***CITY OF BERTHA***

***REGULAR MEETING OF THE CITY OF BERTHA***

***HELD AT THE BERTHA COMMUNITY CENTER***

***JULY 13, 2020***

**Members Present:** Mayor K. Nelson, Members D. Nelson, Olson, Captain and Bowman

***Staff Present:*** Clerk Umland & Public Works Templin

**Guest Present:** Pete Wallner, Russ Vandenheuvel, Keith Porter & Chris Bramer (Mayer, Porter & Nelson LTD)

***Declaring a quorum, Mayor K. Nelson called the meeting to order at 6:30 p.m. and the citizens recited the Pledge of Allegiance.***

***3. Unscheduled Public Appearance:***

An opportunity for members of the public to address the City Council on items not on the current agenda. Items requiring Council action may be deferred to staff or committee for research and future agenda, if appropriate.

 No one in attendance had any concerns.

***4. Communications Reports:***

 ***A.*** Review the Enterprise Reports for June – no questions

 **B. Fire/Ambulance Reports -** Chief Wallner nothing to report

Russ Vandenheuvel reported the new chassis is on scheduled for November 5, 2020. All ambulance EMT will be paid the following holidays: New Year’s Eve, Christmas Day, New Year Day, Christmas Eve , Memorial Day, Easter, 4th of July, Labor Day and Thanksgiving.

 **C. Law Enforcement**- Todd County Sheriff Department provided a June activity report which summarizes the calls received in their department during the month of June: 1-accident injury, 1-assault with no weapon, 12-followup, 1-gas drive off, 2-public assist, 2-animal complaints, 1-suicide attempt, 6-traffic complaints, 4-traffic stops and 12 misc.

 D. **Public Works Report-**Mr. Templin provided the council with his June activity report which summarizes work done within his department. His activity report included: removal of stumps, installation of new lights at sewer plant, received and installed new pump for the sewer holding tank, emergency valve rod broke and needs to be dug up and replaced. Member would like a better estimate not just a hand written one. MOTION by D. Nelson, seconded by Member Bowman approving up to $20,000.00 to have the emergency valve box dug up and fixed by J & J, new estimate on their letterhead along with their signature. Carried. Clerk Umland will check if funds from the short-lived asset depreciation reserve or long-term asset replacement reserve could be used to cover the cost of the valve repairs.

 **E. *Clerk’s Review –*** is an overview of the agenda only.

***5. Consider Business Items***

 ***A. Sanitary Sewer Main in front of Salon Renew –*** this matter is still in litigation with Wagner Insurance Company attorney trying to come to an agreement for the defendant to pay for the damages done to the City’s sewer main by negligence in boring and installing a water service line through the City’s sewer main.

 **B. Central Minnesota Housing Partnership-**Contract for services preparation & submission of SCDP preliminary Proposal and full application to DEED was signed by both Hewitt and Bertha and sent back to CMHP. Once CMHP has a fully executed contract and receive payment from both cities, they will call and schedule a meeting to discuss the next steps.

 **C. City Wide Nuisance Property –** The council was informed that Allen Schahn had purchased the Bertha Enterprise Parcel that was tax-forfeit on May 22th. The county informed him at the time of sale that the city was talking about condemning the building. On June 11th, the city attorney sent him a letter stating that the current condition of the building would qualify as a hazardous building. He had ten days to contact him. At this time, this matter is on hold. Mayor Nelson reviewed the letter from Dale Yungbauer. Mayor K. Nelson informed the council that a letter will go out this week to all residents that did not purchase a current dog license for 2020.

 ***D. Walking Bridge over Bear Creek –*** A Community Match Funds application was submitted to Sourcewell to help defray the expense of replacing the bridge and install a new light at the park. This grant is for cities intended to support smaller projects and serve a public purpose. The city will know by the end of the week if they are awarded the funds to do the projects and the amount awarded. At the August meeting, the council will make the decision of which option they want to follow thru with.

 **E. 6:45 –Chris Bramer & Keith Porter- Mayer, Porter & Nelson -Bertha Audit Management Letter, Bertha Financial Report for fiscal year for 2019 and related Compliance Reports.**

Chris Bramer & Keith Porter were present to review the 2019 audit of the City of Bertha.

***Internal Controls –*** Internal controls are considered in performing the audit and are considered for financial reporting purposes on material weakness and significant deficiencies noted as follows;

 Finding 2019-01 Lack of control over the financial reporting process. The council will continue to review draft financial statements, financial reports to the general ledger, review bank statements. The city determined that it is not feasible or cost effective to hire an outside firm for preparation of these statements.

