

TITLE III: ADMINISTRATION

Chapter

- 30. OFFICIALS AND ORGANIZATIONS**
- 31. FINANCE AND REVENUE; TAXATION**
- 32. CITY POLICIES**

CHAPTER 30: OFFICIALS AND ORGANIZATIONS

Section

General Provisions

30.01 Personnel policies adopted by reference

Officials and Officers

30.15 Clerk-Treasurer

Organizations

30.30 Fire Department

GENERAL PROVISIONS

§ 30.01 PERSONNEL POLICIES ADOPTED BY REFERENCE.

The city's personnel policies, and any and all amendments thereto, are hereby adopted by reference and incorporated herein as if set out in full. Copies of which are on file in the office of the City Clerk-Treasurer and are available for public inspection and/or copying during regular office hours. (Ord. 95, passed 7-1-2008)

OFFICIALS AND OFFICERS

§ 30.15 CLERK-TREASURER.

The offices of the City Clerk and City Treasurer shall be combined into a new office known as the "City Clerk-Treasurer". The duties set forth by statute, by ordinance or otherwise, for the City Clerk and for the City Treasurer shall be performed by the City Clerk-Treasurer starting 7-1-2017. (Ord. 107, passed 6-6-2017)

4New Germany - Administration

ORGANIZATIONS

§ 30.30 FIRE DEPARTMENT.

(A) The City Council is concerned with safeguarding of life and property to a reasonable degree from hazards of fire, explosion, hazardous materials, terrorism, medical and rescue. Pursuant to the power and jurisdictions vested through state statutes and other applicable laws, ordinances and regulations, the City Council does hereby adopt this section and the current Minnesota Fire Code for the purpose of establishing reasonable regulations, administration and enforcement for the prevention, control and extinguishment of fires, assist in medical and rescue calls as deemed necessary.

(B) It shall be lawful for the citizens of the city to organize and form a Fire Department in and for the city, which Fire Department shall consist of one company with membership not exceeding 28 persons in number to be formed by voluntary enlistment.

(C) The Department shall have power to adopt, amend and repeal any of the provisions of the city's Fire Department Constitution, standard operating procedures and the city's Fire Relief Association bylaws (which shall be an attachment to the ordinance codified herein) of the Fire Department; provided that, the Constitution, bylaws and amendments thereto, before the same be force or effect, shall be submitted to and approved by the City Council by resolution of the city.
(Ord. 75, passed - -2002)

CHAPTER 31: FINANCE AND REVENUE; TAXATION

Section

Urban Service and Rural Service Districts

- 31.01 Establishment of districts
- 31.02 Urban Service District
- 31.03 Rural Service District
- 31.04 Lands included within the Rural Service District
- 31.05 Transfer from Rural Service District to Urban Service District
- 31.06 Benefit ratio and tax rate
- 31.07 Annual review
- 31.08 Connection charges
- 31.09 Services provided

URBAN SERVICE AND RURAL SERVICE DISTRICTS

§ 31.01 ESTABLISHMENT OF DISTRICTS.

Pursuant to the authority granted by M.S. § 272.67, as it may be amended from time to time, the city hereby divides the area within its municipal limits into an Urban Service District and a Rural Service District, constituting separate taxing districts for the purpose of all municipal property taxes, except those levied for the payment of bonds and judgments and interest thereon.
(Ord. 105, passed 7-1-2014)

§ 31.02 URBAN SERVICE DISTRICT.

The Urban Service District shall include all land within the boundaries of the city which are not included in the Rural Service District established by this subchapter.
(Ord. 105, passed 7-1-2014)

§ 31.03 RURAL SERVICE DISTRICT.

(A) The Rural Service District shall include only unplatted lands, which need not be contiguous to one another, as, in the judgment of the City Council, at the time of the adoption of this subchapter are rural in character, and are not developed for commercial, industrial or urban residential purposes, and for these reasons are not benefitted to the same degree as other lands by municipal services financed by general taxation.

