



**City of Inver Grove Heights
City Council Chambers**

**City Council Work Session
Monday, June 1, 2020 at 6:00 p.m.**

NOTICE TO RESIDENTS: If you are interested in participating, please contact Rebecca Kiernan prior to this meeting via telephone (651) 450-2513 or email (rkiernan@invergroveheights.org) to inform her - your name, address and to what you wish to speak on. Individuals may submit written public comments in advance of the meeting by emailing comments to Rebecca Kiernan (rkiernan@invergroveheights.org). Comments received prior to 4:00 p.m. on Monday, May 4, 2020, will be provided to the Council at or before the May 4, 2020 Work Session.

A G E N D A

A. Call to Order - Mayor Tourville

1. Update from Police Chief Chiodo and Fire Chief Thill.
2. Financing Plan for the 2020-2024 Capital Improvement Plan.
3. 2020 Primary and General Election Discussion - In-person Voting (direct ballot method).

B. Adjourn



Financing Plan for the 2020-2024 Capital Improvement Plan

June 1, 2020



City Goals

Maintain and expand infrastructure: Fund capital projects

Maintain moderate tax increases

Increase Pavement Management Program funding

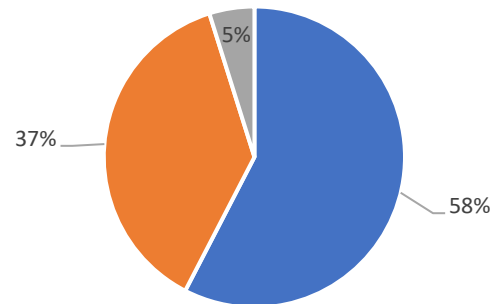
Keep debt levy at or below 15% of total levy

Maintain General Fund balance at 40 - 45% of next year's expenditures



Overview and Recap

City's tax capacity increased \$4,354,447 (11%) between 2019 and 2020



- Market Value Growth on Existing Property
- TIF District Decertification
- New Development



Baseline Plan

Does not reflect any adjustments to 2020 Budget for COVID-19 impacts

- Serves as baseline for modeling potential impacts

Potential changes to be considered:

- 2020 budget adjustments
- Reduction in future property tax collections
- Additional transfers to Community Center and Recreation Fund to cover shortfalls
- Potential transfer to Golf Course



Recap of PMP

City CIP for Pavement Management totals \$24,110,119 over next five years

64 th /Bowman/64 th Court	Majestic Woodlands
Cahill Mill and Overlay	Carleda
Carter Path/Carter Court	Dawn Way South
60 th /Bacon/62nd	Dawn Way North
Argenta Trail	Park Trails and Parking Lots
Cracksealing and Sealcoating	County Road PMP



Recap of PMP

Goal: Fund additional street projects beyond CIP

Target: \$1M additional funding each year from 2021 - 2024

Total Additional Funding: **\$4M**

Trend of increasing costs may mean that additional \$4M in funding is used up without adding new projects





PMP Funding Recommendation

General Fund contributions have historically been made as transfers out to PMP Fund

New Recommendation: Replace the transfer with a PMP Levy beginning in Pay 2021

- Pros:
 - ✓ Increased transparency on use of funds
 - ✓ Reduces tax impact to the General Fund
 - ✓ Same level of funding for PMP



Proposed City PMP Funding – Feb 2020

Year	General Fund Transfer	Pavement Management Levy	Host Community Fund	Franchise Fees	Total
2020	1,750,000		-	1,031,000	2,781,000
2021		2,250,000	-	1,025,000	3,275,000
2022		2,500,000	400,000	1,025,000	3,925,000
2023		2,750,000	400,000	1,525,000	4,675,000
2024		3,000,000	400,000	1,525,000	4,925,000
TOTAL	1,750,000	10,500,000	1,200,000	6,131,000	19,581,000

Additional PMP Funding will come from special assessments



Proposed City PMP Funding – June 2020

Year	General Fund Transfer	Pavement Management Levy	Host Community Fund	Franchise Fees	Total
2020	\$ 1,750,000			\$ 1,065,000	\$ 2,815,000
2021		\$ 2,250,000	\$ 500,000	\$ 1,070,000	\$ 3,820,000
2022		\$ 2,500,000	\$ 500,000	\$ 1,075,000	\$ 4,075,000
2023		\$ 2,750,000	\$ 500,000	\$ 1,080,000	\$ 4,330,000
2024		\$ 3,000,000	\$ 500,000	\$ 1,085,000	\$ 4,585,000
TOTAL	\$ 1,750,000	\$ 10,500,000	\$ 2,000,000	\$ 5,375,000	\$ 19,625,000

Additional PMP Funding will come from special assessments.
Assumes assessment rate remains 2% over bond rate.



