



4141 Douglas Drive North • Crystal, Minnesota 55422-1696

Tel: (763) 531-1000 • Fax: (763) 531-1188 • www.crystalmn.gov

Posted: October 3, 2014

CRYSTAL CITY COUNCIL WORK SESSION AGENDA

Thursday, October 9, 2014
7:00 p.m.
Conference Room A

Pursuant to due call and notice given in the manner prescribed by Section 3.01 of the City Charter, the work session of the Crystal City Council was held at _____ p.m. on Thursday, October 9, 2014 in Conference Room A located at 4141 Douglas Drive, Crystal, Minnesota.

I. Attendance

<u>Council members</u>	<u>Staff</u>
____ Peak	____ Norris
____ Selton	____ Therres
____ Adams	____ Hansen
____ Budziszewski	____ Revering
____ Deshler	____ Norton
____ Hoffmann	
____ Libby	

II. Agenda

The purpose of the work session is to discuss the following agenda items:

- Labor Negotiations*
- Street Maintenance Fund update
- 2015 budget follow-up
- Robbinsdale referenda

**Portions of this discussion may be closed pursuant to State law*

III. Adjournment

The work session adjourned at _____ p.m.

Auxiliary aids are available upon request to individuals with disabilities by calling the City Clerk at (763) 531-1145 at least 96 hours in advance. TTY users may call Minnesota Relay at 711 or 1-800-627-3529.



Memorandum

DATE: October 2, 2014
TO: Mayor and Council
FROM: Kim Therres, Assistant City Manager
SUBJECT: Labor Relations

The Council will be discussing labor relations in general as well as future contracts at its October 9 work session. In accordance with state law, portions of the meeting will be closed.

The arbitration award in the case between the City of Crystal and Law Enforcement Labor Services, Local 44 (Patrol Officers) has been received. The award calls for a 2.0% increase in 2014 and a 2.5% increase in 2015 with no market adjustment. The agreement will also include changes to insurance contributions and some language changes. The 2014 adopted budget and 2015 preliminary budget includes sufficient funds for the wage and benefit increase.

This is the first settlement of the three bargaining units for 2015. The Local 56 (Police Supervisors) are not settled beyond 2013, and the Local 49 (Public Works) are settled through 2014. Meetings have been scheduled with Locals 56 and 49 for late October.

Labor Relations Attorney Frank Madden, City Manager Anne Norris and I will be at the work session to answer questions.



Memorandum

DATE: October 2, 2014

TO: Mayor and City Council
Anne Norris, City Manager

FROM: Charles Hansen, Finance Director

SUBJECT: Review Street Maintenance Fund

A new Street Maintenance Fund analysis is attached. Several of the underlying assumptions have changed since the last time this was discussed at a work session. The current assumptions are as follows:

- Mill and overlay projects will be 60% assessed to benefited properties and the assessments will be collected over ten years instead of the five years assumed in the earlier analysis. This worsens the cash flow situation since it now takes ten years to collect the special assessments instead of five years.
- Costs that can be submitted for reimbursement from Municipal State Aid for Streets (MSA) will be submitted. This helps to cover the 40% of mill and overlay project costs that aren't assessed, but there is still an unfunded revenue gap.
- The third sealcoat project following reconstruction has been eliminated since the mill and overlay projects happen before the third sealcoat comes up. The first sealcoat following the mill & overlay happens at about the time the third sealcoat project following reconstruction would have happened.
- The first and second sealcoat projects following reconstruction are paid for by the transfer from the General Fund because residents are still paying for the reconstruction special assessment.
- Three sealcoat projects are shown after the mill & overlay. The first sealcoat following the mill & overlay is paid for by the Street Maintenance Fund because residents will still be paying for the mill & overlay special assessment.
- The second and third sealcoat projects after the mill & overlay will be assessed to benefited properties and the special assessments will be collected over three years.

This analysis shows the fund balance going negative in 2018, recovering briefly from 2021 through 2024, then going negative for the remainder of the period analyzed. Substantial additional revenues need to be identified to cover the 40% of the mill & overlay projects that aren't assessed and sealcoat project costs that exceed the transfer from the General Fund.

