

City Council Proceedings

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State of Minnesota
Counties of Scott & Le Sueur
City of New Prague

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Special City Council Meeting
Wednesday, October 21, 2020

Mayor Nickolay called the special meeting to order at 5:30 p.m. with the following members present: Nickolay, Ryan, Bass, Seiler, and Wolf.

Staff Present: Mike Johnson, Patty Solheid, Ken Ondich, and Glen Sticha.

Others Present: Fire Chief Jeremy Tikalsky and Terri Heaton, Financial Advisor with Baker-Tilly

City Administrator Johnson provided the City Council with a brief overview of the Resolution prepared by Ms. Sofia Lykke, Bond Counsel from Kennedy & Graven. Ms. Terri Heaton, Financial Advisor from Baker-Tilly was present and provided an overview of the bond refinancing and refunding. The City was refinancing debt obligations from the 2010A, 2012A, 2012B and 2013A Bonds. Bids were received from 4 bidders, with the low bid proposal coming from Hilltop Securities, Dallas, TX at an interest rate of .7454% (9-year bond) with a bond par amount of \$2,395,000. The refinancing will save the City approximately \$162,000 in interest costs. Also included was a copy of the Bond Rating Report from Standard & Poors (S&P) Global Ratings. This report reaffirms the City's current Bond Rating of "AA" and views the outlook for the rating as stable.

After discussion, motion by Nickolay, seconded by Seiler to approve RESOLUTION #20-10-21-01 AWARDDING THE SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020A, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,395,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; PROVIDING FOR THEIR PAYMENT; AND PROVIDING FOR THE REDEMPTION OF BONDS REFUNDED THEREBY and authorize the Mayor to accept the low bid from Hilltop Securities at .7454%. By roll call vote, all voted in favor. Motion carried (5-0).

Fire Chief Jeremy Tikalsky was present and provided a brief overview of the proposed 2021 Fire Department Budget. Slight changes included a new hand-held air monitor, fit tests for masks for the 30 firemen, and an increase in the cost of the annual fee from Scott County for use and training at the RTF facility in Jordan. Chief Tikalsky also asked if there were any of the proceeds from the former CARES Acts funds left? If there is, the Fire Dept. has a list of various items that they could use funding for which totals about \$5,000. Chief Tikalsky also went over the 2020 activity report with the Council which included fire calls, activity and recent trends. Chief Tikalsky

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indicated that this was likely his last year as Fire Chief (after three 2-year terms) from 2015-2020. The new chief could possibly be Steve Rynda. The Council thanked Chief Tikalsky for his years of service to the Department and for his leadership as Fire Chief.

City Administrator provided the Council with an overview of the City Council, Administration, Technology, Elections Assessor, Attorney, Fitness & Aquatic Center, Municipal Band; and Unallocated Budgets for 2021. The Council asked for more information on the Band Director position and history.

Finance Director Solheid provided the Council with an overview of the Special Revenue, Debt Service, Capital Projects and Ambulance Fund Budgets for 2021. There were various questions on the history of the City's rental house north of City Hall. It was recommended that Staff work with the City Attorney's office to clarify the rental agreement with this situation.

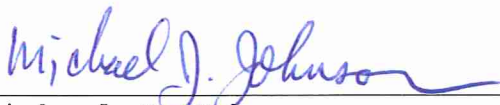
City Administrator Mike Johnson provided an overview of the proposed 2021 EDA Budget. There is no change in their proposed property tax levy for 2021.

The Council discussed setting their next budget workshop (No.3) for Monday, November 9, 2020 at 5:30 p.m.

The intent would be to cover the Wastewater, Storm Water, and Golf Enterprise Funds; clarify choices on the proposed use of Funds from the former CARES Act projects; a final review of the General Fund budgets and the potential impact and final changes to the proposed 2021 Property Tax Levy.

After discussion, motion by Nickolay, second by Ryan to adjourn at approximately 7:46 p.m. All voted in favor. Motion carried 5-0.

ATTEST:



Michael J. Johnson
City Administrator



Charles L. Nickolay
Mayor