

**CITY COUNCIL WORK SESSION  
CITY OF RAMSEY  
ANOKA COUNTY  
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, May 25, 2021, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Mark Kuzma  
Councilmember Ryan Heineman – attended remotely  
Councilmember Chelsea Howell  
Councilmember Debra Musgrove  
Councilmember Chris Riley  
Councilmember Dan Specht  
Councilmember Matt Woestehoff

Also Present: City Administrator Kurtis Ulrich  
Finance Director Diana Lund  
Parks and Assistant Public Works Superintendent Mark Riverblood  
Public Works Superintendent Grant Riemer  
Administrative Services Director Colleen Lasher  
Deputy City Administrator Timothy Gladhill  
Economic Development Manager Sean Sullivan

**1. CALL TO ORDER**

Mayor Kuzma called the City Council Work Session to order at 5:31 p.m.

**2. TOPICS FOR DISCUSSION**

**2.01: Review Fund Balances as of May 19, 2021**

Finance Director Lund reviewed the staff report.

Economic Development Manager Sullivan provided clarification on TIF districts, specifically District 1, and the history of how those funds could be spent.

Finance Director Lund continued to review the staff report.

Councilmember Musgrove referenced district 14 and related interfund loan. She asked if the City would continue on the course of repayment if that district were not continued.

Economic Development Manager Sullivan explained that the district will run through 2040. He stated that there will be more construction for Bunker Lake Boulevard, which the City will be responsible for. He stated that the City currently has special legislation proposed to extend the TIF for an additional five years. He stated that once the district expires, new things cannot be

purchased but expenses already incurred can continue to be paid back. He stated that the current window for new projects is currently set to expire in November 2021, but the City has a request to extend that for an additional five years.

Finance Director Lund continued to review details of the funds included in the staff report.

Councilmember Musgrove commented that currently the equipment budget appears to be at \$778,000 and asked if that would be impacted by the May property tax payments.

Finance Director Lund replied that property tax payments are distributed between the general fund, TIF and capital equipment. She confirmed that the \$778,000 is the current balance of that fund today but you would then need to subtract the expenditures that were authorized for 2021. She explained that she completes the transfers when the capital item is purchased.

Councilmember Musgrove stated that the Public Works Committee had a discussion related to the purchase of a paving trailer and she had asked why the expense would not come from the capital equipment fund. She stated that she did not receive a clear answer and was told that the pavement management funds are typically used because if they are not used, they are redistributed at the end of the year.

Finance Director Lund explained that the pavement management fund is where the franchise fees are accumulated and can only be used for road reconstruction or pavement. She stated that the equipment fund can be used for equipment, it simply reduces the available budget to work with for the next budget. She stated that the trailer is being used for road projects only and that is why the funds would be used in that manner.

Mayor Kuzma commented that the pavement management fund is strictly used for roads and the balance does not go away.

Finance Director Lund clarified that there was previously \$500,000 from the general fund designated for seal coats and crack sealing. She stated that those would be the funds Councilmember Musgrove is referring to. She stated that the previous year the Public Works Committee made the determination that only \$200,000 would be needed for rejuvenation projects and the remaining \$300,000 would be transferred to the pavement management plan as seal coating is no longer being completed.

Councilmember Woestehoff commented that the trailer was purchased from the \$200,000 designated from the general fund allocated for rejuvenation and crack sealing.

Councilmember Musgrove asked if something could be done to earmark those funds to be used for road projects, whether they are used fully during the year.

Finance Director Lund confirmed that the previous year the Public Works Committee provided the direction that the remaining dollars earmarked from the general fund for crack seal repairs that were unused would be transferred to the pavement management fund.

Councilmember Musgrove asked if that decision would need to be made each year or whether that could be set in policy.

Councilmember Riley commented that historically those funds were always spent because the City was seal coating. He stated that the City stopped seal coating and therefore there were additional dollars budgeted that were not spent. He stated that is why the funds were transferred to the pavement management fund in order to keep those dollars slated towards roads.

City Administrator Ulrich stated that could be set in policy that if those funds marked for crack seal and rejuvenation are unspent at the end of the year, the transfer would occur to the pavement management plan.

Councilmember Musgrove commented that she would support that.

Councilmember Specht asked the current allocation for excess funds and how dependent those funds are on the transfers.

Finance Director Lund explained how the allocation is currently completed.

Mayor Kuzma noted that the rejuvenation only works on newer roads. He stated that he supports spending those allocated dollars on the roads but would prefer to have the Public Works Committee make the recommendation each year as to what is needed.