Major Projects: Public Works Facility

Estimated cost: \$14,190,000 (inflated cost)

Constructed in 2023

Source	Feb. Draft Plan	June Plan
Bonds	5,100,000*	7,490,000*
General Fund	800,000	900,000
Host Community Fund	3,800,000	3,800,000
Utilities	1,000,000	1,000,000
Central Equipment Fund	1,000,000	1,000,000
Local Improvement Fund	2,490,000*	0
TOTAL	\$14,190,000	\$14,190,000



Major Projects: Collector Streets

Estimated costs - \$14,862,150 (today's cost)

Projects include:

- 70th Street
- 117th Street
- 65th Street
- New Argenta Trail
- Seidl's Lake Outlet
- Orchard Trail



Putting It All Together: Tax Impact

Projected Taxes on Sample Home

	2019	2020	2021	2022	2023	2024
Value of Home	\$233,300	\$242,800	\$247,656	\$252,609	\$257,661	\$262,815
Tax Rate	53.85%	50.84%	53.13%	54.85%	56.31%	57.75%
City Taxes	\$1,169	\$1,156	\$1,236	\$1,306	\$1,372	\$1,439
Annual Increase	\$184	(\$13)	\$80	\$70	\$66	\$67
Percent Increase in Tax on Sample Home	18.6%	-1.1%	6.9%	5.6%	5.0%	4.9%

Average annual tax increase 2020 to 2024 is \$54 or 4.3%



City's Debt Policy

The City of Inver Grove Heights elects to limit the amount of debt to be repaid in any given year to a maximum debt levy amount of **approximately 15%** of the total city-wide levy.

The city should not purposefully structure principal repayments simply to comply with this requirement.

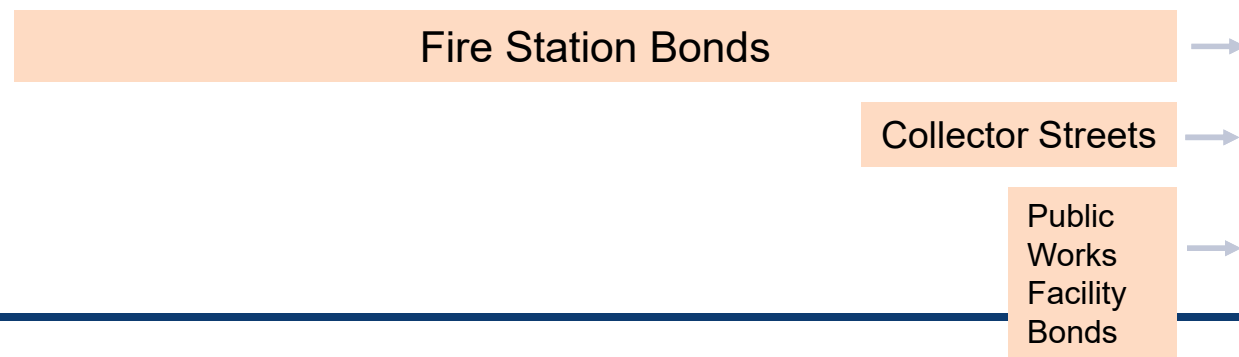


Putting It All Together: Debt Levy

Debt used to finance collector streets and Public Works Facility

Current Policy: To maintain debt levy at or below 15% of total levy

	2019	2020	2021	2022	2023	2024
Debt Levy as a % of Total Levy	10.9%	11.5%	11.1%	10.5%	10.4%	11.7%





General Fund Balance

Policy is to maintain minimum General Fund Balance at a minimum of **40% - 45%** of next year's expenditures

