



CITY OF FREEPORT

125 Main Street E – PO Box 301 – Freeport, MN 56331 – 320-836-2112
For TTY/TDD Users 1-800-627-3529 or 711 Minnesota Relay Service www.freeportmn.org

October 31, 2023 - Regular Meeting Agenda Freeport City Hall - 7:00 pm

Call to Order

I. Approve Agenda

II. Public Hearing

- a. *Welle's Country Acres Plat Four* Plat Approval (1)

III. Public Forum

IV. Consent Agenda

- a. September 26, 2023 Council Meeting Minutes (2-4)
- b. Claims Report – October 2023 (5-7)
- c. September 2023 Sheriff's Report (8)

V. Reports

- a. Clerk-Treasurer Report – Jon Nelson (9)
- b. Fire Department Report – Andy Grieve (N/A)
- c. Public Works Report – Loren Goebel (10-11)
- d. Engineer Report – Dave Blommel (12-13)
- e. Attorney Report – Scott Dymoke (14)

VI. Old Business

- a. City-Issued Ordinance Fines (15)

VII. New Business

- a. Financial Plan Proposal – Ashley Feldewerd (Handout)
- b. Investment Policy for the City of Freeport (16-22)
- c. Quarterly Report – Ashley Feldewerd (Handout)
- d. CSAH 11 Sidewalk (23)
- e. Welle Lot Pricing (24)
- f. Public Works Director Loren Goebel's Review

VIII. Adjourn

Next Regular Meeting: November 28, 2023

Memo

From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 10/27/2023

Re: Public Hearing

A public hearing will take place to approve the final plat of Welle's Country Acres Four Addition.



CITY OF FREEPORT

125 Main Street E – PO Box 301 – Freeport, MN 56331 – 320-836-2112
For TTY/TDD Users 1-800-627-3529 or 711 Minnesota Relay Service www.freeportmn.org
cityfrpt@albanytel.com

September 26, 2023 – Meeting Minutes

A regular meeting of the Freeport City Council was convened at 7:00 pm by Mayor Mike Eveslage, and council members Nick Arnzen, Sarah Blake, Tim Hennen, and Jake Renneker.

Staff in attendance: City Clerk-Treasurer Jon Nelson, Public Works Director Loren Goebel, Fire Chief Andy Grieve, and City Engineer Dave Blommel. City Attorney Scott Dymoke was absent.

Others in attendance: Carol Moorman, Star Post; Gabrielle Goebel, 207 3rd Ave SE; Yesenia Payne, 511 1 ½ St NE; Dolores Notch, 108 3rd St NW; Shannon Ritter & Katelyn Duclos of D'Lish; Gwen Shaw, Uptown Hair; Cheryl Fuechtmann & Kim Bauer of Freeport Screen Printing; and Branden Roering, assistant fire chief.

Approve Agenda

- Renneker motioned to approve the agenda, seconded by Blake. Motion carried.

Public Forum

Dolores Notch

- Notch asked if a card club could continue to use the Senior Center free of charge. It is a desired spot for those who want to meet and play but are not able to climb steps. There's also a toe clinic every month free of charge. The Christian Mothers pay \$100 a year for rent to meet every Wednesday for quilting. She would like to see these meetings continue as-is.
- It has been a busy year with 74 rentals at the Center and she and her husband, Al, are seeking someone to take over the weekend duties. The duties would include exchanging the key with renters and taking care of any cleaning duties the renter did not fulfill. They would like to see someone lined up by January 1.

Downtown Business Owners: Uptown Hair Studio, Freeport Screen Printing, and D'Lish

- The owners of businesses on the West side of County Road 11 between Main St and 2nd St NW expressed their concerns about the sidewalk along their storefronts. It is heaving and uneven in spots and the curb stops in the middle of the sidewalk work their way up creating tripping hazards. PWD Goebel was able to turn the valves down into their place recently but they will likely work their way up again. Freeport Screen Printing has a ramp going into their main entrance that becomes a slipping hazard in the winter due to its steep incline. They are wondering if it can be taken care of and who would be responsible for the cost of the sidewalk. Nelson will look into sidewalk ordinances for more info.

