

**CITY OF EXCELSIOR  
Hennepin County, Minnesota**

**MINUTES**

**City Council Work Session**

**Wednesday, February 15, 2012**

**1. Call to Order/Roll Call**

Mayor Ruehl called the meeting to order at 6:02 p.m.

Councilmembers present: Caron, Fulkerson, Olson, and Mayor Ruehl

Councilmembers absent: Miller

Charter Commissioners present: Bolles, Crow, Finch, Hartwich, Leafer,  
Mueller, Thompson, and Viesturs

Also Present: City Manager Luger, City Attorney Staunton, and City Clerk  
Johnson

**2. Agenda Approval**

Fulkerson moved, Caron seconded, to approve the agenda as presented.  
Motion carried 4/0.

**3. Proposed Draft Financial Reporting Document from Charter  
Commission**

Mayor Ruehl said that the City Council, the City's Financial Consultant Day, and City Attorney Staunton have reviewed the proposed financial reporting document from the Charter Commission. The Council has concluded that it is generally in favor of a Charter amendment that would set expectations for the Council and easily communicated to the public, and could assist in the budgeting, planning, and communication while allowing some flexibility. There could then be another document that could be more specific and address policy. Many of the documents listed in the proposed financial document are required by State Statute or are documents that the City has put together as part of the long term financial plan.

Mayor Ruehl said that the City Attorney has put together draft language that the City Council reviewed. It draws on language in the amendment and outlines a set of expectations versus specifics. The Council wanted to bring this draft to the Charter Commission and have a discussion.

Olson asked if the goal isn't to simplify the budget and financial data. Bolles said he would say understandable rather than simplified. The information needs to be presented in a manner that a layperson will understand.

**3. Proposed Draft Financial Reporting Document from Charter Commission – (Continued)**

Caron said another goal was to look at ways to communicate the data to the public. She suggested placing the financial documents on the City's website in a manner that people will understand and giving the people an opportunity to discuss the information.

Viesturs said that some people did not feel they had an opportunity to weigh in on the budget or have a role in the budgeting process.

Olson said he has found it interesting that people do not come to the meetings when the budget is discussed. Viesturs said it is because the people are either not aware of the meetings or are disturbed because they don't understand what is going on.

Bolles said people have to want to be informed and need to put in the effort to be informed.

Mayor Ruehl said that the Charter Commission provided a number of documents that other cities have put together, some of which have communication staff who put together the documents. He would hate to codify something in the City Charter when the City doesn't know what the communication pieces will be. The Council is in agreement that it wants a simplified summary for the public that can be refined until there is a document that works. The City can codify what it is doing and what it should be doing. Many of the documents are on the City's website already, so maybe it makes more sense to refine what the City already has and keep moving forward.

Bolles said his goal is to serve the people and to do the best job possible. The Charter Commission is trying to address the public's desires. It is important to keep taxes low, yet some of the things being proposed could add more costs. There needs to be a fine balance.

Mueller said it started when unexpected large expenditures were being discussed. These are the types of things the public wants to know about. The public wants to know the impacts and costs.

Olson said the people want to see the big picture; is that covered in the proposed financial reporting document. Mueller said the people want to know if costs are increasing and why. The information needs to be easy to understand and something the public can discuss.

Luger said that request is not out of line. Staff puts a lot of time in putting together the memo on the budget. Staff could take that memo and put it into a document for the residents.

**3. Proposed Draft Financial Reporting Document from Charter Commission – (Continued)**

Olson said he got lost because the proposed financial document is so long and complicated. He doesn't think it makes sense to put all of that information in the City's Charter. The City could put something together and email it to anyone who wanted to stay informed.

Mayor Ruehl said the City has bits and pieces of the information which is put together for the Council's meetings as it goes through the budgeting process. The last few years, he has also done a State of the City and he has highlighted certain key items. This is not an annual report, but it provides a summary that is easy to read and understandable and would help address the reporting aspect. Communicating to the public during the budget process is another piece by making sure the calendar is out there and the information is accessible. He is curious how to achieve that aspect.

Finch said the City's 56 page audit is on the City's website. How is it possible to take that document and reduce it to one page for simple people to understand?

Caron said that the audit does have a management summary. Finch said yes, but it is written in auditor's language.

Mayor Ruehl said he is looking for concrete examples. Putting together the information takes time and staff, but if it is important to do then it should be put together.

