

**BOARD OF ESTIMATE AND TAXATION**

350 South 5th Street - Room 327M  
Minneapolis MN 55415-1315

Office (612) 673-2029  
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**INTERNAL AUDIT**

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September 15, 2005

City of Minneapolis  
c/o Ways & Means Committee  
350 5th Street South  
Minneapolis, MN 55415-1315

Ladies and Gentlemen:

The Board of Estimate and Taxation took actions at the meeting held September 14, 2005, to comply with the Truth in Taxation laws and City Charter requirements, fixing the maximum amounts that may be levied for property taxes to be collected in 2006 for the various funds. A summary of the actions is attached for your information. After including special and referendum levies the total tax levy amount is \$ 209,249,670 or \$ 15,499,976 above the 2005 certified amounts, which is an 8.00 % increase.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jack A. Qvale", is written over the typed name and title.

Jack A. Qvale, Executive Secretary  
Board of Estimate and Taxation

att.

Sep 9th EST #s

Pay 2006  
Amount

Taxable Reg Market Value RE 30,311,654,225  
 Taxable Reg Market Value PP 379,555,200  
**Taxable Total Reg Market Value 30,691,209,425**

Gross Tax Capacity RE 380,081,491  
 Add: Personal Property 7,387,573  
**387,469,064**

Less: Tax Increment (57,773,555)  
 Less Fiscal Disp Contrib (32,778,714)  
**296,916,795**

Add: Fiscal Disp Distrib 39,578,215  
 Total Tax Capacity 336,495,010

**Fiscal Disparities \$ Distr 24,511,580**

RefMV RE 30,244,568,915  
 RefMV PerProp 379,555,200  
**RefMV 30,624,124,115**

FINAL #s  
 Pay 2005  
 Amount

3,902,927,750 14.78%  
 5,892,500 1.58%  
**3,908,820,250 14.59%**

47,222,194 14.19%  
 134,045 1.85%  
**47,356,239 13.92%**

(8,148,033) 16.42%  
 751,185 -2.24%  
**39,959,391 15.55%**

1,073,607 2.79%  
 41,032,998 13.89%

**(338,523) -1.36%**

3,864,950,640 14.65%  
 5,892,500 1.58%  
**3,870,843,140 14.47%**

26,408,726,475	26,379,618,275
373,662,700	373,662,700
<b>26,782,389,175</b>	<b>26,753,280,975</b>
332,859,297	38,504,608
7,253,528	295,462,012
<b>340,112,825</b>	
(49,625,522)	
(33,529,899)	
<b>256,957,404</b>	
<b>24,850,103</b>	

TRUTH IN TAXATION RESOLUTION:

ACTIONS BY THE BOARD OF ESTIMATE AND TAXATION OF THE CITY OF MINNEAPOLIS:

That, pursuant to truth in taxation legislation of the State of Minnesota, the Board of Estimate and Taxation of the City of Minneapolis does hereby fix and determine the maximum certified tax levy for property taxes payable in 2006 for general taxation exclusive of tax increment and fiscal disparities contribution values being assumed to be \$ 296,916,795 plus a fiscal disparities distribution of \$ 24,511,580, such maximum amounts and maximum net tax capacity rates being as follows:

<u>Truth in Taxation pay 2006</u> <u>Levy Item</u>	<u>Total Tax Levy</u> <u>Levy Amount</u>	<u>Net Tax</u> <u>Cap Rate est</u>
Minneapolis City** (excluding Library Board and Park & Recreation Board	\$ 146,886,206	43.342
Minneapolis Park & Recreation Board	38,064,605	11.231
Minneapolis Library Board	12,779,000	3.771

SPECIAL LEVY SECTION

Minneapolis Public Housing Authority	1,169,859	0.342
Minneapolis Teachers Retirement Fund		0.650
Association Mn Stat Chap 357 Sec 4	1,250,000	
Laws of Mn 1996 Chap 438 Art 4 Sec 9	1,000,000	

& a market value levy for Library Refendum debt service of \$ 8,100,000

That pursuant to truth in taxation legislation, the following is filed as the proposed maximum certified property tax levy for property taxes payable in 2006:

<u>Truth in Taxation pay 2006</u> <u>Levy Item</u>	<u>Total Tax Levy</u> <u>Levy Amount</u>	<u>Net Tax</u> <u>Cap Rate est</u>
General Fund**	\$ 114,661,105	33.831
Permanent Improvement	1,897,240	0.560
Bond Redemption and Interest	19,784,607	5.838
Estimate Estimate and Taxation	229,247	0.068
Municipal Building Commission ***	3,839,006	1.133
Fire Department Relief Assn ***	1,385,000	0.409
Minneapolis Police Relief Assn ***	2,215,000	0.654*
Minneapolis Employee Retirement ***	2,875,000	0.849
TOTAL CITY AND OTHER	\$ 135,268,671	45.489
PARK & RECREATION BOARD ***	\$ 38,064,605	11.231
LIBRARY BOARD ***	\$ 12,779,000	3.771

\*Plus an additional \$3,211,764 from current funds for a total of \$5,426,764  
\*\* This levy includes \$ 314,404 expected to be used for Tax Abatement  
\*\*\* These funds are not subject under the City Charter to Board of Estimate and Taxation jurisdiction with regards to Charter regulated maximum tax levies.

