Wayzata City Council Workshop Meeting Agenda
Wayzata City Hall Community Room, 600 Rice Street
TUESDAY, JULY 21, 2020

Pursuant to Minnesota Statute Sec. 13D.015 and because of the COVID19 pandemic, this City Council Workshop is being held remotely by electronic means using the audio and video conferencing platform, Zoom. Members of the public may listen but comments will not be accepted at the meeting. Members of the public may submit comments or questions about items on the agenda in advance by emailing PublicComment@wayzata.org, calling City staff, or mailing comments to Wayzata City Hall at 600 Rice St E, Wayzata, MN 55391 (Attn: Public Comments). The meeting is available for members of the public to listen via phone by calling 312-626-6799 and enter Zoom Meeting ID 920 5993 4730.

WORKSHOP TOPICS FOR DISCUSSION:

1. Update of Diversity, Equality, and Inclusion Initiatives (6:15 PM)
2. Update of City's Current Financial Status and Year-end 2020 Forecast (6:30 PM)

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City Council Agenda Report

MEETING DATE: July 21, 2020	**WORKSHOP AGENDA ITEM:** 1
TITLE: Update of Diversity, Equality, and Inclusion Initiatives (6:15 PM)	
PREPARED BY: Jeff Dahl, City Manager	
REVIEWED BY: N/A	

DISCUSSION OBJECTIVE:

To receive an update and provide feedback on the City's additional efforts on diversity, equality, and inclusion in order to make the organization and community better for all.

BACKGROUND:

The killing of George Floyd in Minneapolis and the unrest that followed sent shockwaves to individuals, organizations, communities, states, and nations across the globe.

In addition to the Police Department and Fire Department taking the necessary precautions to keep the community safe, City staff met in early June to discuss this crisis and how the organization and community should respond. The overarching conclusion was that while we are proud of the respect and professionalism we have earned as an organization over the years, we need to make inclusion a higher priority to be better public servants and coworkers. While there are some initial actions we can take, a big next step is to gather more information and determine what blind spots exist prior to doing anything else.

Please see the attached draft workplan created by Administrative Services Director Yager. The plan moving forward is to continue to meet internally about this initiative, conduct implicit bias training in the near future, hold a organization-wide survey to collect feedback from employees, and consider holding public meetings to gather additional information from a community-wide perspective.

Staff is looking for feedback prior to moving forward with these steps.

ATTACHMENTS:

1. Inclusion in Wayzata - Takeaways and Work Plan

Working Title: Inclusion in Wayzata

DRAFT Takeaways and Work Plan

Takeaways:

- Commit to making diversity, equality, and inclusion an ongoing priority that permeates the organization. It is not a box to check.
- Create a plan to act.
- Build awareness and train staff, Council, and Commissions on bias, diversity, equality, and inclusion every year. Mix up the trainings to keep it engaging.
- Focus on race initially, but expand to other areas such as multigenerational workforce, religion, etc. to be sure we are building our understanding and capacity for inclusion.

Next Steps:

1. Jeff D. and Julie will research implicit bias trainers.
2. Aurora and Bobbie to work on employee engagement survey to be sent out this summer.
3. Establish goals to build our strategy around this work.
4. Define/name for this work.
5. Each department should brainstorm how they can evaluate their services and identify any blind spots. Some identified examples include:
    a. HR – Creating an anonymous employee survey about workplace culture. Review our hiring processes to see if we notice any trends in applicants who are not selected to move on in the process.

Outstanding Questions:

- Do trainings need to be different by department?
- What is our plan for communications? How do we keep employees informed and engaged? How do we demonstrate our commitment, share resources, etc.?

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MEETING DATE: July 21, 2020	**WORKSHOP AGENDA ITEM:** 2
TITLE: Update of City's Current Financial Status and Year-end 2020 Forecast (6:30 PM)	
PREPARED BY: Aurora Yager, Administrative Services Director	
REVIEWED BY: Jeff Dahl, City Manager	

DISCUSSION OBJECTIVE:
To receive updates on the City's financial position as of June 30, 2020 and to discuss updated forecasts for the remainder of the year.

