	0	37,500	75,000	37,500	50,000	(25,000)	-33.3%
<b>Subtotal - General Prop Tax Levy</b>	<b>1,271,686</b>	<b>1,308,639</b>	<b>796,443</b>	<b>1,442,224</b>	<b>638,281</b>	<b>1,484,068</b>	<b>41,845</b>	<b>2.9%</b>
4050 Debt Service Levy, Fire Hall Remodeling	57,356	57,933	29,234	58,468	29,234	49,833	(8,635)	-14.8%
4898 Debt Service Levy, Downtwn Imp Tmp Bond	0	0	14,000	28,000	14,000	28,000	0	0.0%
4899 Debt Service Levy, Downtwn Imp Bond/PFA	0	0	35,000	70,000	35,000	70,000	0	0.0%
4725 Debt Serv Levy - Road Construction Bonds	305,000	310,000	130,000	260,000	130,000	260,000	0	0.0%
<b>TOTAL PROPERTY TAXES</b>	<b>1,634,042</b>	<b>1,676,572</b>	<b>1,004,677</b>	<b>1,858,692</b>	<b>846,515</b>	<b>1,891,901</b>	<b>33,210</b>	<b>1.79%</b>

**City of Afton**  
**Prelim 2017 General Fund Budget**

	Audited 2014	Audited 2015	Year to Date 7/31/2016	Annual Budget 2016	Remaining Budget \$	Annual Budget 2017	Increase (Decrease) 2017 minus 2016 Budget	
							\$	%
<b>2-INTERGOVERNMENTAL REVENUE:</b>								
4100 Gravel Tax/West Lakeland Cent College	(2,374)	(2,333)	(2,160)	(2,400)	(240)	(2,400)	0	0.0%
4108 MV Credit - Ag	5,797	10,033	0	4,000	4,000	4,000	0	0.0%
4112 PERA Rate Increase Aid	634	634	317	634	317	634	0	0.0%
4175 Agricultural perserve credit	659	663	0	500	500	500	0	0.0%
<b>TOTAL INTERGOVT REVENUES</b>	<b>4,715</b>	<b>8,998</b>	<b>(1,843)</b>	<b>2,734</b>	<b>4,577</b>	<b>2,734</b>	<b>0</b>	<b>0.0%</b>
<b>3-CHARGES FOR SERVICES:</b>								
4205 Assessment Search	50	20	40	35	(5)	35	0	0.0%
4210 Sale of Copies	20	117	34	100	66	100	0	0.0%
<b>TOTAL CHARGES FOR SERVICES</b>	<b>70</b>	<b>137</b>	<b>74</b>	<b>135</b>	<b>61</b>	<b>135</b>	<b>0</b>	<b>0.0%</b>
<b>4-FINES &amp; FORFEITURES:</b>								
4300 County Fines & Fees	10,359	15,861	8,209	14,000	5,791	14,000	0	0.0%
4305 Other Fines & Forfeitures	0	0	0	250	250	250	0	0.0%
<b>TOTAL FINES &amp; FORFEITURES</b>	<b>10,359</b>	<b>15,861</b>	<b>8,209</b>	<b>14,250</b>	<b>6,041</b>	<b>14,250</b>	<b>0</b>	<b>0.0%</b>
<b>5-LICENSES, FEES, PERMITS:</b>								
4400 Building Permit Fees - Afton	86,885	117,818	136,833	80,000	(56,833)	86,000	6,000	7.5%
4401 Building & Eng'g Inspection Fees	800	1,050	1,550	250	(1,300)	250	0	0.0%
4404 4th of July permits	250	0	0	0	0	0	0	0.0%
4405 Pet License & Impound Fees	335	1,025	120	300	180	300	0	0.0%
4410 Liquor Licenses	3,000	3,000	1,523	2,600	1,078	2,600	0	0.0%
4415 Other Licenses	413	260	320	350	30	350	0	0.0%
4435 R-O-W Permit/Utility Permit Fees	750	500	0	1,750	1,750	1,750	0	0.0%
4437 Utility Franchise Fees	59,438	59,554	21,700	58,000	36,300	58,000	0	0.0%
4440 Zoning Fees & Permits	10,248	6,965	5,515	3,000	(2,515)	3,000	0	0.0%
<b>TOTAL LICENSES, FEES, PERMITS</b>	<b>162,119</b>	<b>190,172</b>	<b>167,560</b>	<b>146,250</b>	<b>(21,310)</b>	<b>152,250</b>	<b>6,000</b>	<b>4.1%</b>

