



Fall 2003

THE GRANT NEWS FROM YOUR CITY COUNCIL

Dear Grant Residents:

This edition of the Grant News will focus on our financial position. It contains our results from 2002 and our preliminary budget for 2004.

An order form for the purchase of the first annual Grant Heritage Preservation Committee calendar is included in this mailing. I hope that you will all support the goals of the Committee to preserve our heritage and educate our community about our heritage. The calendar

would make a great gift.

I would like to thank those who have submitted articles for this issue. If you have an idea for an article or an article to contribute to our next issue please feel free to contact me at ksjta@aol.com.

The City Council and residents would like to thank Lynn and Bruce Keller for all of their dedication and hard work in writing for and publishing the Grant News for the last three years.

Sharon Schwarze

City of Grant:

We would like to thank Grant Heritage Committee for their commitment towards preserving the history of the Grant area. Without their work we would not continue to enjoy the beautiful old buildings that surround us on the old farms that are fast disappearing from the landscape. Our children and their children will be able to observe first hand what the area was like years ago without having to visit a museum. Our farm is the first property to have buildings approved as having historical significance by the Heritage Committee. Because these buildings are located on a five-acre parcel, and we already had 2500 square feet of out buildings on the land, they would have had to be demolished to meet the existing property guidelines. Approval of these buildings as historical sites meant that we could restore them to reflect their appearance in the 1920s when they were originally built.

If anyone in the Grant area has a building meeting the criteria of a historical nature, we urge them to apply for review by the City of Grant simply by filling out a form available from the city office.

Sincerely,

Scott and Andrea Drake

City Sets 2004 Budget

The Grant City Council has set the 2004 budget and scheduled the Truth in Taxation Meeting for December 1, 2003 at 7PM in the Grant Town Hall, 8380 Kimbro Ave. N. At this public meeting you have the right to ask questions or ask for changes in the budget. The Council can change spending allocations or decrease the levy at this meeting but cannot increase the levy.

The total proposed General Fund spending is budgeted to be \$922,871. This compares to a revised 2003 budget of \$838,077 and 2002 actual of \$844,158. Some details are shown below. A more complete budget can be found at the web site: www.ci.grant.mn.us.

Roads

Grant has received a federal grant to improve the railroad crossings on Irish Ave. and on Ironwood Ave. Crossing arms will be placed at each crossing. Grant's portion of the cost is about \$35,000. This is a ten percent match of the cost of installation plus the cost of temporary safety signs during installation.

Road maintenance has been a major concern of the current council. In order to stay within our reduced 2003 budget road grading has been cut back. See the roads article included in this issue. Although the funding will be partially restored, the full estimated needs for minimum road maintenance next year is \$148,000 and available funding is \$120,000. The budget also includes funding of \$50,000 for gravel purchases and \$60,000 for crack filling and seal coating.

The total road spending in 2002 was \$243,772, the 2003-revised budget is \$254,406 and the 2004 proposed budget is \$361,334. In addition to the one time federal match, increases were budgeted in gravel replacement, crack filling and seal coating, road maintenance and brush removal.

State Aid Reductions

As you have read many times, the state has a large deficit problem. One way the state is solving this problem is to reduce aid to cities. In 2003, the state reduced our local government aid from \$3,840 to \$0. The market value homestead credit was reduced from \$29,264 to \$0. These two reductions made up 5% of our 2003 budget.

Levy Limit

The state also restricted our ability to increase the levy to make up for these losses. Grant was allowed to increase the levy to replace 60% of the funds the state kept. In addition, the state will keep \$33,004 of our local levy amount in 2004.

We have applied for two exceptions to the levy limit as allowed by state statute. The first is the \$35,000 needed to match the federal grant funds for the railroad crossings discussed above. The second is for capital improvements to the Town Hall as discussed later in this newsletter.

New Fees to be Implemented

As have many cities faced with the limited levy capacity and reductions from the state, we have voted to increase fees in order to meet our budget requirements. The Council has included in the

budget three new fees. The largest of these is a franchise fee on electric utilities. This has been budgeted to be \$51, 965 based upon a 2½% fee on all electric bills within the Grant.

All members of the Council regretted having to implement this fee but felt the City should pay its bills. If levy limits are removed, Council Members indicated that a levy is a preferable method of raising funds.