(B) The City Council, by amendment to this subchapter in the future, may designate lands outside the city, which, if annexed, shall be included within the Rural Service District.
(Ord. 105, passed 7-1-2014)

§ 31.04 LANDS INCLUDED WITHIN THE RURAL SERVICE DISTRICT.

The following lands are hereby designated to be included in the Rural Service District of the city: PID No. 55-005-2211 (Eric G. Roepke Property).
(Ord. 105, passed 7-1-2014)

§ 31.05 TRANSFER FROM RURAL SERVICE DISTRICT TO URBAN SERVICE DISTRICT.

(A) Whenever any parcel of land included in the Rural Service District is platted, in whole or in part, or whenever application is made for a permit for construction of a commercial, industrial, residential or agricultural building or improvement, except for the purpose of repairing or replacing a pre-existing structure; or whenever the improvement or building is commenced without a permit; or whenever, at the request of the owner, any parcel is provided additional municipal services, such as sewer, water, streets and the like; the City Council shall make and enter an order by resolution transferring the parcel or any part thereof from the Rural Service District to the Urban Service District.

(B) Grading of land is not considered as an improvement, providing the grading is limited to that which is required to minimize storm water drainage problems and provided graded areas are placed into agricultural use or reseeded within one year. Any new fill placed on the land shall be graded and seeded within one year.
(Ord. 105, passed 7-1-2014)

§ 31.06 BENEFIT RATIO AND TAX RATE.

It is the judgment of the City Council that the approximate ratio that exists between the benefits resulting from the tax supported municipal services to parcels of land of like market value, situated in the Rural Service District and in the Urban Service District, respectively, is 19%. However, in no event

shall the tax rate for the Rural Service District be less than what the tax rate for the parcel would be if taxed by the township in which the parcel is located. Any taxes levied for the payment of bonds and judgments and interest thereon shall be in addition to the tax.

(Ord. 105, passed 7-1-2014; Ord. 106, passed 7-28-2014)

§ 31.07 ANNUAL REVIEW.

Once each year, the City Council shall review the status of all lands in the Rural Service District to determine whether the lands continue to qualify for inclusion in the Rural Service District and shall also review the tax ratio applicable to the lands as determined under § 31.06 of this chapter.

(Ord. 105, passed 7-1-2014)

§ 31.08 CONNECTION CHARGES.

At such time as a parcel of land is transferred from the Rural Service District to the Urban Service District and/or a structure on the parcel is connected to the sewer and water system of the city, the owner of the parcel shall pay to the city connection and availability charges of the city that are then in effect at the time of the connection.

(Ord. 105, passed 7-1-2014)

§ 31.09 SERVICES PROVIDED.

Except for fire, police and planning services, the city will provide no other services to the lands in the Rural Service District beyond those customarily provided by the township in which the lands are located.

(Ord. 105, passed 7-1-2014)

CHAPTER 32: CITY POLICIES

Section

- 32.01 County Hazard Mitigation Plan
- 32.02 Purchasing Policy
- 32.03 Credit Card Use Policy
- 32.04 Fund Balance Policy
- 32.05 Street and Sidewalk Removal of Snow and Ice Policy

§ 32.01 COUNTY HAZARD MITIGATION PLAN.

The County All-Hazard Mitigation Plan, and any and all amendments thereto, are hereby adopted by reference and incorporated herein as if set out in full. A copy of this plan is on file in the office of the City Clerk-Treasurer and is available for public inspection and/or copying during regular office hours. The website of the County Mitigation Plan is <https://www.co.carver.mn.us/departments/county-sheriff/emergency-management-and-communication-services/hazard-mitigation-plan>.
(Res. 2012-20, passed 7-3-2012; Res. 2015-03, passed 2-17-2015)

§ 32.02 PURCHASING POLICY.