Consent Agenda

- Renneker motioned to approve the consent agenda, seconded by Blake. Motion carried 4-0.

Reports

a. Clerk-Treasurer Report - Jon Nelson

- A lot of building permits are being issued, mostly a result of the storm. Many are wondering about the cost of the permits. We were able to negotiate lower prices with Code Consulting Professionals that what Inspectron was charging and the price is much lower than it would be if we were to use the state valuation table for the projects.
- The “No Parking” sign council ordered to be installed was placed on the wrong side of Pooch’s. The county will remove and reinstall it on the south side of Pooch’s. Council requested that the North side corners of the four-way stop be painted to bring attention to the new sign and to deter parking in the intersection and crosswalk, which has been an issue.
- Nelson accepted a quote from Design Electric to install the new light pole bases in front of Hennen Flooring’s new building. This will allow Hennen’s to proceed with their sidewalk project and the new sidewalk will not have to be torn out while are new light pole project is taking place in 2024.
- Someone stopped in wondering if the crosswalk could be repainted where the Wobegon Trail crosses CSAH 11. Stearns County workers were in town painting the crosswalks at the four-way stop and Nelson asked them about it. The county said it is technically not a crosswalk, that it should not have been painted in the first place, and that the pedestrians do not have the right-of-way where the trail crosses and they must obey the stop signs that are posted on the trail.

b. Fire Dept Report - Fire Chief Andy Grieve

- 5 calls last month: 3 medicals, 1 crash, and 1 fire false alarm.
- The rescue van is still on track to be built in February 2024.

c. Public Works - Public Works Director Loren Goebel

- Tri-State Pump inspected our lift stations, didn’t find any issues.
- Johnson Jetting was in town to clean our sewer lines. There is one section of pipe that has roots growing in. They will need to come back and will try to cut through the roots to clear the line.
- Flo Station will be coming to calibrate our lift station.

d. Engineer Report - City Engineer Dave Blommel

- Bids were opened for the lift station and sanitary sewer in Welle Four Addition. RL Larson was low-bidder at \$506,947.63. This was about \$100,000 less than Blommel was expecting.
- Hennen motioned to accept the bid from RL Larson, seconded by Renneker. Motion carried.
- Renneker motioned to hold a public hearing for the final plat of Welle’s Country Acres Four Addition, seconded by Arnzen. Motion carried.
- Blommel requested to pay Mark Lee’s final pay application for 7th St SE project in the sum of \$27,012.94. Arnzen motioned to pay, seconded by Hennen. Motion carried. Nelson will hold the check until Mark Lee’s office completes their paperwork.
- Blommel and a couple representatives from SEH’s streetlight division visited Freeport. They discovered that 18’ poles would be sufficient for truck clearance under decorations and flags and would cost less. Council will need to recommend pole accessories at some point.

e. Attorney Report - City Attorney Scott Dymoke

- Dymoke was absent from the meeting.

Old Business

a. LMCIT Insurance Visit

- Council discussed the damage report received from LMCIT. Arnzen motioned to complete repairs on the entire list of damaged properties reported by LMCIT, seconded by Blake. Motion carried.

New Business

a. Public Safety Aid

- The city will receive a one-time payment of \$29,844 that can be used towards a broad range of items for public safety
- Hennen motioned to approve allotting \$15,000 to the fire department for battery-operated extrication equipment. Grieve will check with AFSA members to see if they would be willing to pitch in their public safety dollars to help with the cost.
- Blake recommended purchasing an AED machine. Grieve will order and Nelson will talk with the Post Office about installing in the lobby.
- Council discussed purchasing an app or getting a notification system for residents. Nelson will check on app pricing.

b. City-Issued Ordinance Fines

- Council discussed ordinance fines once more. Nelson provided documents from other cities that are enforcing them.
- Council decided to discuss further at the next meeting since Dymoke was absent.

c. EDA Member Jim Hemker's Reappointment

- During the September EDA meeting, Mayor Eveslage chose to reappoint Jim Hemker to his position in the EDA. Council must vote to approve Mayor Eveslage's appointment.
- Renneker motioned to approve Jim Hemker's reappointment to the EDA, seconded by Arnzen. Motion carried.