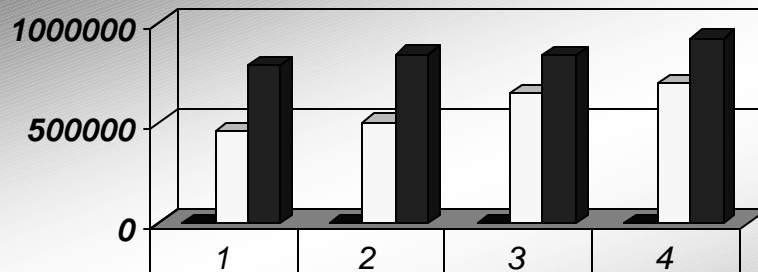
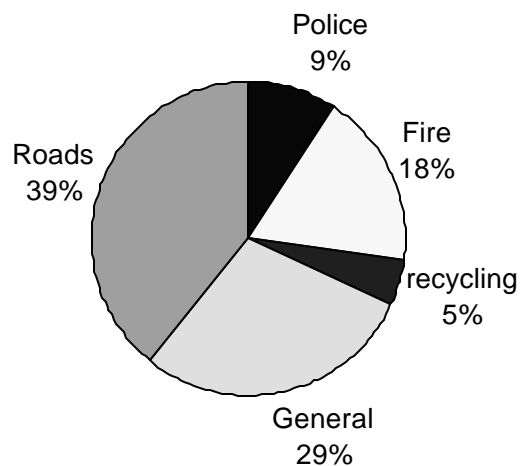
The second fee is for recycling. The recycling fee of \$25 per household would help defray the recycling costs. In 2002 our recycling cost was \$39,584.

The final fee proposed in the 2004 budget is a \$300 per lot fee charged to developers. This would be a park dedication fee and is budgeted to raise about \$3,000 per year.

If you have any questions call your City Council Members or attend the Truth in Taxation meeting on December 1 at the Grant Town Hall.

City of Grant 2004 Proposed Budget

Police	\$85,000
Fire	\$166,846
Recycling	\$44,000
General	\$265,691
Roads	\$361,334
Total Spending	\$922,871



Year	2001	2002	2003	2004
Levy	\$460,109	\$504,749	\$646,067	\$702,698
Expenses	\$791,931	\$844,158	\$838,077	\$922,871

Summary Financial Report

City of Grant

Year Ended 12/31/02

The purpose of this report is to provide a summary of financial information concerning the City of Grant to interested citizens. The complete financial statements may be examined at the Grant City Office, 111 Wildwood Road, Willernie, MN 55090. These statements can also be found at www.ci.grant.mn.us. Questions about this report should be directed to Barbe Bartholdi, Clerk Treasurer, (651) 426-3383.

Revenues and Expenditures for General Operations (Governmental and Expendable Trust Funds)

	Total 2002	Total 2001	Percent Increase (Decrease)
Revenues			
Taxes	264,653	289,974	-9%
Special Assessments	0	0	
Intergovernmental Revenues	66,391	78,418	-15%
Charges for Services	0	0	
Other	206,820	176,372	17%
Total	537,864	544,764	-1%
Expenditures			
Current			
General Government	233,278	166,598	40%
Public Safety	288,973	316,615	-9%
Other	61,321	29,914	105%
Total	583,572	513,127	14%
Excess of Revenues Over (Under) Expenditures	(45,708)	31,637	
Fund Equity, Beginning of Year	408,553	376,916	8%
Fund Equity, End of Year	362,845	408,553	-11%

Key Financial Indicators

	2002	2001	2000
Current Population	4,120	4,076	4,026
Net Tax Capacity	4,629,449	5,671,791	5,818,872
City Revenues Per Capita (Governmental Funds)	131	134	162
City Expenditures Per Capita (Governmental Funds)	142	126	174
Ratio of Bonded Debt to Tax Capacity	2.29%	2.87%	1.63%
Bond Rating	N/A	N/A	N/A

City of Grant
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
For the Year ended December 31, 2002

