

**MINUTES OF A SPECIAL CITY COUNCIL MEETING HELD WEDNESDAY,
DECEMBER 12, 2007 – 6:00 P.M. - ROCKVILLE CITY HALL**

The meeting was called to order by Mayor Brian Herberg. Roll Call was taken and the following members were found to be present: Mayor Herberg, Council members Jeff Hagen, Jim Pflepsen, & Don Simon. Absent: Vern Ahles, Susan Palmer & Randy Volkmuth.

Staff Members present were: Administrator/Clerk Rena Weber & Finance Director Julie Zimmerman.

Also present were: None.

PURPOSE OF MEETING – Mayor Herberg announced that the special meeting had been called for the purpose of truth in taxation.

BRIEF OVERVIEW – Finance Director Julie Zimmerman gave a brief overview of the 2008 budget and presented charts on history:

- a) Local Government Aid
- b) Total Net Tax Capacity
- c) Tax Capacity Rate Vs area cities
- d) Debt Service Breakdown
- e) General Fund Expense Breakdown
- f) Tax Levy

Member Pflepsen suggested that when comparing with other cities it might be a better idea to take Cold Spring out of the mix. They have three large businesses that help their tax capacity. Rena Weber also reminded the Council that Cold Spring receives close to \$700,000 in Local Government Aid.

Mayor Herberg also wanted the members to look at how we are doing since the merger as tax capacity rates are lower than anticipated.

Rena Weber reported on the vacant land abutting lakes issue and read Randy Lahr's letter.

"There is some confusion as to why some properties increased in taxes more than others this year. Properties that have experienced large value increases in the past 5 years (especially lakeshore properties) were receiving a cap on how much their Taxable Value could go up each year. This cap is set by Legislature and is called Limited Market Value. The Legislature has decided to do away with Limited Market Value and have properties taxed at the Estimated Market Value at all times. The program is set to expire after 2009 payable tax year. They have been phasing it out each year so the amount of increase has been increasing for a number of years now."

CLOSE TNT HEARING – *Motion by Member Simon, second by Member Hagen, to close the Truth in Taxation hearing at 6:11 p.m. Motion carried unanimously.*

ADJOURNMENT – *Motion by Member Hagen, second by Member Simon, to adjourn the meeting at 6:12 p.m. Motion carried unanimously.*

VERENA M. WEBER-CMC
ADMINISTRATOR/CLERK

BRIAN HERBERG
MAYOR

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