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**Prelim 2017 General Fund Budget**

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	2014	2015	7/31/2016	2016	Budget \$	2017	\$	%
<b>7-MISCELLANEOUS REVENUE:</b>								
4601 Insurance dividend	3,208	3,271	0	2,000	2,000	2,000	0	0.0%
4604 Park rental & cleaning fees	825	560	200	500	300	500	0	0.0%
4615 Settlements/Other Income/Transfer	10	869	100	0	(100)	0	0	0.0%
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>4,043</b>	<b>4,700</b>	<b>300</b>	<b>2,500</b>	<b>2,200</b>	<b>2,500</b>	<b>0</b>	<b>0.0%</b>
<b>9-OTHER GRANTS:</b>								
4810 County Grant-recycling grant	7,178	7,210	7,210	7,090	(120)	7,090	0	0.0%
4815 Cable Commission Distribution	1,200	1,200	600	1,200	600	1,200	0	0.0%
<b>TOTAL OTHER GRANTS</b>	<b>8,378</b>	<b>8,410</b>	<b>7,810</b>	<b>8,290</b>	<b>480</b>	<b>8,290</b>	<b>0</b>	<b>0.0%</b>
<b>10-INTEREST REVENUES:</b>								
4901 Interest - 4M Fund General	54	144	331	50	(281)	50	0	0.0%
4905 Miscellaneous Income	0	0	0	0	0	0	0	0.0%
<b>TOTAL INTEREST REVENUES</b>	<b>54</b>	<b>144</b>	<b>331</b>	<b>50</b>	<b>(281)</b>	<b>50</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REVENUES</b>	<b>1,823,780</b>	<b>1,904,993</b>	<b>1,187,118</b>	<b>2,032,901</b>	<b>838,282</b>	<b>2,072,110</b>	<b>39,210</b>	<b>1.93%</b>

**City of Afton**  
**Prelim 2017 General Fund Budget**

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	2014	2015	7/31/2016	2016	Budget \$	2017	\$	%
<b>B: EXPENDITURES</b>								
<b>1-WAGES &amp; BENEFITS:</b>								
5002 Mayor & Council	13,200	13,400	7,700	13,200	5,500	13,200	0	0.0%
5004 City Administrator	81,575	88,150	53,087	94,912	41,825	97,759	2,847	3.0%
5005 Intern(s)	0	0	0	4,500	4,500	4,500	0	0.0%
5007 Office Assistant	17,717	16,059	9,704	16,074	6,370	16,556	482	3.0%
5008 Office Manager/Deputy Clerk	38,593	38,922	22,618	42,864	20,247	44,150	1,286	3.0%
5020 Maintenance Personnel (incl Mileage)	17,849	17,300	10,526	23,951	13,424	24,669	719	3.0%
5014 FICA & Medicare	13,425	17,702	8,359	14,956	6,597	15,364	408	2.7%
5018/3' Ins Benefits (Disability)and Other Fin'l (CA)	16,842	27,046	15,782	27,120	11,338	27,120	0	0.0%
5053 PERA	11,416	12,178	7,551	14,663	7,111	15,063	400	2.7%
5024 Workers Comp Insurance	2,530	3,689	3,171	2,600	(571)	3,100	500	19.2%
<b>TOTAL WAGES &amp; BENEFITS</b>	<b>213,147</b>	<b>234,446</b>	<b>138,499</b>	<b>254,840</b>	<b>116,340</b>	<b>261,481</b>	<b>6,642</b>	<b>2.6%</b>
<b>2-PROFESSIONAL SERVICES:</b>								
5120 Contract - Videographer	606	710	682	1,000	318	2,000	1,000	100.0%
5302 Assessor Fees	20,191	20,716	21,269	21,200	(69)	21,850	650	3.1%
5304 Accounting fees	13,365	14,375	8,562	15,350	6,788	16,500	1,150	7.5%
5305 Auditing fees	5,350	5,450	5,350	5,700	350	8,700	3,000	52.6%
5310 Engineering Fees	12,722	17,707	7,444	20,000	12,557	20,000	0	0.0%
5315 Recording fees	151	46	0	300	300	300	0	0.0%
5320 Legal fees - Prosecution	29,698	25,140	13,091	28,000	14,909	28,000	0	0.0%
5321 Legal fees - General/Civil	13,772	20,447	13,871	22,000	8,129	22,000	0	0.0%
5323 Legal fees - Special/Co-Pays	0	0	81	0	(81)	0	0	
5330 Planning Fees	0	0	0	0	0	4,000	4,000	
5335 Other Fees for Service/YSB/4H	0	0	0	1,500	1,500	1,500	0	0.0%
5350 Building Inspection Fees - Stensland	36,910	48,921	51,983	32,000	(19,983)	34,400	2,400	7.5%
5360 Misc Dev Fees	(200)	(345)	(745)	0	745	0	0	
5370 Well Monitoring Program	144	0	0	1,000	1,000	1,000	0	0.0%
5380 Watershed Management	488	488	595	500	(95)	500	0	0.0%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>133,198</b>	<b>153,655</b>	<b>122,182</b>	<b>148,550</b>	<b>26,368</b>	<b>160,750</b>	<b>12,200</b>	<b>8.2%</b>