Adjourn

Arnzen motioned to adjourn, seconded by Blake. Motion carried.

Mayor Mike Eveslage

Clerk-Treasurer Jon Nelson

10/26/23
10:32:13

CITY OF FREEPORT
Claim Details
For the Accounting Period: 10/23

Page: 1 of 3
Report ID: AP100

For doc #s from 5598 to 5626
* ... Over spent expenditure

Claim Line #	Check	Invoice #/Inv Date/Description	Vendor #/Name/ Line \$	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
5598		829 ABDO		7,925.00					
1	476786	09/30/23 Monthly Fee - Sept 2023		7,500.00			101 41000	300	10100
2	476917	09/30/23 Payroll Prep - Sept 2023		425.00			101 41000	300	10100
5599		647 BADGER METER INC		27.18					
1	80140073	09/23/23 Beacon MBL Hosting Unit		13.59			601 43225	433	10100
2	80140073	09/23/23 Beacon MBL Hosting Unit		13.59			602 43250	433	10100
5601		751 CITY OF FREEPORT		184.89					
1	10/10/23	Fire Hall Water Usage		184.89			225 42200	384	10100
5603		860 DESIGN ELECTRIC, INC.		9,705.00					
1	06194-1	10/11/23 Main St Light Pole Replacemen		9,705.00*			419 43160	300	10100
5604		752 EXPERT BILLING LLC		135.00					
1	11789	09/30/23 5 Runs Billed - Aug 2023		135.00			225 42200	300	10100
5605		727 FLOW MEASUREMENT AND CONTROL		497.00					
1	2355	10/04/23 Flow Meter Certification		452.00			602 43250	300	10100
2	2355	10/04/23 Per dim charge		45.00			602 43250	300	10100
5606		155 FREEPORT FARM CENTER, INC		121.86					
1	108613	09/20/23 Belt		121.86			101 45200	220	10100
5607		174 GOPHER STATE ONE CALL, INC		18.90					
1	3090408	09/30/23 Email Tickets - Sept 2023		18.90			601 43225	300	10100
5608		179 GRANITE ELECTRONICS, INC		37.50					
1	154014761-	08/07/23		37.50			225 42200	245	10100
5609		187 HAWKINS, INC		40.00					
1	6551406	08/15/23 Chlorine Cylinder		10.00			601 43225	440	10100
2	6602462	10/15/23 Chlorine Cylinders		30.00			601 43225	440	10100
5610		199 HILTNER COMPANY, INC		139.26					
1	94758	08/09/23 Oil/Oil Filter		139.26			225 42200	215	10100
5611		670 JOHNSON JET-LINE, INC		7,701.31					
1	3636	09/26/23 Jetting & Vacuum		7,701.31*			602 43250	311	10100

10/26/23
10:32:13

CITY OF FREEPORT
Claim Details
For the Accounting Period: 10/23

Page: 2 of 3
Report ID: AP100

For doc #s from 5598 to 5626
* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Line #	Check Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
5612	743 JIM'S WHOLESALE, INC	193.80							
1	214460 09/12/23 Trash Liners	123.85			101 43100	210		10100	
2	214603 09/25/23 Hand Towels	69.95			225 42200	210		10100	
5613	828 LANDSCAPE STRUCTURES INC.	5,870.18							
1	INV-136315 10/18/23 Lions Park - Swings	5,870.18*			101 45200	510		10100	
5614	769 METRO SALES, INC	89.87							
1	INV2382766 10/10/23 Copier Rental 9/15/23-10/1	89.87			101 41000	410		10100	
5615	268 MARC	1,326.49							
1	0800505-IN 09/15/23 Cold Water Bacteria/Enzymes	1,238.00			602 43250	210		10100	
2	0800505-IN 09/15/23 Freight	88.49			602 43250	210		10100	
5616	309 MINNESOTA LIFE INSURANCE CO	1.70							
1	10/24/23 Goebel - Life Ins Nov 2023	1.70*			101 43000	131		10100	
5617	334 M-R SIGN CO, INC	304.86							
1	221963 10/19/23 Signs	288.56			101 43100	210		10100	
2	221963 10/19/23 Freight	16.30			101 43100	210		10100	
5618	389 RAMLER TRUCK & TRAILER REPAIR,	1,633.07							
1	RI062287 09/18/23 Plow Truck DOT	1,633.07			101 43100	401		10100	
5619	782 RMB ENVIRONMENTAL LABORATORIES	131.77							
1	D052452 10/16/23 Predischarge	131.77*			602 43250	460		10100	
5620	542 SCHMIDTY'S	74.90							
1	2863 08/21/23 EDA - Deli	44.97*			300 46500	430		10100	
2	9329 08/01/23 Fuel	29.93*			101 43100	215		10100	
5621	418 SEH, INC	4,900.00							
1	454208 10/15/23 2024 Street Lighting	4,900.00*			419 43160	300		10100	
5622	440 STEARNS CO AUDITOR-TREASURER	2,600.00							
1	2023-0013 09/29/23 2023 Election Eqpmnt Renta	1,850.00*			101 41450	210		10100	
2	2023-0017 09/21/23 2023 2nd Half Criminal Pros	750.00			101 41000	305		10100	
5623	463 TEAM LABORATORY CHEMICAL CORP	56.00							
1	INV0038045 09/25/23 Ice Melt Crystals	56.00			101 43100	225		10100	

