

**Minnesota  
Municipal Clerk's Institute**

**Case Study For  
Year III**

## The Case Study

A case study is required as part of the Year III course work program. Your class is responsible for dividing the responsibilities and the carrying out of the case study in a simulation format. The case study is a culmination of your three years of course works, including, but not limited to, the role and responsibility of a clerk, the communication process, parliamentary procedure, and general operations of a city.

The idea for the case study approach for government audiences is described and attributed to the publication Managing Local Government: Cases and Decision Making, ICMA, 1990, which describes examples of situations facing municipalities and the City Manager. One case in that publication describes a situation where a major employer may leave the community. The ABC Company case addresses this type of issue, but also focuses more on what needs to be done for the Council meeting/case study requirement of the Clerk's Institute.

This case study is about critical thinking and teamwork. It is not about having everything spelled out for you in easy reading format. You, as a professional government worker, face situations every day where you may not have all of the information needed to accomplish your job, however, you still need to do your job.

This will be a challenging exercise. We urge you to be creative and think outside the box based on the information provided and your own experiences. There are no right or wrong answers. The key is to discuss and brainstorm together! Remember to have fun but remain professional!

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## Instructions and Sequence of Events

<b>Monday</b>	Review case study as a group and assign roles. Designate business of ABC Company.
<b>Wednesday</b>	<p>Planning Commission receives input from the public at this session prepares a recommendation regarding ABC Company.</p> <p>Finance Commission receives input from the public at this session. Finance Commission publishes analysis and makes recommendation on the budget.</p>
<b>Wednesday</b>	<p>The City Council, Resident and Business Groups will meet in a breakout discussion to brainstorm and prepare for the Thursday council meeting.</p> <p>The Clerk/Administrator will draft an agenda and email the recommendations to the class to prepare for the Thursday Council Meeting.</p>
<b>Thursday</b>	<p>Council meeting takes place, public hearing is opened and the Finance Group presents the proposed budget, along with discussion by affected departments and the public as Item A. Council takes appropriate action.</p> <p>Planning Commission Chair will report on proposed review and action of ABC Company as Item B. Discussion by affected departments and citizens to follow. Council takes appropriate action.</p>

## ROLES REQUIRED

Group One: Mayor and Council Members (4)

Group Two: City Clerk-Administrator  
 Finance Director  
 Police Chief, Public Works  
 Superintendent  
 Parks Superintendent

Group Three: Planning Commission

Group Four: Finance Commission

Group Five: ABC Company Owner

Group Six: Residents

Group Seven: Businesses and/or Organizations

## **Case Study/Simulation Background**

River City is a Midwestern community with a year-round population of approximately 6,000, including 1,000 migrant workers and 2,500 summer residents. Only five percent of the population is between the ages of 25-30.

The City Clerk/Administrator serves as the administrative head of the city and generally presents issues to the Council. However, the City Council also directly hires a Finance Director, Police Chief, a Public Works Superintendent and a Park and Recreation Director, who each have a great deal of independent control of their divisions/departments and have frequent contact with the City Council. The Council also relies on advice and recommendations from its commissions - Planning Commission and Finance Commission. These commission members are residents at large who serve on a volunteer basis with each having a council member as a liaison.

River City has historically been financially sound. However, over the last three years things have not been so bright. Changes in state and federal law, the shift of additional mandates and responsibilities to local government and severe reductions in state aid have resulted in financial stress for the community. And the town's major employer is facing difficulties. River City currently operates on an overall annual budget of \$5.2 million.

As a result of some of the foreseen difficulties River City is facing, a new City Council was elected in November 2023 and took office in January 2024. They ran on the platform that the previous Council not only failed to recognize the fiscal problem soon enough, but "irresponsibly spent money for state-of-the-art parks and a community center, increased police personnel and purchased a new computer system that networked to all of the city officers, staff and council."

Although initially funded with no problems, the city now finds it difficult to maintain existing services and also to find funds for the additional costs of the parks and community center, the additional police officers and the maintenance/replacement of the new computer system.

Soon after taking office, the Mayor recognized the magnitude of these issues and was heard to remark at the coffee shop, "This looks like it will be my last term."

More optimistically, at least three of the four Council members are in this for the long term and possibly re-election this year. They indicate that strategies need to be quickly identified and have asked the Finance Commission to generate options so that a general strategy can be developed at the first Council meeting.

On the brighter side, the City has experienced a 25 percent reduction in the crime rate over the last three years. The Police Chief cites additional officers as the reason. The

Park Director believes the new parks and community center have led to this result. The City Clerk/Administrator, however, is doubtful about the statistics because the City is tracking the statistics differently and more thoroughly than in the past.

The simulated Council meeting set for Thursday of the Institute Week has basically two items on its proposed agenda.

The first item is a Council public hearing on the 2025 budget and the second item is to consider the request of ABC Company for financial incentives to remain in River City. Although both issues will affect the financial future of the City, any action on ABC's request (Item B) would not occur until late 2025 and therefore would not impact the 2025 budget.

The traditional format for the Council meeting is for the Mayor to introduce the commission item and the City Clerk/Administrator to present a brief summary report and recommendation. Next, the appropriate Commission Chair reports on the commission recommendation, which is followed by an opportunity for anyone else from the public to speak to the issue. After hearing all the information, the Council will then hopefully be able to make a decision.

# Council Agenda Report

## Item A

Conduct a public hearing on the 2025 budget.

The City Clerk/Administrator will initially present the proposed budget and then the Council will allow time for department reports and Finance Commission reports and culminate with public input. As an additional note, the budget is not close to being balanced. The Finance Commission and the Finance Director have jointly been working on options for balancing the budget.

## Item B

Consider request of ABC Company for financial incentives to retain their business in River City.

The City Clerk/Administrator will provide a brief summary for the benefit of the Council and the audience which will include that ABC Company has been the largest employer in River City for over 50 years. It provides 20 percent of the jobs in the area and an even greater percentage of the tax base. Loss of the company would directly impact employment and tax base, as well as have ripple effects on local suppliers and main street stores. Unemployment is already quite high and by 2025, the City budget would suffer a significant loss of revenue. Expressing loyalty, the owner of ABC Company has offered to remain in River City even though the costs are higher than a relocation site in another state. However, ABC Company still needs some financial incentive to do so. Although the company is presently encountering a downturn in business, they expect this to turn around in the coming year.

The City Council is interested in exploring all the possibilities that would make it possible to retain ABC Company. The company has requested finance assistance from the city as well as replacement of some public utilities serving their old facility.

“It’s an all or nothing deal,” according to the CEO.

Some federal or state grants could be obtained, but they require local matching funds. As might be expected, various parties involved or affected have different opinions of whether and how the City should help. These groups, include the Chamber of Commerce, other local businesses (most favor helping), employees, the Planning Commission, elected officials and staff involved with the budget, and various citizens.