**City of Afton**  
**Prelim 2017 General Fund Budget**

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<b>4-OTHER EXPENDITURES:</b>								
5500 Office Equipment	176	1,612	576	600	24	700	100	16.7%
5505 Bank/IRS Fees/Penalties/Interest	135	347	114	400	286	400	0	0.0%
5510 Comp Svc (All HW/SW, GIS, Web, Email)	4,825	5,396	3,847	9,500	5,653	9,500	0	0.0%
5516 Copier Lease	6,424	6,796	2,049	7,500	5,451	7,000	(500)	-6.7%
5520 Equipment Maintenance	62	0	0	1,000	1,000	1,000	0	0.0%
5525 Insurance-General Liability	18,377	17,886	17,250	21,000	3,750	21,000	0	0.0%
5535 Misc. Expense	230	956	21	2,000	1,979	2,000	0	0.0%
5540 Office Supplies	2,673	2,953	1,667	4,000	2,333	4,000	0	0.0%
5545 Other Administration	475	713	0	500	500	500	0	0.0%
5550 Postage	4,816	3,439	1,233	3,500	2,267	3,500	0	0.0%
5555 Publishing & Printing	2,336	3,656	2,255	2,800	545	2,800	0	0.0%
5560 Newsletter	5,281	6,058	3,329	6,000	2,671	6,000	0	0.0%
5565 Telephone	2,759	2,682	1,880	3,500	1,620	3,500	0	0.0%
5575 Travel & Mileage	180	0	48	500	452	500	0	0.0%
5580 Membership & Dues	2,987	3,158	0	3,000	3,000	3,000	0	0.0%
5585 Seminars & Education incl ICMA	1,932	2,364	582	2,500	1,918	2,500	0	0.0%
<b>TOTAL OTHER EXPENDITURES</b>	<b>53,668</b>	<b>58,017</b>	<b>34,850</b>	<b>68,300</b>	<b>33,450</b>	<b>67,900</b>	<b>(400)</b>	<b>-0.6%</b>
<b>SUBTOTAL GENERAL &amp; ADMINISTRATIVE</b>	<b>400,012</b>	<b>446,119</b>	<b>295,532</b>	<b>471,690</b>	<b>176,158</b>	<b>490,131</b>	<b>18,442</b>	<b>3.9%</b>
<b>5-PUBLIC SAFETY:</b>								
5605 Animal Control	1,899	2,823	755	4,000	3,245	4,000	0	0.0%
5625 Fire & Ambulance Service	213,705	219,953	174,670	232,893	58,223	243,296	10,403	4.5%
5626 Fire Relief Association	0	0	0	0	0	0	0	
5635 Police Service - County	168,494	169,289	85,316	171,250	85,934	175,000	3,750	2.2%
<b>TOTAL PUBLIC SAFETY</b>	<b>384,098</b>	<b>392,065</b>	<b>260,740</b>	<b>408,143</b>	<b>147,403</b>	<b>422,296</b>	<b>14,153</b>	<b>3.5%</b>
<b>6-PUBLIC HEALTH:</b>								
5705 Recycling - Afton	150	268	305	500	195	500	0	0.0%
5720 Refuse Hauling - City Hall	1,630	819	241	1,500	1,260	1,500	0	0.0%
<b>TOTAL PUBLIC HEALTH</b>	<b>1,780</b>	<b>1,087</b>	<b>546</b>	<b>2,000</b>	<b>1,454</b>	<b>2,000</b>	<b>0</b>	<b>0.0%</b>