(A) *Policy*. Assure that all city expenditures are lawful by satisfying the following:

- (1) *Public purpose*. There must be a public purpose for the expenditure.
- (2) *Authority*. There must be specific or implied authority for the expenditure in state statute.
- (3) *Procedure*. The expenditure must be properly approved by the City Council.

(B) *Objectives*. This policy has the following objectives:

- (1) To ensure that all city expenditures are lawful, as outlined in division (A) of this policy.
- (2) To ensure that taxpayer dollars provide goods and services as economically as possible.
- (3) To establish uniform purchasing procedures for all city staff and across all departments.
- (4) To ensure city expenditures are appropriately classified in the city's financial records.

(C) *Purchase orders.* Purchase orders may be used for any purchase, but requirements for their use are more specifically outlined in division (E) of this policy. In the instances where purchase orders are used, the following procedures are set forth:

- (1) The vendor name, mailing address and contact information is required.
- (2) A sufficient description and exact quantities of the respective purchase.
- (3) A calculation of total cost, including applicable tax, shipping and handling charges.
 - (a) In the instance where exact costs are not known, an estimate is acceptable.
 - (b) In the instance where quotes were required, they should be attached.
- (4) The source of funding and applicable expenditure code for the respective purchase.
- (5) The purchase order shall be completed and signed prior to the respective purchase.

(D) *Uniform municipal contracting law.*

(1) The city will follow procedures as set forth in M.S. § 471.345. Purchases should not be separated into smaller components in order to eliminate an authorization threshold requirement.

(2) For the purchase of supplies, materials or equipment estimated to exceed \$25,000, the city must consider the availability, price, and quality of the supplies, materials, or equipment available through the State of Minnesota's cooperative purchasing venture before purchasing through another source.

(3) *Purchases of \$25,000 or less.* If the amount of the purchase is estimated to be \$25,000 or less, the purchase may be made either upon quotation or in the open market, in the discretion of the governing body. If the purchase is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt.

(4) *Purchases between \$25,001 and \$175,000.* If the amount of the purchase is estimated to exceed \$25,000 but not to exceed \$175,000, the purchase may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after their receipt.

(5) *Purchases of \$175,000 or more.* If the amount of the purchase is estimated to exceed \$175,000, sealed bids shall be solicited by public notice in the manner and subject to the requirements of the law governing purchases by the particular municipality.

(6) *Exceptions.*

(a) The city may contract for the purchase of supplies, materials, or equipment without regard to the competitive bidding requirements of this section if the purchase is through the State of Minnesota's cooperative purchasing venture or a national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations.

(b) Other exceptions may include: professional services, insurance contracts, purchases from other government agencies, real estate, sole source vendors and others as defined by M.S. § 471.345.

(E) *Authorization.* The following thresholds have been established to provide efficient procedures while still retaining effective oversight.

(1) *Purchases of \$1,000 or less.*

(a) *Budgeted.* If the respective purchase is specifically outlined in the department budget, the respective Department Head is authorized to make the purchase, and purchase orders are not required.

(b) *Not budgeted.* If the respective purchase is not specifically outlined in the department budget, a purchase order is not required, and needs to be approved by the City Council.

(2) *Purchases between \$1,001 and \$10,000.*

(a) *Budgeted.* If the respective purchase is specifically outlined in the department budget, the proposed purchase must be presented to the City Council for approval, and purchase orders are not required.

(b) *Not budgeted.* If the respective purchase is not specifically outlined in the department budget, the proposed purchase must be presented to the City Council for approval. A purchase order is not required.

(3) *Purchases between \$10,001 and \$25,000.*

(a) *Budgeted.* If the respective purchase is specifically outlined in the department budget, the proposed purchase must be presented to the City Council for approval, and purchase orders are not required.

(b) *Not budgeted.* If the respective purchase is not specifically outlined in the department budget, the proposed purchase must be presented to the City Council for approval. A purchase order is not required.

