

CITY OF GILBERT
MINUTES OF TRUTH-IN-TAXATION PUBLIC HEARING
MONDAY, DECEMBER 7, 2015
COUNCIL CHAMBERS

Mayor Kutsi called the meeting to order at 6:30 p.m.

Present: Mayor Kutsi, Councilors Pontinen, Skalko and Liimatta.

Absent: Councilor Bol (w/notice).

Staff Present: Police Chief Techar, Public Works Operations Director Lautigar, Library Director Miller & City Clerk Sakrison.

Mayor Kutsi led the audience in the Pledge of Allegiance to the Flag.

Mayor Kutsi stated that this is a public hearing, no action may be taken at this meeting. The City Council and city staff have worked very hard on trimming the budget. Over the past 10 - 30 years several items have been put on the back burner due to budget cuts, eventually everything adds up, buildings not being maintained, roofs, money not being put away for future projects, etc. The council must prepare to save money for future repairs and at the same time try to operate. Health Insurance has increased 17 ó 18% for the 2016 year. For an example, the city would potentially have to close the Library or Fire Department to come within a 0% budget. He thanked the public for attending and asked everyone to be respectful to the Council and everyone that is in attendance.

Mayor Kutsi asked for comments from the Public:

Beth Milos asked what number the Council has in mind or are thinking of? She stated that we are already losing out on new businesses and residents because the taxes are so high, and people can't even sell houses because the taxes are so high. She wanted the Council to keep that in mind when they are thinking about the tax rate. She believes that increasing the taxes every year is not going to help Gilbert thrive.

Lana Stierwell spoke about trying to sell a house in Gilbert. She has had a house on the market with a realtor for a year and it has not sold. She now has it on Craig's List and noted that within an hour after listing it she had one response and they wanted to know the tax parcel i.d. number of the property because they had heard that taxes were high in Gilbert. She then talked about foreclosures in Gilbert, and stated that she found there were 15 foreclosures for 2015. She stated that raising the taxes for next year isn't going to help the housing situation for anyone. She stated that her house is probably going to go into foreclosure because no one is going to want to buy it. She questioned in the hand-out the line item for Reimbursing IT Service for \$12,000 when it has been \$0 for years. City Clerk Sakrison explained that there has never been a full-time IT person on staff before and we currently contract out with Eveleth PD and East Range PD and Steve Peterson works with them and we invoice them.

Beth Milos asked if the IT position was ever a posted position. Sakrison stated that he was an independent contractor that converted to a full-time employee position. Milos stated that the city

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really needs to look at job descriptions and pay and see what can be cut and where because the city has no money and this needs to be fixed.

Kate Giese stated that she had been at a meeting a few months ago and had signed up to be on a Budget Committee. She had only been contacted one time to meet and then the meeting was cancelled. The next meeting she was notified about was this Truth in Taxation Hearing and she thought they would be working on numbers at this meeting. Wanted to know what we are going to do to bring more businesses into town. She thought the Budget Committee would be brainstorming to help fix the budget. Giese stated that Gilbert is a great city, but no one is going to want to live here because the taxes are so high.

Al Olsen mentioned that Councilor Pontinen had brought up budget cuts of approximately \$330,000 and they were seemingly ignored. He reiterated that the city of Gilbert is the #1 highest taxed city in St. Louis County for high taxes, and #8 in the state.

Leo Skrbec noted that he has lived in Gilbert for 60+ years. He stated that these are not good times on the range, but this is not the first time this has happened. He said if taxes are too high, people will just not pay their taxes and then the city won't get their money that way either. He would rather see the current Council resign and let someone else make the hard decisions.

Sandy Bennet stated that she has lived in Gilbert for 17 years and her taxes have gone up every year. She works in another town and noted that their taxes keep going down. Wants to know what exactly they are getting for their taxes. She noted that there won't be a town without people and they are going to lose people if they raise the taxes.

Mayor Kutsi closed the public hearing and opened the council discussion.

Councilor Pontinen asked what they are leaning towards for the tax levy. Mayor Kutsi noted that he is leaning towards between 3 to 6%.

Mayor Kusti noted that the public hearing is closed, but asked the Council if it should be reopened. The public hearing was then reopened.

The council was asked if they each pay city of Gilbert taxes, and they do. Councilor Liimatta was personally attacked regarding taxes.

Beth Milos stated that there is no incentive for councilors to hold the line on taxes because most councilors don't pay high taxes.

Roger Smith has lived in Gilbert for 12 years and noted that he thought the council and staff could all take a lesson from Chief Techar who answered all the questions asked of him. He stated that the Council needs to take their job seriously and do what it takes to get the job done.

People are fighting for their families.

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Mayor Kutsi once again closed the public comment portion of the meeting.

Councilor Pontinen asked if he could get data from St. Louis County regarding various percentages and how it affects the different values of houses.

Motion by Skalko, second by Liimatta to adjourn the meeting at 7:12 p.m.

Debra Sakrison, City Clerk

ATTEST:

Robert Kutsi, Mayor