



WILLMAR



FINANCE

City Office Building
Box 755
Willmar, Minnesota 56201
320-235-4984
FAX: 320-235-4917

FINANCE COMMITTEE MEETING
4:45 P.M., Wednesday, November 14, 2012
City Office Building Conference Room No. 1

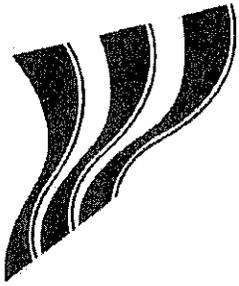
Chair: Denis Anderson
Vice Chair: Rick Fagerlie

Members: Jim Dokken
Tim Johnson

AGENDA

- 1) Public Comment
- 2) Accept Project 1202 and Authorize Final Payment
- 3) LELS 2011 Back Pay Appropriation
- 4) Approve Willmar Municipal Utilities Agreement
- 5) Willmar Baseball Boosters Allocation
- 6) Kandiyohi County Historical Society Allocation
- 7) Public Improvement Revolving Fund Possible Consolidation
- 8) Reports
 - A. October Local Option Sales Tax
 - B. October CVB
 - C. October WRAC-8
- 9) Future Meeting Agendas
 - A. November 26th
 1. Rice Memorial Hospital Budget Presentation
 2. MUC Budget Presentation
 - B. Fund Balance Discussion
- 10) Miscellany
- 11) Adjourn





**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: _____

Meeting Date: November 14, 2012

Attachments: Yes No

CITY COUNCIL ACTION

Date: November 19, 2012

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: Engineering

Action Requested: Accept Project No. 1202 and Authorize Final Payment to Ellingson Drainage, Inc.

Guiding Principle: Staff hereby submits to the City Council the final pay request to Ellingson Drainage, Inc.

Introduction: Ellingson Drainage, Inc. has finished all work on the project. City Engineering staff has reviewed the construction on the project for conformance to the contract and has received the project closeout material to issue final payment on the project.

Background/Justification: The City Council entered into an agreement with Ellingson Drainage, Inc. on July 11, 2012 for the relocation of the water main at Mn/DOT Headquarters. The final pay request with quantities has been submitted to the City for consideration. The final contract amount came in under the original amount due to liquidated damages for construction completed beyond the completion date.

Fiscal Impact:

ORIGINAL CONTRACT AMOUNT:	\$124,740.00
ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$125,429.58
Less Liquidated Damages	\$4,200.00
Less Previous Payment	\$90,985.59
FINAL PAYMENT DUE CONTRACTOR:	\$30,243.99

Alternatives: N/A

Staff Recommendation: Accept Project No. 1202 and authorize final payment to Ellingson Drainage, Inc. in the amount of \$30,243.99.

Reviewed by: Lynden Wittman, Senior Engineering Technician

Preparer: Janell Sommers, Engineering Secretary

Signature: *Lynden Wittman*

Comments:

CONTRACTOR'S ESTIMATE NO. 2 (FINAL)
PROJECT NO. 1202

CONTRACTOR: ELLINGSON DRAINAGE, INC.
BOX 68
WEST CONCORD, MN 55985

CONSTRUCTION OF: RELOCATION OF WATER MAIN

LOCATION: MnDOT DISTRICT 8 HEADQUARTERS, TRANSPORTATION DRIVE NE

DATE: OCTOBER 25, 2012

HONORABLE MAYOR AND CITY COUNCIL
CITY OF WILLMAR, MINNESOTA

IN ACCORDANCE WITH THE CONTRACT WITH ELLINGSON DRAINAGE, INC.

