



## Legislation Text

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**File #:** Res. 2016-098, **Version:** 1

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**City Council Meeting Date:** September 20, 2016

**To:** Mayor and City Council  
City Administrator

**From:** Melanie Lammers, Finance Director

Consideration of Resolution Adopting a Proposed 2016 Tax Levy Payable in 2017.

**Action Requested:**

Staff recommends approval of the recommended Resolution Adopting a Proposed 2016 Tax Levy Payable in 2017.

*Note: This is Attachment No.1 Res prelim 2016 City Levy +3%*

**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 30<sup>th</sup> 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 three options for the Levy. The first is a 3% increase. This is the option staff is recommending at this time. It covers our preliminary General Fund Budget, and projects we currently have slatted 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 6, 2016.

**Alternative Options:**

- a. Approve a preliminary levy with a 2% increase from 2016 to 2017 (Attachment 2). This is not recommended by staff.
- b. Approve a preliminary levy with a 1% increase from 2016 to 2017 (Attachment 3). This is not recommended by staff.

**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, 2016.
- The final levy will be considered for adoption in December 2016, at least after the public hearing on December 6, 2016.