10/26/23
10:32:13

CITY OF FREEPORT
Claim Details
For the Accounting Period: 10/23

Page: 3 of 3
Report ID: AP100

For doc #s from 5598 to 5626
* ... Over spent expenditure

Claim Line #	Check	Invoice #/Inv Date/Description	Vendor #/Name/ Line \$	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
5624			567 TRI-STATE PUMP & CONTROL INC	1,235.00					
1	444605	09/19/23 Annual Inspection		1,235.00			602 43250	300	10100
5625			809 VALLI INFORMATION SYSTEMS, INC	75.00					
1	90563	09/30/23 Online Monthly Maintenance		75.00			101 41000	300	10100
5626			219 JOANN TIMP	200.00					
1	10/26/23	Sept/Oct Cleaning		200.00			101 41000	300	10100
			# of Claims	27	Total:				45,225.54

FREEPORT ALL CALLS

City	Date Received	Call #	Description
FREEPORT	09/17/2023 01:46:34	23076523	AGENCY ASSIST
FREEPORT	09/28/2023 19:11:02	23079919	AGENCY ASSIST
FREEPORT	09/30/2023 12:15:16	23080409	BUSINESS ASSIST
FREEPORT	09/24/2023 02:27:11	23078686	DIRECTED PATROL
FREEPORT	09/04/2023 04:36:44	23072892	DIRECTED PATROL
FREEPORT	09/19/2023 00:08:35	23077061	DOOR CHECK(S)
FREEPORT	09/22/2023 17:34:24	23078278	DRUG RECOGNITION EVALU/
FREEPORT	09/10/2023 00:19:47	23074549	DRUNK DRIVER ARREST
FREEPORT	09/13/2023 01:44:15	23075285	EXTRA PATROL
FREEPORT	09/26/2023 11:20:32	23079211	FOLLOW UP
FREEPORT	09/29/2023 23:43:37	23080334	FOOT PATROL
FREEPORT	09/29/2023 23:57:52	23080336	JUVENILE/PROBLEM WITH
FREEPORT	09/30/2023 10:34:57	23080395	MATTER OF INFORMATION
FREEPORT	09/11/2023 20:20:49	23074933	MATTER OF INFORMATION
FREEPORT	09/05/2023 22:13:17	23073397	MEDICAL EMERGENCY
FREEPORT	09/17/2023 01:42:11	23076522	MEDICAL EMERGENCY
FREEPORT	09/27/2023 11:54:35	23079478	MEDICAL EMERGENCY
FREEPORT	09/16/2023 19:30:00	23076423	MOTORIST ASSIST
FREEPORT	09/05/2023 19:35:33	23073372	MOTORIST ASSIST
FREEPORT	09/22/2023 14:04:44	23078211	NO PAY CUSTOMER
FREEPORT	09/22/2023 14:06:41	23078212	NO PAY CUSTOMER
FREEPORT	09/23/2023 20:29:39	23078610	PAPER SERVICE
FREEPORT	09/22/2023 17:13:03	23078270	TRAFFIC STOP
FREEPORT	09/29/2023 23:33:53	23080329	TRAFFIC STOP
FREEPORT	09/30/2023 20:52:39	23080545	TRAFFIC STOP
FREEPORT	09/30/2023 22:06:46	23080577	TRAFFIC STOP
FREEPORT	09/26/2023 09:57:39	23079187	TRAINING ONLINE
FREEPORT	09/21/2023 15:25:46	23077881	WELFARE CHECK

