

TRUTH IN TAXATION HEARING  
CITY OF CROSSLAKE  
MONDAY, DECEMBER 1, 2003  
6:00 P.M. – CITY HALL

The Council for the City of Crosslake, Minnesota met in the Council Chambers of City Hall on Monday, December 1, 2003 for the purpose of holding a Truth in Taxation Hearing. The following Councilmembers were present: Mayor Darrell Swanson, Councilmembers Dean Eggena, Dick Phillips and Irene Schultz. Councilmember Chuck Miller was absent. Also present was City Administrator Tom Swenson, Police Chief Bob Hartman, Public Works Director Ted Strand, Park and Recreation Director Jon Henke and Clerk/Treasurer Darlene Roach. There were approximately six individuals in the audience. (Sign in sheet included as a permanent part of the minutes.)

Mayor Swanson called the meeting to order at 6:00 P.M. and turned the meeting over to City Administrator Tom Swenson to review the City's proposed budget and amount of property taxes it is proposing to collect to pay for the costs of services the City will provide in 2004.

City Administrator Tom Swenson stated that a Notice of Hearing, which included the location, date and time of the hearing, was posted at three locations within the City, namely at City Hall, Crosslake Communications and the Post Office as required by law. The hearing notice was also posted on Cable TV Channel 12. In addition to postings by the City, each property owner received a notice of Proposed Tax Statement from Crow Wing County, which lists the location, date and time for the hearing.

City Administrator Swenson prepared a complete packet starting with a document that compares the 2003 Adopted Revenue Budget with the 2004 Proposed Revenue Budget. The 2004 Proposed Budget reflects an increase of \$498,193 over 2003. On the expenditure side, the 2003 total adopted budget was \$2,361,085. The proposed 2004 budget is \$2,859,278. The third handout shows the impact on the tax levy incorporating the adopted preliminary 2004 budget, taking into account the expected market value homestead credit reduction and new construction values. When taking these items into account, the proposed spread levy increase on the existing tax base is 5.0%. A handout showing the adopted 2003 revenue budget and the proposed 2004 revenue budget by revenue source was included in the packet. The adopted 2003 expenditure budget and the proposed 2004 expenditure budget was reviewed by department. Included in each department's budget is a category for Capital Outlay. A listing of proposed Capital Outlay items by department was included in the handout. The total of these items are included in the proposed budget, but were provided for Council information. A comparison of surrounding cities' ranks Crosslake 2<sup>nd</sup> lowest in Average Total Tax Rate among 29 area cities and 4<sup>th</sup> lowest in Average City Tax Rate for 2003. A bar graph showing the estimated increase in market value due to new construction from 1995 through October 31, 2003 was included for Council information. A second bar graph shows a continual increase in the number of zoning permits issued between 1995 through October, 2003.

The meeting was opened to the Council and public for questions and comments. Christine and Roger Roy addressed the Council and inquired why there was such a huge increase in the assessed market value for Channel Liquors. City Administrator Swenson stated that market value is addressed in the Spring at the Board of Review Meeting which is a joint meeting with the Council and Crow Wing County Assessor's Office. Interim to this meeting, the Roy's were encouraged to contact Ron Rydh of the Assessor's office for an evaluation of the property.

One letter was received from Jacqueline J. Raney which was read into the record by City Administrator Swenson. Swenson will send a reply to Ms. Raney.

The proposed budget and proposed levy will be presented to the City Council for adoption on Monday, December 8<sup>th</sup> at 7:00 P.M.

There being no further comments, MOTION PH01-12-01-03 WAS MADE BY IRENE SCHULTZ AND SECONDED BY DICK PHILLIPS TO ADJOURN THIS TRUTH IN TAXATION HEARING AT 6:47 P.M. MOTION CARRIED WITH ALL AYES.

Recorded and transcribed by,



Darlene J. Roach  
Clerk/Treasurer