CITY OF CRYSTAL
STREET MAINTENANCE FUND ANALYSIS

Mill & overlay assessment will equal 60% of the costs and will pay off over 10 years and 5% interest will be charged. Seal coat assessments will pay off over 3 years and 5% interest will be charged. Assumes 20% of properties will prepay special assessments. The third sealcoat after reconstruction won't happen because the mill & overlay will happen first. Residents will be assessed for the second & third sealcoat after mill & overlay. MSA will pay for mill & overlay of MSA streets.

Year	Gen FD Contrib.	Mill & Overlay Special Assmt.	Post Mill & Overlay		M.S.A.	Other City Reimb.	Invest Earnings	Sealcoats after Reconstruction		5867 Patch Ph 1 - 3	Business Unit 5866		Sealcoats after Mill & Overlay			Ending Fund Balance				
			Second Sealcoat Special Assmt.	Third Sealcoat Special Assmt.				First Sealcoat	Second Sealcoat		Mill & Overlay	First Sealcoat	Second Sealcoat	Third Sealcoat						
			Phase	Costs				Phase	Costs		Phase	Costs	Phase	Costs	Phase		Costs			
2010	65,300	53,460			272,773	55,419				1	101,366	36th Ave	752,012					1,989,992		
2011	167,250	34,992			9,425	47,107				2&3	289,528	36th Ave	41,862					1,908,638		
2012	69,300	37,387				23,159		6	158,450			36th Ave	84					1,872,925		
2013	71,400	45,904				20,726	3,815	7	114,355				79					1,854,710		
2014	72,800	147,437				24,390	18,547					1	1,000,000					1,077,885		
2015	74,300	116,322				0	10,779											1,239,285		
2016	76,529	105,550				6,764	18,589	8	97,547	4	105,023							1,224,148		
2017	78,825	240,376				62,533	24,483					2	1,270,000					360,365		
2018	81,190	196,188			528,000	17,563	9,009	9	98,577	5	57,976	3	1,365,000					-329,239		
2019	83,625	285,868			101,626	14,588	-9,877	10	141,215			4	903,000					-897,624		
2020	86,134	242,353			335,369	0	-26,929											-260,696		
2021	88,718	218,538			398,046	10,318	-7,821	11	77,384	6	121,751			1	101,528			146,440		
2022	91,380	277,925			351,081	100,634	4,393	12	114,776	7	74,604	5	760,000					22,473		
2023	94,121	237,140			64,368	8,319	674			8	119,970							307,125		
2024	96,945	285,074				14,431	9,214	13	122,217					2	134,393			456,180		
2025	99,853	425,643			230,706	11,652	13,685	9	121,238	9	121,238	6	1,659,955	3	142,373			-685,847		
2026	102,849	459,030			350,644	108,877	-20,575	14	119,373	10	173,677	7	1,017,159	4	101,192			-1,096,421		
2027	105,934	582,442			298,482	56,712	-32,893					8	1,635,684					-1,721,427		
2028	109,112	460,521	23,755			11,928	-51,643	15	126,135	11	95,172					1	124,866	-1,513,927		
2029	112,385	568,179	40,225		170,996	79,420	-45,418			12	141,160	9	1,652,965	5	80,252			-2,462,516		
2030	115,757	729,575	35,132		547,948	129,041	-73,875	16	151,318			10	2,367,920					-3,498,175		
2031	119,230	619,802	57,231			17,749	-104,945			13	150,311			2	165,287			-3,104,706		
2032	122,807	708,815	85,550			40,650	-93,141					11	1,297,586	6	168,531	3	175,101	-3,881,244		
2033	126,491	818,088	128,323		620,142	117,329	-116,437			14	146,814	12	1,924,580	7	103,270	4	124,453	-4,486,424		
2034	130,285	941,421	128,349		499,250	22,528	-134,593					13	1,989,659	8	166,067			-5,054,909		
2035	134,194	1,024,629	77,192	29,216	351,641	96,347	-151,647			15	155,130	14	1,886,762				1	153,570	-5,688,800	
2036	138,220	843,213	44,518	49,472		29,899	-170,664							9	167,822	5	98,700	-5,020,663		
2037	142,366	968,350	26,785	43,208	373,056	33,114	-150,620			16	186,102	15	1,993,643	10	240,409			-6,004,557		
2038	146,637	1,064,410	23,393	70,387	280,955	71,429	-180,137					16	2,322,012				2	203,282	-7,052,776	
2039	151,037	913,829	59,482	105,215		9,134	-211,583							11	131,741	6	207,272	3	215,352	-6,580,027
2040	155,568	771,983	91,261	157,822		37,632	-197,401							12	195,398	7	127,009	4	153,062	-6,038,631
2041	160,235	629,975	135,286	157,853		16,399	-181,159							13	202,005	8	204,241			-5,526,289
	5,470,654	15,054,419	956,483	613,173	5,502,312	1,457,594	-1,040,521		1,612,057		2,039,821	161,389	25,839,961	2,225,691	1,226,929		725,265			