Job Duty	Date	Initial
Well, tower, pond checks	SAT 9/16/23	JH
Well, tower, pond checks, gas chlorine valve not working (Fixed)	SUN 9/17/23	JH
Well, tower, lift station, pond checks, water samples, Chris Middleton	MON 9/18/23	JH
Well, tower, pond checks, Tri-State pump base for yearly inspection,	TUE 9/19/23	JH
Johnson Jet camera line ^{manhole} 34-35, gopher calls, bugs, garbage		JH
Well, tower, pond checks, gopher calls, mowed pond, pulled weeds	Wed 9/20/23	JH
Well, tower, lift station, pond checks, water samples, mowed well 3, bugs	THU 9/21/23	RJ
Well, tower, pond checks, gopher call, garbage, pot cores out	FRI 9/22/23	JH
Well, tower, pond checks, gopher garbage, pot cores away, short	SAT 9/23/23	JH
Well, tower, pond checks, garbage, emergency locate	SUN 9/24/23	JH
Well, tower, lift station, pond checks, water samples, bug ponds, pond lift station	MON 9/25/23	JH
clean out Johnson Jet - gopher call,	"	RJ
Well, tower, pond checks, wellhead production meeting, shop acid count	TUE 9/26/23	JH
Well, tower, pond checks, put sign up on 7th st SW, Team lab, put	Wed 9/27/23	JH
new alarm control in, gopher gopher call,	"	JH
Well, tower, lift station, pond checks, water samples, picked up branch	THU 9/28/23	JH
by mailboxes, straight extension to get replaced, Fixed light pole size light	"	JH
bug in ponds,	"	JH
Well, tower, pond checks, water readings, Design electric install	FRI 9/29/23	JH
to light bases. garbage -		JH
Well, tower, pond checks	SAT 9/30/23	JH
Well, tower, pond checks	SUN 10/1/23	JH
Well, tower, lift station, pond checks, water samples, MOU & MOCA	MON 10/2/23	JH
reports, garbage	"	JH
Well, tower, pond checks, flushed dead ends, got extensions	TUE 10/3/23	RJ
out at ponds to get remade -	"	JH
Well, tower, pond checks, mowed park, water sampling	Wed 10/4/23	JH
discharge samples to OHM or UPS - hung wisdom letter	"	JH
Well, tower, lift station, pond checks, water samples, flushed	THU 10/5/23	JH
all hydrants pumped out -	"	JH
Well, tower, pond checks, took brackets off of ponds, garbage	FRI 10/6/23	JH
Well, tower, pond checks, ^{5:20-30} mowed park for Sunday	SAT 10/7/23	JH
Well, tower, pond checks -	SUN 10/8/23	JH
Well, tower, lift station, pond checks, water samples, garbage	MON 10/9/23	JH
garbage at park - gopher calls, File Filed reports	"	JH
Well, tower, pond checks, mowed lawn, MPCA inspection on sight,	TUE 10/10/23	JH
gopher calls -	"	JH
Well, tower, pond checks, gopher calls, hung sign of Notice, Filed	Wed 10/11/23	JH
heater on at well houses		JH



Building a Better World
for All of Us®

MEMORANDUM

TO: Freeport City Council

FROM: Dave Blommel, PE (Lic. MN)

DATE: October 25, 2023

RE: Council Update
SEH No. FREEP GEN 14.00

Street Lighting

As we discussed at previous meetings, the plans are ready to go for the 2024 Street Lighting project. We can discuss at the meeting a bidding schedule, but as we have it bids would be opened on November 30th. In speaking with a supplier, it appears that the poles are only 6 to 8 weeks out, and the LED retrofit kits are on a similar timeframe. The completion date for the work is currently proposed as July 3, 2024.

