

CITY OF FALCON HEIGHTS
Regular Meeting of the City Council
City Hall
2077 West Larpentour Avenue
MINUTES
May 12, 2021 at 7:00 P.M.

NOTE: THIS MEETING WAS HELD BY WEB CONFERENCE

- A. CALL TO ORDER: 7:04PM
- B. ROLL CALL: ANDREWS X GUSTAFSON X LEEHY X

MIAZGA WEHYEE

STAFF PRESENT: THONGVANH X

- C. PRESENTATION
1. 2020 Year-End Annual Audit Report

Matt Mayer, Bergan KDV

We have prepared an independent auditor's report, which provides a true and accurate depiction of the City's financial statements. The audit for 2020 was very clean and reflects positively on the City and its staff. The City's fund balance has progressively increased in the last five years. The fund balance is equal to total assets minus total liabilities. Revenue for the year was increased over 2019, part of this was a conscious decision by the Council but it was also due to influx of COVID-19 funds. The City chose to use the funds for public safety through its police contract, so this had a positive impact on the general fund.

The City's budget was 2.8 million in spending and revenue; revenue came in better than expected and spending for the year was under budget.

The sanitary sewer fund showed a less favorable year. There was a change in revenue based on decreased water usage for the State Fair and at the University of Minnesota due to COVID-19. These entities pay based on water usage, so this revenue was lower than expected last year. There is still a healthy fund balance in the sanitary sewer fund.

The storm drainage fund was shielded from impacts due to COVID-19 since it's charged based on typical usage, not actual. The fund has a balance of \$200K, so it's a good one to grow in the future to provide for capital improvement projects in the future.

Administrator Thongvanh

Based on the results of this audit, we should be able to fund the community park building by at least 50% so that should result in us not needing to increase the levy to cover this project.

Motion to accept and approve the Year-End 2020 Audit Report by Council Member Andrews;
Approved, 3-0.

- D. APPROVAL OF MINUTES:
1. April 7, 2021 City Council Workshop Minutes
 2. April 14, 2021 City Council Regular Minutes

Motion to approve the minutes by Council Member Leehy;
Approved, 3-0.

E. PUBLIC HEARINGS:

F. CONSENT AGENDA:

1. General Disbursements through: 5/7/21 \$204,937.08
Payroll through: 4/30/21 \$19,550.37
2. City License(s)
3. Polling Place Agreement
4. Appointment of Laure Campbell to the Community Engagement Commission

Motion to approve the consent agenda by Council Member Andrews;
Approved, 3-0.

G. POLICY ITEMS:

1. Amber Union Project - Conduit Revenue Bonds

Catherine Courtney, Taft Law

There are two resolutions before you this evening related to the Amber Union project. The first resolution is to authorize the issuance of the next series of bonds will be part of the overall financing for the project.

After the meeting tonight, we will continue drafting the agreements and we will send signature pages for the mayor and administrator to sign. We do have a deadline to close on these bonds on July 9 but we are trying to close by the end of June.

Motion to approve Resolution 21-19 and authorize Mayor and City Administrator to execute all necessary documents related to passage of the resolution by Council Member Leehy;
Approved, 3-0.

2. Amber Union Project - Tax Increment Financing

Catherine Courtney, Taft Law

This resolution relates to the tax increment revenue note that will be given by the developer to the City. One of the lenders in the overall project are requesting an assignment of that note by the City to the lender. This resolution is to approve that assignment.

Mayor Gustafson

Their request makes it so that it's possible for us to do the TIF and have the project financed properly?

Catherine Courtney, Taft Law

Correct, it provides security for one of the other pots of money that is being used to finance the project.

Council Member Leehy

It seems to me like it's similar to requiring insurance to have a mortgage?

Catherine Courtney, Taft Law

Correct, it's a way of securing it. This is very typical on projects such as this.

Motion to approve Resolution 21-20 and authorize Mayor and City Administrator to execute all necessary documents related to passage of the resolution by Council Member Andrews;
Approved, 3-0.

Peter Deanovic, Buhl Investors

We are circulating projects for signatures to make sure that we are set for ground breaking, which we anticipate for mid- to late-June. Thank you for your partnership in trying to bring this asset back to life.

3. Order Feasibility Report and Set Public Hearing for Alley Improvements

City Engineer Freihammer

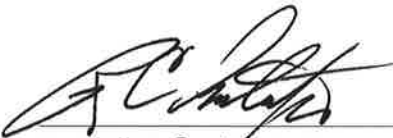
Staff received a petition from residents for improvements to the alleyway on Iowa and Idaho between Pascal and Arona Street. Instead of doing a bid for this project, we would just change order it to the current contract with have with the PMP this year. Staff recommend approval of the attached resolution ordering a feasibility report and setting a public hearing. We will bring this project to the contractor's attention at a construction meeting tomorrow.

Motion to approve Resolution 21-21 by Council Member Andrews;
Approved, 3-0.

H. INFORMATION/ANNOUNCEMENTS:


I. COMMUNITY FORUM:

J. ADJOURNMENT: 8:07PM



Randall C. Gustafson, Mayor

Dated this 13th day of May, 2021



Sack Thongvanh, City Administrator