**City of Afton**  
**Prelim 2017 General Fund Budget**

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<b>7-STREETS:</b>								
5820 Gravel Road Maintenance	1,755	3,530	2,270	4,000	1,730	4,000	0	0.0%
5825 Crackseal/Seal Coat/Gravel Shouldering	90,685	51,829	813	75,000	74,187	75,000	0	0.0%
5830 Snow & Ice Control	115,692	62,431	42,575	110,000	67,425	110,000	0	0.0%
5835 Surf maint/Sweeping/Pothole Repair	29,844	49,873	30,970	46,000	15,030	46,000	0	0.0%
5845 Brush/Tree/Mow/Bridge/Culvert/Guardrail	25,502	40,117	10,155	39,000	28,845	39,000	0	0.0%
5850 Street Lights	3,982	4,286	2,251	5,000	2,749	5,000	0	0.0%
5855 Gas Lamps - Operating Costs	2,851	2,491	1,323	2,700	1,377	2,700	0	0.0%
5856 Gas Lamps - Capital	0	0	0	0	0	0	0	0.0%
5860 Signs & Signals	2,977	3,247	1,293	4,000	2,707	4,000	0	0.0%
5870 Other - Road Maint.	758	605	1,146	2,000	854	2,000	0	0.0%
<b>TOTAL STREETS</b>	<b>274,047</b>	<b>218,410</b>	<b>92,797</b>	<b>287,700</b>	<b>194,903</b>	<b>287,700</b>	<b>0</b>	<b>0.0%</b>
<b>9-OTHER PUBLIC WORKS EXPENDITURES:</b>								
5910 Flood Control: Oper Pump/Dike Annual Maint	803	0	0	1,600	1,600	1,600	0	0.0%
5920 Repair & Maint - Equipment	1,312	1,080	976	1,500	524	1,500	0	0.0%
5925 Fuel & Lubricants	478	558	165	1,000	835	1,000	0	0.0%
5930 Tools & Minor Equipment	243	277	255	950	695	950	0	0.0%
5940 Sidewalk improvements	0	0	0	0	0	0	0	0.0%
<b>TOTAL OTHER PUBLIC WORKS</b>	<b>2,836</b>	<b>1,914</b>	<b>1,396</b>	<b>5,050</b>	<b>3,654</b>	<b>5,050</b>	<b>0</b>	<b>0.0%</b>
<b>SUBTOTAL STREETS, REHAB &amp; PUBLIC WORKS</b>	<b>276,883</b>	<b>220,324</b>	<b>94,193</b>	<b>292,750</b>	<b>198,557</b>	<b>292,750</b>	<b>0</b>	<b>0.0%</b>
<b>9-BUILDINGS &amp; LAND:</b>								
6010 Gas Heat	2,060	1,937	840	2,500	1,660	2,200	(300)	-12.0%
6020 Electricity	1,822	1,731	1,124	1,750	626	2,000	250	14.3%
6030 Miscellaneous Expense	777	1,036	535	500	(35)	800	300	60.0%
6035 Cleaning	1,031	874	148	1,000	852	2,000	1,000	100.0%
6040 Repair & Maintenance	898	1,910	716	2,000	1,284	2,000	0	0.0%
6045 City Garage Expense	3,264	2,557	2,478	2,500	22	2,500	0	0.0%
6050 Supplies	594	288	169	500	331	500	0	0.0%
<b>TOTAL BUILDINGS &amp; LAND</b>	<b>10,446</b>	<b>10,334</b>	<b>6,011</b>	<b>10,750</b>	<b>4,739</b>	<b>12,000</b>	<b>1,250</b>	<b>11.6%</b>

