

Pipestone, Minnesota  
December 27, 2011

Pursuant to due call and notice thereof, a special meeting of the Pipestone City Council was duly held in the Municipal Building at 5:00 p.m. on the 27th day of December 2011. Mayor Laurie Ness called the meeting to order. Roll call was taken and a quorum was declared. Members present: Laurie Ness, Barbara Heyl, Harry Hansen, Jim Stout and Fred Portz. Absent: None. Others present: Deb Fitzgerald, City Administrator/City Attorney Jeffrey Jones and City Clerk Joan Schroeder.

The purpose of the special meeting is to set the Final Tax Levy Payable 2012 and adopt the 2012 Budget.

### **AMEND AGENDA**

Motion was made by Heyl, seconded by Portz and unanimously carried to amend the Agenda by changing Item IV. to "JOINT POWER AGREEMENT" and changing "OTHER" and "ADJOURNMENT" to Items V. and VI. respectfully.

### **RESOLUTION 2011-38: A RESOLUTION ESTABLISHING THE FINAL TAX LEVY PAYABLE 2012**

Mayor Ness explained the original resolution shows a decrease of two percent from the previous year levy and includes a contribution to the General Fund Reserve of \$132,000 and the Main Street Development Project of \$50,000; a seven percent decrease contributes \$75,000 to the General Fund Reserve and \$25,000 to the Main Street Development Project; and a five percent decrease contributes \$100,000 to the General Fund Reserve and \$25,000 to the Main Street Development Project

A motion was made by Ness to adopt Resolution 2011-38: A RESOLUTION ESTABLISHING THE FINAL TAX LEVY PAYABLE 2012 by decreasing the final tax levy by seven percent as compared to the previous 2011 levy. Motion failed for lack of a second.

A motion was made by Heyl and seconded by Stout to adopt Resolution 2011-38: A RESOLUTION ESTABLISHING THE FINAL TAX LEVY PAYABLE 2012 by decreasing the final tax levy by two percent as compared to the 2011 levy. Upon vote taken, Ayes: Heyl, Hansen, Stout; Nays: Ness, Portz, motion passed 3 to 2.

### **RESOLUTION 2011-39: A RESOLUTION ADOPTING THE 2012 BUDGET**

City Administrator/City Attorney Jones noted the 2012 Budget includes the Main Street Development Project contribution, the change to health insurance premium costs, the

construction costs to build the new airport hangars (contingent upon getting a grant), and the 3.6 percent cost of living increase to employee salaries (payable over the 26 pay periods).

A motion was made by Stout and seconded by Hansen to adopt Resolution 2011-39: A RESOLUTION ADOPTING THE 2012 BUDGET. Upon vote taken, Ayes: Ness, Hansen, Stout, Portz; Nays: Heyl, motion carried 4 to 1.

### **JOINT POWERS AGREEMENT**

City Administrator/City Attorney Jones explained in order to see savings to the health insurance costs the City must join the Southwest/West Central Service Cooperative. The Cooperative has 59 cities, counties and school districts as part of their pool.

Motion was made by Stout, seconded by Hansen and unanimously carried to approve the Joint Powers Agreement for Group Employee Benefits and Other Financial and Risk Management Services between the City of Pipestone and Southwest/West Central Service Cooperative.

### **OTHER**

City Administrator/City Attorney Jones stated that the City's financial advisors, Ehlers & Associates, are suggesting at the Planning Session in January the Council look at doing some street projects in 2012 because the City will have some debt paid off in 2013.

### **ADJOURNMENT**

Motion was made by Stout, seconded by Hansen and unanimously carried to adjourn at 5:16 p.m.

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Laurie Ness  
Mayor

ATTEST:

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Joan Schroeder  
City Clerk