

PROPOSED MINUTES OF THE CROOKSTON CITY COUNCIL, POLK COUNTY, MINNESOTA. THE SPECIAL MEETING OF DECEMBER 7, 2004, COUNCIL CHAMBERS, CITY HALL.

Mayor Don Osborne called the meeting to order at 6:30 p.m. and requested all present to stand for a moment of silence.

Council Members present in answer to roll call were: Smulan, Mjoen, Mykleseth, Manole, Vedbraaten and Genereux. Council members absent were: Melbye and Sprague.

Staff present were: Tim Motherway, Pat Kelly, Arlene Tucker, Aaron Parrish and Betty Arvidson.

APPROVAL OF AGENDA

On motion by Council Member Manole, seconded by Council Member Mjoen and duly carried that the Agenda be approved as presented.

PUBLIC HEARING

4.01 Mayor Osborne opened the public hearing for the Truth in Taxation Hearing on the proposed 2005 Budget.

Betty Arvidson, City Clerk-Treasurer, proceeded with a presentation on the proposed budget and levy for 2005. The proposed revenue for 2005 is \$5,355,942. The 2004 revenue was \$5,231,771 for an increase in 2005 of \$124,171. The proposed expenses for 2005 are \$9,919,110. The 2004 expenses were \$9,861,559, for an increase of \$57,551, which is a .58% increase. Arvidson went over a historical presentation of the number of employees in the City of Crookston. It ranged from 1999 with 73 full-time employees to 2005 at 70 full-time employees. Arvidson went through a sheet on the compensation cost for the City of Crookston in 2005, showing a slight increase from the 2004 budget. The next slide showed the breakdown of the General Fund budget, starting with the Council portion of the budget through Public Works. She stated that the Police Department made up 35% of the General Fund, the Fire Department made up 15% and Public Works was at 24%. The next slide showed an overview of the 2005 proposed budget with the revenue at \$5,355,942 expenses at \$9,919,110 with the balance needing funding of \$4,563,168. The next sheet showed the balance needing funding at the \$4,563,168 and several columns making up that amount. The first one was reserves at \$225,143, Local Government Aid is \$2,668,625 leaving an amount needed to levy of \$1,669,400. The next sheet shows a comparison of levies from 2001 up to 2005. In 2001 the levy was \$1,375,603, but in that year we also received an amount from HACA of \$525,591, which we do not receive now. In 2005 the proposed levy is \$1,669,400. The next sheet compared the tax rates for the City of Crookston for all of the entities that make up the local tax rate. The City of Crookston is at \$1,669,400, the School District is proposing a \$1,663,077 levy, Polk county \$14,200,294, Red Lake Watershed \$647,125 and the NWRDC at \$68,623. Based on the local tax capacity the local tax rate total is 210.5948%. Of that the City of Crookston's share is 84.9408%, which is a decrease from last year of 85.647%. The City of Crookston makes up 41% of the local tax rate where the school district is at 18% and Polk County is at 39%. In summary, the Council is proposing an increase in the City of Crookston tax levy by 2.92%. Due to the increased tax capacity, the tax rate for the City will go down from 85.647% to 84.9408%.

Mayor Osborne asked if there were any questions and upon hearing none closed the public hearing.

5.REGULAR AGENDA

5.01 On motion by Council Member Mykleseth, seconded by Council Member Smulan and duly carried to approve setting the final adoption hearing for the 2005 budget to be held December 14, 2004. (RES. NO. 24024)

On motion by Council Member Vedbraaten, seconded by Council Member Genereux and duly carried that there being no further business to come before the City Council that said meeting be adjourned.
