

Reply to Common Council File No. 130851  
From DOA-Budget and Management Division

October 28, 2013

Ref: 13008

Common Council File No. 130851 is a resolution authoring use of up to \$860,000 in contingent borrowing for the refunding and cancellation of property taxes from levy years 2009-2012 as introduced in Common Council File No. 130860. These refunds have been determined by the Board of Review and claims have been submitted to the Assessor's Office.

Because the Remission of Taxes Fund (SPA S163) has insufficient funds to pay these claims, the Budget Office recommends use of short term debt to finance this expenditure. This is viewed as a "one time" expense, and the intent is to refund the debt with fund balance in the city's Debt Service fund. Revenues for chargebacks from other taxing jurisdictions will not be received until February 2014, and the amount is not yet known.

This file and companion Common Council File 130860 will allow the city to settle the refunds for smaller accounts quickly, rather than waiting for the new appropriation in January. The 2014 proposed budget includes funding at a level that will cover claims on an ongoing basis, and the Assessor's Office shows that valuation appeals and subsequent Board of Review appeals are declining as the real estate market returns to normal.

**RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER  
130851**



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