



Reile's Acres,

Annually, I like to take a moment to share our accomplishments of the past year and challenges that face us in the coming year(s). This letter is long, as I get a little wordy; I want you to know what I know.

Topics are, in order; **2017-2018, Fundraising and Parks, Taxes, Specials, and another Road Project, Financial Health, Vanguard Assessors, Taxes...Again..., Ordinances, Busses, The More You Know**

Jan 17 - Jan 18

The following is a short list of items, in no particular order of importance, that were carried out in 2017.

>We completed Phase 2 of the 9th Addition Little League Ball diamond and park, which included;

*Completing the final grade and seeding of the outfield.

*Running water and power to the irrigation system

*Placement of a Maintenance/Concession building next to the field.

*Addition of a 35 space parking lot

*Addition of a regulation size half basketball court.

*New playground equipment installed with nearly 100% of the cost covered by *Grants and New Permit Development Fees.

*Dugouts built by your Governing body and paid for by The Minnesota Twins

>We planted roughly 60 new trees in all of the city parks and removed around 30 dead or diseased trees.

>We added 200' of boards to the skating rink.

>We hired our city's first year round, fulltime employee in December. Thank you for taking on the challenge, Reile's Acres resident, Todd Ostrom.

>We have completed 95% of the Capital Improvements Projects on our roads and nuisance drainage.

>We issued 11 New Home permits in 9th addition, with a value exceeding \$5 million dollars.

>Finally, we celebrated the 40th Birthday of our City's incorporation.

Fundraising and Parks

We will begin a fundraising campaign in the coming weeks. Our last city survey revealed the desire for some type of water feature. We agree and have a dream of building a splash pad, however, we know we need to be good stewards of your money; we will be sending letters of solicitations to area businesses, mainly those in the construction, landscaping, and lending industries. We believe this target audience can benefit from investing in our neighborhood given the rapid growth of new homes in such a young and affluent city. We will be adding pieces to all of our parks this year that will be geared toward the 0-3 year old crowd. We have nice parks, but we need more options for this demographic.

Taxes, Specials, and another Road Project

Last year I told you I thought Governor Burgum would end the state's 12% rebate on property taxes and that the absence of this rebate could potentially increase our taxes. I made an attempt to sell you a bit of comfort because the population of our city will be increasing by about 64% therefore, increasing our revenue while our costs were fairly predictable and stable. Unfortunately, I was correct and the sun set on the state rebate. If I'm challenged to harvest the good, I would highlight that we were able to, for one year, keep the property values stable by not increasing those or the Mil Levy and were able to absorb 11% of the 12% increase. Why did your Tax bill go up for 2018, then? All of us were affected by the City, Special Assessments for the roads and many more of us received another Water District assessment for drains.

I truly do wish there was another way that this Road Project could've been funded that was fair and equitable. We have another Road Project on our radar, 45th St from 32nd Ave, to County Road 20. It's no secret this needs attention. Our goal is to hold off until the 9th addition is at around 80% complete in order to keep the heavy traffic off of it as much as possible. FYI, we are at 32% sold in 18 months, not bad for \$100K lots. Because of the rapid growth, we believe 80% completion could be achieved in 36 months from today, therefore, our planning for that project will begin, soon. We are discussing several different plans and processes for the phasing and financing. Bottom Line Up Front, we are trying to get this accomplished without special assessments, this will mean stepping outside of the box and trying to do this better than our last

project and better than any other surrounding city does it.

Financial Health

The State auditor evaluated Reile's Acres revenues, expenditures, and overall financial health this summer. We were told our portfolio, methods, and emergency balance were superior compared to most. They informed us that we are not rich, we are definitely not poor and to continue being proactive with our innovative solutions as future revenue streams are not guaranteed.