Finch said if the audit is the end of the year statement of the City and the Council doesn't read and understand it, how can anyone expect the citizens to read and understand it. Mayor Ruehl said the Council receives the audit prior to the Council meeting. Then at the regular Council meeting, the City's Auditor provides highlights from the management letter. That meeting is recorded and available to the public to view. After a few years it should be easier to identify what the key pieces of data are and those can be put in a summary.

Luger said that the City has a summary of the budget, but the City has not done a summary of the audit.

Mayor Ruehl said it is important to make sure the City can put together the data without creating a lot of extra work.

Mueller asked if the information can be divided into categories to make it easier to understand and interesting to the public. Mayor Ruehl said that people generally understand certain aspects. He noted that the City of Eden Prairie had a nice document. It seemed like it was the best written, best organized, and most simplified of all of the documents.

**3. Proposed Draft Financial Reporting Document from Charter Commission – (Continued)**

Crow asked if Eden Prairie's document could be used as the template. Mayor Ruehl said that the City of Eden Prairie has staff who works on communications.

Mayor Ruehl said there is legislation being discussed that will be introduced by the taxpayers association for object based accounting, which will put the information in a different format for relaying data to the public. Cities of 2,500 or less will be exempt, but all cities will need to categorize data differently than it currently does under State Statute.

Caron said that there is a lot of information on the City's website on the City's 2011 finances right now. One thing the Council has discussed is how to summarize the information. The Council is in agreement that there needs to be some sort of summary document that's more extensive than a letter.

Mark Gaylord, 182 Third Street, said he believes there are a lot of people who would like to see a summary of the City's finances. As a property owner, having something similar to a receipt would be helpful and understandable. A breakdown of where everyone's taxes are going.

Mayor Ruehl said one of the summary documents that the Council received had a dollar bill divided up with categories. There are other documents that the City could link to. The League of Minnesota Cities has a series of documents on understanding your taxes, tax bill, etc. The City of Excelsior only receives about 25% of the taxes.

Viesturs said there is a lot of talk about the City's website, website links, and emails, but there are a significant number of residents who are not computer savvy. The City needs to find alternate ways to communicate with residents.

Olson said that residents should be able to walk into City Hall or the Library to access the information.

Bolles said it is also reasonable for people to come to the meetings; it takes a commitment to be informed. The meetings when staff goes through the budget are most beneficial and residents can see how the budget transforms. It is frustrating to him when people complain that they don't know what's going on. Mayor Ruehl said it is a recurring theme, so why not make it as easy and understandable as possible within reason and then it is up to the people.

Viesturs asked if the City has sent out press releases. Mayor Ruehl said that the newspapers get the same documents as the Council does.

Viesturs said that the newspaper typically reports on what has happened, but do not necessarily touch on what will be discussed. Bolles said there is a section in the paper that identifies when the meetings will be held.

**3. Proposed Draft Financial Reporting Document from Charter Commission – (Continued)**

Olson said a lot of what is being discussed is the communication piece, and it would be easy to do email blasts.

Viesturs said a big part of what Charter Commissioner Finch drafted was a communication calendar. The citizens from the cities that the Charter Commission studied appreciated knowing when certain actions on the budget would occur.

Finch said one issue being discussed is communications. The Charter Commission submitted a document to the Council and rather than discuss the document with the Charter Commission the Council goes off and rewrites something else. There continues to be different opinions. Some people say they are too busy to attend meetings and want a summary of what the City is doing and where it is at financially. Others think the people should attend the meetings to get the information. The City could put together something that can be read in 10 minutes so people didn't need to attend multiple meetings to get the information. Placing things out on the City's website doesn't necessarily inform people. People are looking for a framework of when things will occur. It's no wonder that the City is having difficulty communicating with the public. This feels like a failure to him.

Mayor Ruehl said the Council had a meeting in September 2011 with the Charter Commission Task Force. The Council identified some questions it wanted to have addressed and the Council also requested some examples of the documents. The Charter Commission forwarded the answers to the questions and provided some sample documents. The Council reviewed the information that the Charter Commission forwarded and that is how we got to where we are today.

Finch said he believes the proposed financial document is relatively simple. It lays out the dates that certain tasks will happen. It has the City Manager putting out a report in the middle of the year outlining what the City spent last year and what the City plans on doing the current year.

Mayor Ruehl said that the City has always had a detailed budget calendar. The calendar hasn't been sent out to everyone but the meetings have been noticed. The City can make sure that the key dates are published.

