

SPECIAL MEETING – DECEMBER 4, 2012

The special meeting of the Common Council was held on Tuesday, December 4, 2012 in the Professional Room at the Marshall Middle School, 401 South Saratoga Street. The meeting was called to order at 5:37 P.M. by Mayor Byrnes. In addition to Byrnes the following Council Members were present: Charlie Sanow, Dan Ritter, Jennie Hulsizer, John DeCramer, Larry Doom and Mike Boedigheimer. Absent: none. Staff present included: Ben Martig, City Administrator; Lorna Sandvik, City Assessor; Thomas M. Meulebroeck, Finance Director/City Clerk, and Jane DeVries, Deputy City Clerk. Others in attendance included Ellayne Conyers, newly elected Council Member and Deb Gau from the Marshall Independent.

PUBLIC HEARING - CONSIDER AMENDMENT TO CHAPTER 2 "FORM OF GOVERNMENT" OF THE CITY CHARTER THAT WOULD MOVE THE MAYOR AND COUNCIL APPOINTMENTS FROM DECEMBER TO JANUARY FOLLOWING AN ELECTION AND CONSIDER AMENDMENT TO CHAPTER 3 "PROCEDURE OF THE COUNCIL" OF THE CITY CHARTER THAT WOULD MOVE THE CITY ATTORNEY APPOINTMENT TERM FROM THE MONTH OF DECEMBER TO THE MONTH OF JANUARY

This was the date and time set for a public hearing to consider an Amendment to Chapter 2 "Form of Government" of the City Charter. This amendment would provide for the Mayor and Council appointments to be moved from December to January following an election and to consider an Amendment to Chapter 3: Procedure of the Council: of the City Charter. This amendment would provide for the appointment of the Term of the City Attorney to be moved from the month of December to the month of January.

Ben Martig, City Administrator, reviewed the proposed ordinance revising the Mayor and Council appointments to be moved from December to January following an election. Mr. Martig indicated that the potential problem with this provision is that the City is on a fiscal calendar year and the budget is adopted in December following mandated hearings the first week in December. Staff and the council budget process usually begins around June. There has been serious consideration to accelerating this to early January with the preliminary levy and budget required in September to be close to the final proposed for the upcoming year. The December appointments following an election in November could have real potential to create issues because of the lack of budget involvement by incoming council members who must adopt within two weeks or so of their new appointment. For 2012, there were only two contested city council seats but could have potentially had four new members if others would have filed. Staff contacted 12 of the comparable cities in Minnesota (group formally used in union, tax, service and compensation analysis when appropriate) and all that were surveyed appointed the Mayor and Council at their first regular meeting in January following a municipal election. In addition, statutory cities appoint in January (Minnesota has 748 statutory cities and 107 Charter cities as of 2008).

Ben Martig, City Administrator, reviewed the proposed ordinance revising the appointment of the term of the City Attorney to be moved from the month of December to the month of January. This amendment would be consistent with the proposed appointment of the City Council. The purpose is to have the appointment to take place in conjunction with the new fiscal year for the City. Moving to a January schedule will make it consistent with every other city that was

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researched. David Sturrock, Chair of the Charter Commission, was in attendance at the meeting and indicated that the Charter Commission met on Thursday, November 8, 2012 and they are recommending the approval of both Charter Changes. Sanow moved, Ritter seconded, that the public hearing be closed. All voted in favor of the motion.

Ritter moved, Sanow seconded, the adoption of ORDINANCE NUMBER 664, SECOND SERIES, which is an ordinance mending Chapter 2 “Form of Government” of the City Charter. This amendment would provide for the Mayor and Council appointments to be moved from December to January. This ordinance will be effective January 1, 2013 and after publication. All voted in favor of the motion.

Doom moved, DeCramer seconded, the adoption of ORDINANCE NUMBER 665, SECOND SERIES, which is an ordinance amending Chapter 3 of the City Charter. This amendment would provide for the appointment of the term of the City Attorney to be moved from the month of December to the month of January. This ordinance will be effective January 1, 2013 and after publication. All voted in favor of the motion.