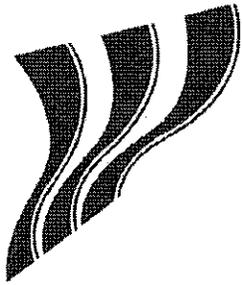
I HEREWITH PRESENT THE FOLLOWING ESTIMATE

1202					
ITEM NO.	ITEM	UNIT	QUANTITY	BID	TOTAL
2104.501	Remove Concrete Curb/Curb and Gutter	LF	69.6	\$4.75	\$330.60
2104.505	Remove Bituminous Pavement	SY	239.4	\$4.75	\$1,137.15
2504.603	16" Water Main Open Cut	LF	11.2	\$96.00	\$1,075.20
2504.603	16" Water Main HDPE Directionally Drilled	LF	716.3	\$120.00	\$85,956.00
2504.602	F&I 16" Buterfly Valve And Box	EA	2	\$3,500.00	\$7,000.00
2504.602	1" Corporation Stop	EA	1	\$50.00	\$50.00
2504.602	1" Tapping Saddle	EA	1	\$500.00	\$500.00
2504.608	Water Main Fittings	LB	1,755	\$5.65	\$9,915.75
2451.602	Granular Foundation / Bedding	TON	32.80	\$32.00	\$1,049.60
2451.602	Rock Stabilization	TON	58.13	\$40.00	\$2,325.20
2211.501	F&I Aggregate Base (Class 5)	TON	107.13	\$16.00	\$1,714.08
2360.501	Type SP 12.5 Wearing Course Mixture (B)	TON	40.67	\$160.00	\$6,507.20
2360.502	Type SP 12.5 Non Wearing Course Mixture (B)	TON	37.37	\$160.00	\$5,979.20
2357.502	Bituminous Material For Tack	GAL	20	\$4.00	\$80.00
2531.501	Concrete Curb and Gutter, Design B624	LF	69.6	\$26.00	\$1,809.60
TOTAL PROJECT 1202					\$125,429.58
(Price includes all applicable sales and use taxes)					
LESS LIQUIDATED DAMAGES (SEE ATTACHED CALENDER)					\$4,200.00
SUBTOTAL:					\$121,229.58
LESS PREVIOUS ESTIMATE #1					\$90,985.59
LESS PREVIOUS ESTIMATE #2					
LESS PREVIOUS ESTIMATE #3					
LESS PREVIOUS ESTIMATE #4					
AMOUNT DUE CONTRACTOR THIS ESTIMATE:					\$30,243.99

APPROVED: _____
CITY ENGINEER

APPROVED: _____
CONTRACTOR

CONTRACT AMOUNT: \$124,740.00
BUDGET NO.: 412.48451.0336



**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: _____

Meeting Date: November 19, 2012

Attachments: Yes No

CITY COUNCIL ACTION

Date: November 19, 2012

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: City Administrator

Action Requested: Approve LELS 2011 Back Pay Appropriation.

Background/Justification:

In August of 2012, the City of Willmar received an interest arbitration award for the Law Enforcement Labor Services, Inc. and City of Willmar for the contract years 2011 and 2012. On November 5, 2012, the City Council approved by resolution the implementation of the wage award. The wage award is as follows.

2011: Patrol Officers, 1%; Sergeants 2%, effective January 1, 2011.
2012: Patrol Officers, 1%; Sergeants 2%, effective January 1, 2012.

Fiscal Impact: The back wages and overtime adjustments for 2011 total \$22,538.19. No benefits are included. The recommendation is to appropriate \$21,146.78 from police department wages to non-departmental wages and \$1,391.41 to non-departmental overtime.

Alternatives: Failure to implement an arbitration award is grounds for an unfair labor practice. The City must implement the award.

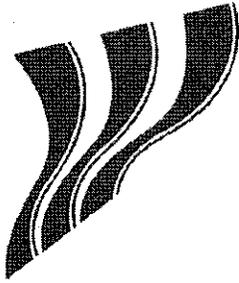
Staff Recommendation: Approve the LELS Back Pay Appropriation and allocate funds in the amount of \$22,583.19 from to non-departmental wages and non-departmental overtime.

Reviewed by: C. Stevens

Preparer: C. Stevens

Signature:

Comments: N/A.



**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: 4
Meeting Date: November 19, 2012
Attachments: Yes No

CITY COUNCIL ACTION

Date: November 19, 2012

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: City Administrator

Action Requested: Approve the Intergovernmental Transfer Agreement between the City of Willmar and Willmar Municipal Utilities for 2013 and 2014.

Background/Justification:

The current intergovernmental agreement with the WMU expires at the end of December 2012. The Finance Committee Chairman, City Administrator and Finance Director have negotiated a new agreement for 2013 and 2014. The agreement calls for a 4.9% transfer payment based upon the WMU's audited net worth, with a cap not to exceed a 4% increase over the amount of the intergovernmental transfer for the previous year.

