

## **CITY OF WILLMAR**

**FINANCE COMMITTEE MEETING**  
**5:00 PM, THURSDAY JUNE 18TH, 2020**  
**TELECONFERENCE GO TO MEETING**

### **AGENDA**

1. Meeting Called to Order
2. Action Items
  - a. Main Street Budget Amendment (Resolution)
3. Discussion Items
  - a. Carris Health Update
  - b. 2020 Street Improvement Financing Update
  - c. State Financial Information Update
4. Future Agendas
  - a. Council Information requests
  - b. Sales Tax Status Reports
  - c. 2020 Street Project As Bid Budgets

Adjourn



**WILLMAR**

City Office Building

333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: June 18, 2020</b>
<b>From: Sarah J Swedburg, Planner</b>	<b>Agenda Item: Budget Amendment for Willmar Main Street</b>

**RECOMMENDED ACTION:**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_, to adopt a resolution to amend the budget for Willmar Main Street, appropriating an additional \$4,000.

**HISTORY:**

The 2020 budget for Willmar Main Street was reviewed & approved by the Willmar Main Street Board on February 18 and City Council on March 2nd. Due to the COVID-19 Pandemic, Rethos/Minnesota Main Street chose to reallocate anticipated programming grant dollars (\$4,000) directly to our local businesses instead of local main street programs. This grant money was anticipated to be used towards a “Downtown Assessment” project with MN Main street that will coordinate with the City’s Comprehensive Plan efforts. The “Downtown Assessment” costs \$10,000 & was in our original budget. Willmar Main Street would like to appropriate \$4,000 in Main Street funds remaining from 2019 towards this project to make up for the unanticipated change in grant funding.

**FINANCIAL IMPACT:**

Willmar Main Street had \$15,323.70 left over from 2019, and anticipates utilizing these funds towards projects that increase downtown vitality this year.

**ALTERNATIVES:**

1. Adjust the budgetary amounts
2. Hold for further information

**REVIEWED BY:** Brian Gramentz, City Administrator

**COMMITTEE MEETING DATE:** Finance Committee, June 18, 2020

**COUNCIL MEETING DATE:** July 6, 2020

**RESOLUTION NO. \_\_\_\_**  
**2020 WILLMAR MAIN STREET BUDGET AMENDMENT**  
**TOTAL COST \$53,000**

\*Budget Amounts are Essential

Motion By: \_\_\_\_\_

Second By: \_\_\_\_\_

Code

**PERSONNEL SERVICES**

10\* Salaries Reg. Employees  
 11\* Overtime Reg. Employees  
 12\* Salaries Temp. Employees  
 13\* Employer Pension Contr.  
 14\* Employer Ins. Contr.  
**TOTAL \$0.00**

**SUPPLIES**

20\* Office Supplies  
 21\* Small Tools  
 22\* Motor Fuels & Lubricants  
 23\* Postage \$145.00  
 24 Mtce. of Equipment  
 25 Mtce. of Structures  
 26 Mtce. of Other Improvements  
 27 Subsistence of Persons \$2,500.00  
 28 Cleaning & Waste Removal  
 29\* General Supplies  
**TOTAL \$2,645.00**

**OTHER SERVICES**

30 Communications  
 31\* Printing & Publishing \$500.00  
 32 Utilities  
 33\* Travel-Conf.-Schools \$5,000.00  
 34 Mtce. of Equipment  
 35 Mtce. of Structures  
 36\* Mtce. of Other Impr.  
 37 Subsistence of Persons  
 38 Cleaning & Waste Removal  
 39\* Other Services \$2,500.00  
**TOTAL \$8,000.00**

**OTHER CHARGES**

40 Rents \$280.00  
 41 Insurance & Bonds  
 42 Awards & Indemnities \$13,500.00  
 43 Subscriptions/Memberships \$2,375.00  
 44 Interest  
 45 Licenses & Taxes  
 46\* Prof. Serv. \$15,200.00  
 47 Advertising \$1,000.00  
 48 Admin OH (Transfer)  
 49 Other Charges \$10,000.00  
**TOTAL \$42,355.00**  
**GRAND TOTAL \$53,000.00**

**RECEIVABLES**

Property Owners  
 County  
 State  
 City \$32,500.00 \$36,500.00  
 Other (Grants\*) \$19,000.00 \$15,000.00  
 Other (Event Revenue) \$1,500.00  
**TOTAL \$53,000.00**

**FINANCING**

Bonds  
 State  
 City  
 City  
 Other  
**TOTAL \$0.00**  
**GRAND TOTAL \$53,000.00**

Dated this 6<sup>th</sup> day of July, 2020

\_\_\_\_\_  
 Mayor

**Attest:**

\_\_\_\_\_  
 City Clerk

\*Grants:  
 \$10,000 - Artists on Main Street  
 \$5,000 - WACF Artists on Main Street  
~~\$4,000 - MN Main Street Project Funds~~

**RESOLUTION NO. \_\_\_\_**  
**2020 WILLMAR MAIN STREET BUDGET AMENDMENT**  
**TOTAL COST \$69,000**

\*Budget Amounts are Essential

Motion By: \_\_\_\_\_

Second By: \_\_\_\_\_

Code

**PERSONNEL SERVICES**

10\* Salaries Reg. Employees  
 11\* Overtime Reg. Employees  
 12\* Salaries Temp. Employees  
 13\* Employer Pension Contr.  
 14\* Employer Ins. Contr.  
**TOTAL** **\$0.00**