CONSIDER INTRODUCTION OF ORDINANCE TO AMEND THE CITY CODE OF ORDINANCES CHAPTER 70 TAXATION RELATED TO IMPLEMENTATION OF A .5% GENERAL SALES AND USE TAX:

Ben Martig, City Administrator, indicated that Attorney Mike Norton from Kennedy & Graven has drafted an ordinance to meet State requirements to initiate the implementation of the .5% general sales and use tax authorized by voters on November 6, 2012.

DeCramer moved, Ritter seconded, the introduction of an ordinance amending the City Code of Ordinances Chapter 70 Taxation related to implementation of a .5% General Sales and Use Tax. All voted in favor of the motion, except Hulsizer who voted no.

CONSIDER INTRODUCTION OF ORDINANCE TO AMEND THE CITY CODE OF ORDINANCES CHAPTER 70 TAXATION RELATED TO IMPLEMENTATION OF AN ADDITIONAL 1.5% LODGING TAX:

Ben Martig, City Administrator, indicated that Attorney Mike Norton from Kennedy & Graven has drafted an ordinance for the implementation of the additional 1.5% lodging tax authorized by voters on November 6, 2012. This ordinance is required in order to initiate the State approval of the special tax.

Doom moved, Ritter seconded, the introduction of an ordinance amending the City Code of Ordinances Chapter 70 Taxation related to implementation of an additional 1.5% Lodging Tax. All voted in favor of the motion, except Hulsizer who voted no.

CONSIDER INTRODUCTION OF ORDINANCE TO AMEND THE CITY CODE OF ORDINANCES CHAPTER 70 TAXATION RELATED TO IMPLEMENTATION OF A 1.5% PREPARED FOOD & BEVERAGE TAX:

Ben Martig, City Administrator, indicated that Attorney Mike Norton from Kennedy & Graven has drafted an ordinance for the implementation of the additional 1.5% prepared food and

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beverage tax authorized by voters on November 6, 2012. This ordinance is required to initiate the State process.

Ritter moved, Boedigheimer, seconded, the introduction of an ordinance amending the City Code of Ordinances Chapter 70 Taxation related to implementation of a 1.5% Prepared Food and Beverage Tax. All voted in favor of the motion, except Hulsizer who voted no.

Mayor Byrnes called for a 2-minute recess.

PUBLIC HEARING PRESENTATION OF PROPOSED 2013 BUDGET AND TAX LEVY
- START TIME: 6:00 P.M.:

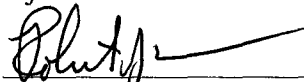
This was the date and time set for a public hearing on the 2013 Budget and Levy. Ben Martig, City Administrator, provided a review of the 2013 Budget and Tax Levy. The purpose of this public hearing was to hear any comments from the City Council and from the general public in regard to the proposed budget and tax levy payable in the year 2013. Mr. Martig provided a power point presentation which included:

Proposed Tax Levy; Sample Tax Statements; How Property Tax Rates are Determined; Property Tax Class Rates – State of Minnesota; Residential Property Tax Comparison 2012-2013; Commercial/Industrial Tax Comparison 2012-2013; History of Local (Tax Capacity Rates) for City-County-School; City of Marshall Total Tax Capacity Rate; City of Marshall Tax Capacity 2003-2013; General Fund Revenues; General Fund Revenue Comparisons 2011-2013; 2012 Proposed Use of Property Tax Revenue; LGA Payment History; How is my 2013 “City” Tax Dollar (\$1.00) Spent?; General Fund FY 2013 Expenditures; General Fund Expenditure Comparisons 2012-2013; General Fund Expenditure Breakdown by Type 2012 vs. 2013; Capital Equipment Fund (New); Marshall-Lyon County Library; Economic Development; and Enterprise Funds.

Ritter moved, Sanow seconded, that the public hearing be closed. All voted in favor of the motion.

Council Member Ritter and Council Member Sanow took this opportunity to thank everyone for all their help and support during their time on the City Council

Sanow moved, Ritter seconded, that the meeting be adjourned. All voted in favor of the motion.



Mayor of the City of Marshall

Attest:



Finance Director/City Clerk