

Reply to Common Council File No. 050596
From DOA-Budget and Management Division

September 19, 2005

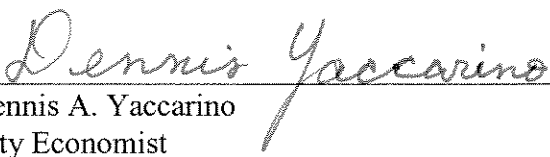
Ref: 05009

Common Council File 050596 contains a resolution appropriating \$500,000 from the 2005 Common Council Contingent Fund to the SPA Remission of Taxes for the purpose of remitting property taxes.

The 2005 budget included an appropriation of \$500,000 for the remission of property taxes. The budgeted funds have already been expended. Unfortunately, there are several property tax payers awaiting remittances in 2005. It is estimated that there is a need for an additional \$500,000.

When preparing the 2005 budget, it was difficult to estimate a need for remission of taxes. A large decrease in the number of assessment objections has occurred since the city went to annual assessments. It was expected that remission of taxes needs would show a similar decrease. It is thought that the remission of taxes decrease will occur but there is some uncertainty as to when that might happen.

**RECOMMENDATION: ADOPT COMMON COUNCIL RESOLUTION
050596 THAT APPROPRIATES \$500,000 FROM THE 2005 COMMON
COUNCIL CONTINGENT FUND TO THE SPA REMISSION OF TAXES.**



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