	General	Special Revenue	Debt Service	Totals (Memorandum Only)	
				<u>2002</u>	<u>2001</u>
Revenues					
Property Taxes	264,653	240,096		504,749	467,844
Special Assessments			106,088	106,088	216,049
Licenses and Permits	151,529			151,529	125,505
Intergovernmental Revenues					
Federal					
State	53,247			53,247	78,418
County	13,144			13,144	12,524
Other Local Units					
Charges for Services					
Fines and Forfeits	43,833			43,833	24,193
Interest on Investments	145	191	447	783	5,578
Miscellaneous	11,313			11,313	13,656
Total Revenues	537,864	240,287	106,535	884,686	943,767
Expenditures					
Current					
General Government	233,278	2,141		235,419	168,598
Public Safety	288,973			288,973	291,395
Streets and Highways		249,695		249,695	516,641
Sanitation	39,584			39,584	25,220
Miscellaneous	21,737			21,737	
Total Current Expenditures	583,572	251,836	0	835,408	1,001,854
Capital Outlay		8,750		8,750	
Debt Service - Principal			56,800	56,800	50,000
Interest and fiscal Charges			7,895	7,895	5,810
Total Expenditures	583,572	260,586	64,695	908,853	1,057,664
Excess of Revenues Over (Under) Expenditures	(45,708)	(20,299)	41,840	(24,167)	(113,897)
Other Financing Sources (Uses)					
Proceeds from Borrowing					118,001
Total Other Financing Sources (Uses)					118,001
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(45,708)	(20,299)	41,840	(24,167)	4,104
Fund Balances, January 1	408,553	126,915	26,560	562,028	557,924
Fund Balances, December 31	362,845	106,616	68,400	537,861	562,028

**City of Grant
Combined Balance Sheet
December 31, 2002**

	Government Fund Types			Fiduciary Fund Type	Account Groups		Totals	
	General	Special Revenue	Debt Service	Trust and Agency	General Fixed Assets	General Long-term Debt	(Memorandum Only)	
							2002	2001
ASSETS								
Cash and Investments	589,754	1,406	68,108	31,735			691,003	643,911
Receivables	42,834						42,834	51,004
Due from Other funds	55,977	136,418					192,395	162,589
Due from Other Governments							0	
Other Assets	49,329	3,880	83,376				136,585	197,203
Fixed Assets - Land, Buildings, Equipment					112,622		112,622	111,622
Accumulated Depreciation							0	
Amount Available - Debt Service Funds						68,108	68,108	26,560
Amount to be Provided - Retirement of General Long-term Debt						38,092	38,092	136,440
TOTAL ASSETS	737,894	141,704	151,484	31,735	112,622	106,200	1,281,639	1,329,329
LIABILITIES								
Accounts Payable	125,187	4,120		31,735			161,042	105,466
Other Accrued Expenses	283						283	900
Due to Other Funds	190,895	1,500					192,395	136,418
Due to Other Governments	26,033	25,588					51,621	64,912
Deferred Revenue	32,651	3,880	83,084				119,615	184,983
General Obligation Bonds Payable							0	
Special Assessments Bonds Payable						106,200	106,200	163,000
TOTAL LIABILITIES	375,049	35,088	83,084	31,735	0	106,200	631,156	655,679
FUND EQUITY								
Contributed Capital							0	
Investments in General Fixed Assets					112,622		112,622	111,622
Retained Earnings							0	
Reserved		1,930	68,400				70,330	28,971
Unreserved							0	
Fund Balance							0	
Reserved							0	
Unreserved - Designated		8,810					8,810	10,279
- Undesignated	362,845	95,876					458,721	522,778
TOTAL FUND EQUITY	362,845	106,616	68,400	0	112,622	0	650,483	673,650
TOTAL LIABILITIES AND FUND EQUITY	737,894	141,704	151,484	31,735	112,622	106,200	1,281,639	1,329,329

Purchase an Historic Grant Calendar!

Learn about Grant. Help preserve our history.
Enjoy a memorable 2004 Calendar!

The Grant Heritage Preservation Committee has prepared this inaugural wall calendar featuring pictures from Grant's past. The Committee will use proceeds from the sale of these calendars to:

- Prepare informational pamphlets about Grant's history,
- Purchase plaques designating historic sites, and
- Preserve donated historic material.

If you are interested in volunteering with the Heritage Preservation Committee contact Howard Gochberg at phone: 429-8480 fax 429-1937 or email: howard.gochberg@metrostate.edu

If you are interested in nominating a picture for the 2005 or other future calendars contact Andrea Drake at (651) 426-1302 or northoaks@skypoint.com

You can purchase calendars from the City of Grant (Monday – Thursday 9am to noon) or from many of the sponsors listed below.