(4) *Purchases of \$25,001 or more.* The proposed purchase must be presented to the City Council for approval. A purchase order is not required.

(F) *Billing address.*

(1) Vendors should invoice the city, and not an individual department or person. The billing address for the city is: City of New Germany, P O Box 177, New Germany, MN, 55367.

(2) Invoices may also be directly emailed to the City Clerk/Administrator using: ngcityclerk@gmail.com.

(G) *Payment procedures.*

(1) In accordance with M.S. § 471.425, the city has 35 days from receipt of the invoice to process payment.

(2) All invoices received shall be forwarded to the City Clerk/Administrator. The City Clerk/Administrator will match invoices with other supporting documentation (purchase order, quotations, and the like) and distribute into separate folders for each Department Head (when applicable).

(3) Department heads are responsible for reviewing all aspects of the invoice and verifying the validity of the expenditure. The Department head is also responsible for providing the budget account coding so that expenditures are appropriately classified in the city's financial records. The Department head will authorize the expenditure for payment by including a date and signature (or initials).

(4) Department heads should notify the City Clerk/Administrator of any invoices in dispute and the dispute should be documented on the invoice or with a memorandum accompanying the invoice.

(5) Certain routine transactions as defined by the City Clerk/Administrator are excluded from Department head review and approval. Such transactions may include, but are not limited to: payroll, employee benefits, workers compensation, and liability insurance and utility bills.

(6) All payments shall be summarized within a claims list that will be presented to the City Council at their regularly scheduled meetings. The City Council will take action on the claims list as part of the agenda. Once the claims list has been approved by the City Council, the City Clerk/Administrator will release payment to the vendor.

(7) In some instances, payments may need to be released prior to City Council approval. Such instances may include, but are not limited to: payroll, employee benefits, electronic funds transfer (EFT), to receive early payment discounts or to avoid late penalties. Such payments will be authorized at the discretion of the City Council within the claims list at the next scheduled regular City Council meeting.

(H) *Travel.* All expenditures for travel will be in accordance with the city's travel reimbursement policy.

(I) *Expense reimbursement.* Employee expense reimbursements (i.e., mileage), are to be submitted on claim voucher forms with supporting documentation and should be provided to the City Clerk/Administrator. The procedures set forth in division (G) of this section will be followed for approval of payment.

(J) *Sales tax.* Most city purchases are exempt from sales tax. Vendors should be notified of this exemption when making a purchase and each vendor should be provided a Certificate of Exemption (ST3 Form) available by request from the City Clerk/Administrator.

(K) *Conflicts of interest.* Employees are required to provide notice to the City Clerk/Administrator of any conflicts of interest prior to entering into transactions on behalf of the city. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the city must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.

(L) *Emergency and disaster.*

(1) Under Minnesota's Emergency Management Act (M.S. § 12.37), the city has the authority to make purchases or enter into contracts during emergencies without following many of the, otherwise, normally required procedures.

(2) The Emergency Management Act defines an **EMERGENCY** (M.S. § 12.03, subd. 3) as an unforeseen combination of circumstances that calls for immediate action to prevent a disaster from developing or occurring.

(3) The Emergency Management Act defines a **DISASTER** (M.S. § 12.03, subd. 2) as a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment, and for which traditional sources of relief and assistance within the affected are unable to repair or prevent injury or loss.

(4) (a) In the event of an emergency or disaster, the city will make declaration of a local emergency by following procedures as outlined in M.S. § 12.29:

(b) A local emergency may be declared only by the Mayor. It may not be continued for a period in excess of three days except by or with written consent of the City Council. Any order or proclamation declaring, continuing, or terminating a local emergency must be given prompt and general publicity and filed promptly by the City Clerk/Administrator.

(M) *Special emergency.*

(1) The City Attorney must be consulted with prior to making a purchase under this section.