	2019	2020	2021	2022	2023	2024
Fund Balance as a % of Next Year's Expenditures	44.3%	48.0%	47.7%	47.9%	48.7%	48.6%

Capacity to use fund balance to offset COVID-19 revenue losses



Key Assumptions in Plan

1. **Revenues** increase 2-3% annually
2. **Expenses** increase at 3-5% annually
 - 4% assumed for General Fund
3. **All capital projects** are funded as requested by department heads (totaling \$66.1M) plus an additional \$4M of PMP projects are funded
4. **Values** - City's tax capacity increases 2% annually
5. **Assessments** – Minimum of 20% of PMP projects assessed and \$1M assessed for collector streets. Rate is 2% over bonding rate



Key Assumptions in Plan

6. Fund balances

- General Fund Balance exceeds 40% of expenditures (including transfers out) per policy

7. Sample value home - \$242,800 in 2020 and inflated 2% annually

8. Franchise Fees – 75 new homes per year projected

9. Inflation on Capital Costs – 5% annually



Next Steps

Council direction and discussion

Final report and approval at June 22 Council meeting

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Discussion and request for approval to suspend "Vote Early in Person" (a.k.a. Direct Balloting) for remaining 2020 elections

Meeting Date: Monday, June 1, 2020
 Item Type:
 Contact: 651-450-2513
 Prepared by: City Clerk Rebecca Kiernan
 Reviewed by:

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested - N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

Slowing the spread of COVID-19 and protecting employees and the public, are ongoing priorities for the City of Inver Grove Heights.

Upcoming elections in 2020 require discussion and additional planning by City Administrators to ensure voting is conducted according to MN State statute and executed in a manner that is safe for voters, election staff, and City workers.

There are two remaining elections for 2020:

August 11 - State Primary "Vote Early by Mail" starts June 26.

November 3 - General Election (Presidential) "Vote Early by Mail" starts September 18.

Given that the General Election is a Presidential election, high voter turnout is expected for Inver Grove Heights.

Given the ongoing COVID-19 health crisis, along with national and local news regarding state proposals regarding elections, a significant increase in "Early Voting" is expected for Inver Grove Heights.

There are three ways Inver Grove Heights voters may cast a ballot.

- **"Vote Early by Mail"** (a.k.a. Absentee with Envelope). **REQUIRED**
- **"Vote Early in Person"** (a.k.a. Absentee without Envelope; a.k.a. Direct Balloting).
RECOMMEND SUSPEND FOR 2020
- **"Vote in the Precinct on Election Day."** **REQUIRED**

Dakota County has advised me that each City is required to provide #1 above - "Vote Early by Mail" and #3 above - "Vote in the Precinct on Election Day." #2 above "Vote Early in Person" however, is optional. Dakota County has asked each city to make the decision whether they will provide the service.

SUMMARY

Staff recommends suspending "Vote Early in Person" for both the 2020 Primary and General Elections.

Memorandum

TO: Joe Lynch, Inver Grove Heights City Council
FROM: Rebecca Kiernan, City Clerk
DATE: May 28, 2020
TOPIC: Discussion and request for approval to suspend "Vote Early in Person" (a.k.a. Direct Balloting) for remaining 2020 elections.

Executive Summary

- Slowing the spread of COVID-19 and protecting employees and the public, are ongoing priorities for the City of Inver Grove Heights.
- Upcoming elections in 2020 require discussion and additional planning by City Administrators to ensure voting is conducted according to MN State statute and executed in a manner that is safe for voters, election staff, and City workers.
- There are two remaining elections for 2020.
 - **August 11 - State Primary**
"Vote Early by Mail" starts June 26.
 - **November 3 - General Election (Presidential)**
"Vote Early by Mail" starts September 18.
- Given that the General Election is a Presidential election, high voter turnout is expected for Inver Grove Heights.
- Given the ongoing COVID-19 health crisis, along with national and local news regarding state proposals regarding elections, a significant increase in "Early Voting" is expected for Inver Grove Heights.
- There are three ways Inver Grove Heights voters may cast a ballot.
 1. **"Vote Early by Mail"** (a.k.a. Absentee with Envelope). **REQUIRED**
 2. **"Vote Early in Person"** (a.k.a. Absentee without Envelope; a.k.a. Direct Balloting). **RECOMMEND SUSPEND FOR 2020**
 3. **"Vote in the Precinct on Election Day."** **REQUIRED**
- Dakota County has advised me that each City is required to provide #1 above - "Vote Early by Mail" and #3 above - "Vote in the Precinct on Election Day." #2 above "Vote Early in Person" however, is optional. Dakota County has asked each city to make the decision whether they will provide the service.
- Historically election staff have conducted voting community outreach at two health care facilities. This involves election staff visiting the facilities and directly assisting voters with voting materials. The risk of spreading COVID-19 must be considered when determining whether this service can be safely offered. It has been advised by the Secretary of State's Office to have the Healthcare Facilities staff administer and witness their resident's ballots.
- After careful consideration, **I recommend Inver Grove Heights, for both the 2020 Primary and General Elections:**

