

December 22, 2011

**CITY COUNCIL AGENDA**

**Tuesday, December 27, 2011**

**4:30 p.m.**

**Council Chambers, 315 N. Broadway**

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1. Call to Order
2. Additions / Deletions to Agenda
3. Approval of Minutes – 12/12/11
4. Approval of Accounts Payable Listing
5. Liquor Store Report
6. TIF Management Letter
  - Approve Transfers, Excess Increment
  - Decertify TIF 2 by Resolution
7. WWTF PFA Final Loan Amortization
8. Personnel – Hire Skating Rink Employees
9. Business Licenses
10. LMC Insurance Trust 2011 Property/Casualty Dividend - \$16,737
11. Commercial Building Valuation Letter
12. Next Meeting – Tuesday, 1/10/12, 4:30 p.m., City Hall

## CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 12-27-11

The City Council of Pelican Rapids met in regular session at 4:30 p.m., on Tuesday, 12-27-11, in Council Chambers, City Hall. Mayor Ben Woessner, Council Members Steve Foster and John E. Waller, III were present. Council Members James Strand and Kevin Ballard were absent. Administrator Don Solga, Clerk-Treasurer Glenys Ehlert and Liquor Store Manager Bob Leslie were also present.

Mayor Woessner called meeting to order at 4:30 p.m.

Motion by Waller, seconded by Foster to approve the Agenda as presented. Motion carried.

Motion by Foster, seconded by Waller to approve the minutes of 12-12-11 as presented. Motion carried.

Motion by Waller, seconded by Foster to approve the 12-27-11 Accounts Payable Listing for the City's expenses in the amount of \$110,720.42 with the addition of \$525.00 to Electric Pump for WWTF Lift Pump Service and for Liquor Store expenses in the amount of \$18,983.56. Motion carried.

Liquor Store Manager Bob Leslie provided information on the liquor store. Liquor Store inventory as of 12-27-11 is \$179,000. Administrator Don Solga says he sees the inventory continues to increase over 2010. Administrator Solga said the liquor store loan has been closed out and the payment schedule has been restructured. The loan payments have been reduced by approximately \$14,000 a year. Council directed the Clerk-Treasurer Ehlert to continue to transfer \$7,000 per month from liquor store checking to liquor store savings and review financial status in six months.

Clerk-Treasurer Glenys Ehlert reviewed the Tax Increment Financing (TIF) Memorandum from consultant Tammy Omdal of Northland Securities. Consultant Tammy Omdal has been providing guidance in TIF reporting rules as Administrator Don Solga and Clerk-Treasurer Glenys Ehlert reconcile the TIF Districts. Omdal has provided several recommendations for Council to consider. Administrator Solga and Clerk-Treasurer Ehlert also recommend that Council approve the TIF transactions regarding TIF District No. 2, 3 and 7.

Motion by Waller, seconded by Foster to transfer \$4442 of administrative costs from TIF District No. 2 to TIF District No. 1. Motion carried.

Motion by Foster, seconded by Waller to introduce the following resolution, entitled **A RESOLUTION DECERTIFYING TAX INCREMENT FINANCING REDEVELOPMENT DISTRICT NO. 2 OF THE CITY OF PELICAN RAPIDS.** (A complete text of this resolution is part of permanent public record in the City Clerk's Office.) Mayor Woessner, Council Members Foster and Waller voted in favor of the resolution and the resolution was approved.

Motion by Waller, seconded by Foster to approve a 2011 accounting entry to eliminate the \$10,000 interfund loan that was made from TIF District No. 1 in year 1990 to TIF District No. 3. Motion carried. Motion replaces Council action of 08-08-11.

Motion by Foster, seconded by Waller to approve the return of \$249 as excess increment to Otter Tail County to close out the \$249 balance "Due to Other Funds" in TIF District 7. Motion carried. Motion replaces Council action of 08-08-11.

Administrator Don Solga reported that the Public Finance Authority (PFA) has closed the Wastewater Treatment Facility (WWTF) Phosphorus Project loan. The re-amortization of the loan payback to reflect lower loan costs will reduce the Sewer Fund principal and interest payments by \$44,000 in 2012 and \$700,000 in principal and interest over the life of the loan.

Council considered Superintendent Brian Olson's recommendation to hire two skating rink employees. Motion by Waller, seconded by Foster to approve the hiring of Dana Trygstad as a returning skating rink employee and Austin Lammers as a new skating rink employee at the 2012 wage schedule. Motion carried.

Motion by Waller, seconded by Foster to approve addition of Marty Hanson for Pelican Plumbing and Scott Nelson for Nelson Plumbing and Heating to the Plumbers Registration List for the City of Pelican Rapids. Motion carried.

Clerk-Treasurer Glenys Ehlert reviewed the \$16,737 funds the City received from the League of Minnesota Cities Insurance Trust for the 2011 Property/Casualty Dividend.

Council considered a letter from a property owner requesting a review of the property taxes on a commercial parcel in the City of Pelican Rapids. Discussed letter, will save letter to consider at April Board of Review meeting and request comments from Otter Tail County. Council directed city staff to write a letter to the property owner pointing out that the City of Pelican Rapids reduced the General Tax Levy by \$57,254 from 2011 to 2012. The State Legislature's elimination of homestead market value credit to market value exclusion increased taxes on commercial property throughout the state.

The City Council of the City of Pelican Rapids will meet on **Tuesday, 01-10-12, at 4:30 p.m. in Council Chambers, City Hall.**

Meeting adjourned at 5:07 p.m.

Glenys Ehlert, CMC  
Clerk-Treasurer