

PUBLIC INFORMATION MEETING
CITY OF CROSSLAKE
MONDAY, DECEMBER 7, 2009
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 7, 2009 for the purpose of holding a Public Information Meeting. The following Council members were present: Mayor Jay Andolshek, Steve Roe, Dean Swanson, John Moengen and Rusty Taubert. Also present was City Administrator Tom Swenson, Community Development Director Ken Anderson, Police Chief Bob Hartman, Public Works Director Ted Strand, Parks and Recreation Director Jon Henke and Clerk/Treasurer Jenny Max. There were two residents in the audience. (Sign in sheet included as a permanent part of the minutes.)

Mayor Jay Andolshek called the meeting to order at 6:00 P.M. and stated that the purpose of the public hearing was to allow property owners the opportunity to express comments on the proposed budget. The meeting was then turned over to City Administrator Tom Swenson 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 2010.

City Administrator Tom Swenson stated that 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 as required by law. The hearing notice was also posted on Cable TV Channel 12, the local access channel. 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.

City Administrator Swenson prepared a packet of information beginning with a document that compares the 2009 Adopted Revenue Budget with the 2010 Proposed Revenue Budget. The Proposed 2010 Revenue Budget is \$4,021,780, which is an increase of \$182,500 over the 2009 Adopted Budget of \$3,839,280. On the expenditure side, the 2009 Adopted Budget was \$3,839,280 and the proposed 2010 Expenditure Budget is \$4,021,780 or an increase of 4.75%. 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 2010, upon taxable property in the City. These items bring the total levy to \$2,787,699. The next handout showed the impact on the proposed tax levy incorporating the Market Value Homestead Credit and new construction values. Due to the State's budget problems, the City will not be receiving \$28,729 in the state funded Market Value Homestead Credit. Therefore, in order to actually receive the revenues required to fund the proposed budget, the City needs to increase the levy by \$28,729 as the County Auditor will decrease the certified levy by the same amount before it is spread over the City tax base. This increase in the levy is revenue-neutral. In addition, when incorporating a conservative number of \$18,000 being generated from new construction,

the proposed spread levy increase on the existing tax base is .43%. 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.

A handout showing a comparison of surrounding cities' ranks Crosslake 3rd lowest in Average City Tax Rate among 29 area cities and 2nd lowest in Average Total Tax Rate for 2009. Information taken from the September 2009 League of Minnesota Cities Monthly Magazine compared area cities by population, city net tax levy, LGA, county tax rate, average city tax rate, school tax rate, special tax rate and average total tax rate. A report from Crow Wing County dated November 16, 2009 shows for payable 2010 taxes that the estimated market value in the City is \$1,475,425,400. Two bar graphs were included in the information provided which shows the estimated market value due to new construction between January 1, 1999 through November 30, 2009 and the number of permits issued during the same period of time. These graphs show a decrease in the number of permits issued and the estimated market value from 2008. It was noted that the projected city tax rate for 2010 is 17.518%, which is a decrease over the previous rate of 18.274%.

The meeting was open to questions and comments from the Council. Councilmember Roe expressed concern over local Cities who rely heavily on Local Government Aid and how the State's budget problems are affecting them. Councilmember Swanson noted that the City of Crosslake is in good position at the moment, and with some bonds coming due in the near future, the City should be in a good position. There were no comments from the public during the public comment period.

City Administrator Swenson noted that the proposed budget and proposed levy will be presented to the City Council for adoption at the Regular Council Meeting on December 14, 2009 at 7:00 P.M.

City Administrator Swenson stated that with the Council's approval, the City hired Widseth Smith Nolting to conduct a City Facilities Assessment Study. The study identifies immediate to 15-year facility and site needs across all departments, prioritizes the needs and categorizes them between renovation and new construction. In addition the study includes a budget cost estimate and development schedule. City Administrator Swenson noted that with the limited financial resources of the City, many of the facilities highlighted in this study will only happen if outside funding sources can be obtained. Possible funding sources to accomplish the various facility improvements include, but are not limited to: Ad Valorem Taxes, General Obligation Bonds, Grants (Federal/State/Private), PAL Foundation Funding, Park Dedication Fees and Private Donations. City Administrator Swenson proceeded to address each department's future needs by discussing the site plan as shown in the study and noting that the site plan illustrations are conceptual in nature only.

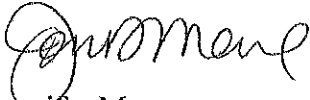
The meeting was open to questions and comments from the Council. Councilmember Roe stated he was encouraged to see the South Bay Park included in the study and hopes to see the plans come to fruition someday. Jeanne Winiecki of 38047 Dream Island Road

stated a concern about the magnitude of the estimated cost of \$3.37 million based on a population of 2,100 residents. Ms. Winiecki suggested the Council include verbiage in the study about the large summer population that the City serves or verbiage that the study is based on an increase in the year-round population. City Administrator Swenson noted that two large parts of the study, the pool at the Community Center and the new Police Department building, would probably never happen without receiving a large private donation, and these two items alone make up a large portion of the \$3.37 million cost. Councilmember Roe commented that he assumes the City will continue to grow and draw a larger population and that it is important to have a study like this in place to know where the City will be heading. Councilmember Swanson noted the staff has done a good job with this study and should be commended for their hard work.

There being no further Council or public comments, it was noted that the City Facility Assessment Study will be on the December 14, 2009 Council agenda for Council consideration and approval.

There being no further comments, MOTION PH12-01-09 WAS MADE BY JOHN MOENGEN AND SECONDED BY STEVE ROE TO ADJOURN THIS PUBLIC INFORMATION MEETING AT 7:18 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully submitted by,



Jennifer Max
Clerk/Treasurer

**CITY OF CROSSLAKE
PUBLIC INFORMATION MEETING**

**PROPOSED 2010 BUDGET/TAX LEVY
CITY FACILITIES ASSESSMENT STUDY**

**MONDAY, DECEMBER 7, 2009
6:00 P.M.**

Name	Address	Phone
Ted Strand	14565 White Birch	692-2688
Aron R. Swanson	PO Box 195 - Crosslake	692-2437
John Mooney	3670 GALE LN CROSSLAKE	730-9451
Jay Ambolshek	PO Box 246 Crosslake	692-2688
Tom Swenson	36036 W. SHORE DR	692-4330
C. Q. (Cedee) Q.	PO BOX 678 CROSSLAKE 56442	692-3050
Steve Fox	11663 Whitelyish Ave. Crosslake	692-3331
ROBERT HARTMAN	P.O. Box 451, Crosslake	692-3055
JON HENKE	37028 CTY RD 66	692-4271
Kenneth R. Anderson	37028 Cty Rd. 66	692-2689
MARK Hallen	28116 Norway Ridge, Peavine MN	568-6988
Jeanne Winnicki	38047 Dream Island Key	218-831-6722
Jenny Max	PO BOX 164 Crosslake MN	692-2119