Memorandum

DATE: October 1, 2014
TO: Mayor and City Council
FROM: Anne Norris, City Manager
SUBJECT: 2015 Budget – Future Work Session Discussions

At its September 2 meeting, the City Council approved the preliminary levy for the 2015 budgets. The general fund levy was 2%, and the overall levy for all budgets was slightly over 2%. The preliminary levy for the general fund generally maintains the current level of services. Based on the Council's 4-3 vote, I assume there is some dissatisfaction with the budget as presented. At the last budget work session in August when the proposed budget changes for a 2% levy were presented, several councilmembers had concerns about some of the suggested changes.

Once the budgets are preliminarily approved, the Council typically spends additional work sessions refining the budgets prior to final adoption in December. Before bringing the budgets back to work sessions for additional discussion, it would be helpful to know what additional information the Council needs or wants.

At its October 9 work session, the Council should provide direction and what other information would be useful for future 2015 budget discussions.

Attach:



Memorandum

DATE: October 1, 2014
TO: Mayor and City Council
FROM: Anne Norris, City Manager *AN*
SUBJECT: Robbinsdale Area Schools Levy Requests

As you know, the Robbinsdale Area School District has two levy requests on the 2014 general election ballot. One question is regarding renewing the existing operating levy and the second question is regarding the addition of a technology levy.

In the past the City Council has considered endorsing local school district funding requests because of the correlation between good schools and strong communities. The Council should discuss whether to act on the current Robbinsdale levy requests.

Attach:

Levies for Learning

Individual Focus. Infinite Potential.



On November 4, Robbinsdale Area School District residents will be asked to vote on two school funding requests:

Question 1: Renew the existing operating levy
Question 2: Add a technology levy

Five fast facts about each funding request

Q1: Renew existing operating levy

1. No tax increase if approved by voters
2. Helps maintain lower than average class sizes
3. Funds daily school and district operations such as classroom supplies, staff salaries, building maintenance and transportation
4. Provides \$20 million per year, which is the equivalent of 225 teachers or the entire staffing costs of five elementary schools
5. The school board has made tough decisions, cutting more than \$18 million since 2000-01 to maintain a balanced budget

Q2: Add a technology levy

1. Robbinsdale Area Schools is one of the few school districts in Hennepin County that does not currently have a voter-approved capital project levy to provide funds for technology
2. Technology is necessary to adequately prepare students to thrive in our digital world and join a highly-skilled 21st century workforce
3. Funds would be used to increase technology access for students and staff, support personalized learning and expand technology for teaching and learning
4. A technology levy would provide a stable source of funding to enable the school district to fully implement its comprehensive, research-based technology plan to support student learning
5. If approved, the tax impact on the median value district home (\$195,000) would be \$7 per month



How was this decision made?

The two levy requests are based on a thoughtful, deliberative process - the school board spent several months reviewing district finances, technology needs, community surveys and funding options before unanimously deciding to put both levy requests on the ballot. **The operating levy is a renewal, not an increase, and the capital project levy for technology is lower than most neighboring districts.**

What if Question 1 Passes?

The school district would be able to continue to offer lower than average class sizes at all grade levels, sustain its wide range of quality educational options and maintain a balanced budget - with no tax increase for homeowners.

What if Question 1 Fails?

The school district would need to begin planning for \$20 million in budget reductions that would be necessary for the 2016-17 school year. \$20 million is the equivalent of 225 teachers or the entire staffing costs of five elementary schools.

Voter Request	Monthly Tax Increase*
Q1: Renew existing operating levy	\$0
Q2: Add a technology levy	\$7

* Tax increases are based on the \$195,000 median value home in the district

What if Question 2 Passes?