Requested Action: Authorize advertisement for bids for the 2024 Lighting Improvements.

Welles Country Acres Plat 4

As we were finalizing the costs and award with USDA, we came across an unexpected funding shortfall. As it stands, there is between \$200,000 and \$300,000. USDA feels that awarding a bid to the low bidder would be inappropriate as it could reflect on the city as bid rigging or other illegal bidding actions. As a result, USDA would like to have the City rebid the work as a single bid package (still with USDA) and not do additional work under the existing USDA contract.

Moving forward the council has a couple of options that both will allow for construction to begin early in the spring.

1. Bid the entire package with USDA following their approval. I would expect 6-8 weeks with bidding in January. This will be faster than previous as portions of the plans have been approved (Lift Station).
2. Bid the entire package as a locally funded project. This will remove USDA from the oversight and allow us to bid in December.

Given the pending winter weather, and the fact that the contractor couldn't get the lift station structure until Mid November, the funding shortfall may have forced spring construction resulting in a better project.

Requested Action: Council reject all bids for the Lift Station only and provide direction to move forward.

Grant resolutions:

There are 3 resolutions for grant applications that need to be approved by the city council. The resolutions are for:

- Active Transportation Grant (CSAH 11 trail)
- Transportation Alternatives (CSAH 11 trail)
- Local Road Improvement Program (7th St SW and Industrial Drive)

We discussed all 3 of the applications at the September meeting, but deadlines are approaching in December for all 3 submissions. The resolutions are standard language and will be provided at the meeting.

dwb

x:\fj\freep\common_council meeting\2023.10.25 m council update.docx

Dymoke Law Office, P.A.

408 Main Street East, Unit 5

PO Box 127

Melrose, Minnesota 56352

Telephone (320) 256-4205

Fax (320) 256-7201

October 26, 2023

Jon Nelson
City of Freeport
125 Main Street East
Freeport, MN 56331

BY ELECTRONIC MAIL

Re: Monthly Legal Report

Dear Mr. Nelson:

During the period from September 20, 2023 through October 26, 2023, we have given significant attention to the following projects on behalf of the City of Freeport:

- **Assessments** – Reviewed statutory authority for assessments and administrative fines; advised City Clerk that authority to assess for services does not extend to collecting administrative fines.

Respectfully submitted,
Dymoke Law Office, P.A.

Scott E. Dymoke
by Scott E. Dymoke

cc: M. Eveslage

Memo

From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 10/27/2023

Re: City-Issued Ordinance Fines

Attorney Scott Dymoke was absent last month when we discussed ordinance fines. Dymoke has looked further into the fines and will discuss his findings.

INVESTMENT POLICY

FOR

CITY OF FREEPORT

Adopted October 31, 2023

PURPOSE

The purpose of this policy is to establish the specific guidelines for the investment of all public funds of City of Freeport. This policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return commensurate with the City's investment risk constraints and cash flow characteristics of the portfolio.

OBJECTIVES

The objective of this policy is to establish standards for governing the investment of the funds of the City. These funds will be invested in accordance with this policy and Minnesota Statute 118A. The City has determined that its funds shall be invested based on the following three objectives, listed in priority order:

- **SAFETY OF PRINCIPAL** – Safety of principal is the foremost objective of the City. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. Avoiding capital losses shall be the primary objective of each investment transaction.
- **MAINTENANCE OF ADEQUATE LIQUIDITY** – The portfolio will remain sufficiently liquid to enable the City to meet all operating and capital requirements that might be reasonably anticipated. A portion of the portfolio may be placed in money market mutual funds or local government investment pools, which offer same-day liquidity.
- **MAXIMIZATION OF RETURN ON INVESTMENT** – Following the satisfaction of liquidity and maturity needs, the balance of the funds available for investment will be placed with institutions that offer the highest rate of return consistent with preservation of principal.

SCOPE

This policy applies to all financial assets of City of Freeport. While separate investment funds are created to accommodate reporting on certain bonded indebtedness, individual investments are purchased using a pooled approach for efficiency and maximum investment opportunity. The City's funds are defined in the City's *Annual Financial Report* and include all *Governmental, Enterprise, Internal Service and Agency funds* and any new funds created by the City, unless specifically exempted by the City Council through resolution.