1. **Suspend "Vote Early in Person" (i.e., NOT offer).**
 2. **Suspend visiting Health Care Facilities to administer voting (i.e., NOT offer); continue to offer Health Care Facility residents "Vote Early by Mail."**
- My rationale for these recommendations includes:
 1. "Vote Early by Mail" and "Vote Early in Person" is popular and volume has increased. Voters appreciate the convenience of voting when it best fits their schedule and location, and not being locked into a single voting day.
 2. "Early Voting" rates for the remaining 2020 elections are projected to be extremely high due to it being a presidential election and due to voters wanting to avoid the risk of COVID-19 infection.
 3. Election staff workload is already highly concentrated in the week before Election Day. With increased volumes expected for "Vote Early by Mail," continuing to offer "Vote Early in Person" risks overburdening election staff and the ability to tally absentee ballots by required deadlines.
 4. "Vote Early in Person" concentrates voters at City Hall for each of seven days prior to Election Day. The layout of the physical space, the desire to process voters in a timely manner, and the need to social distance for safety, limit the ability to provide safe "Vote Early in Person" services.
 5. Conducting voting outreach at Health Care Facilities is low volume and high touch putting residents and election staff at risk of COVID-19 spread.
 6. The State of Minnesota is expecting very high voter turnout for the General Election and has proactively changed the rule to allow cities more time to open and process "Early Voting by Mail" ballots. The legislature has passed a bill that allows Election Official to open and process mailed in Absentee ballots 14 days prior to the election, while in the past has only been seven days prior.
 - Risks
 1. Voters may arrive at City Hall for "Early Voting in Person" if they missed communication about the service being suspended in 2020, resulting in disappointment, frustration, and additional foot traffic into the building.
 - a. Mitigation is to:
 - i. Post signage on City Hall entrance doors.
 - ii. Offer "Early Voting by Mail" service where the voter leaves their marked ballot at City Hall or recommend the voter visit their assigned precinct on Election Day.
 - iii. Coach election staff to remain calm and be understanding when communicating with voters.
 2. An inconsistent approach by cities in Dakota County to offering "Early Voting in Person" (i.e., if some do and some do not), may lead to Inver Grove Heights voter confusion.
 - a. Mitigation is to be as proactive as possible with communication and signage to voters that other cities may be offering the service.

- If approved, my next steps include:
 1. Communicate the decision to Dakota County Election Administration.
 2. Prepare and execute a communication plan to educate voters that “Vote Early in Person” will not be offered for the remaining 2020 elections.
 3. Communicate to Health Care facilities that voting outreach will need to be conducted by their residential employees for the remaining 2020 elections.
 4. Prepare Health and Safety plans for election staff, the election office and for precincts.
 5. Order health and safety supplies for the election office and for precincts.
 6. Engage election staff to begin processing “Vote Early by Mail” requests starting around June 24 for mail out to begin June 26.