Robbinsdale students and staff would have increased access to up-to-date technology in 21st century classrooms, allowing more efficient ways of teaching. District staff could move forward on a 10-year technology plan knowing there is a stable funding stream that would sustain both its quality and effectiveness. Specifically, technology levy funds would be used to:

- Help teachers manage student learning
- Provide instant feedback on assessments
- Help students learn according to their learning style
- Give students more learning options
- Provide access to information from anywhere, anytime

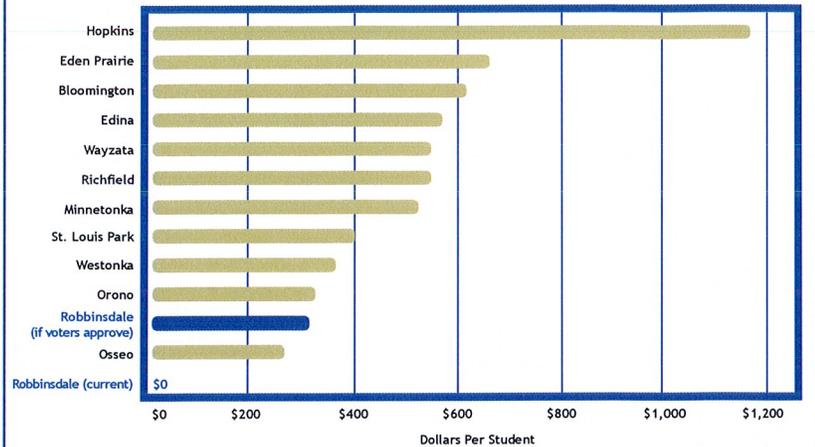
Technology Need	Year One Budget*
Technology for schools, classrooms and students- Add and maintain interactive whiteboards, digital projectors, classroom sound systems, classroom assessment tools, computer labs, mobile technologies, teacher workstations and audio/video equipment to improve the classroom learning environment. Provide and maintain a personal learning device (Chromebook or comparable device) for all students in grades 5-12 to ensure anytime, anywhere access to classroom learning resources and communication tools.	\$2,520,000
Technology Systems, Support & Training - Provide instructional technology systems, support and training to deliver and sustain more efficient and effective teaching and learning practices.	\$720,000
Network Infrastructure - Maintain and replace access points, routers, servers and other network equipment to ensure a secure and robust network environment.	\$260,000
Total Year One Budget	\$3,500,000

What if Question 2 Fails?

The school district's technology plan - which details how technology will support student learning - would have to compete for funding with other basic district capital needs, such as security equipment, textbooks, roofs, parking lots and other building maintenance. Without a fully-funded technology plan:

- The school district would struggle to provide updated computers and other technology for students and staff. Equipment would become outdated, slow or unusable with increased repair expenses.
- Students would not have access to the same opportunities that neighboring school districts offer, resulting in a technology gap.
- Student access to online classroom resources and tools would be limited.
- Staff would be limited in the amount of attention they could provide individual students and would not have the same level of information about each student's progress.
- Cuts would need to be made to the district's budget in order to maintain basic levels of technology.
- There would be slower turnaround times for family and community requests of teachers and district staff.

Voter-Approved Capital Project/Technology Levies



Source: Minnesota Department of Education, October 2013 Enrollment and FY14 Levy Certification

Robbinsdale Area Schools is one of the few school districts in Hennepin County that does not currently have a voter-approved capital project levy to provide funds for technology. If approved, the technology levy would generate \$3.5 million per year to help fund the Robbinsdale Area Schools technology plan.



Strong Schools = Strong Communities



Did You Know?

Research shows that public school quality is one of the most important determinants of home value.

Schools directly affect a community's vitality and home resale values.

Where to Vote

Visit pollfinder.sos.state.mn.us
or call 763-504-8038 to find your specific polling location.

Learn More

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Call 763-504-8022



ROBBINSDALE
Area Schools

Individual focus. Infinite potential.

Q2: Technology Levy

Individual Focus. Infinite Potential.