POOLING OF FUNDS: Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

STANDARDS OF CARE

1. PRUDENCE

The prudent person standard shall be applied to the management of the portfolio. This standard states: “Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.”

Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

2. ETHICS AND CONFLICTS OF INTEREST

Any city official involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their ability to make impartial decisions. Investment officials shall disclose any material interests in financial institutions with which they conduct business. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City.

3. DELEGATION OF AUTHORITY

The City Clerk/Treasurer is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The City Clerk/Treasurer through assistance of staff and consultants shall develop and maintain written administrative procedures for the operation of the investment program, monitoring diversification and risk as well as a system of controls to regulate the activities of subordinate officials. Procedures should include references to: safekeeping, investment accounting, repurchase agreements, wire transfer agreements and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and procedures established by the Investment Officer.

Freeport does not have an investment committee, the city council will act as the investment committee.

4. INTERNAL CONTROLS

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record-keeping

STANDARDS OF CARE (CONTINUED)

- Safekeeping account
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written or electronic confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

FINANCIAL INSTITUTIONS AND SAFEKEEPING

1. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS

The City Clerk/Treasurer or Designee is authorized, as allowed under State Statute, to designate depositories and broker-dealers for City Funds. The City Clerk/Treasurer or Designee will maintain a list of financial institutions authorized to provide investment services to the City. All broker/dealers who desire to become qualified bidders for investment transactions must supply the City Clerk/Treasurer or Designee with:

- proof of National Association of Security Dealers (NASD) certification,
- proof of Minnesota registration
- Broker Notification and Certification form required by Minnesota Statutes 118A prior to any investment transactions with the City. The Broker Notification must be updated annually.

The purchase of all investments must be from institutional brokers.

2. SAFEKEEPING

(1) Investments shall be safe kept in the City's name. Certificates will be held at the financial institution in the City's name. All securities should be a risk category one according to the Governmental Accounting Standard No. 3.

SUITABLE AND AUTHORIZED INVESTMENTS

Consistent with Minnesota Statute 118A, the following investments will be permitted by this policy:

- U.S. Treasury Obligations (bills, notes, bonds);
- U.S. Government Agency and Federally Sponsored Agency Securities, excluding mortgage-backed securities that fail the FFEIC test;
- General obligations of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;

SUITABLE AND AUTHORIZED INVESTMENTS (CONTINUED)

- Certificates of deposit with federally insured institutions that are collateralized or insured in excess of the amount provided by the Federal Deposit Insurance Corporation coverage limit;
- Commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest tier (e.g. A-1, P-1, F-1 or D-1 or higher) by at least two nationally recognized rating agencies and matures in 270 days or less;

- Bankers Acceptances that are eligible for purchase by the Federal Reserve;
- Repurchase Agreements which conform to the requirements stated in 118A.05, sub. 2 of the statutes;
- Guaranteed Investment Contracts that meet the requirements of M.S. 118A;
- Local government investment pools, either state-administered or through joint powers statutes and other intergovernmental agreement legislation;
- Shares of an investment company which is registered under the Federal Investment Company Act of 1940 and which holds itself out as a money market fund meeting the conditions of rule 2a-7 of the Securities and Exchange Commission and is rated in one of the two highest rating categories for money market funds by at least one nationally recognized statistical rating organization;
- Shares of an investment company which is registered under the Federal Investment Company Act of 1940, and whose shares are registered under the Federal Securities Act of 1933, as long as the investment company's fund receives the highest credit rating and is rated in one of the two highest risk rating categories by at least one nationally recognized statistical rating organization and is invested in financial instruments with a final maturity no longer than 13 months.

INVESTMENT PARAMETERS

1. DIVERSIFICATION

The investments shall be diversified by:

- Limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- Limiting investment in securities that have higher credit risks,
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

2. MAXIMUM MATURITIES

To the extent possible, the City should attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 10 years from the date of purchase. The City shall adopt average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding 10 years if the maturity of such investments are made to coincide as nearly

INVESTMENT PARAMETERS (CONTINUED)

as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the governing body.