Contents

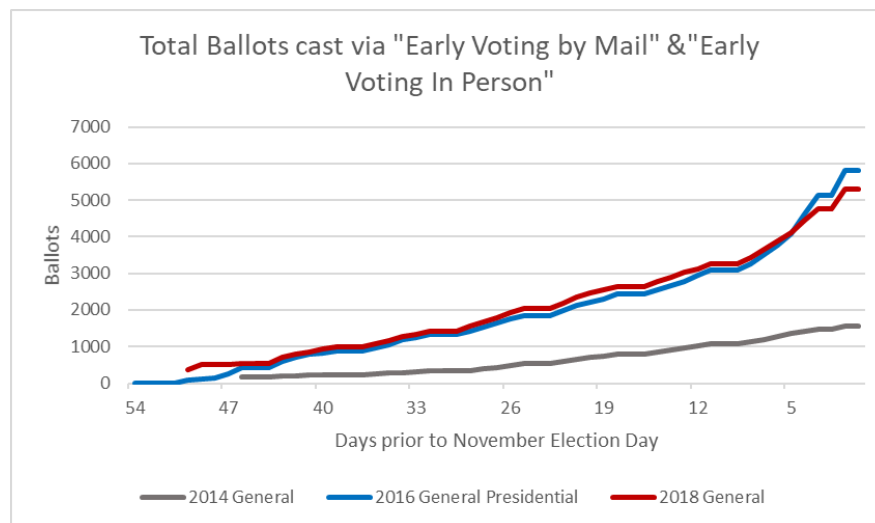
- Page 4: Rationale detail
- Page 8: Appendix - Election Fast Facts
- Page 9: Appendix - Ways to cast a ballot detail

Rationale Detail

1. "Vote Early by Mail" and "Vote Early in Person" is popular and volume has increased.

2014 only offered "Vote Early by Mail." 2016 and 2018 offered both "Vote Early by Mail" and "Vote Early in Person." Comparing the 2016 General Election (presidential) and 2018 General Election, "Early Voting" volume in 2018 was almost as high as 2016.

In general, voters appreciate the convenience of voting when it best fits their schedule and location, and not being locked into a single voting day. Voters who require additional time appreciate not feeling rushed and the extra customer service provided by the election staff.



2. "Early Voting" volumes for the remaining 2020 elections are projected to be extremely high due to:

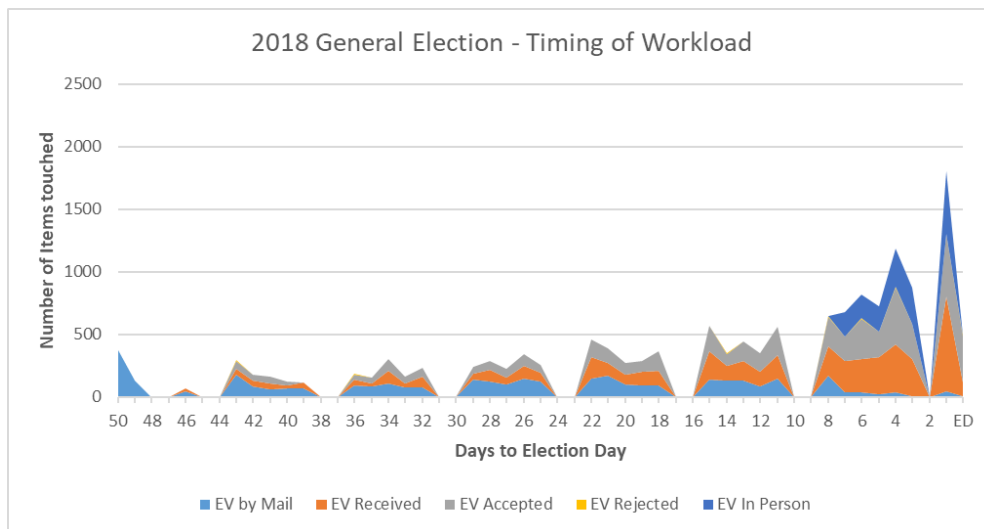
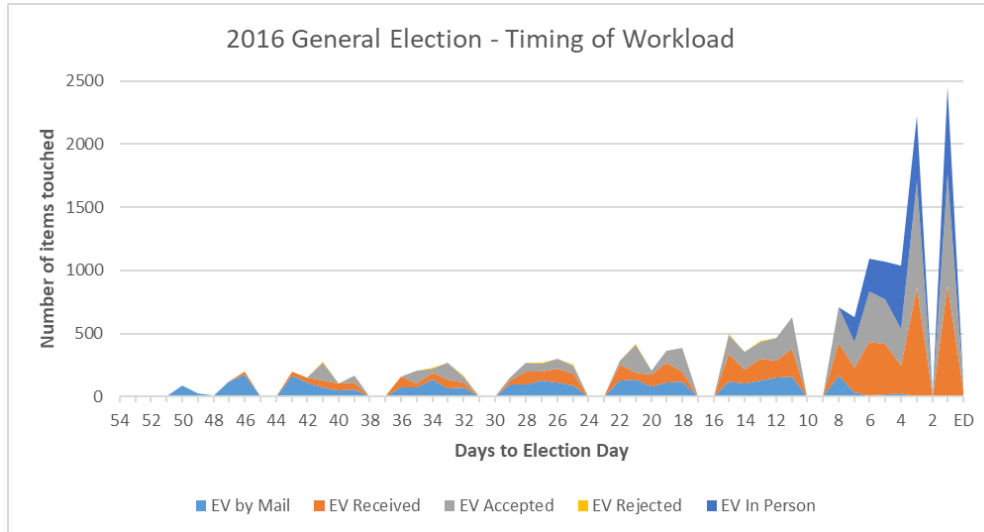
- Historical popularity of "Early Voting" services.
- Voters wanting to avoid the risk of COVID-19 infection.