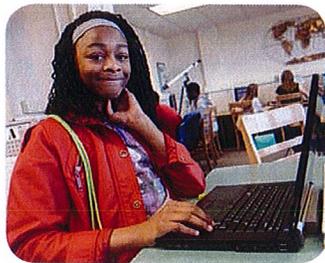
Two referendum questions are on the November 4 ballot:

- Q1: Asks for a no tax increase renewal of the existing operating levy
- Q2: Asks for a new technology levy to support student learning

Question 2 Overview

Technology is a vital tool for students to be career and college ready. Technology-literate graduates are prepared to thrive in our digital world and join a highly skilled 21st century workforce. However, Robbinsdale Area Schools is one of the few Hennepin County school districts without a voter-approved capital project levy to provide funds for technology. A technology levy would provide a stable source of funding for the technology tools that students and staff need to succeed in today's digital world.

What is the technology levy request?



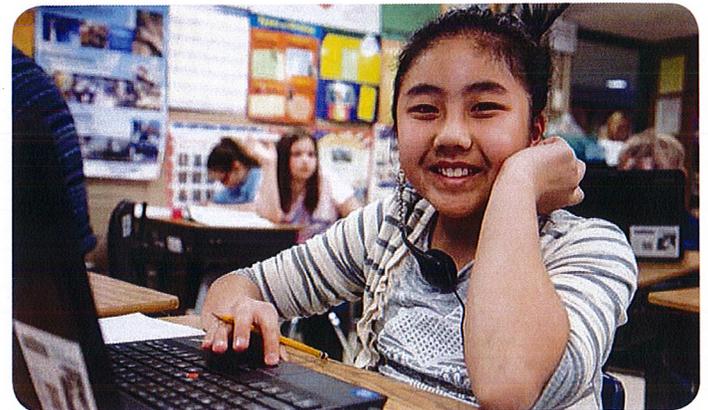
The request is for approximately \$3.5 million per year for ten years to fund the school district's comprehensive, research-based technology plan. This plan is updated every three years and is the basis for all technology purchases and decisions. Without a technology levy, this plan must compete for funding

with other important district capital needs such as security equipment, textbooks, roofs, parking lots and other building maintenance. The current district budget does not include enough money to fully implement the district's technology plan to support student learning. If voters approve the plan, the tax impact on the median value district home (\$195,000) would be \$7 per month.

What role does technology play in Robbinsdale Area Schools?

Technology Helps Teachers Manage Student Learning -

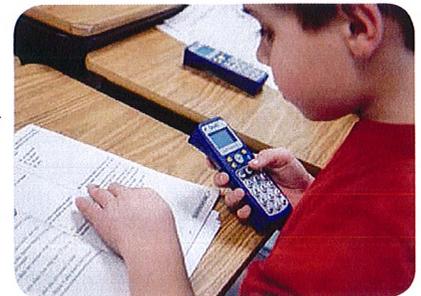
Teachers use software in the classroom to share classroom information and to communicate with students and families. Teachers use Schoology, a learning management system, to organize resources such as links and videos for students and families, accept assignments digitally, host online discussions and provide online quizzes. Each student and family has their own secure account through which they can communicate, learn, access and provide information. The Compass Odyssey integrated learning system helps students in grades 3-5 gain math enrichment and support; grades 6-8 receive math and language arts intervention and acceleration; grades 9-12 take hybrid online/in-class courses, credit recovery, and advanced course options.



Technology Helps Students Learn According to their Learning Style - Not all students learn in the same ways. Classroom learning can be personalized to accommodate individual learning styles through the use of technology. Teachers can upload videos, provide links to detailed articles, and load practice assignments. Students can learn material in the way they learn best - either through auditory, visual or hands-on methods.

Technology Gives Students More Learning Options -

The options for learning are expanded through the use of technology. One example is the use of Open Educational Resources (OER), which are freely licensed documents and media that are useful for teaching, learning, educational, assessment and research purposes. Some OER courses are already in use, including 6th and 7th grade social studies courses; 20 more courses should be ready to pilot in fall 2014. Another example is the use of hybrid courses, which combine online learning with in-class learning. Robbinsdale Area Schools has developed and offered 12 semester credits of hybrid courses in the high schools.