**RECEIVABLES**

Property Owners  
 County  
 State  
 City ~~\$32,500.00~~ **\$36,500.00**  
 Other (Grants/Donations\*) ~~\$19,000.00~~ **\$31,000.00**  
 Other (Event Revenue) \$1,500.00  
**TOTAL** **\$69,000.00**

**SUPPLIES**

20\* Office Supplies  
 21\* Small Tools  
 22\* Motor Fuels & Lubricants  
 23\* Postage \$145.00  
 24 Mtce. of Equipment  
 25 Mtce. of Structures  
 26 Mtce. of Other Improvements  
 27 Subsistence of Persons \$2,500.00  
 28 Cleaning & Waste Removal  
 29\* General Supplies  
**TOTAL** **\$2,645.00**

**FINANCING**

Bonds  
 State  
 City  
 City  
 Other  
**TOTAL** **\$0.00**  
**GRAND TOTAL** **\$69,000.00**

**OTHER SERVICES**

30 Communications  
 31\* Printing & Publishing \$500.00  
 32 Utilities  
 33\* Travel-Conf.-Schools \$5,000.00  
 34 Mtce. of Equipment  
 35 Mtce. of Structures  
 36\* Mtce. of Other Impr.  
 37 Subsistence of Persons  
 38 Cleaning & Waste Removal  
 39\* Other Services \$2,500.00  
**TOTAL** **\$8,000.00**

Dated this 6<sup>th</sup> day of July, 2020

\_\_\_\_\_  
 Mayor

**Attest:**

\_\_\_\_\_  
 City Clerk

**OTHER CHARGES**

40 Rents \$280.00  
 41 Insurance & Bonds  
 42 Awards & Indemnities \$13,500.00  
 43 Subscriptions/Memberships \$2,375.00  
 44 Interest  
 45 Licenses & Taxes  
 46\* Prof. Serv. \$30,200.00  
~~\$15,200.00~~  
 47 Advertising \$1,000.00  
 48 Admin OH (Transfer)  
 49 Other Charges ~~\$10,000.00~~ \$11,000.00  
**TOTAL** **\$58,355.00**  
**GRAND TOTAL** **\$69,000.00**

\*Grants:  
 \$10,000 - Artists on Main Street  
 \$5,000 - WACF Artists on Main Street  
~~\$4,000 - MN Main Street Project Funds~~  
 \$16,000 - BCBS Monument Project

To: Rice Memorial Hospital Board of Directors  
From: Michael Schramm  
Andrew Rolling  
Date: June 3, 2020  
Subject: Lease & Affiliation Agreement Reporting Requirements

Per the terms of the Lease and the Affiliation Agreement, Carris Health is required to report to the City of Willmar within 180 days of year-end or as requested if more frequent the fulfillment of the Carris Health obligations and covenants as set forth in the Lease and Affiliation Agreement. These obligations are as follows:

Rent Payments: All payments are current

Intergovernmental Transfer Payments: All payments are current

Service Commitments: All service commitments are in compliance as substantially all services remain intact. Rice Home Medical continues to offer its products and services via leadership and direction through CentraCare Health.

Capital Investments: Capital Investments since the inception of the Lease are \$12.7 million with the expected average amount of capital investment to be \$8.0 million by June 3, 2020.

Audited Financial Statements: A copy to City of the CentraCare audit has been provided to the City's Director of Finance. Further work and questions are being answered based on conversations with the Director of Finance.

As such, Carris Health believes it is in compliance with all obligations of the Lease and Affiliation Agreement.



321 4<sup>th</sup> Street SW \* P.O. Box 342 \* Willmar, MN 56201 \* (320)235-9500 \* [www.thebarntheatre.com](http://www.thebarntheatre.com)

June 15, 2020

Brian Gramentz  
Willmar City Administrator  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201

The Willmar Community Theatre a/k/a The Barn Theatre (BARN) has loans under the Small Cities Development Program. This loan was issued 6/12/14. One feature of one loan is that after seven years 6/21/2021 the loan will be forgiven if the Theatre still owns the property. (See attached loan documents)

The BARN due to Covid 19 has been required to shut down. This has caused two plays to be cancelled. The potential lost revenue was up to \$88,000 and we don't know when we will be able to reopen. Another play was scheduled in August. This is a serious financial crisis for the BARN.

The BARN has a buyer for the condos on the third floor of the theatre building. The BARN had to lease it instead of selling due to the above mentioned loan's forgiveness clause. The sale price was \$113,000 which would help carry the BARN through this crisis.

The BARN loans are as follows

Document 593660: Loan would need to be paid in full to be satisfied. Remaining amount is \$1,600.00.  
Document 619888: Has a lien on the property until 6/21/2021 when it will be forgiven \$29,462.00.  
Document 619889: Loan would have to be paid in full to be satisfied. Remaining amount \$6,088.82.

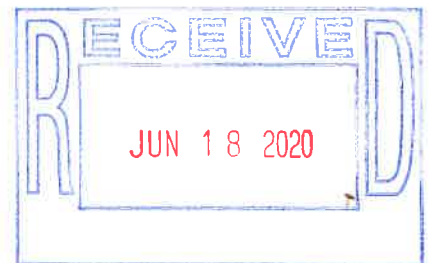
The BARN would like to request the City of Willmar consider early forgiveness so the condos could be sold giving the BARN revenue to make it through this shut down period.

You can contact the Barn Theatre representatives at:

Brian Stenholm  
320-894-6654  
[stenholb@csp.edu](mailto:stenholb@csp.edu)

or

Gary Geiger  
320-212-7416  
[Ggeiger56201@gmail.com](mailto:Ggeiger56201@gmail.com)



Sincerely,

Brian Stenholm- Board Chair

Gary Geiger – Board Member