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<b>12-PARKS &amp; RECREATION:</b>								
6105 4th of July Celebration	3,691	3,500	3,500	3,500	0	3,500	0	0.0%
6135 Park Maintenance	1,275	359	97	1,200	1,103	1,200	0	0.0%
6140 Miscellaneous expense	52	62	4	300	296	300	0	0.0%
6205 Cemetery Maintenance	0	0	9,000	2,500	(6,500)	9,000	6,500	260.0%
<b>TOTAL PARKS &amp; RECREATION</b>	<b>5,018</b>	<b>3,921</b>	<b>12,601</b>	<b>7,500</b>	<b>(5,101)</b>	<b>14,000</b>	<b>6,500</b>	<b>86.7%</b>
<b>OVERALL TOTAL EXPENDITURES</b>	<b>1,078,237</b>	<b>1,073,850</b>	<b>669,623</b>	<b>1,192,833</b>	<b>523,210</b>	<b>1,233,177</b>	<b>40,345</b>	<b>3.4%</b>

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**Prelim 2017 General Fund Budget**

	Audited	Audited	Year to Date	Annual Budget	Remaining	Annual Budget	Increase (Decrease) 2017 minus 2016 Budget	
	2014	2015	7/31/2016	2016	Budget \$	2017	\$	%
<b>C: OTHER FINANCING SOURCES (USES)</b>								
4050 Tax Levy to Fire Hall Debt Service Fund	(57,356)	(57,933)	(29,234)	(58,468)	(29,234)	(49,833)	8,635	-14.8%
4898 Tax Levy re Dwtwn Imp Tmp Bonds	0	0	(14,000)	(28,000)	(14,000)	(28,000)	0	0.0%
4899 Tax Levy re Dwtwn Imp Bonds/PFA	0	(8,000)	(35,000)	(70,000)	(35,000)	(70,000)	0	0.0%
4725 Tax Levy to Road Construction Debt Service Fund	(305,000)	(310,000)	(130,000)	(260,000)	(130,000)	(260,000)	0	0.0%
6920 Oper trf to Bldg & Land Fund - Budgeted	(6,000)	(6,000)	(3,000)	(6,000)	(3,000)	(6,000)	0	0.0%
4818 City Share High Speed Internet	0	0	(37,500)	(75,000)	(37,500)	(50,000)	25,000	-33.3%
6920 Oper trf to Bldg & Land Fund - Unbudgeted	0	(20,000)	0	0	0	0	0	
6921 Oper Trf to Street Imp - UnBudgeted	0	(43,500)	0	0	0	0	0	
6925 Oper trf to Street Imp- Budgeted	(200,000)	(200,000)	(100,000)	(200,000)	(100,000)	(225,000)	(25,000)	12.5%
6928 Oper Trf from(to) Special Reserve Fund	(294)	(5,000)	(1,500)	(3,000)	(1,500)	(9,500)	(6,500)	216.7%
6932 Oper Trf to Stormwater Fund	(3,500)	(3,500)	(1,750)	(3,500)	(1,750)	(3,500)	0	0.0%
6933 Oper Trf to Vehicle Fund	(2,500)	(2,500)	(1,250)	(2,500)	(1,250)	(2,500)	0	0.0%
6935 Oper Trf to Comprehensive Plan	(2,000)	(2,000)	(1,500)	(3,000)	(1,500)	(4,000)	(1,000)	33.3%
6936 Oper Trf to Flood Mitigation & Control	(5,500)	(5,500)	(2,750)	(5,500)	(2,750)	(5,500)	0	0.0%
6937 Oper Trf to DNR Grant Match	(95,000)	(95,000)	(47,500)	(95,000)	(47,500)	(95,000)	0	0.0%
6934 Oper trf to Codification (Spec Act Fd)	(100)	(100)	(100)	(100)	0	(100)	0	0.0%
4843 Oper Trf to MN Unemployment Claims	(3,000)	(3,000)	(500)	(1,000)	(500)	(1,000)	0	0.0%
6939 Oper Trf to Election Fund	(5,500)	(5,500)	(2,750)	(5,500)	(2,750)	(5,500)	0	0.0%
6910 City Council Contingency Fund	0	0	0	0	0	0	0	
4842 Audit Legal Reserve	(100)	(100)	(500)	(1,000)	(500)	(1,000)	0	0.0%
6944 Oper Trf Parks Capital (Incl Trail & Ped Bridge)	(5,500)	(5,500)	(2,750)	(5,500)	(2,750)	(5,500)	0	0.0%
4022 Oper Trf to Afton Septic System - City Bldgs	(15,000)	(15,000)	(7,500)	(15,000)	(7,500)	(15,000)	0	0.0%
6944 Oper Trf to Sidewalk	(2,000)	(2,000)	(1,000)	(2,000)	(1,000)	(2,000)	0	0.0%
6929 Trf (to) from Special Activities Fund (Various)	0	(15,000)	0	0	0	0	0	
<b>TOTAL OTH FINANCING/TRANSFERS</b>	<b>(708,350)</b>	<b>(805,133)</b>	<b>(420,084)</b>	<b>(840,068)</b>	<b>(419,984)</b>	<b>(838,933)</b>	<b>1,135</b>	<b>-0.1%</b>