Aamodts Apple Farm & St. Croix Vinyards
Axdahl Farm
Costa Farm & Greenhouse
Gasthaus Bavarian Hunter Restaurant
Houle's Farm, Garden & Pet
KELLER WILLIAMS PREMIER REALTY
MacKenzie Studios
Pine Tree Apple Orchards, Inc.
T. A. Schifsky & Sons, Inc.
Trade Press & Lithograph, Inc.

American Polywater Corp.
Chariot Construction, Inc.
DeWitt Homes
Goldwood Kennels
Indian Hills Golf Club
Loggers Trail/Sawmill Golf Clubs
Maroney's Sanitation, Inc.
Red Cardinal Farm
Tenere, Inc.

Thank you to these Grant business sponsors!



Send Order to:

**City of Grant
Attn: Heritage Committee
P.O. Box 577
Willernie, MN 55090**

Ship to:

Name: _____

Street Address _____

City, State Zip Code _____

Number of Calendars Ordered: _____ X \$10.00 = _____

Price includes \$8.00 for the Calendar and \$2.00 Shipping and Handling.

Know our past and preserve our future.

Grant Roads Today

By Rick Vanzwol

The last Grant News discussed the challenges Grant faces with road maintenance. In this issue I will discuss what has happened so far this year and our plans for the rest of this year through 2004.

In July the City Council agreed to reduce the level of grading on our gravel roads by about 40% compared to last year and to about 25% of the scheduled grading. This reduction in grading was applied to all of the roads proportionately. Grant did not have enough money in the budget to allow for the spending level during the previous 3 months or last year. As a result those of you who drive on Grant's gravel roads have seen a fairly dramatic decrease in the road surface quality. This was the area we were able to cut due to the 5% of our budget that the State of Minnesota kept. The long dry spell in July and August was also a factor since grading is much less effective without moisture in the road surface.

This summer, dust control chloride treatment was applied to about five and one half miles of gravel roads. The City this year paid twenty percent of the cost or about \$2,200. Reduced grading costs are expected to at least cover this cost. One can see the results driving on 110th Street, 80th Street, or Jeffery Blvd. for example. Residents will need to organize and pay 80% to 100% (as the policy for next year has not been set) of the dust control costs next year also if they want it applied to their roads. If you have questions about how to organize your neighborhood contact Rick Vanzwol at rvanzwol@aol.com.

Crack filling was done late this summer on more than four miles of paved roads at a cost of over \$9,000. The plan is to seal coat these roads next year and to do more crack filling on roads to be seal coated the following year.

New gravel was added to about two and one half miles of gravel roads at a cost of about \$40,000.

So far this year the City has spent almost \$130,000 on road maintenance plus about \$30,000 on snow and ice control. The final total for the year 2003 is projected to be about \$255,000 with about \$50,000 of that for snow and ice control.

For 2004, the City Council has increased the road budget to \$361,334, which includes about \$30,000 in increases (over the revised 2003 budget) in routine maintenance, gravel costs, and other items when compared to 2003. This will not bring the grading back up to previous levels. Two large items are an increase of \$49,000 to cover the cost of seal coating paved roads and \$35,000 for matching funds for new railroad crossing signals on Irish Avenue and Ironwood Avenue.

The Road Advisory Committee continues to meet monthly. Currently the Committee is considering what changes, if any, should be made to the City road policy to:

- a) Make long term spending more equitable on paved and gravel roads.
- b) Determine the most cost effective way to maintain all of the roads.
- c) Make a long-range road maintenance plan.

These meetings are open to the public and meeting dates are published on the website.

Traffic Signal Construction Project for Highway 36 & Lake Elmo Ave.

The Minnesota Department of Transportation in cooperation with Washington County and the cities of Grant and Lake Elmo, announce the installation of a temporary traffic signal system at the intersection of County State Aid Highway 17 (Lake Elmo Avenue) and Highway 36. This intersection has experienced several vehicle crashes in recent years, including a fatal crash, which occurred in May 2002. Analysis has shown that a traffic signal will assist in reducing the severity of crashes at this intersection. Construction will begin in spring of 2004 with completion anticipated by late summer 2004.

Grant Finance Committee Organizes

By Candice Kraemer

The City of Grant Finance Committee has been appointed by the City Council and met for the first time on Monday, October 6. The Committee has set a regular meeting date of the first Monday of the month from 4 pm to 6 pm at the City Offices in Willernie.