Fiscal Impact: The City will realize a revenue increase of approximately \$76,753.

Alternatives: Renew the agreement at the current rate of 4.8% and/or change the term of the agreement.

Staff Recommendation: Approve Intergovernmental Transfer Agreement between the City of Willmar and the WMU for 2013 and 2014 at the recommended 4.9% of audited net worth and authorize the Mayor and City Administrator to sign.

Reviewed by: C. Stevens

Preparer: C. Stevens

Signature:

Comments: N/A.

**AGREEMENT FOR PAYMENT
OF INTERGOVERNMENTAL TRANSFER**

THIS AGREEMENT made and entered into this _____ day of _____, 2012, by and between the City of Willmar (hereinafter referred to as City) and the Municipal Utilities Commission of the City of Willmar (hereinafter referred to as MUC), WITNESSETH:

WHEREAS, the City and MUC have previously entered into agreements whereby MUC would remit to the City annually negotiated payments referred to as an intergovernmental transfer; and

WHEREAS, the parties are desirous of extending the terms and conditions for establishing the amount of annual intergovernmental transfers;

NOW, THEREFORE, BE IT RESOLVED by and between the parties as follows:

- A. The 2013 and 2014 transfer payments shall be 4.90 percent of the Municipal Utilities audited net worth, but not to exceed a 4 percent increase in the amount of the intergovernmental transfer payment of the previous year.
- B. Annual transfer payments shall be made in full to the City provided the Utilities net revenues will not be reduced to a point where the debt coverage ratio is less than 1.25 times debt service as may be stated in bond covenants.
- C. Equal installments in the amount of one quarter of the annual payment shall be made on March 30, June 30, September 30, and December 30, of each year.
- D. The parties hereby agree that the terms and conditions shall be in effect through December 31, 2014, and that no provisions of this agreement shall be amended without the written consent of both parties. The parties agree that the terms and conditions shall be in effect each year thereafter until such time the parties shall reach a new agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed in their corporate names and seals affixed thereto the day and year first above written.

CITY OF WILLMAR

MUNICIPAL UTILITIES COMMISSION

By: _____
Mayor

By: _____
President

By: _____
City Administrator

By: _____
Secretary



WILLMAR



CITY ADMINISTRATOR

City Office Building
Box 755
Willmar, Minnesota 56201
320-235-4913
FAX: 320-235-4917
www.ci.willmar.mn.us

MEMORANDUM

TO: Finance Committee
FROM: Charlene Stevens, City Administrator 
DATE: November 8, 2012
RE: **PAYMENTS TO BASEBALL BOOSTERS AND HISTORICAL SOCIETY**

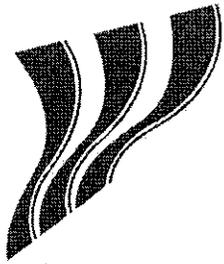
The Willmar City Council has acted to fund the Baseball Boosters in the amount of \$13,000 in the 2013 Budget and the Kandiyohi Historical Society in the amount of \$1,000 per year for five years beginning in 2013.

Council Members have also proposed funding all or a part of either or both allocations from the 2012 budget, thereby reducing costs in 2013 and eliminating on-going payments and tracking of the obligation.

There are sufficient funds within the 2012 budget, due to unspent funds, such as salary and/or professional services that could be utilized to pay the allocations should the Finance Committee and City Council wish to make that recommendation.

If both obligations were paid in full in 2012, the total cost would be \$18,000: \$13,000 for Willmar Baseball Boosters Association and \$5,000 for the Kandiyohi Historical Society. Obligations could also be split over 2012 and 2013. Staff is looking for direction from the Finance Committee prior to the November 26th Budget Workshop.