<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$37,193</b>	<b>\$26,010</b>	<b>\$97,411</b>	<b>0</b>	<b>(\$104,911)</b>	<b>0</b>	<b>104,911</b>
Fund Balance - Beginning of Period	<b>\$264,114</b>	<b>\$301,307</b>	<b>\$327,317</b>				
Fund Balance - End of Period	<b>\$301,307</b>	<b>\$327,317</b>	<b>\$424,729</b>				
Check Total (Actual) - Rev Over (Under) Exp	37,192.93	26,009.99	97,411.44				
Check Total (Actual) - Fund Balance	301,307.08	327,317.07	424,728.51				

Total General Fund Expenses

Less Fiscal Disparity Levy

Less Non-Levy Revenue - General Fund

General Fund Levy

1,192,833
(43,820)
(174,209)
<b>974,804</b>
<b>0</b>

1,233,177	This is the balancing formula for the General Fund Levy
(49,525)	
(180,209)	
<b>1,003,443</b>	
<b>0</b>	

City of Afton  
3033 St. Croix Trl, P.O. Box 219  
Afton, MN 55001

# Meeting Date Sept. 16, 2016

## Council Memo

To: Honorable Mayor Bend and Members of the City Council

From: Ron Moorse, City Administrator

Date: September 12, 2016

Re: Maintenance of the Western Segment of Upper 34<sup>th</sup> Street

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### Background

The residents at the top of the hill on Upper 34th Street have historically maintained the roadway. They contract with a private contractor for snow removal and one of the residents does grading of the roadway as needed. A review of this maintenance arrangement by the City Attorney resulted in the opinion that there is potential liability for those who maintain the roadway. While this has been the case over the years, because the residents are now aware of the potential liability they are reluctant to perform the maintenance. The roadway is currently in need of maintenance – adding lime rock and grading ruts. This maintenance needs to be done in the near future. The roadway will also require snow plowing in the winter.

### Maintenance Arrangement/Agreement

At its special meeting of August 29, 2016, the Council directed staff to draft a letter of agreement with the three property owners at the top of the hill that would enable the City to address the short-term maintenance needs of the roadway, subject to the property owners agreeing to pay the cost of the maintenance work. Staff drafted a letter of agreement, provided the agreement to the City Attorney for review, and sent the agreement to the three property owners. The property owners are opposed to paying the cost of the maintenance and believe the City has some level of responsibility for the maintenance of a road that serves the general public and that has been designated as a minimum maintenance road. A copy of the response from the property owners is attached.

