



January 20, 2015

MAYOR AND COUNCIL

City Office Building
Box 755
Willmar, Minnesota 56201
320-235-4913
FAX 320-235-4917

STATE OF THE CITY ADDRESS

Tonight as I deliver my first State of the City Address I look back over a year of change at the City and also these chambers. We have seen long-term employees; Pat Erickson, Audrey Peterson, Leanne Freeman, Kevin Madsen, Dave Wyffels and Julie Asmus retire in the past year. Like many organizations, we are transitioning with our staff and losing some institutional knowledge along the way. Of course, this has also brought us an opportunity for new staff to join our organization, bringing new perspectives and new talents to our community. We have also introduced youth to our council table, welcome Council Member Plowman. I personally look forward to your insight and wisdom as we embrace younger thoughts in our decision-making process.

Over the past year I have attended a number of council meetings and I believe that gives me an advantage to hit the ground running rather than trying to play catch up and learn the issues facing Willmar. I also attended council meetings for over 13 years as a department director and now can see both sides of the issues we face.

I want to first speak a little bit about 2014, before I talk about 2015.

Last year the City of Willmar grew its tax base in residential, adding 14 new housing units, with an added tax capacity of \$4.3 million. Its commercial and industrial tax capacity also saw an increase by over \$47 million. This includes projects such as Bethesda's Campus expansion (\$17,500,000); Jennie-O Turkey Stores' Corporate Expansion (\$6,000,000) and MNDOT office remodel and update (\$6,000,000). Over 21 new businesses opened in our community in the past year, including Aldi's, Hardee's and Taco Bell. We should celebrate the increased tax base and work to build on this for 2015.

We are fortunate to serve as a regional center for West Central Minnesota. We are blessed with Rice Memorial Hospital and strong medical clinics in APMC and Family Practice Medical Group, all of whom are exploring new ways to work more closely together in this changing health care climate. This also includes expanding physicians' specialties and hospital coverage.

Contracts were awarded to complete infrastructure in our industrial park, add hiking and biking trails, and we started our western interceptor and Lakeland Drive sewer projects. Just under one-quarter mile of roads were constructed last year and for 2015 we are planning over 1.25 miles of reconstruction. We all recognize the need to catch up on our street maintenance.

Our community saw some wonderful recognition outside of the region with the crowning of Laura Swartz as Aquatennial Queen and The Light of the World Display recognized as "Best in Minnesota."

Also in the past year, we saw 100s of citizens become engaged in our community's future through Vision 20/40. Citizen efforts led to our first ever "Movies in the Park," the launch of two Leadership programs: Vision 2040 Leadership and WeLEAD. Citizens are still working on a dog park, affordable housing, diversity, supporting our downtown and many more projects!

The four focus areas of Vision 20/40 are Leadership Development, Welcoming Newcomers, Developing More Things to Do and Improving the Economic Vibrancy of the Region, these are unquestionably solid goals for this City Council and Mayor to support.

I have identified a few areas that are important to me in the coming year.

First, I want to improve how we work as a City Council. The public expects their elected officials to get their work done, have dedicated employees and serve the public. So how do we develop our leadership team and develop trust in our elected body? We work together and we stop holding grudges. I have been working with City Administrator Stevens to hold a retreat in the near future so we can have these frank conversations. A citizen told me a few days ago, deal with the elephant in the room first and then you can get to the real business at hand. I am committed to working as a team and starting today we all have a new opportunity to do the same. We have to stop blaming our past, set concrete goals for our future and get after it!

Second, I want to hang our “Willmar is open for business” sign and make it real. There are models for us to follow to improve the business climate here in Willmar. One only needs to look at Shakopee and see what they did..., once empty downtown retail spaces now have waiting lists for occupants. Why is that? Because their council developed a policy and allowed their staff to recruit accordingly. If projects are developed based on good council policy, there should be little room for criticism when a project reaches the final decision process. We have tools in our tool box. Now, let’s allow our staff to use them.

We are the major economic engine for West Central Minnesota and our industrial park is ready for expansion and new businesses. I welcome all jobs and am willing to visit with any and all industry or businesses that want to locate here. We also need to embrace our local Chamber and again partner with them. Growing existing industry and business will be key to job growth in the future.

We need to continue our support of the railroad wye project and work to get a rail spur into our industrial park. We also must support filling the gap on Highway 23 so we have four lanes between St Cloud and Willmar.

Third, I am looking forward to receiving the final report and recommendations for the Master Park Plan in February. I want us to support this plan and see how this can be added to our overall capital planning. Having the majority of our park equipment exceeding 20 years of useful life is unacceptable in my opinion. We need to develop a plan that will encourage younger people to locate to our area. Having a community that understands investing in our future makes sense and is something we should embrace.

Fourth, we need responsible budgeting, Willmar has been fiscally conservative for many years and we are in a strong financial position today. We can pay the bills and keep the doors open. Is that what we want? Just keep the doors open? We have delayed infrastructure improvements at the expense of the bottom line.

With budget shifts taken last year we depleted WRAC 8 funds, transferred unspent capital, spent down reserves, borrowed from the Public Investment Revolving Fund, and decreased our Insurance Reserve Fund to cover only a portion of the required improvements

needed at the city auditorium! Those actions will have a negative impact on budgets for the coming years. The levy increase of \$250,000 for 2015 is recommended to repay the PIR fund, yet that repayment takes \$250,000 away from new projects. The repayment to the insurance fund will take \$30,000 to \$40,000 annually away from the General Fund. The Cable Reserve Fund will not be replenished per the 2015 Adopted Budget.

These types of decisions will challenge us as we move forward to develop our 2016 Budget. "Find the money" is a saying I have heard repeatedly. We must budget responsibly for today and for our future. We must recognize the costs and value of providing quality services to the public!

Finally, as we look forward, we need to remember that staff vacancies and staff turnover are not necessarily a sign of a healthy city. We need to review our organizational chart, compensation plan and our employee benefits plan. I will recommend hiring a full-time human resource director to assist our City Administrator. Our organization is too large to continue without the management structure in place for one of our most important assets – our employees.

I was elected on the platform of Vision, Leadership and Collaboration. It is my intent to live up to what I told the voters I would do. I hope everyone here this evening is willing to commit to assisting our staff and our community as well.

We have a great community! I look forward to serving as your mayor and I will do my part to make Willmar a better place to live, work and raise a family!