Finch said the Chanhassen newspaper had a little paragraph that announced when the Council will be discussing the budget. Mayor Ruehl said that the City could publish the calendar in the spring newsletter so it goes out to everyone. The City also has the capacity to send out emails to people who sign up. The goal would be to move as much as possible to the City's website.

**3. Proposed Draft Financial Reporting Document from Charter Commission – (Continued)**

Hartwich said he believes this group is close to coming to a consensus. He does believe the City's website could be useful, but it needs some work. It took him 4 or 5 clicks to be able to access the City's budget. There are costs with publications. In order to continue to refine and modify the process it is important to make changes. It is not realistic to think that changes will bring more people to the Council meetings. Some issues are hot buttons and other issues go under the radar. It doesn't matter what the document is called; making changes is what is important. He would like to have a timetable from the Council so he has expectations and knows when something will happen. It is important to have a State of the City, to have a process that is as simple as possible, and to find easy ways for people to access the information.

Olson said to put things on the City's website could solve a lot of challenges. The City wants to put more energy into that aspect, but the City doesn't have the staff right now to do that.

Viesturs asked what the next step is. Whose court is this in and what decisions need to be made?

Mayor Ruehl asked if the Charter Commission is comfortable with a simplified amendment and starting the development of a policy and creating the documents. The City is in transition with staffing, so he is not sure how quickly something can be put together. If the Charter Commission likes the amendment, the City can put a timetable together and get it on a Council agenda.

Viesturs said she is not sure if the majority of the Charter Commission will want what the Council put together or different language. In speaking with other cities, the best amendments came about when the Council and Charter Commission were working together and going in the same direction. It's important that everyone on the Charter Commission have a discussion on the new language that the Council put together and it would be beneficial to have a timetable for the other documents at the same time.

The Council and Charter Commission discussed the process and timelines. The intent would be not to trigger any timelines with regard to a Charter Amendment.

Finch said that the Charter Commission had requested that the City Attorney provide a legal opinion on the document and that hasn't been received yet. That is important information that the Charter Commission needs when they review this.

Viesturs said it is her perception that there are people who like the dialogue that is in the document that the Charter Commission forwarded because of the calendar and communications aspect and it addresses the people's expectations. If the Council is going to move forward with the draft the

**3. Proposed Draft Financial Reporting Document from Charter Commission – (Continued)**

Council proposed, she thinks that the Charter Commission will have people asking them how these items will be addressed. Mayor Ruehl said that the Council can also outline a policy.

The Council said it would need to have a work session to work on the policy piece and also work through timelines so there is adequate time to have dialogue back and forth if need be.

Staunton suggested an alternative that would include proposed language for a Charter Amendment along with details on how staff should come forward with a policy that frames that up and provides timelines. Mayor Ruehl said if not in full policy language at least bullet points. Caron said she would prefer a draft policy.

Finch said if the draft the Council put together is the general language, why change the Charter at all. What do we gain or accomplish by putting this language in the Charter?

Staunton said if something is in a policy or ordinance, it can be rescinded. The Council thought it was important to have something in the City's Charter regarding financial and long term planning. If the language in the Charter is broader, even if something changes later there is some policy that is required. If there is a higher level of detail in an amendment, it's possible the language might become obsolete. Finch asked to have that put in writing when the information is sent back to the Charter Commission.

Caron said the Council is not sure that this draft will be the exact language. Part of what the Council is trying to accomplish is to find something that the majority can support. The City has gone through an incredible amount of change in the last three months. How the City will be staffed, what each person's role will be, and possible taxing changes on the State level. If the Charter is too specific it is harder to execute because you can't always foresee what will happen in the future.

Luger said she generally likes what was in the amendment from the Charter Commission and thinks it would be a good policy to strive for. The City is working toward becoming more sophisticated and more like a professional organization, but it's not quite there yet. She had hoped to have a Finance Director in place, but the City wasn't successful finding a candidate last fall. She is more confident that the City will be successful this time with the hiring process. It is her intent that the new Finance Officer position will have the time to do these reports.

Hartwich said to never underestimate transition. The City is in flux. The timeline can be a guideline and not necessarily a deadline.

**3. Proposed Draft Financial Reporting Document from Charter Commission – (Continued)**

Luger said she is concerned with what the perception is, because it is not the staff's intent to put the Charter Commission off.

**4. Other**

None

**5. Adjournment**

Fulkerson moved, Olson seconded, to adjourn the Work Session at 7:28 p.m.  
Motion carried 4/0.

Respectfully submitted,

Cheri Johnson  
City Clerk