BACKGROUND:
In May, staff presented the Council with three forecast scenarios on how COVID-19 might affect the City's financial position in the General Fund, Liquor Fund and Motor Vehicle Fund. With six months of financial data to review and reduced uncertainty regarding COVID-19 regulations, it is appropriate to revisit the original predictions to provide an updated realistic forecast for year-end 2020.

Attached you will find the summary of the updated realistic forecast. Since the first forecast was presented in May, most of the funds are trending more positively than anticipated. Major changes to the forecast include:

<u>General Fund</u>

- Increase in COVID-19 related expenditures

<u>Liquor Fund</u>

- Bar and Grill was able to reopen at greater capacity sooner than anticipated. Revenues projected to reach 60% of budget (increase from 42%).
- Unemployment costs for the Bar and Grill are projected to be about $173,000 (decrease from $318,000 original estimate).
- Wine and Spirits year-to-date sales are approximately 16% above year-to-date sales for 2019. Revenues are projected to meet budget through the end of year and reach 108% of budget (increase from 100%).

<u>Motor Vehicle Fund</u>

- The DMV has received higher than normal traffic since it reopened in June. Revenues are anticipated to reach 82% of budget (increase from 71%).
- Personnel costs were increased to 94% of budget (increase from 75%) because part-time staff were brought back from furlough to better serve customers.

Closing the Shortfall
The City opted to delay and cancel several capital projects planned for 2020 to preserve capital fund balances. Given that the projected losses in the Liquor Fund and Motor Vehicle Fund are much lower now, they can be absorbed with their own cash balances. Therefore, the excess 2019 General Fund Reserves could be transferred to capital funds as is customary.

Overall, because the revenue shortfalls are much lower than originally anticipated and the federal reimbursement for COVID-19 has increased significantly, the projected losses will be more than offset by year-end 2020.

ATTACHMENTS:

1. Financial Forecast Summary Update

COVID-19 Budget Impact Scenarios

Impacted Funds	Budgeted Revenues	Budgeted Expenditures	Budgeted Difference	Realistic Forecast 5/5/2020 Revenues	Realistic Forecast 5/5/2020 Expenditures	Realistic Forecast 5/5/2020 Difference	Realistic Forecast 7/21/2020 Revenues	Realistic Forecast 7/21/2020 Expenditures	Realistic Forecast 7/21/2020 Difference
General Fund	$ 6,859,623	$ 6,859,623	$ -	$ 6,650,991	$ 6,728,227	$ (77,236) *	$ 6,650,991	$ 6,786,921	$ (135,930)
Liquor Fund - Bar & Grill Operation	$ 3,761,667	$ 3,439,104	$ 322,563	$ 1,591,024	$ 2,308,807	$ (717,783) *	$ 2,255,938	$ 2,513,736	$ (257,797)
Liquor Fund - Wine & Spirits Operation	$ 3,120,000	$ 2,915,788	$ 204,212	$ 3,126,455	$ 2,935,205	$ 191,250	$ 3,380,469	$ 3,164,272	$ 216,196
Motor Vehicle Fund	$ 630,965	$ 588,809	$ 42,156	$ 457,379	$ 529,400	$ (87,504) *	$ 517,819	$ 597,794	$ (79,975)
Subtotal Fund Balance - Increase/(Decrease)			**$ 568,931**			**$ (691,272)**			**$ (257,506)**
Other Revenue Sources				Other Revenue Sources			Other Revenue Sources		
Federal Reimbursement for COVID-19				Federal Reimbursement for COVID-19		$ 20,000	Federal Reimbursement for COVID-19		$ 370,531
Subtotal Fund Balance - Increase/(Decrease)			**$ 568,931**	Subtotal Fund Balance - Increase/(Decrease)		**$ (671,272)**	Subtotal Fund Balance - Increase/(Decrease		**$ 113,025**
Captial Transfers									
Excess 2019 General Fund Reserves Transfer*		Available	$ 517,863	Cover negative balances in General, Liquor, and Motor Vehicle Funds		$ 517,863	Cover negative balances in General, Liquor, and Motor Vehicle Funds		$ -
							Delayed CIP Projects		$ 2,434,547
							Canceled CIP Projects		$ 771,000