

**Truth in Taxation Public Hearing  
Ely City Council - Council Chambers  
November 27, 2018**

**CALL TO ORDER**

Mayor Novak called the Truth in Taxation Public Hearing to order at 6:00pm.

PRESENT: Council Members A.Forsman, Debeltz, Omerza, Callen, D.Forsman and Mayor Novak  
ABSENT: Council Member Kess

Mayor Novak state that the budget committee has met several times and the City is going to maintain the 3.08% levy that was proposed.

Clerk Langowski gave a slide presentation of the proposed 2019 Budget and proposed changes from 2018. Major changes and points of interest include:

- Total 2019 City Tax proposed - \$1,751,079
- This is a City wide increase of \$52,400 or 3.08% over 2018
- Taxable Market Value for 2019 Increased \$8,629,600 compared to 2018 or a 5.2% increase
- Changes in the 2019 Budget from 2018
  - General Fund –
    - Increase in Property Taxes of \$45,700 or 11.08%. Local government aid increased sufficiently in 2018 to offset inflationary increases in the budget, allowing for a reduction in property taxes. In 2019 Local government aid increases are not sufficient to cover inflationary costs resulting in the levy increase.
    - Local Government Aid increased by \$85,300 in 2018. The amount of local government aid in 2019 is budgeted for only a \$5,800 increase.
    - Total general fund expenditures are budgeted to increase \$91,800 or 2.8%. The \$45,700 increase in the levy along with general increases in other revenues offsets the increased expenditures.
  - EEDA – Special EEDA calculated 2019 Estimated Market Value times .01813 –  
 $\$174,535,800 \times .01813\% = \$31,643.34$
  - Capital Projects Fund – The Capital Project budgeted expenditures are \$2,519,000. 23% or \$597,200 of 2019 capital projects is budgeted to be funded by property taxes. The remaining \$1,921,800 is funded by Federal and State grants, street maintenance fees and the spending down of fund balances.

Cont.

<b>REVENUES by type</b>		<b>EXPENDITURES by function</b>	
Grants and Aids	21.6 %	Capital Outlay	36.4%
LGA	31.8%	General Government	10.1%
Property Taxes	25.3%	Public Safety	18.6%
Taconite Aid	4.5%	Culture & Recreation	5.7%
Airport Fuel Sales	2.5%	Airport	3.7%
Rents	4.5%	Economic Development	3.2%
Streets & Infrastructure	2.0%	Streets & Infrastructure	17.0%
Other	7.3%	Debt Service	4.4%
Special EEDA Levy	0.5%	Other	0.8%

Mayor Novak adjourned the meeting at 6:15pm without objection.

Casey Velcheff  
Deputy Clerk