



**TRUTH IN TAXATION
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
NOVEMBER 28, 2023
6:30 PM**

Call to order

PUBLIC HEARINGS

1. Conduct a truth in taxation public hearing regarding the 2024 property tax levy and 2023 Revised/2024 Proposed Budget and proposed 2024 utility rates.

Staff Report No. 164

2. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.



STAFF REPORT NO. 164
CITY COUNCIL MEETING
11/28/2023

REPORT PREPARED BY: Kumud Verma, Finance Director
DEPARTMENT DIRECTOR REVIEW:
OTHER DEPARTMENT REVIEW:
CITYMANAGER REVIEW: Katie Rodriguez, City Manager
11/19/2023

ITEM FOR COUNCIL CONSIDERATION:

Conduct a truth in taxation public hearing regarding the 2024 property tax levy and 2023 Revised/2024 Proposed Budget and proposed 2024 utility rates.

EXECUTIVE SUMMARY:

At the September 12, 2023 City Council meeting the City Council adopted the 2024 preliminary property tax levy and announced November 28, 2023 at 6:30 p.m. as the date and time for the statutory truth in taxation public hearing.

Hennepin County has mailed the proposed 2024 property tax statements to property owners in Richfield, which are based upon the proposed levy and announce the date of the public hearing.

RECOMMENDED ACTION:

Conduct and close the truth in taxation public hearing and by motion: schedule final action on the 2024 property tax levy and 2023 Revised/2024 Proposed Budget and proposed 2024 utility rates for the regular City Council meeting of December 12, 2023.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

None

B. EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS

Holding the truth in taxation public hearing furthers the Strategic Priority of Operational Excellence and Sustainable Infrastructure as this ensures the city has the financial capacity to continue to support the community.

Equity Considerations: Having a Truth in Taxation hearing allows the public to provide commentary on the proposed budget and tax levy. It allows for more public participation and hopefully offers some diversity in the voices involved in the city's financial decision-making processes.

C. POLICIES (resolutions, ordinances, regulations, statutes, exc):

Counties, cities over 500 population, school districts, and metropolitan special taxing districts are required to hold a single meeting which the public is allowed to speak and the budget and levy is discussed.

This meeting may be part of a regularly scheduled meeting but must occur after 6:00 pm. Minnesota Statutes mandates that the truth in taxation public hearing must be conducted between November 25 and December 28, 2023.

The City has chosen to conduct the truth in taxation meeting on November 28, 2023 at 6:30 p.m.

The requirement to publish a notice of a Truth in Taxation hearing and proposed property tax levy is no longer required.

D. CRITICAL TIMING ISSUES:

Schedule the final adoption action for the 2023 Revised/2024 Budget and tax levy and utility rates for December 12, 2023.

The City must adopt their final payable 2024 property tax levies and their proposed 2024 budgets no later than December 28, 2023.

E. FINANCIAL IMPACT:

- The preliminary gross tax levy for taxes payable 2024 is \$28,363,158.
- The gross tax levy represents a 5.89% increase from the 2023 gross levy.
- The City's tax capacity rate is anticipated to increase from 50.84% to 52.3%.
- Included in the 2024 preliminary gross levy is a levy to fund the purchase of rolling stock and technology equipment of \$1,208,000, a levy to fund the Economic Development Authority of \$599,364, and a debt service levy of \$4,113,543.

F. LEGAL CONSIDERATION:

The City has scheduled December 12, 2023 for the official adoption of the final levy and budget. Final adoption of the payable 2024 property tax levies must be completed by December 28, 2023.

ALTERNATIVE RECOMMENDATION(S):

None

PRINCIPAL PARTIES EXPECTED AT MEETING:

N/A