



Legislation Text

File #: Res. 2018-093, **Version:** 1

City Council Meeting Date: September 18, 2018

To: Mayor and City Council

From: Ben Martig, City Administrator
Brenda Angelstad, Finance Director

Consideration of Resolution Adopting a Proposed 2018 Total Tax Levy Payable in 2019, includes HRA & EDA.

Action Requested:

Staff recommends approval of one of the attached Resolutions Adopting a Proposed 2018 Tax Levy Payable in 2019 with preliminary levy increases ranging from 4.9% to 9.86% from 2018 to 2019.

Summary Report:

This action is a requirement of State law, which provides that all local governments approve a preliminary tax levy and budget on or before September 30th of each year.

This preliminary levy constitutes the basis for the “Notice of Proposed Taxes” sent to property owners in mid to late November of each year - just prior to the public hearings. The preliminary levy amount sets the maximum limit. For final approval in December, the levy may be reduced, but not increased.

Attached are five options for the Levy, a 4.9%, 6.0%, 7.0%, 8.85% and 9.86% increase. It covers our preliminary General Fund Budget, and projects we currently have included in our Capital Improvement Plan and Capital Equipment Plan.

Over the next several months, the Council will hold budget workshops for the General fund and all other operations. These reviews will culminate in a formal public hearing on the budget and tax levies at a regular meeting on December 4, 2018.

Alternative Options:

- Approve a preliminary levy with a 4.9% increase from 2018 to 2019 (Attachment 1).
- Approve a preliminary levy with a 6.0% increase from 2018 to 2019 (Attachment 2).
- Approve a preliminary levy with a 7.0% increase from 2018 to 2019 (Attachment 3).
- Approve a preliminary levy with an 8.85% increase from 2018 to 2019 (Attachment 4).
- Approve a preliminary levy with a 9.86% increase from 2018 to 2019 (Attachment 5).

Financial Impacts:

The preliminary levy sets the maximum amount we are able to levy. The council may not increase the total

levy after September 30 but they may decrease after that point.

Tentative Timelines:

- The preliminary levy must be submitted to the county by September 30, 2018.
- The final levy will be considered for adoption in December 2018, at least after the public hearing on December 4, 2018.