Vanguard Assessors

Cass County informed us 2 years ago that they were going to have their assessors re-evaluate and calibrate our property values as they felt they were undervalued. We had some trust issues with this and asked if we could use an alternate, 3rd party who had nothing to gain except for us paying them. They agreed and this summer Vanguard appraisers were in full force inspecting your properties. Not all properties were inspected and not all values increased, many stayed stagnant; 20% of the city's property values decreased anywhere from \$1120 to \$104,000. Overall, the city's value increased by 17%, the biggest portion of this increase was in land values. Mainly, the 9th addition, however, because of the 9th addition, our land has increased in value, as well. The land value in the "Old Part of Town," not the 9th addition, increased by \$1.8M.

Taxes...Again...

Yes, if your home value goes up, the amount of property taxes levied against it follow. Just like we did last year, we will budget as frugally as possible and anticipate our city Mil Levy decreasing. Our costs at this point are mostly known and fairly stable. With that said, when your value goes up, our city portion will likely go down because of the 9th Addition growth as we will have the luxury of new revenues to offset Levy increases.. We will continue to budget responsibly, however, the County and the School District, as I'm sure you're aware, make up roughly 75% of those levied taxes. If your property value did increase, you will have an opportunity to dispute that amount during the Equalization Meeting in April. You will be made aware of a value increase when our Assessor sends you a notice via the US Mail.

Ordinances

I receive a lot of communication and fire about ordinance violations. I get it, the enforcement of these have been inconsistent. As previously stated, we now have a fulltime city employee and the few ordinance violations that are consistently identified can now be enforced more efficiently and effectively. There are ordinances we will begin to enforce now and others that will begin this spring, they include, but are not limited to;

Street Parking. There is No parking allowed on City streets. This is not a new ordinance, but is increasingly being ignored. We as a council will always default to common sense and realize that events happen, there is no reason not to allow overflow parking for a house party. We have found that our own ordinance on this is inconsistent, expect this to be re-written and more clearly defined by the end of March. Expect more awareness; I anticipate more well placed signs and comprehensive guidance to renters of the Community Center and Coaches of the Baseball teams. We have had the snow plow out over a dozen times this winter and have had to plow around them. This is simply not acceptable. We will, going forward, tow these vehicles as our default, first action.

Parking anything on an un-improved surface. On May 1st, we will send 30 day notice letters to 27 current violators.

Fires: We have no problem with the family fire pit, however, the yard debris fires cannot happen. We do not have fire hydrants that will save anything but your or your neighbor's basement. We gave 4 warnings this fall and received many more pictures in emails from neighbors of neighbors. This one is just an automatic no warning fine.

Forestry: As mentioned earlier, we removed several dead or diseased trees in the city last year, you need to, as well. We, along with our arborist, will identify the trees in the city, this spring, that are a safety threat or have the ability to negatively affect the health of surrounding trees. We will send the owning household a letter with our findings and ask for an expedient care or removal plan. It would be beneficial if you were able to make your own observations prior to that and have a care or removal plan in place.

9th Addition Homeowners have the responsibility to plant boulevard trees; guidance is on the City Website.

Busses

Anticipate a streamlined bus route being implemented in the spring. We have been working on a plan with the 3 school districts that will save the districts time, protect the integrity of our roads, but most importantly, keep our children safe. We anticipate @ 10 designated bus stops in the city. Our first proposal is on the City Website.

The More You Know...

I'm grateful for all who share their concerns regarding roads, grounds, and public issues. It's nice to have the Facebook Group to share these concerns as it alerts us of shortcomings and potential blind spots, however, Sunshine Laws (Open Meeting) and First amendment lawsuits are making this medium a liability for some municipalities, therefore, you do not often see responses from me or our council that are very comprehensive. We feel we are accomplishing the objectives laid out by you, but would love for you to show up at our council meetings and share your narrative with us as opposed to sniping us with your keyboard. We need to get to the root cause of issues and this method isn't terribly effective for that. Sharing your thoughts with us in-person goes a long way for the Reile's Council and it ensures we can be better catalysts for change.

Thank you for all of the constructive guidance and support in 2017. I look forward to leading us efficiently, effectively, and progressively in 2018.

Respectfully,

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