(2) Under M.S. § 365.37, towns have the authority during a special emergency to make purchases without notice or competitive bidding. A special emergency is a situation requiring immediate action essential to the health, safety or welfare of the town.

(3) Although this exception is a statute referring to towns, M.S. § 415.01, outlines that cities have and may exercise within its limits any of the powers conferred to towns.

(4) In the event a special emergency exists, the City Council has granted authority to the City Clerk/Administrator, Mayor and/or Acting Mayor to make the necessary special emergency purchase. At the next regularly scheduled City Council meeting, the City Council will approve the respective purchase and will pass a resolution specifically referring to the special emergency and declaring the special emergency describing the reasons necessitating the immediate action for protection of the health, safety or welfare of its citizens.

(N) *Policy history.* This is the current and most recent version of the Uniform Policy.
(Ord. passed 6-21-2022)

§ 32.03 CREDIT CARD USE POLICY.

(A) *Use of credit cards.* The city has authorized the use of credit cards under M.S. § 471.382 by city employees to make purchases on behalf of the city.

(B) *Authorization.*

(1) The City Clerk/Administrator in consultation with the City Council will determine which personnel will be assigned a city credit card. The credit card will be issued in the department's name. The authorized employees include:

- (a) City Clerk/Administrator;
- (b) Deputy Clerk;
- (c) Fire Department (firefighters);
- (d) Public Works/Streets Operations Manager;
- (e) Parks and Recreation Operations Coordinator;
- (f) Public Utilities Operators.

(2) Employees that are not authorized account holders as identified in this policy, shall not retain credit card information or make purchases using a city issued credit card without prior approval from an authorized account holder.

(3) The City Clerk/Administrator shall be responsible for the maintenance of the city credit card, including account maintenance, setting purchase limits, issuing physical cards, and the like.

(C) *Users.*

(1) All employees authorized to use a city credit card are required to sign a credit card user agreement form, which will be retained on file by the City Clerk. The credit card user agreement also needs to be signed by the City Administrator. The terms of the credit card user agreement form are considered a part of this policy.

(2) Upon termination of employment with the city, the city issued credit card will be returned to the Finance Director on or before the employee's last day of employment.

(D) *Purchases.*

(1) Each card holder will be responsible for ensuring that purchases made with their card comply with Minnesota Statutes, the city's Purchasing Policy, and this Credit Card Use Policy.

(2) Personal use of the city issued credit card is prohibited. Improper use of the credit card may result in disciplinary action as outlined in the city's Personnel Policy.

(3) Purchases that do not comply with city policies, or that are not approved by the City Council, may become the personal responsibility of the card holder and/or purchaser.

(4) In any instance where a product or service purchased with a city issued credit card is returned or canceled the transaction must be refunded to the credit card account.

(5) This policy does not restrict the use of personal credit cards for purchases/payments eligible for reimbursement from the city in accordance with the city's Purchasing Policy.

(E) *Documentation.*

(1) The billing statement from the credit card issuer does not contain sufficient information to document a purchase made. Appropriate documentation is required for all purchases to verify compliance with this policy and the city's Purchasing Policy.

(2) A copy of the invoice or receipt for payment must be included to verify the amount charged on the card. Receipts from vendors that only list the total charged are not considered sufficient documentation. The receipt must identify all products or services purchased, shipping charges, and sales tax. A printed confirmation of an internet purchase may be sufficient to comply with this requirement. If an invoice is not immediately available, the invoice must be forwarded to the City Clerk when it becomes available and another form of documentation must accompany the original charge.

(3) The city will not be responsible for interest charges accruing as a result of untimely submission of credit card receipts.

(4) Department heads are responsible for reviewing all aspects of the invoice and verifying the validity of the expenditure. The Department head is also responsible for providing the budget account coding so that expenditures are appropriately classified in the city's financial records. The Department head will authorize the expenditure for payment by including a date stamp and signature (or initials).