Councilmember Woestehoff commented that per the policy, if there were an excess amount at the end of the year, the identified funds would receive an allocation. He explained that the reverse is also true if there is a deficit, the additional dollars are pulled from those accounts. He stated that for that reason he would prefer not to include the pavement management fund within the policy and allow the Council to decide whether to put more money into specified funds. He stated that he would not want funds to be able to be pulled from the pavement management fund if the City had a bad year.

Councilmember Specht asked the percentage of a fund balance the City would like to keep.

Finance Director Lund explained that 50 percent fund balance is recommended to be kept because of the method in which property tax payments are made. She continued to review the details of the other funds included in the staff report. She provided additional clarification on MSA funds, how they could be used in the past and how they can currently be used.

Councilmember Specht stated that later down the road he would like to further discuss how the excess funds are allocated at the end of the year.

Finance Director Lund stated that it will be helpful for the Council to see how the funds are used in the budget discussions before having that discussion. She completed the review of the remaining funds included in the staff report.

Councilmember Musgrove thanked Finance Director Lund for sharing this information as it will be helpful in the coming budget discussions.

City Administrator Ulrich stated that he heard that there is interest in reviewing the fund allocation distribution policy and staff can bring that forward to a future work session agenda.

**2.02: Pricing Strategy (Portions of the meeting may be closed to the public under Minnesota Statutes Section 13.D.05 Subdivision 3(c)(1) to consider/determine the asking price for real or personal property to be sold by the government entity)**

Economic Development Manager Sullivan recommended that the Council enter closed session to discuss asking prices for City owned property.

Motion by Councilmember Riley, seconded by Councilmember Specht, to recess the meeting to Closed Session at 6:25 p.m.

Motion carried.

The meeting reconvened to Open Session at 6:49 p.m.

Deputy City Administrator Gladhill stated that in closed session the Council discussed revising the pricing strategy sheet for City owned land and provided direction to staff.

Mayor Kuzma noted that the Council will not get to the remaining items on the agenda and asked that they appear on a future agenda.

**2.03: Discussion Regarding the Pending Deputy City Administrator/Community Development Director Vacancy and the Process to Fill the Position**

No discussion.

**2.04: Review Union Contract Negotiations Schedule and Process**

No discussion.

**2.05: Discussion Regarding the Employee Telecommuting Policy**

No discussion.

**2.06: Review and Discuss Remote Attendance Policy and Consider Taping Work Sessions**

No discussion.

**3. TOPICS FOR FUTURE DISCUSSION**

**3.01: Review Future Topics/ Calendar**

Noted.

**4. MAYOR / COUNCIL / STAFF INPUT**

None.

**5. ADJOURNMENT**

The Work Session of the City Council was adjourned at 6:53 p.m.

Respectfully submitted,

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Kurtis G. Ulrich  
City Administrator

ATTEST:

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Katie M. Schmidt  
Deputy City Clerk

Drafted by Amanda Staple  
*TimeSaver Off Site Secretarial, Inc.*

**CITY COUNCIL CLOSED SESSION  
CITY OF RAMSEY  
ANOKA COUNTY  
STATE OF MINNESOTA**

The Ramsey City Council conducted a Closed Session on Tuesday, May 25, 2021, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Mark Kuzma  
Councilmember Ryan Heineman – attended remotely  
Councilmember Chelsea Howell  
Councilmember Debra Musgrove  
Councilmember Chris Riley  
Councilmember Dan Specht  
Councilmember Matt Woestehoff

Members Absent:

Also Present: City Administrator Kurtis Ulrich  
Administrative Services Director Colleen Lasher  
Assistant City Administrator Tim Gladhill  
Economic Development Manager Sullivan  
Brian Pankratz, CBRE

**1. CALL TO ORDER**

Mayor Kuzma called the Closed Session of the City Council to order at 6:26 p.m.

**2. COUNCIL BUSINESS**

**2.01: Pricing Strategy**

Economic Development Manager Sullivan explained that the purpose of the case is for the Council to discuss pricing strategy.

**3. ADJOURNMENT**

Motion by Councilmember Musgrove, seconded by Councilmember Specht, to adjourn the Closed Session.

Motion carried.

The Closed Session was adjourned at 6:49 p.m.

Respectfully submitted,

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Kurtis G. Ulrich  
City Administrator

ATTEST:

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Katie M. Schmidt  
Deputy City Clerk

Drafted by Amanda Staple  
*TimeSaver Off Site Secretarial, Inc.*