3. Election staff workload is already highly concentrated in the week before Election Day.

The week before Election Day, election work includes:

- Continuing to process "Vote Early by Mail" requests and mailing out ballot materials.
- Processing returned ballot envelopes (i.e., opening, "receiving", deciding "Accepted" or "Rejected", and opening/tallying accepted returned absentee ballots.
- Conducting "Vote Early in Person," a.k.a. "Direct Balloting." This is essentially a full election for all 10 precincts each day for six days.
- Preparing equipment and materials for the precincts for Election Day.

The following graphs illustrate the timing of election staff workload (not including time to prepare precinct equipment and materials, or open/tabulate returned absentee ballots).

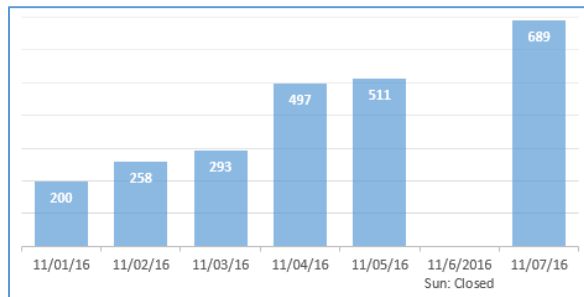


- **“EV by Mail”** (a.k.a. Absentee Voting) is the process of reviewing applications for absentee ballots, entering data into the State Voter Registration System, preparing ballot materials, and sending via the U.S. Mail.
- **“EV Received”** is the process of verifying returned ballot envelopes and marking them “Received” in the State Voter Registration System,
- **“EV Accepted” and “EV Rejected”** are the results of the process of reviewing accepted ballot envelopes for completeness and deciding whether to “Accept” them for later opening, or “Reject” them and resend new ballot materials.
- **“EV In Person”** (a.k.a. Direct Balloting) is the process of reviewing applications for completeness, entering data into the State Voter Registration System, providing the voter a ballot, and the voter places their ballot into the tabulator. **My recommendation is to suspend this activity for 2020.**

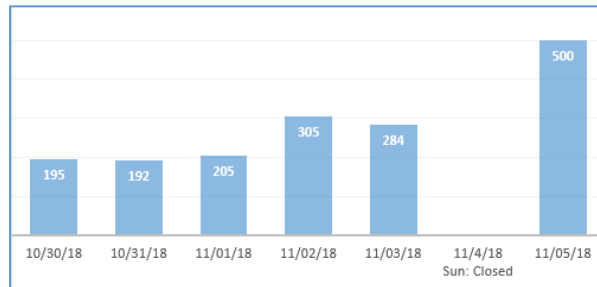
4. "Vote Early in Person" concentrates voters at City Hall for each of seven days prior to Election Day.

The following tables show the number of voters who visited City Hall for "Early Voting in Person." The highest volume day was 689 voters visiting at City Hall the day before the 2016 Election Day. Although 2018 was not a presidential election year, "Early Voting in Person" volumes were higher than expected.

