

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
SEPTEMBER 19, 2016

Pursuant to due call and notice thereof, a special meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, September 19, 2016 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Veum, Dufault, Hoialmen and Anderson.

Mayor Offerdahl stated that the purpose of the meeting is to set the budget and levy for 2017.

Administrator Lucken gave an overview of the preliminary general fund budget. The proposed budget has a 3% levy increase. Lucken summarized the budget and explained the changes that affected the various departments. Law Enforcement has a 4.95% increase in 2017 due to the contract with the Polk County Sheriff's Department. Parks and Recreation has a large increase for 2017 because of the projected cost of the new warming house/maintenance building. Lucken also reviewed the revenues for 2017. Local Government Aid is up slightly for 2017 at \$576,902. We propose to transfer additional funds from Light & Power as well as Natural Gas for 2017 to assist with the construction of the new building at the sports complex.

The statement of projected levies for 2017-2019 was reviewed. With the proposed 3% tax levy increase, the actual city real estate taxes for residential and commercial-industrial property is projected to remain unchanged for 2017 due to projected increases in tax capacity.

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING PROPOSED BUDGET  
RESOLUTION NO. 16-33**

BE IT RESOLVED, that the Proposed 2017 Budget for the General Fund be set at \$1,650,772.

The motion for the foregoing resolution was duly seconded by member Anderson and upon vote being taken thereon the following members voted in favor thereof:

Offerdahl, Anderson, Dufault, Hoialman and Veum

and the following members voted against the same: None

Whereupon said resolution was declared passed and adopted this 19<sup>th</sup> day of September, 2016.

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James Offerdahl, Mayor

Attest: \_\_\_\_\_  
Charles Lucken, City Administrator

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION SETTING PROPOSED  
2017 TAX LEVY  
RESOLUTION 16-34**

RESOLVED, that the following sums are hereby proposed to be levied upon the taxable property in the City of Fosston, County of Polk, State of Minnesota, for the 2016 taxes collectable in 2017 for the following purposes to-wit:

<b>PURPOSE</b>	<b>2016 FINAL</b>	<b>2017 PRELIMINARY</b>	<b>CHANGE</b>
General Fund	\$ 87,200	\$ 94,273	\$ 7,073
2006B St. Improvement Bonds	\$ 28,350	\$ -0-	(\$ 28,350)
2007A St. Improvement Bonds	\$ 19,940	\$ 17,900	(\$ 40)
2008A St. Improvement Bonds	\$ 20,514	\$ 21,744	\$ 1,230
2009 St. Improvement Note	\$ 21,150	\$ 24,150	\$ 3,000
2010A PIR & Refunding Bonds	\$ 50,252	\$ 19,727	(\$ 30,525)
2011 St. Improvement Note	\$ 12,870	\$ 13,699	\$ 829
2012 St. Improvement Note	\$ 17,614	\$ 17,614	\$ -0-
2014 Brandt Ave. Note	\$ 13,200	\$ 15,761	\$ 2,561
2014 Downtown St. & Utility Note	\$ -0-	\$ 41,940	\$ 41,940
2015B St. Improvement Bonds	\$ 42,741	\$ 48,190	\$ 5,449
2016B St Improvement Bonds	<u>\$ -0-</u>	<u>\$ 6,188</u>	<u>\$ 6,188</u>
 Total Gross Levy	 \$311,831 =====	 \$321,186 =====	 \$ 9,355 =====

The motion for the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof:

Offerdahl, Anderson, Dufault, Hoialman and Veum

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 19<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest: \_\_\_\_\_  
Charles Lucken, City Administrator

Member Dufault introduced the following resolution and moved its adoption:

**RESOLUTION SETTING DATE FOR  
PUBLIC BUDGET HEARING  
RESOLUTION NO. 16-35**

WHEREAS, the City of Fosston is required by the State of Minnesota, Department of Revenue to hold a Public Budget Hearing between November 25, 2016 and December 28, 2016.

BE IT THEREFORE RESOLVED, that the Public Budget Hearing for the City of Fosston be held on Monday, December 12, 2016 at 7:00 p.m.

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof:

Offerdahl, Anderson, Dufault, Hoialman and Veum

and the following voted against the same: None

Whereupon said resolution was declared passed and adopted this 19<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest:

\_\_\_\_\_  
Charles Lucken, City Administrator

Council discussed the offer from Gordon Construction to place an epoxy seal over the concrete that they installed on the Downtown Street and Utility project in 2015. They are not willing to consider a refund on the installation at this time. After further discussion, it was the consensus of the board to have the city attorney send a letter to Gordon Construction demanding the full removal and replacement of the defective concrete.

There being no further business to come before the council, motion was made by Anderson seconded by Veum to adjourn.

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Charles Lucken, City Administrator