

Canton City Council Regular Meeting Minutes – March 11, 2020

The Canton City Council held its regular monthly meeting on March 11, 2020, at Canton City Hall. Members present: Carl Ernst, Cindy Shanks and Charlie Warner; Mayor Donivee Johnson joined via telephone. Members absent: Randy Gossman. City staff present: Brock Bergey, Jim Davis and Jon Nordsving. Visitors present: Pailey Gordon, Robroy Kelly and Barb Kerns.

Acting Mayor Cindy Shanks called the meeting to order at 6:04 p.m. Motion by Warner, second by Ernst to approve the February 2020 meeting minutes; motion carried. Motion by Ernst, second by Warner to approve the consent agenda (approval of monthly bills); motion carried.

Public comments: Robroy Kelly spent a considerable amount of time discussing possible technology solutions for utility billing and payroll processes.

Reports: In his clerk report, Bergey noted about 10% of utility accounts were currently delinquent – totaling nearly \$1,500. Pet licenses for 2020 to-date total 31. Golf cart and UTV permitting has begun, with a May 1 deadline for the 2020 season. Several town hall rentals are on the books for the summer season. Bergey reported the 2019 audit is being conducted by Hawkins and Ash, with reports due to the State by March 31. He also informed the council the fire department will not be applying for a FEMA grant, for a grass rig truck as discussed at the February meeting, due to issues with the application registration process. Progress is being made on the City of Canton website, with a May completion date planned. In legal matters, Bergey reported prosecution costs for Danny Whalen’s nuisance property case totaled \$966. Whalen has until May 15 to bring his property into compliance. As a condition of his court-issued probation, he is not permitted to bring additional junk or vehicles onto his property. Such action is to be reported to the Fillmore County Attorney’s Office. Joel Torgerson has been charged with four nuisance property misdemeanors. A pretrial hearing is scheduled for May 5; a settlement conference for May 11; and a jury trial for May 12 and 13. Former city clerk, Lolly Melander, was back in court on March 9. Her attorney did not challenge any of the state’s evidence for the 26 criminal charges. A pretrial hearing is set for April 20, with a trial date to-be-determined. In a related matter, Melander was approved for unemployment insurance benefits. The City is appealing the \$3,645.24 payable in benefits. A teleconference hearing is scheduled with an unemployment law judge on March 20. City attorney, Greg Schieber, will be asked to participate and facilitate the City’s appeal.

In his public works report, Nordsving presented price quotes for a replacement riding lawn mower. After reviewing and discussing options, Nordsving recommended going with the \$8,069.76 quote from Windridge Implement in Cresco for a Hustler Super Z zero turn mower. Bergey noted the mower replacement was included in the 2020 budget. Motion by Warner, second by Ernst to approve the mower purchase (and trade-in of the current mower); motion carried. Nordsving and Davis discussed options for interior wall repairs at the town hall. The north wall has several areas of chipped paint. Instead of merely repainting, the cost benefits of installing paneling on the lower portion of the wall were discussed. Warner will meet with Nordsving and Davis to determine materials associated with this option. With several upcoming events at the town hall, the intent is to complete the project as quickly as possible. Nordsving also added there has been additional time spent at the wastewater treatment facility due to large amount of grease deposits making their way through the system. Residents are reminded not to pour cooking fats, oils or grease down the drain.

Deputy Harmening was present to introduce Sam Judd to the council. Judd is a new hire with the Fillmore County Sheriff's Office, who will be providing assistance to Canton, Harmony and Mabel. The February police report was reviewed, which included nine calls for services.

Unfinished business: Bergey reviewed February's discussion regarding the existing structure of the Water/Sewer/Garage Fund. Pros and cons of separating the services for accounting purposes were discussed. Relating to utility rates, Bergey and Nordsving will be meeting with Jeff Dale, from the Minnesota Rural Water Association, on April 7 to consider short-term and long-term options. Conversations resumed on utility billing, payroll and fund accounting software. Bergey provided the council with communications received from Hawkins and Ash in regard to the City's current accounting software. CPA Monica Hauser did not feel QuickBooks was ideal software for municipalities and offered Banyon as a good fit for small communities. Banyon prepared a quote for its software. It included fund accounting, payroll and utility billing software, with direct deposit, PERA reporting, ACH payment features. The initial purchase would be \$8,955, which includes \$2,280 in annual support. After the first year, annual support is optional. Bergey noted he has previous experience working with Banyon software and felt it would be a good fit for Canton. While a pricy initial investment, he stated the software would greatly improve office efficiency. After considerable discussion, citing several reasons, the council agreed it was time to invest in better computer software. Motion by Ernst, second by Warner to approve the Banyon purchase; motion carried. As a result of the council's action, and since the Banyon software includes a direct deposit module, there was no need to continue discussion on possible external payroll services.

New business: To avoid late fees, Bergey requested council approval to authorize payments for monthly bills with due dates prior to council meetings. A second authorized signature will still be required on all checks issued before council consideration. Motion by Ernst, second by Warner to approve early payments to avoid late fees; motion carried. Motion by Ernst, second by Warner to approve establishment of debit cards for the City's three checking accounts (General, Water/Sewer/Garbage, Fire Dept.); motion carried. Motion by Ernst, second by Warner to authorize Bergey to maintain \$50 in petty cash for routine office expenses; motion carried. (Hawkins and Ash support the use of debit cards and petty cash to eliminate the need employee reimbursements and payment of unnecessary sales tax through non-exempt, personal purchases.) Motion by Warner, second by Ernst to enter a service agreement with GovCard, an online payment service, for an initial set-up fee of \$199; motion carried. Bergey will work with the vendor to get the service implemented. Motion by Ernst, second by Warner to transfer \$18,900 from the General Fund into a one year CD (interest rate of 1.75%) for the money gifted to the City from Don Wilkins. This money is solely meant for park and softball field projects. The gift was in the amount of \$20,000; however, \$1,100 was spent on wood chips for the playground last fall (\$20,000 - \$1,100 = \$18,900 in CD investment); motion carried. Bergey presented information on possible solutions to ensure all properties have street address numbers. The City of Mabel has an ordinance requiring the numbers and will provide an option to property owners at no cost. For now, the council directed Bergey to start with public education and see if Canton owners respond favorably. Motion by Warner, second by Ernst to approve an agreement with the Fillmore County Attorney's Office for prosecution services; motion carried.

Motion by Ernst, second by Warner to adjourn the meeting at 8:23 p.m.; motion carried.