



**VIRTUAL MEETING HELD VIA WEBEX
NOVEMBER 30, 2020
6:00 PM**

Call to order

Pledge of Allegiance

PUBLIC HEARINGS

1. Conduct a truth in taxation public hearing regarding the 2021 property tax levy and 2020 Revised/2021 Proposed Budget and proposed 2021 utility rates.

Staff Report No. 151

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 612-861-9738.



STAFF REPORT NO. 151
CITY COUNCIL MEETING
11/30/2020

REPORT PREPARED BY: Chris Regis, Finance Director

DEPARTMENT DIRECTOR REVIEW: Chris Regis, Finance Director

OTHER DEPARTMENT REVIEW: N/A.

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
11/24/2020

ITEM FOR COUNCIL CONSIDERATION:

Conduct a truth in taxation public hearing regarding the 2021 property tax levy and 2020 Revised/2021 Proposed Budget and proposed 2021 utility rates.

EXECUTIVE SUMMARY:

At the September 22, 2020 City Council meeting the City Council adopted the 2021 preliminary property tax levy and announced November 30 at 6:00 p.m. as the date and time for the statutory truth in taxation public hearing.

Hennepin County has mailed the proposed 2021 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 2021 property tax levy and 2020 Revised/2021 Proposed Budget and proposed 2021 utility rates, for the regular City Council meeting of December 8, 2020.

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT**

None.

B. **POLICIES (resolutions, ordinances, regulations, statutes, etc):**

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 p.m.

Minnesota Statutes mandates that the truth in taxation public hearing must be conducted between November 25 and December 28, 2020.

The City has chosen to conduct the truth in taxation meeting on November 30, 2020 at 6:00 p.m.

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

C. CRITICAL TIMING ISSUES:

Schedule the final adoption action for the 2020 Revised/2021 Budget and tax levy and utility rates for December 8, 2020.

The City must adopt their final payable 2021 property tax levies and their proposed 2021 budgets not later than December 28, 2020.

D. FINANCIAL IMPACT:

The preliminary gross tax levy for taxes payable 2021 is \$23,934,632.

The gross tax levy represents a 5.50% increase from the 2020 gross levy.

The City's tax capacity rate is anticipated to increase from 53.291% to 54.011%.

Included in the 2021 preliminary gross levy is a levy to fund the purchase of rolling stock and technology equipment of \$830,000, a levy to fund the Economic Development Authority of \$540,605, a debt service levy of \$3,508,545, and a tax abatement levy of \$54,043.

E. LEGAL CONSIDERATION:

The City has scheduled November 30, 2020 for the TNT hearing and December 8, 2020 for the official adoption of the final levy and budget.

Final adoption of the payable 2021 property tax levies must be completed by December 28, 2020.

ALTERNATIVE RECOMMENDATION(S):

None.

PRINCIPAL PARTIES EXPECTED AT MEETING:

N/A.