

# TRUTH-IN-TAXATION HEARING BEMIDJI, MINNESOTA

December 5, 2005

Pursuant to due call and notice, a regular meeting of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, December 5, 2005, at 5:30 p.m. in the Council Chambers of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Meuers, Johnson, Downs, Hellquist, Markeson, Lehmann. Absent: Erickson.

Lehmann stated that the purpose of the Truth-In-Taxation hearing is required by State and the City will review the City's 2006 preliminary budget.

Finance Director Ron Eischens provided the Council and public information regarding the City's 2006 proposed budget and tax levy. Eischens reviewed the information including a history of the tax levy (1989-2005), 2006 budget assumptions, distribution of the property tax dollar and comparison of state and local tax rates. Eischens pointed out that 50 percent of the property value in Bemidji is non-taxable. The proposed 2006 levy of \$2,058,633 represents a 4.9% increase over 2005.

Downs asked if annexations impacted the per capita calculations.

Eischens stated that in 2010 there will be a significant amount of property value added to the City's tax base. Therefore, the tax levy gets applied to a larger base. One of the projects for staff is to determine what kind of property are we are absorbing, roads, additional equipment, staff or other needs and relate it to the budget and determine if it will be a break even scenario.


Lehmann stated the property tax is phased in over five years before the City sees the full impact of the tax.

Lehmann opened the public hearing 5:59 p.m. and hearing no comments closed the hearing.

## **ADJOURN**

There being no further business, motion by Downs, second by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 6:00 p.m.

Respectfully submitted,

  
Kay Murphy-Schuett  
City Clerk