 Finding 2019-02 Segregation of duties – this is common in a City with limited number of staff. The city will continue to have a designated council member receive and review the bank statements and canceled checks. The City of Bertha will continue to have dual signatures on all checks written and have the council review payments.

***Report on Minnesota Legal Compliance –*** contains seven categories of compliance to be tested in connection with our audit, nothing came to their attention that caused them to believe that the City of Bertha failed to comply with the provisions of the Minnesota Legal Compliance Audit.

***Audit Management Letter – Professional standards also require that they communicate to you the following information related to the audit.***

 ***Difficulties Encountered in Performing the Audit*** *– no significant difficulties in dealing with management in performing and completing the audit.*

***Corrected and Uncorrected Misstatements –*** Management did not identify, and we did not notify them of, any uncorrected financial statement misstatements.

  ***Disagreements with Management-***no disagreements arose during the course of the audit.

 ***Management Representations –*** They requested certain representations from management that are included in the letter dated June 19, 2020.

 ***Management Consultation with Other Independent Accountants –*** To our knowledge, there were no such consultations with other accountants.

 ***Other Audit Findings or Issues –*** Each year, we discuss a variety of matters, including the application of accounting principles and auditing standards with management.

 ***Other Matters –*** the RSI was not audited and the auditors did not express an opinion or provide any assurance on the RSI.

***A motion was made by Councilmember D. Nelson, seconded by Member Olson, to approve the 2019 Annual Audit of Funds-Bertha Audit Management Letter, Bertha Financial Report for Fiscal Year 2019 and related Compliance Reports provided by Mayer, Porter & Nelson LTD Audit Firm. Carried.***

 ***F. Mn Department of Revenue – Coronavirus Relief Fund –***Cities with population over 200 have until September 15th to apply for relief funds. The City of Bertha will receive $36,615 covid-19 aid payment. If any funds money received is not used by November 15th we must return them to their home county. These funds are limited to certain expenses related to the pandemic. A committee has been set up and will discuss how to use the funds. The CARES Act is very clear that CRF funding must be COVID-19 related. A list of eligible expenses will be provided to the committee.

***6. Consider Consent Agenda –Action required***

 ***Note: The Consent Agenda list those items of business which are considered to be routine which need no discussion. Consent items are acted upon by one motion. If discussion is desired by council, that item may be removed to an appropriate section of the regular agenda for discussion.***

Mayor K. Nelson asked if there were any additions, deletions, or corrections to be made to the Consent Agenda. Motion by Olson, seconded by Member Bowman to approve the consent agenda as presented. The consent agenda included the following items:

1. ***Approval of the June 8, 2020 Regular Council Minutes***
2. ***Approval of the June Disbursements & Authorize Issuance in accordance with the list provided including all electronic payments – Along with Check Nos. 17970-17981 in the amount of $163,109.78 dated in July.***
3. ***Review Bank Correspondence –Bank Statement & Investment Report***
4. ***Consider donation to Initiative Foundation –*** The foundation submitted a packet of information indicating what the foundation mission is and all the activities they are involved with. Also included were recent grants and scholarships awarded by their foundation along with business financing investments made by them. They formally ask the council to support them and their mission to invest in Central Minnesota by making a donation of $410.00 in 2020. Every donated dollar is matched by the McKnight Foundation, thereby doubling the reach and capacity of committed resources.
5. Zoning Permits –Fence Permit 2020-4 – Tyler Hoffman to construct a fence in his backyard. Also,the abutting property owner signed a letter giving approval to build the privacy fence along the property line on the south edge. Zoning Permit 2020-05- Jean Campbell to construct a deck back of the house. Zoning Permit 2020-06-Chris Pierce to replace the existing steps (same size) with a 12X16 deck.
6. ***Resolution 2020-25*** *to continue participation with Community Concern for Youth Program and agree to contribute $275.00 for the project in 2020.*
7. ***Approving Resolution 2020-24-***Authorizing application for a Community Match Fund Grant from Sourcewell and if awarded, accept the funds to help defray the cost of the walking bridge and new LED light for the basketball court.

***7. Committee Report***

 ***No reports***

***8. Correspondence/Meeting/Conference***

 ***A. 2019 TIF Report –*** Jason Murray (David Drown Associates) completed the City’s 2019 TIF Report and submitted to the State Auditor’s Office. A copy of the report was included in the council packet for each member to review.

 **B. Hilltop Kitchen -**  Motion by Member Bowman, seconded by Member Captain approving a donation to Hilltop Kitchen in the amount of $472 for 2021. Carried.

**9. Adjournment**

There was no further business to come before the City Council. Member Bowman moved; Member Captain seconded the motion to adjourn. With all members present in favor, motion was carried. The meeting adjourned at 7:37 p.m. Carried.