Candice Kraemer of the Grant City Council chairs the Committee. Candice has a degree in accounting, is a CPA and also works in the business consulting area. Resident volunteers include David Schroeder, Craig Leiser, Renee Sass and Glen Robinson. The Planning Commission representative will be appointed at the next meeting.

Barbe Bartholdi, the Grant Clerk Treasurer rounds out the Committee. Technical assistance from the City Attorney, Kevin Shoeberg has also been approved by the City Council.

The first meeting included introductions and discussion of issues facing the City. The Committee will first be addressing the City's current cash flow situation before they begin recommendations for an investment plan. Grant's audit reports continue to emphasize improving investment income. By estimating Grant's cash flow requirements investment timing can be better matched with needs. This will be the first cash flow projection prepared for Grant.

New Clerk Treasurer Position Created

Barbe Bartholdi has been appointed to the newly created position of Clerk Treasurer. The City Council felt that Barbe has been doing an excellent job as Clerk and tapped upon her knowledge of Grant and her resourcefulness to expand her responsibilities.

This appointment is one of many steps that the City Council has taken in trying to resolve the accounting problems we have experienced over the past several years. We now control our accounting records and have all of our original documents in the City Offices. Backing up and off site storage of our computer records is performed on a routine basis. Having the data in our offices provides for better communications between the Treasurer, Engineer and Attorney in trying to resolve issues and control costs.

Additional internal controls are provided through more involvement of the City Council. Mayor Tom Carr continues to sign checks. Council Member Sharon Schwarze has replaced the former Treasurer as a signer and reviews all bills. Council Member Rick Vanzwol initials each item on the bill list prior to any checks being signed. Council Member Candice Kraemer receives the bank statements and is responsible for the reconciliation of that account.

A special thank you goes out to Roxanne Shoeberg who has provided substantial assistance to the City in reconciliation of escrow accounts and training for the new Clerk Treasurer on the technical use of our accounting system.

Council Actions May through September 2003

May 6, 2003

- * This was the first City Council meeting that was video taped for rebroadcast on cable channel 16.
- * Adopted a revised Planning Commission Ordinance.
- * Authorized a feasibility study regarding potential paving of part of Jasmine Avenue.
- * Agreed to repair an erosion problem on part of Ideal Avenue south of Highway 96.

Council Actions (Continued from page 9)

May 22, 2003

- * Authorized up to \$3,000 to upgrade the City financial reports to enable completion of the annual financial audit.

June 10, 2003

- * Held a closed session to review performance of the City Treasurer.
- * Agreed to accept applications for volunteers to the Finance Committee.
- * Agreed to a temporary Conditional Use Permit for Logger's Trail Golf Course through February 2004.
- * Approved the Gunderson subdivision application.
- * Approved the Hunn variance application.
- * Approved an updated fee schedule for City services including a policy for video and audiotapes of City meetings.
- * Adopted a resolution for recital of The Pledge Of Allegiance at the beginning of City Council and Planning Commission meetings.
- * Agreed to contribute 20% of the cost of dust control on all City gravel roads with a limit of \$3,000 this year.
- * Accepted the resignation of the City Treasurer, Mrs. Saxton.
- * Accepted the resignation of the City Engineer, Mr. Kennedy.

July 1, 2003

- * Accepted the bid from KEJ Enterprises for mowing roadsides along Grant roads.
- * Agreed to reduce the gravel road grading schedule by about 40% as a cost saving measure without changing the relative grading schedule priorities.
- * Approved the Drake subdivision application.
- * Agreed to allow the Historic Preservation Committee to do fund raising to support the Committee programs.
- * Approved a Conditional Use Permit allowing an additional cell phone antenna on the existing tower at 6077 Lake Elmo Avenue.
- * Adopted Ordinance 2003-99 combining the offices of Clerk and Treasurer in the City of Grant.
- * Authorized the City Engineer to request bids for crack filling on specific City roads.
- * Adopted a resolution allowing Mr. Farseth to transfer a small parcel to an adjoining property.

July 29, 2003

- * Accepted the Audit Report for 2002 and agreed to post this Audit on the city web site.
- * Appointed Barbara Bartholdi as the Clerk/Treasurer for the City.

August 5, 2003

- * Agreed to vacate an unused right of way on Hadley Court.
- * Approved the Palmer variance application.
- * Approved the Meis/Zehnder variance application.
- * Approved designation of two buildings on the Scott Drake property as historic buildings.
- * Accepted withdrawal of the Warner Variance application.
- * Agreed to distribute a Request for Proposals for the position of Zoning Administrator.
- * Agreed to not consider paving part of Jasmine Avenue since only 32% of the residents were in favor of the proposal.
- * Agreed to spend up to \$6,000 for brushing along Grant roads this year.