**City of Willmar
Local Option Sales Tax
Balance Sheet As of October 31, 2012
As of 11/05/12**

Assets

Cash	\$ 2,734.92
Investments	7,902,535.79
Taxes Receivable	-
Due From C.P.-Airport	-
Interest Receivable	-

Total Assets \$ 7,905,270.71

Liabilities

Due to C.P. LOST	\$ -
Due to Other Governmental Units	-
Total Liabilities	<u><u>-</u></u>

Fund Balance

Restricted Fund Balance	7,905,270.71
Restricted Fund Balance - LOST	-
Restricted Fund Balance - EDA	-
Total Fund Balance	<u><u>7,905,270.71</u></u>

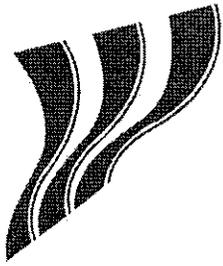
Total Liabilities and Fund Balance \$ 7,905,270.71



City Of Willmar
Local Option Sales Tax
Comparative Income and Expense Statement
For the Period Ending October 31, 2012
(As of 11/05/12)

	<u>Budget</u>	<u>2012 Actual</u>	<u>2011 Actual</u>
<u>Revenues</u>			
Sales/Use Tax	\$ 1,800,000.00	\$ 1,197,695.06	\$ 1,110,593.13
Excise Tax	50,000.00	35,440.00	38,550.00
Interest Earnings	75,000.00	70,367.36	49,610.47
Market Value Adjustment	-	20,419.89 *	72,561.02 *
Refunds/Reimbursements	-	160.00 *	-
Transfer In - C.P. Airport	-	330,716.00 *	-
Total Revenues	\$ 1,925,000.00	\$ 1,654,798.31	\$ 1,271,314.62
<u>Expenditures</u>			
Other Charges	\$ -	\$ 19,067.57 *	\$ 16,653.21 *
Transfer Out - Industrial Dev.	5,868,889.00	-	-
Transfer Out - C.P. 2010	-	-	-
Refunds/Reimbursements	-	160.00 *	-
Market Value Adjustment	-	13,290.42 *	17,203.66 *
Total Expenditures	\$ 5,868,889.00	\$ 32,517.99	\$ 33,856.87
Net Income (Loss)	\$ (3,943,889.00)	\$ 1,622,280.32	\$ 1,237,457.75
Fund Balance January 1	6,282,990.39	6,282,990.39	2,416,756.29
Prior Period Adjustment	-	-	-
Fund Balance October 31	\$ 2,339,101.39	\$ 7,905,270.71	\$ 3,654,214.04

* Indicates Over Budget



City of Willmar
Local Option Sales Tax Capital Projects Fund
Balance Sheet As of October 31, 2012
(As of 11/05/12)

Assets

Cash	\$ 15,638.81
Due From LOST Special Revenue Fund	-
Due From Other Governmental Units	-
Total Assets	\$ 15,638.81

Liabilities

Deferred Revenue	\$ -
Total Liabilities	-

Fund Balance

Designated - Civic Center Connection	3,675.14
Assigned Fund Balance	11,963.67
Total Fund Balance	15,638.81

Total Liabilities and Fund Balance **\$ 15,638.81**



City Of Willmar
Local Option Sales Tax Capital Projects Fund
Comparative Income and Expense Statement
For the Period Ending October 31, 2012
(As of 11/05/12)

	<u>Budget</u>	<u>2012 Actual</u>	<u>2011 Actual</u>
<u>Revenues</u>			
Interest Earnings	\$ -	\$ -	\$ -
Refunds & Reimbursements	-	-	-
Transfer In - L.O.S.T.	-	-	-
Total Revenues	\$ -	\$ -	\$ -
<u>Expenditures</u>			
Airport Development	\$ -	\$ -	\$ -
Industrial Park Development	-	2,498.25 *	-
Civic Center Annex	-	-	-
Land Development	-	-	-
Bike Path Projects	-	-	-
Total Expenditures	\$ -	\$ 2,498.25	\$ -
Net Income (Loss)	\$ -	\$ (2,498.25)	\$ -
Fund Balance January 1	18,137.06	18,137.06	(48,621.94)
Prior Period Adjustment	-	-	-
Fund Balance October 31	\$ 18,137.06	\$ 15,638.81	\$ (48,621.94)

* Indicates Over Budget



City of Willmar
CONVENTION & VISITORS BUREAU
Balance Sheet as of October 31, 2012
(As of 11/05/12)