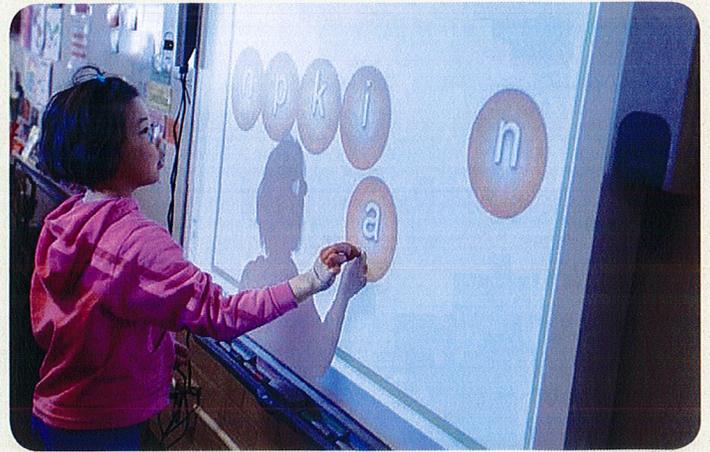
Technology Allows Access to Information From Anywhere - Cloud computing makes communication and learning mobile - available anytime, anywhere. One example is Google Apps, which provides storage and applications that work on any wired or mobile device: desktop, laptop, Chromebook, tablet or smartphone. Students use applications to integrate their notes, web resource links, audio and video clips and other resources in one place, creating a cumulative portfolio of learning over time. Lost notes and forgotten assignments are a thing of the past.

What Can Technology Look Like in a 21st Century Classroom?

Robbinsdale Area Schools has worked hard to integrate technology into its classrooms for student learning, but limited resources have made it a challenge to sustain the level of technology that students and teachers need. The following are examples of opportunities currently available in some classrooms that could be expanded to more classrooms with additional technology funding - or opportunities that could be added if dedicated technology funding were available.

- 1. Collaboration** - Students gather in small groups to work on a project using a Chromebook laptop to access the information they need, take group notes and post responses to teacher questions.
- 2. Science Experiments** - Students use Vernier technology and probes that link directly to computers to complete science experiments, log data, do graphing/analysis and solve complex science and math problems. By using these tools and learning these skills, students develop into the next generation of scientists and engineers.
- 3. Online Accelerated Learning** - Students who have mastered a lesson can move ahead to the next lesson ahead of their peers by using their Chromebook or other personalized device and the Compass Odyssey integrated learning system and curriculum. The teacher can see which lessons each student has mastered and facilitate the learning of all students in the class at each student's own pace.
- 4. Unique Presentations** - Students use digital presentation and video creation programs on their devices to present book reports, share information and complete assignments.

- 5. Accessing the World** - Students use Skype and teleconferencing programs to join lectures at universities, zoos, international events, NASA and much more.
- 6. Interactive Learning** - Teachers use SMART boards, or electronic whiteboards, and handheld devices to demonstrate a lesson through interactive learning activities that can be built like games to motivate and engage students in their learning.
- 7. Instant Feedback** - Teachers use digital assessments to provide instant feedback to students on their assignments. Knowing each student's progress enables teachers to make changes to the teaching or resources provided.
- 8. e-Books** - Students read e-books on Chromebooks, iPads and other digital devices, with the ability to make notes online, add bookmarks to flag key information and download new books instantly.