(F) *Review and payment.*

(1) All credit card statements will be reviewed by the City Council for compliance with this policy and to ensure all charges have been accounted for. Additional documentation may be requested from a card user to ensure compliance with this policy and the city's Purchasing Policy.

(2) The city will not use the credit card account for carrying debt, and payment of the entire outstanding balance of city issued credit cards will typically be made through the city's normal vendor payment process. The City Council reserves the right to pay the credit card bill outside the normal vendor payment process if necessary to avoid finance charges.

(G) *Cash withdrawals.* No employee of the city shall use the city credit card to access an ATM for cash withdrawals.

(H) *Vendor charge accounts.*

(1) The city has established charge accounts with a handful of vendors to expedite the purchasing process with those respective vendors. These accounts may or may not have physical cards accompanying them. All sections of this policy are also attributable to the respective vendor charge accounts.

(2) If an account has been established with a vendor, all purchases should be made through that process, unless extenuating circumstances exist.

(Ord. passed 6-21-2022)

§ 32.04 FUND BALANCE POLICY.

(A) *Purpose and need for policy.* The city understands it has a responsibility to maintain prudent financial operations to ensure stable city operations for the benefit of city residents and businesses. Fund balances reserves are an important component in ensuring the overall financial health of a community, by giving the city cushion to meet contingency or cash-flow timing needs. The Office of the State Auditor recommends that at year-end, local governments maintain an unreserved fund balance in their General Fund and Special Revenue Funds of approximately 35% to 50% of fund operating revenues, or no less than five months of operating expenditures. While the bond rating agencies do not have recommended fund balance levels, the agencies look favorably on larger fund balances, which protect against contingencies and cash flow needs.

(B) *Policy.* Provide and maintain an unreserved General Fund balance of 50% of budgeted operating expenditures, with a minimum of \$500,000. Any surplus beyond the required General Fund reserve, as determined by Council, may be used to:

(1) Reduce future year(s) property tax(es) with the goal of reducing the city's local tax rate over time.

(2) Transferred to a capital fund to accumulate funds for future capital projects.

(C) *Procedures.*

(1) City shall maintain necessary funds in accordance with city policy and Minnesota Statutes.

(2) Annual financial statements shall be prepared in accordance with generally accepted accounting principals establishing the fund balance at the end of the year.

(3) Council shall review fund balance and cash-flow needs during the budget process in accordance with this section.

(4) Staff and Council should review the policy periodically, especially if the composition or timing of revenue receipts change.

(D) *Responsibility and authority.* Administrative implementation of policies is the responsibility of staff and Council.

(Ord. passed 6-21-2022)

§ 32.05 STREET AND SIDEWALK REMOVAL OF SNOW AND ICE POLICY.

The city annually budgets a sum of money for winter maintenance of certain public streets and sidewalks. Taking into consideration the financial and personnel resources available to the city, it is the policy of the city to remove snow and ice from the most frequently used streets and sidewalks in accordance with the standard set forth in this section.

(A) The following standards are adopted for providing winter maintenance to designated streets and sidewalks:

(1) The designated streets and sidewalks are normally plowed when the measured snowfall depth exceeds two inches.

(2) Snow removal should commence approximately 12 hours from the end of any snowfall with an accumulated depth exceeding two inches. The designated sidewalks should be cleared approximately 24 hours after the commencement of snow removal.

(3) The designated streets and sidewalks should be cleared as thoroughly as possible, but need not be cleared of all ice and snow, nor need they be maintained to bare pavement.

(4) Chemical agents and sand may occasionally be used in the snow removal process.

(5) Snow removal should normally be done by public work maintenance employees.

(6) Snow removal may be conducted on a 24-hour a day basis, which may result in snow removal equipment being operated in residential areas during the evening and early morning hours.

(B) In the event of equipment failure, extreme snowfall, or other unanticipated events, such as public works employees needing assistance from contracted agencies in snow removal from streets, deviation from these standards may be appropriate.

(Ord --, passed --)