

PUBLIC INFORMATION MEETING
CITY OF CROSSLAKE
TUESDAY, DECEMBER 3, 2013
7:00 P.M. – CITY HALL

The Council for the City of Crosslake, Minnesota met in the Council Chambers of City Hall on Tuesday, December 3, 2013 for the purpose of holding a Public Information Meeting. The following Council Members were present: Mayor Darrell Schneider, Steve Roe, Gary Heacox, John Moengen and Mark Wessels. Also present were City Administrator/Consultant Dan Vogt, City Clerk Char Nelson, Finance Director/Treasurer Mike Lyonais, Police Chief Bob Hartman, Public Works Director Ted Strand, Fire Chief Chip Lohmiller, and Park and Recreation Director Jon Henke. There were six residents in the audience.

Mayor Darrell Schneider called the meeting to order at 7:00 P.M. and stated that the purpose of the public hearing was to allow individuals the opportunity to express comments on the proposed budget. The meeting was then turned over to Finance Director/Treasurer Mike Lyonais to review the City's proposed budget and amount of property taxes proposed to be collected to pay for the costs of services the City will provide in 2014.

A Notice of Hearing, which included the location, date and time of the hearing was posted at four locations within the City, namely at City Hall, Crosslake Communications, Community Center and the Post Office. 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 of the meeting. No correspondence was received in writing from any taxpayer within the City.

Finance Director/Treasurer Mike Lyonais prepared a packet of information beginning with the 2013 Property Tax Data Table from the League of MN Cities. Graphs depicting Total Market Value, Total Tax Capacity, Market Value Composition, and Tax Capacity Composition trends for the last five years were included in the packet. Mr. Lyonais reviewed Debt Levy History, Outstanding Bond Debt, Outstanding Equipment Certificates, and Total Outstanding Debt for the City. The Proposed 2014 Revenue Budget is \$3,879,345, which is an increase of \$65,889 over the 2013 Adopted Budget of \$3,813,456. On the expenditure side, the 2013 Adopted Budget was \$3,813,456 and the proposed 2014 Expenditure Budget is \$5,886,157. Mr. Lyonais explained that the expenditures exceed revenues primarily due to bond refinancing activities in 2012. In January 2012, the City issued Series 2012A Refunding Bonds in advance of the call date on its existing 2003A Disposal System Bonds. The proceeds of the 2012A Refunding Bonds were placed in escrow to provide funds to pay off the 2003A Disposal System Bonds on their call date of February 1, 2014. Approximately \$67,000 of funds is included in the 2014 Budget to be set aside for future capital purchases. A proposed Resolution for adoption by the Council at the Regular Council Meeting in December showed a detailed breakdown by general property tax levy and debt service tax levies to be levied for the current year, collectible in 2014, upon taxable property in the City. A detailed breakdown of revenues and

expenditures by department as well as a listing of proposed capital expenditures was included in the information provided in the handout.

MOTION 12SP1-01-13 WAS MADE BY JOHN MOENGEN AND SECONDED BY STEVE ROE TO OPEN THE MEETING FOR PUBLIC COMMENT. MOTION CARRIED WITH ALL AYES.

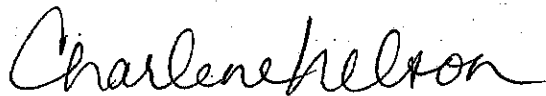
Crosslake business owner and resident Pat Netko addressed the Council and stated that she visited with the Crow Wing County Assessor in Brainerd to discuss the increased value of her property. Ms. Netko reported that the Assessor showed her an aerial photo of her property and explained how the shape, size, etc. affect the market value of property. Ms. Netko stated that commercial property owners pay double the amount of taxes than home owners. Mayor Schneider replied that a group of 13 business owners planned to review their market values with the County Assessor because the values increased so much this year. A discussion ensued regarding whether the County Assessor shifted the County-wide tax capacity burden to the City of Crosslake. Mike Lyonais stated that he would research the matter.

Crosslake cabin owner on Velvet Lake Steven Helseth addressed the Council and stated that the market value on a vacant piece of land, not on the lake, adjacent to his cabin increased 18%. Mayor Schneider encouraged Mr. Helseth to meet with the County Assessor.

MOTION 12SP1-02-13 WAS MADE BY JOHN MOENGEN AND SECONDED BY GARY HEARCOX TO CLOSE THE PUBLIC COMMENT PERIOD. MOTION CARRIED WITH ALL AYES.

A discussion ensued regarding the City's share of taxes compared to the rest of Crow Wing County. The Council gave no direction to change the proposed budget. There being no further business at 8:10 P.M., MOTION 12SP1-03-13 WAS MADE BY STEVE ROE AND SECONDED BY JOHN MOENGEN TO ADJOURN THE MEETING. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,



Charlene Nelson
Deputy Clerk