September 2, 2003

- * Approved two resolutions supporting the installation of railroad crossing safety equipment on Irish Avenue and Ironwood Avenue in 2004.

Council Actions (Continued from page 10)

- * Approved the Keith Roberts Conditional Use Permit application
 - * Approved the Boushee Conditional Use Permit application.
 - * Approved the 2003 revised City budget.
 - * Approved the 2004 preliminary City budget.
 - * Accepted the low bid for the Irish Avenue paving project pending signed agreements from all homeowners involved.
 - * Approved the contract for support of the pending traffic lights at Lake Elmo Avenue and Highway 36 with an annual limit of \$500 cost to the City.
 - * Accepted the low bid for crack filling this year on City roads.
 - * Accepted the bid for installation of a dry hydrant on Mann Lake at Irish Avenue.
 - * Held a closed meeting to discuss ongoing litigation against the City.
-

Grant Town Hall

The Grant Town Hall, which serves Grant citizens as both a meeting place and as a historical landmark, has been the site of many heated debates, grand compromises and real democracy. The Town Hall basement has a severe mold problem that needs to be repaired before it affects those gathering on the first floor.

The Town Hall was originally constructed without a basement, and was used as a schoolhouse for many years. The basement was later dug in underneath the Hall. The City has kept up the Town Hall over the years, most recently by hiring contractors to paint the Hall and refinish the wood floor in 1996, and to repair basement walls in 1997. The moisture problem has been present since at least the early 90's, and has worsened through the years. Maps and historical artifacts have had to be removed from the basement because of the mold problem. Grant's Heritage Preservation Committee has recommended that the City Council work towards making the basement space usable again as an environmentally sound area to store items of historic significance to the City of Grant.

The City Council will raise enough through this portion of the levy to pay off a \$27,500 bond. Estimates for the capital maintenance work and a decision as to how much work we can afford will need to be gathered through the bidding process next year. The City will also be looking for donations of time and materials to magnify our investment in the Town Hall. The financial impact to residents will be less than \$1 per resident per year. 4H is one of the primary users of the Town Hall and volunteer to clean it.

The state legislature cut city funding by \$33,000 (or 5%), and imposed levy limits restricting city governments from raising general taxes to make up for this shortfall or to pay for additional expenses. The City can only raise funds for the Town Hall improvements by creating a separate levy to create and pay off a capital improvement bond for the Town Hall. The additional levy will need to be approved by the Minnesota Department of Revenue.

In support of the motion, Council Member Candice Kraemer stated, "This is the primary historical symbol of our community. We need to have a program in place to keep the Town Hall as a place for the residents of Grant to come together."





Presorted Standard
U.S. Postage Paid
No. 7053
St. Paul, MN

111 Wildwood Road
Willernie, MN 55090
Phone: 651-426-3383
Fax: 651-429-1998
www.ci.grant.mn.us
Email:cityclerk@visi.com

HAVE YOU LOST YOUR DOG?

by Joyce Welander

As a resident of Grant - Is your dog or cat missing? And if and when that happens, as a service to Grant Residents, its my desire and service for animal control, to put you back in touch with your pet.

A call to me could save you a "Big Dollar Bill" at the White Bear dog pound as it did for one of Grant residents because someone forgot to call me. The dog simply wandered off onto the neighbors property!

By the way the 3 "black cubs" wandering around with MaMa Bear are the "puppies" that belong to DNR and you need to call them.

Burn Permits

Burn Permits are required for any burning other than a recreational fire. Please call Robert L. Carlson at 439-7168 to obtain a permit. Burning decisions are made by the DNR based upon the conditions at hand and relayed to Bob.

Contact your City Council:

Tom Carr, - Mayor - Home phone: 653-4531 Pager: 651/659-5836 Email address: trcarr@cbburnet.com

Tim Gangnon -Home phone: 439-9311 Email address: tgang@landolakes.com

Candice Kraemer -Home phone: 773-0435 Email address: candice@tordahl.com

Sharon Schwarze -Home phone: 429-2153 Email address: ksjta@aol.com

Rick Vanzwol - Home phone: 426-2378 Email address: rvanzwol@aol.com