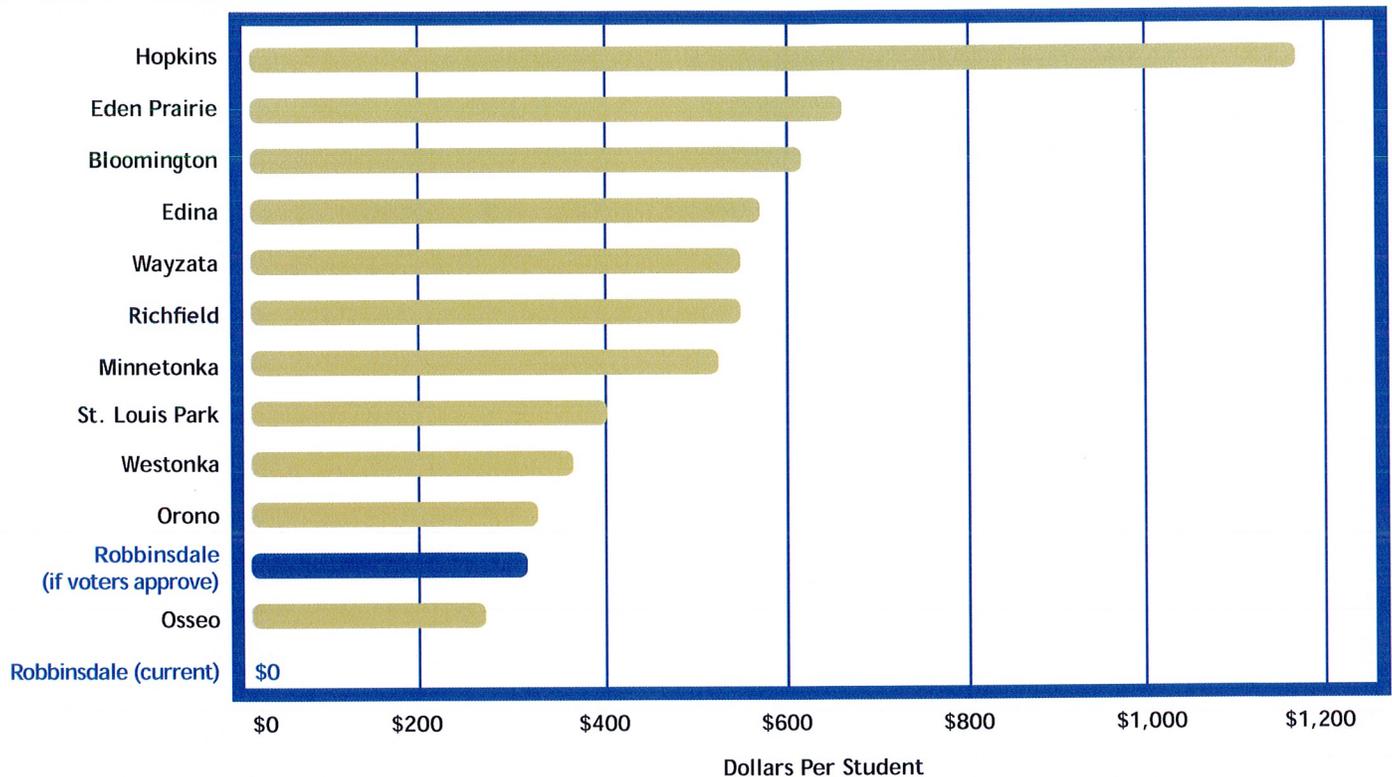


Funding: Technology for Learning

Need	Year One Budget*
Technology for schools, classrooms and students - Add and maintain interactive whiteboards, digital projectors, classroom sound systems, classroom assessment tools, computer labs, mobile technologies, teacher workstations and audio/video equipment to improve the classroom learning environment. Provide and maintain a personal learning device (Chromebook or comparable device) for all students in grades 5-12 to ensure anytime, anywhere access to classroom learning resources and communication tools.	\$2,520,000
Technology Systems, Support & Training - Provide instructional technology systems, support and training to deliver and sustain more efficient and effective teaching and learning practices.	\$720,000
Network Infrastructure - Maintain and replace access points, routers, servers and other network equipment to ensure a secure and robust network environment.	\$260,000
Total Year One Budget	\$3,500,000

* The school board reviews its educational priorities and expenses annually and will adjust these expenditures as necessary for changes in technology and priorities over the ten years of the levy.

Voter-Approved Capital Project/Technology Levies



Source: Minnesota Department of Education. October 2013 Enrollment and FY14 Levy Certification

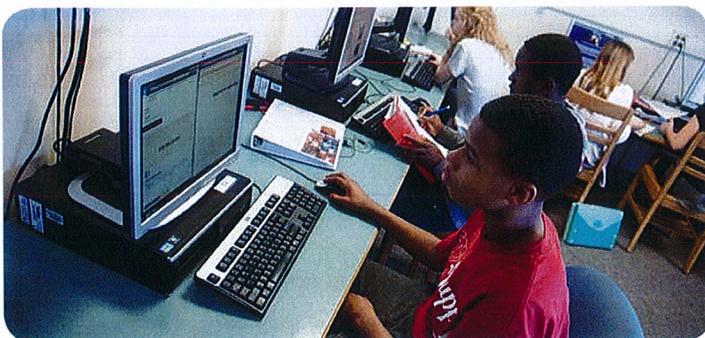
Robbinsdale Area Schools is one of the few school districts in Hennepin County that does not currently have a voter-approved capital project levy to provide funds for technology. If approved, the technology levy would generate \$3.5 million per year to help fund the Robbinsdale Area Schools technology plan.