<u>Truth in Taxation pay 2006</u> <u>Levy Item</u>	<u>Total Tax Levy</u> <u>Levy Amount</u>	<u>Net Tax</u> <u>Cap Rate est</u>
<u>SPECIAL LEVY SECTION</u>		
Minneapolis Public Housing Authority	\$ 1,169,859	0.342
Minneapolis Teachers Retirement Fund		0.650
Association Mn Stat Chap 357 Sec 4	1,250,000	
Laws of Mn 1996 Chap 438 Art 4 Sec 9	1,000,000	

& a market value levy for Library Referendum debt service of \$ 8,100,000

September 14, 2005

Gordon L. Nelson,  
President  
Board of Estimate and Taxation

Attest: Jack A. Qvale

CHARTER COMPLIANCE RESOLUTION:

ACTIONS BY THE BOARD OF ESTIMATE AND TAXATION OF THE CITY OF MINNEAPOLIS:

That, pursuant to Section 2, Chapter XV of the Charter of the City of Minneapolis, the Board of Estimate and Taxation does hereby fix and determine the maximum rates and maximum amounts of money which may be raised by general taxation and may be levied by the City Council, the Public Housing Authority, and the Board of Estimate and Taxation of the City of Minneapolis for the fiscal year 2006 for various funds, the net tax capacity of property subject to general taxation exclusive of tax-increment and fiscal disparities contribution values being assumed to be \$ 296,916,795 plus a fiscal disparities distribution dollar amount of \$ 24,511,580, such maximum amounts and maximum net tax capacity rates being as follows:

<u>TO BE LEVIES:</u>	<u>Total Tax Levy or Levy Amount</u>	<u>*Net Tax Capacity Rates in %</u>
<u>BY CITY COUNCIL:</u>		
General Fund**	\$114,661,106	33.831%
Permanent Improvement Fund	1,897,540	0.560%
<u>BY PUBLIC HOUSING AUTHORITY:</u>		
Public Housing	1,169,859	0.342%
<u>BY BOARD OF ESTIMATE &amp; TAXATION:</u>		
Estimate and Taxation Fund	229,247	0.068%

\*Estimated, based on the valuations indicated herein; the final rates will be determined by the final valuations, although the maximum dollar amount will remain as shown unless the final valuations change to the extent that the maximum dollars shown would exceed the statutory limit, in which case the maximum dollar amount would be reduced to the statutory limit amount.

\*\*This levy includes \$ 314,404 expected to be used for Tax Abatement

That the aggregate of levies certified to the Hennepin County Director of Property Taxation for 2006 for bond redemption and interest is reduced by the application of cash on hand and appropriated by the City Council and the Park and Recreation Board to the following total amount and rate:

Bond Redemption & Interest	\$ 19,784,607	5.838%
& a market value levy for Library Referdum debt service of \$ 8,100,000		

That the maximum net tax capacity rates listed above have been calculated on the basis of an assumed net tax capacity of \$ 296,916,795 (\$ 387,469,064 less increment financing of \$ 57,773,555, fiscal disparities contribution of \$ 32,778,714, plus fiscal disparities distribution of \$ 39,578,215 resulting in a fiscal disparities dollar distribution of \$ 24,511,580) and shall be adjusted as necessary to reflect the net tax capacity of taxable property for the City for 2006 as finally certified by the legally designated Hennepin County Director of Property Taxation;

That in the event the maximum tax levy or tax capacity rate stipulated above for any fund is determined to be in excess of the maximum legal tax levy or tax capacity rate for such fund, the maximum legal tax levy or tax capacity rate shall be construed to be the maximum tax levy or tax capacity rate for such fund for the purposes of this resolution;

That in consequence of the passage of various laws, the Board assumes no jurisdiction as to the amounts or rates to be levied for the following funds: Fire Department Relief Association, Police Relief Association, Municipal Building Commission, and Municipal Employees Retirement Association.

That a copy of this action be certified to the County Director of Property Taxation, the City Council, and the Public Housing Authority of the City of Minneapolis.

September 14, 2005

Gordon L. Nelson, President  
Board of Estimate and Taxation

Attest: Jack A. Qvale