Assets

Cash	\$	855.09
Petty Cash		50.00
Investments		187,087.94
Taxes Receivable		-
Accounts Receivable		-
Prepaid Expenses		9,319.17
Interest Receivable		-
Total Assets	\$	197,312.20

Liabilities

Accounts Payable	\$	-
Due to General Fund		-
Due to Capital Improvements		-
Total Liabilities		-

Fund Balance

Restricted Fund Balance - CVB		13,319.41
Committed Fund Balance - CVB		31,193.62
Assigned Fund Balance - Petty Cash/CVB		50.00
Assigned Fund Balance - CVB		152,749.17
Total Fund Balance		197,312.20

Total Liabilities & Fund Balance **\$ 197,312.20**





City of Willmar
CONVENTION & VISITORS BUREAU
COMPARATIVE INCOME STATEMENT
 For the Period Ended October 31, 2012
 (As of 11/05/12)

	<u>Budget</u>	<u>2012 Actual</u>	<u>2011 Actual</u>
<u>Revenues</u>			
Lodging Receipts	\$ 140,000.00	\$ 126,640.26	\$ 122,195.11
State Tourism Grant	-	4,922.16 *	6,462.36 *
Kandiyohi County	15,000.00	-	-
Kandiyohi Co. Tourism Phone Reim	1,000.00	-	-
Kandiyohi Co. Tourism Partnerhip	34,000.00	34,000.00	34,000.00
Advertising Sales	4,000.00	2,653.50	-
Miscellaneous	-	1,105.00 *	233.95 *
Interest Earnings	6,000.00	2,428.87	3,853.46
Market Value Increase (Decr)	-	651.07 *	5,374.53 *
Refunds & Reimbursements	-	2,514.91 *	1,096.45 *
Total Revenues	200,000.00	174,915.77	173,215.86
<u>Expenditures</u>			
Operating			
Full Time Exec Director Salary	81,000.00	53,868.10	47,090.51
Temporary Employee Salaries	-	-	1,762.91 *
Benefits and Taxes	19,000.00	11,894.90	10,689.01
Office Supplies/Copies	2,900.00	1,943.16	1,572.05
Small Tools	-	751.59 *	483.18 *
Postage	1,100.00	866.12	129.88
Mtce. of Equipment	1,000.00	-	52.50
General Supplies	1,800.00	350.92	2,338.72
Telephone/Fax	3,900.00	3,037.03	2,219.58
Printing & Publishing	2,000.00	1,453.70	668.80
Travel/Lodging/Dues	4,700.00	4,689.06	3,695.33
Mtce. of Equipment	-	-	-
Other Services	-	722.03 *	196.49 *
Rents	8,000.00	5,639.49	5,012.88
Insurances & Bonds	350.00	355.00 *	330.00
Awards & Indemnities	200.00	256.50 *	456.50 *
Subscription/Membership	1,500.00	1,562.19 *	2,752.78 *
Professional Services	2,400.00	2,598.00 *	2,050.00
Advertising/Marketing	-	-	-
Other Charges			
Contingency Fund	5,300.00	4,105.07	12.50
City Transfer (5%)	7,000.00	-	-
Transfer Out Capital Improvement	-	-	-
Refunds and Reimbursements	-	39.32 *	410.00 *
Market Value Adjustment	-	574.43 *	2,168.31 *
Tourism Expenses	34,000.00	37,793.34 *	29,142.70
Ad Development & Revisions	250.00	-	-
Conference & Convention	21,000.00	14,448.12	14,546.11
Group Tour Promotions	2,000.00	1,972.00	3,972.46 *
Leisure Travel	21,000.00	25,990.08 *	8,614.57
Fall/Winter Promotions	6,000.00	2,992.05	1,560.32
Spring/Summer Promotions	-	-	-
Special Projects	7,000.00	4,500.00	4,250.00
Strategic Marketing	6,000.00	3,123.52	5,326.15
Total Expenditures	239,400.00	185,525.72	151,504.24
Net Income (Loss)	(39,400.00)	(10,609.95)	21,711.62
Fund Balance January 1	207,922.15	207,922.15	211,651.32
Prior Period Adjustment	-	-	-
Fund Balance October 31	<u>\$ 168,522.15</u>	<u>\$ 197,312.20</u>	<u>\$ 233,362.94</u>