2016 General Election - "Vote Early in Person" - 2,448 total



2086 General Election - "Vote Early in Person" - 1,681 total



It is impossible to estimate the number of voters who would choose to "Vote Early In Person" if the service was offered in 2020, but when looking at 2016 volumes, which was the first year "Vote Early In Person" was offered, it's possible the City could expect the range of 2500 to 3000 voters at City Hall over six days for the 2020 General Election.

The layout of the physical space for "Early Voting", the desire to process voters in a timely manner, and the need to social distance for safety, limit the ability to provide safe "Vote Early in Person" services.

5. “Conducting voting outreach at Health Care Facilities is low volume and high touch, putting residents and election staff at risk of COVID-19 spread.

Health Care Facility residents enjoy the personal service of election staff visiting them and assisting them with their ballot materials. Many facilities, however, are closed to visitors and election staff cannot risk spreading COVID-19 to this high-risk group of voters. Instead, residents will be offered the “Vote Early by Mail” option or Healthcare Facility Employees will administer and witness their resident’s ballots.

Election	Number of Health Care Facility Residents Who Voted
2016 General	41
2018 General	32

APPENDIX

Election Fast Facts

The following table provides some general facts regarding Inver Grove Heights voting.

Item	Fact	
Number registered voters	21,907 (as of May 28, 2020)	
Number of precincts for voting	10	
Number of registered voters per precinct	Roughly 2,000-2,500	
Number/Percent of Registered Voters Voting	<u>Primary</u> <ul style="list-style-type: none"> • 2014 - 3,089 / 14.1% • 2016 - 4,391 / 20.0% • 2018 - 5,023 / 22.9% 	<u>General</u> <ul style="list-style-type: none"> • 2014 - 12,474 / 56.9% • 2016 - 19,389 / 88.5% • 2018 - 17,129 / 78.2%
Number/Percent of votes cast "Early" <i>*Note: "Vote Early in Person" was first offered in 2016</i>	<u>General</u> <u>2014</u> <ul style="list-style-type: none"> • Voted Early by Mail - 1,570 / 7.1% <u>2016</u> <ul style="list-style-type: none"> • Voted Early by Mail - 3,375 / 15.4% • Voted Early in Person - 2,448 / 11.2% <u>2018</u> <ul style="list-style-type: none"> • Voted Early by Mail - 3,620 / 16.5% • Voted Early in Person - 1,681 / 7.7% 	

Ways to Cast a Ballot

There are three ways voters can cast a ballot for each election.

1. **"Vote Early by Mail,"** (a.k.a. Absentee with Envelope). **REQUIRED**
 - a. This process occurs for 46 days prior to Election Day.
 - b. Administration involves the voter completing an application for an absentee ballot, election staff verifying voter information via SVRS - State Voter Registration System, sending ballot materials to the voter by U.S. Mail, and the voter returning their ballot either by mail or in person.
 - c. Returned ballots are checked in, verified, opened when allowed, and tabulated in batches via a fast ballot counter (i.e., ICC - Image Cast Central) by election staff. After all absentee ballots that were returned by U.S. Mail have been tabulated, results are transmitted to Dakota County.
2. **"Vote Early in Person,"** (a.k.a. Absentee without Envelope; a.k.a. Direct Balloting). **RECOMMEND SUSPENSION**
 - a. This process occurs at City Hall for six days prior to Election Day. It is a full election each day for all 10 precincts.
 - b. Administration is similar to the Vote Early by Mail process where the voter completes an application for an absentee ballot and election staff verify voter information in SVRS, however instead of sending the ballot materials to voters by U.S. Mail, the election staff hand a ballot to the voter, the voter marks their ballot and inserts it into the tabulator (i.e., ICE - Image Cast Evolution).
 - c. Each ballot is tabulated immediately, and results are accumulated at the end of each voting day. At the end of the six days, results are transmitted to Dakota County.
3. **"Vote in the Precinct on Election Day."** **REQUIRED**
 - a. This process occurs in 10 precincts on one day: voters voting in person in their assigned precinct.
 - b. Administration involves election staff checking in voters via the ePollbook, handing a ballot to the voter, the voter marks their ballot and inserts it into the tabulator (i.e., ICE - Image Cast Evolution).
 - c. The ballot is tabulated immediately, and results are accumulated at the end of each voting day. Results from all 10 precincts are transmitted to Dakota County.