

# CITY COUNCIL PROCEEDINGS

## BEMIDJI, MINNESOTA

### Work Session – December 8, 2025

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, December 8, 2025 at 5:30 p.m. in the Council Chambers of City Hall, Mayor Prince presiding.

Upon roll call, the following Councilmembers were declared present: Prince, Fiskevold Gould, Peterson, Dickinson, Rivera, Eaton, Thayer.

Present: Rich Spiczka, Michelle Miller, Donna Coe, Sam Anderson, Katie Nolting, Justin Sherwood

#### 2026 Levy and Budget

Spiczka provided a memorandum stating that the purpose of this work session is to bring some additional data to a discussion on where the 2026 Final Levy will land. The council set the preliminary levy in September of 2025 at 6%. This sets "the ceiling" of what we can budgeted for in 2026. The most recent 5-year average of our annual levy increase has been 6.6%.

Staff is understanding to the sensitivity regarding the cost of increased taxes on the public. They have been mindful in plans for 2026 and receptive to feedback to assure we are addressing real needs and being creative to limit cost impacts to the public. The 6% preliminary levy would set the levy at \$8,957,121. Included in that number:

General Levy	\$7,886,021
Sanford Center CIP	\$ 210,000
Annual Street Improvements	\$ 535,000
2007 GO- Public Works Building	\$ 275,100
TIF Districts	\$ 51,000

Staff realize there may be movement downward from that 6% number. They have reviewed options and have provided some opportunity for items that could be removed to reach a lower number. Staff provided two CIP items that are not needed in 2026 after additional vetting and consideration. These projects can safely wait for a future budget cycle.

The goal is to find some consensus on a final number that will allow staff the week to reevaluate and tweak any numbers in order to achieve the agreed-upon goal. This will allow for passage of the final levy on Monday, December 15th.

The council discussed the 2026 levy in depth, weighing options between keeping the final levy at the preliminary 6% increase or adopting a lower percentage (as low as 3%). The discussion included:

- Support from several council members for a 6% levy to ensure sufficient funding for city commitments, future projects, emergencies, and to build reserves, with reference to pressures like inflation and recent storm damage.
- Suggestions for a leaner levy (3-4%) focused on minimizing the tax burden for residents while still meeting core service needs, with suggestions to defer certain capital projects and potentially sell city properties to address funding gaps.
- Concerns were raised regarding cuts to the recreation department budget and their impact on working families and community programs, with some advocating to maintain or restore recreation funding.
- The importance of maintaining existing city infrastructure, the need for an asset management program, and finding ways to generate additional revenue (e.g., selling unused city properties) were all raised.

No consensus was reached during the meeting; members articulated their priorities, rationale for preferred percentages, and areas where adjustments might be possible. Staff were directed to return with specific budget options and further information to aid the final decision at the upcoming council meeting.

#### **ADJOURN**

There being no further business, motion by Fiskevold Gould, seconded by Thayer, to adjourn the meeting. Motion carried by unanimous voice vote. Meeting adjourned at 6:09 p.m.

Respectfully submitted,



Michelle R. Miller  
City Clerk