* Indicates Over Budget





WILLMAR
Finance

City of Willmar
W.R.A.C - 8
Balance Sheet as of October 31, 2012
(As of 11/05/2012)

Assets

Cash	\$	3,051.39
Investments		219,318.01
Taxes Receivable		-
Accounts Receivable		-
Prepaid Expenses		675.00
Interest Receivable		-
Total Assets	\$	223,044.40

Liabilities

Accounts Payable	\$	-
Accrued Wages Payable		-
Due to S.A.B.F. 2011		-
Due to Capital Improvements Fund		-
Total Liabilities		-

Fund Balance

Restricted Fund Balance		1,777.69
Committed Fund Balance		39,701.00
Assigned Fund Balance		181,565.71
Total Fund Balance		223,044.40

Total Liabilities & Fund Balance **\$ 223,044.40**





CITY OF WILLMAR
W.R.A.C. - 8
COMPARATIVE INCOME STATEMENT
For the Period Ending October 31, 2012
(As of 11-05-12)

	<u>Budget</u>	<u>2012 Actual</u>	<u>2011 Actual</u>
<u>Revenues</u>			
Franchise Fees	\$ 225,000.00	\$ 113,046.14	\$ 115,682.86
Interest Earnings	12,000.00	4,513.20	8,561.99 *
Sale of Materials	-	69.85 *	132.25 *
Market Value Increase	-	1,105.96 *	12,403.76 *
Refunds/Reimbursements	-	-	-
Telephone Reimbursement	-	15.80 *	25.92 *
Miscellaneous	-	-	-
Total Revenues	237,000.00	118,750.95	136,806.78
<u>Expenditures</u>			
Operating			
Full Time Salaries	76,968.00	54,700.03	57,425.10
Overtime Salaries	5,000.00	1,830.66	1,545.78
Temporary Salaries	5,700.00	9,214.00 *	8,719.00 *
Benefits and Taxes	44,315.00	34,338.46	36,869.44
Office Supplies/Copies	950.00	88.86	288.74
Small Tools	3,400.00	1,851.02	3,031.58
Postage	100.00	3.78	41.28
Mtce. of Equipment	200.00	1,061.70 *	314.70 *
Mtce. of Structures	400.00	1,223.40 *	318.46
Mtce. Of Other Improvements	-	-	-
Subsistence of Persons	80.00	-	-
Cleaning & Waste Removal	-	-	-
General Supplies	2,900.00	1,052.87	3,178.04 *
Telephone/Fax	1,200.00	1,029.24	1,469.79 *
Printing & Publishing	-	-	-
Utilities	4,200.00	4,985.92 *	4,681.73 *
Travel/Lodging/Dues	2,500.00	2,568.80 *	1,926.89
Mtce. of Equipment	1,400.00	1,032.80	653.29
Mtce. of Structures	500.00	528.14 *	353.75
Subsistence of Persons	-	-	-
Cleaning & Waste Removal	560.00	338.93	493.56
Other Services	75.00	-	240.00 *
Rents	800.00	480.00	320.00
Insurances & Bonds	300.00	300.06 *	217.00
Awards & Indemnities	-	-	40.00 *
Subscription/Membership	2,500.00	1,760.19	2,249.92
Licenses and Taxes	-	50.00 *	50.00 *
Professional Services	-	-	-
Advertising	1,000.00	365.56	270.75
Other Charges	-	-	-
Buildings & Equipment	-	-	-
Furniture & Equip	15,995.00	-	-
Transfer Out-Capital Improve	-	-	-
Transfer Out-General Fund	75,000.00	-	-
Refunds/Reimbursements	-	-	-
Market Value Adjustment	-	1,325.45 *	4,070.10 *
Total Expenditures	246,043.00	120,129.87	128,768.90
Net Income (Loss)	(9,043.00)	(1,378.92)	8,037.88
Fund Balance January 1	224,423.32	224,423.32	480,079.27
Prior Period Adjustment	-	-	-
Fund Balance October 31	\$ 215,380.32	\$ 223,044.40	\$ 488,117.15

* Indicates Over Budget