### Road Maintenance Responsibility

In order to address the issue of the short term road maintenance needs, as well as the issue of the long term maintenance of the road, it is necessary to be clear about the City's level of responsibility for the maintenance of the road. The City Attorney is going to provide a legal opinion regarding the City's responsibility prior to the work session, and will attend the work session.

City of Afton  
3033 St. Croix Trl, P.O. Box 219  
Afton, MN 55001

# Meeting Date Sept. 16, 2016

## Council Memo

To: Honorable Mayor Bend and Members of the City Council

From: Ron Moorese, City Administrator

Date: September 13, 2016

Re: Lower St. Croix Valley Fire Relief Association Request for Pension Benefit Increase

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The Lower St. Croix Fire Relief Association has requested the City to approve a firefighter pension benefit increase from \$ 3,250 per year of service to \$3,400 per year of service. The Relief Association's pension fund currently has a surplus of assets over liabilities of 123%. The pension increase would reduce the surplus to 113%. The Relief Association believes the 113% surplus is a sufficient funding level to enable the requested benefit increase. A 13% surplus provides a minimal level of assurance against a funding deficit. If there was a funding deficit, the city would be obligated to contribute to the pension fund until the deficit was eliminated.

Attached is a schedule from the recent Relief Association audit report showing the net position available for benefits and the funded ratio over the past ten years. The fund was in a deficit position from 2008 to 2011, which required contributions from the cities to fund the deficit. In 2013, the fund had a 15% increase in its net position available for benefits and in 2014 the fund had a 5% increase in its net position available for benefits. At that time, a pension benefit increase was approved. In 2015, the fund had an increase of less than 1% in its position available for benefits. It appears that the current net position available for benefits is substantially due to the one large increase in 2013.

LOWER ST. CROIX VALLEY FIREFIGHTERS RELIEF ASSOCIATION  
SPECIAL FUND - PENSION TRUST FUND  
SCHEDULE OF FUNDING PROGRESS  
TEN YEAR SCHEDULE  
(UNAUDITED)

Exhibit 1

Valuation Date	Net Position Available for Benefits	Accrued Liability	Assets in Excess of (Underfunded) Accrued Liability	Funded Ratio	Pension Benefit Per Year of Service
12/31/2006	\$1,113,662	\$759,727	\$353,935	146.6%	\$2,600
12/31/2007	1,113,662	946,097	167,565	117.7%	3,100
12/31/2008	831,057	1,029,150	(198,093)	80.8%	3,100
12/31/2009	989,191	1,035,375	(46,184)	95.5%	3,100
12/31/2010	1,123,602	1,101,689	21,913	102.0%	3,100
12/31/2011	1,130,563	1,140,707	(10,144)	99.1%	3,100
12/31/2012	1,215,349	1,111,774	103,575	109.3%	3,100
12/31/2013	1,418,942	1,084,556	334,386	130.8%	3,100
12/31/2014	1,492,890	1,184,543	308,347	126.0%	3,250
12/31/2015	1,504,506	1,242,910	261,596	121.0%	3,250

The Association is comprised of volunteers; therefore, there are no payroll expenditures (i.e., there are no covered payroll amounts or percentage calculations).

Accrued liability calculation pursuant to Minnesota Statutes Section 424A.

**City of Afton**  
**3033 St. Croix Trl, P.O. Box 219**  
**Afton, MN 55001**

# **Meeting Date Sept. 16, 2016**

## **Council Memo**

To: Honorable Mayor Bend and Members of the City Council

From: Ron Moorse, City Administrator

Date: September 13, 2016

Re: State of the City Letter

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Mayor Bend would like to send a State of the City letter to all residents and businesses in the city to update them on the City's accomplishments over the past year as well as the challenges and opportunities of 2017 and beyond. Mayor Bend is preparing a draft letter for the Council's review at the September 16 work session.