REPORTING

1. METHODS

The Investment Officer or Designee shall prepare an investment report at least quarterly to the Investment Committee, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will include the following:

- Listing of individual securities held at the end of the reporting period,
- Realized and unrealized gains for losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year,
- Average yield to maturity of portfolio on investments as compared to applicable benchmarks,
- Listing of investment by maturity date,
- Percentage of the total portfolio which each type of investment represents.

2. PERFORMANCE STANDARDS

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during an economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.

3. MARKING TO MARKET

The market value of this portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the recommended practice.

POLICY CONSIDERATIONS

The City's investment policy shall be adopted by resolution by the City Council and will be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individuals charged with maintaining internal controls.

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

STATUTORY AUTHORITY

Specific investment parameters for the investment of public funds by the City are found in Minnesota Statutes Chapters 118A. Copy attached to this policy.

CITY OF FREEPORT, MINNESOTA
APPENDIX A
LISTING OF AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS
AND LIST OF AUTHORIZED PERSONNEL
AS OF 10/31/2023

Financial Institution

Freeport State Bank

4M & 4M Plus

Authorized Personnel

Mike Eveslage

Jon Nelson

Memo

From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 10/27/2023

Re: Sidewalk Policy

Last month, business owners from D'Lish, Freeport Screen Printing and Uptown Hair Studio expressed their concerns regarding the condition of the sidewalk along their storefronts. The concrete has become uneven and the water curb stops in the middle of the sidewalk work their way up, creating tripping hazards. They were wondering who is responsible for repairing or replacing it.

I spoke with Jodi Teich of Stearns County Highway Department and she said that they are not responsible for anything outside of the curb of the county highway. She would like to take a look at the sidewalk to see if she can find a reason for the sidewalk's condition since it is only around 12 years old.

I was instructed to search our policy and here are the codes pertaining to sidewalk maintenance in the City of Freeport.

800.01 Repair and Maintenance of Sidewalks

Subd.1 Safety

The owner of the property within the city abutting a public sidewalk must keep the sidewalk in repair and safe for pedestrians. The owner and occupant of such property must use diligence to remove snow, ice, dirt, or rubbish from the sidewalk. Snow and ice must be removed within 24 hours after a snow or sleet storm. Sidewalks must be kept free of debris, including the trimming of tree limbs. When there has been an excessive accumulation of snow as determined and declared by the Mayor and Street Commissioner of the City of Freeport, then property owners shall be excused from the 24 hour requirement for removal of snow for such a period of time as determined by the Mayor and Street Commissioner.

800.03 Repairs by City

If the city council determines that a public sidewalk within the city is unsafe, the council may cause a notice to be served by certified mail or personal service upon the record owner of the property and the occupant, if the owner does not reside within the city or cannot be found therein, ordering the owner to have the sidewalk repaired and made safe within 30 days, and stating that if the owner fails to do so, the city will do so, and that the expenses thereof must be paid by the owner and that if unpaid, it will be made a special assessment against the property concerned. If the sidewalk is not repaired within 30 days after receipt of the notice, the maintenance engineer must report the facts to the council and the council may by resolution order the maintenance engineer to repair the sidewalk and make it safe or order the work be done by contract in accordance with the law. The maintenance engineer must keep a record of the total cost of the repair attributable to each lot or parcel of property and report such information to the city clerk-treasurer. The cost of the repairs will be assessed against the property in the manner provided by Minnesota Statutes, section 429.101.

800.07 Repair of Existing Sidewalks

If the existing sidewalk of an entire block is in need of repair as determined by the city council, the city will pay one-third of the entire cost of repairing or reconstructing this sidewalk, provided the abutting property owners pay the balance, and provided further, that the repair and reconstruction be completed pursuant to specifications approved by the city council.

Memo

From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 10/27/2023

Re: Welle Lot Pricing

We discussed lot pricing at our October EDA meeting. EDA is recommending that we price the standard lots at \$35,000 and the larger square footage lots at \$38,000. Lot T is to be priced at \$32,000. See separate handout for map.

Prepare to discuss and approve EDA's pricing recommendations.