What if Question 2 Passes?

Robbinsdale students and staff would have increased access to up-to-date technology, in 21st century classrooms, allowing more efficient ways of teaching. District staff could move forward on a 10-year technology plan knowing there is a stable funding stream that would sustain both its quality and effectiveness.

Specifically, technology levy funds would be used to:

- Help teachers manage student learning
- Provide instant feedback on student assessments
- Help students learn according to their learning style
- Give students more learning options
- Provide access to information from anywhere, anytime



What if Question 2 Fails?

The school district's technology plan - which details how technology will support student learning - would have to compete for funding with other basic district capital needs, such as security equipment, textbooks, roofs, parking lots and other building maintenance. Without a fully-funded technology plan:

- The school district would struggle to provide updated computers and other technology for students and staff. Equipment would become outdated, slow or unusable with increased repair expenses.
- Students would not have access to the same opportunities that neighboring school districts offer, resulting in a technology gap.
- Student access to online classroom resources and tools would be limited.
- Staff would be limited in the amount of attention they could provide individual students and would not have the same level of information about each student's progress.
- Cuts would need to be made to the district's budget in order to maintain basic levels of technology.
- There would be slower turnaround times for family and community requests of teachers and district staff.

Impact of the Technology Levy

	Stable Funding Can Provide:	Lack of Stable Funding Can Cause:
Learning	<ul style="list-style-type: none"> • Up-to-date resources and tools for students to prepare for career and college. • More personal learning devices for students, allowing 24/7 access to digital classroom resources and communication tools. 	<ul style="list-style-type: none"> • A widened technology gap between Robbinsdale Area Schools and neighboring districts. • Barriers to online classroom resources and tools, limiting student's learning experiences.
Teaching	<ul style="list-style-type: none"> • Classrooms with effective technology systems for 21st century learning environment. • Tools and systems to manage personalized learning for all students. 	<ul style="list-style-type: none"> • Additional expenses to repair aging equipment. • Unusable, outdated technology. • Limited opportunities for innovation.
Assessment	<ul style="list-style-type: none"> • Tools to deliver immediate feedback that empowers students to manage their own learning. 	<ul style="list-style-type: none"> • Delayed and less personalized feedback that limits teachers' ability to focus on individual students' needs.
Productivity	<ul style="list-style-type: none"> • Streamlined administrative functions, increased staff productivity and more value -added services to families and the community. 	<ul style="list-style-type: none"> • Less efficient systems and services that reduce productivity. • Slower turnaround times for family and community requests of teachers and district staff.
Infrastructure & Support	<ul style="list-style-type: none"> • Reliable, secure and robust equipment and networks. • Necessary technology support and training. 	<ul style="list-style-type: none"> • Reduced instructional time due to slow performance, increased log-in times and system failures.

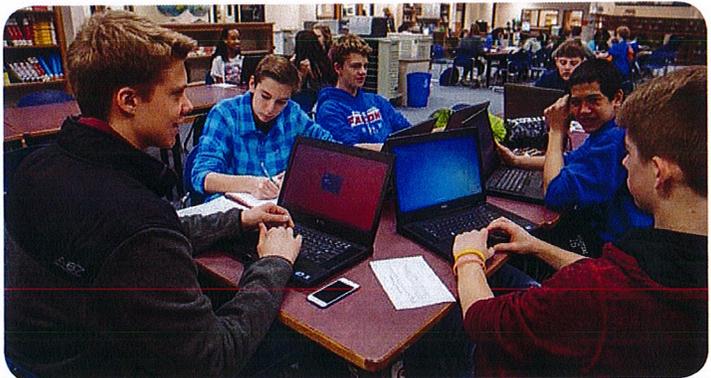
Strong Schools = Strong Communities



Did You Know?

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Schools directly affect a community's vitality and home resale values.



Where to Vote

Visit pollfinder.sos.state.mn.us
or call 763-504-8038 to find your specific polling location.

Learn More

Visit us online at rdale.org/referendum
Email referendum@rdale.org
Call 763-504-8022



ROBBINSDALE
Area Schools
Individual focus. Infinite potential.