



CITY OF GRAND RAPIDS

Meeting Agenda Full Detail City Council

Wednesday, September 11, 2013

7:15 AM

Conference Room 2A

Special Meeting

CALL TO ORDER: Pursuant to due notice and call thereof a Special Meeting of the Grand Rapids City Council was held on Wednesday, September 11, 2013 at 7:15 a.m. in Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL

13-0549

Consider approving a resolution adopting the 2013 proposed levy/collectible in 2014 and setting December 9, 2013 at 6:01 p.m. to discuss the proposed budget, levy and allow for public comment and December 16, 2013 for the subsequent meeting to adopt the final levy and budget.

Attachments: [res-adopt preliminary levy 091013.pdf](#)

[Recap RevExpenditures&Levy.pdf](#)

[2014 levy and tax rate.pdf](#)

ADJOURNMENT

Attest: Tom Pagel, City Administrator



CITY OF GRAND RAPIDS

Legislation Details (With Text)

File #: 13-0549 **Version:** 1 **Name:**
Type: Agenda Item **Status:** Passed
File created: 9/6/2013 **In control:** City Council
On agenda: 9/11/2013 **Final action:** 9/11/2013
Title: Consider approving a resolution adopting the 2013 proposed levy/collectible in 2014 and setting December 9, 2013 at 6:01 p.m. to discuss the proposed budget, levy and allow for public comment and December 16, 2013 for the subsequent meeting to adopt the final levy and budget.

Sponsors:

Indexes:

Code sections:

Attachments: [res-adopt preliminary levy 091013.pdf](#)
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[2014 levy and tax rate.pdf](#)

Date	Ver.	Action By	Action	Result
9/11/2013	1	City Council		

Consider approving a resolution adopting the 2013 proposed levy/collectible in 2014 and setting December 9, 2013 at 6:01 p.m. to discuss the proposed budget, levy and allow for public comment and December 16, 2013 for the subsequent meeting to adopt the final levy and budget.

Background Information:

Attached are two spreadsheets and a resolution:

- * Resolution adopting the Proposed 2013 levies payable in 2014 and the Proposed 2014 operating expenditure budget,
- * 2014 Recap of Proposed Revenues, Expenditures, and Levy Requirements
- * Previously Certified Levies and 2013 Proposed Levy Payable in 2014

Cities are no longer required to hold a Truth in Taxation hearing, but they are required to hold a single meeting to discuss the budget and levy and at which time the public is allowed to speak. This meeting may be part of a regular scheduled meeting but must be held after 6:00 p.m. When the City calendar was established in January, it was determined that the date for the for the hearing would be December 9, 2013, with the subsequent meeting to adopt the budget and levy would be December 16, 2013. The time and dates will be on the parcel specific notices sent out by Itasca County, so they cannot be changed once certified to the County.

The City has to certify a preliminary levy to the County Auditor by September 16, 2013. The final levy adopted by the Council in December can be less than the preliminary levy, but it cannot be more. The council will continue to work on the budget until its adoption in December.

Staff Recommendation:

Consider adopting the attached resolution for the 2013 proposed levy/collectible in 2014 and setting December 9, 2013 at 6:01 p.m. to discuss the proposed budget, levy and allow for public comment and December 16, 2013 for the subsequent meeting to adopt the final levy and budget.

Requested City Council Action

Consider approving a resolution adopting the 2013 proposed levy/collectible in 2014 and setting December 9, 2013 at 6:01 p.m. to discuss the proposed budget, levy and allow for public comment and December 16, 2013 for the subsequent

meeting to adopt the final levy and budget.

Council member introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE PROPOSED 2013 LEVIES PAYABLE IN 2014 AND THE PROPOSED 2014 OPERATING EXPENDITURE BUDGET

WHEREAS, as a result of legislation passed in the 2009 Legislative session, the requirement to hold a special Truth in Taxation public hearing, continuation hearing, and levy adoption hearing have been repealed, and

WHEREAS, cities are still required to hold a single meeting to discuss the budget and levy and at which time the public is allowed to speak, and

WHEREAS, this meeting may be part of a regularly scheduled meeting, but must occur between the dates of November 27, 2013 and December 26, 2013 and be held after 6:00 PM and the public must be allowed to speak, and

WHEREAS, the City staff has been working with the City Council to set the 2014 proposed budget and this budget and levy were presented to the City Council on September 10, 2013, and

WHEREAS, the City is reporting the sales and use tax paid or estimated to have been paid in 2012 to be \$53,857, and

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Grand Rapids, Minnesota that it does establish a proposed operating expenditure budget for the year of 2014 of \$7,668,160, and

BE IT FURTHER RESOLVED, by the City Council of the City of Grand Rapids, Minnesota, that the initial levy for the City of Grand Rapids for 2013 taxes collectible 2014 be as follows:

General Fund	\$3,468,892
Regional Library Fund	616,984
Itasca Calvary Cemetery	173,000
Grand Rapids Economic Development Authority	85,000
Interfund Loan Repayment	141,588
2001B Improvement Bonds	12,575
2007A Improvement Bonds	119,923
2006C Improvement Bonds	25,700
2008B GO Reconstruction Bonds	81,022
2008C Improvement Bonds	71,961
CP2001-6 21 st St SE	30,600
CP2007-7 NE 9 th Avenue Special Levy	2,540
2009D Equipment Certificates	148,853
2009B Refunding Bonds	35,791
2009C Improvement Bonds	372,152
2010A Improvement Bonds	145,941
2010 Debt Study Reduction	(55,000)
2011 Improvement Bonds	54,647
2012 Improvement Bonds	134,120
2013A Refunding Bonds	98,328

**RECAP SHEET
CITY OF GRAND RAPIDS**

2014 RECAP OF REVENUES, EXPENDITURES AND LEVY REQUIREMENTS

Budget Presented: 9/10/13

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2014 Proposed	Increase/ (Decrease) over 2013	Percent Increase
NON TAX REVENUES:								
Annexation	\$ 210,425	\$ 270,381	\$ 326,175	\$ 525,951	\$ 275,000	\$ 325,000	\$ 50,000	18.18%
Payment in Lieu of Taxes (PILOT)	854,072	853,542	854,710	854,998	900,000	900,000	-	0.00%
Licenses and Permits	270,376	254,002	225,828	202,018	247,275	246,965	(310)	-0.13%
Local Government Aid (LGA)	1,280,888	963,410	963,410	964,932	963,000	1,270,331	307,331	31.91%
Intergovernmental Revenues	412,304	782,091	801,380	1,077,320	530,648	545,301	14,653	2.76%
Charges for Services	636,168	653,822	696,372	769,206	712,604	685,628	(26,976)	-3.79%
Fines and Forfeitures	129,839	101,829	108,983	103,293	236,500	147,500	(89,000)	-37.63%
Interest Income	47,987	23,498	20,342	33,341	28,829	35,000	6,171	21.41%
Miscellaneous	22,643	35,384	38,482	46,529	13,550	20,692	7,142	52.71%
Other Financing Sources	86,675	589,605	91,711	36,903	19,351	19,351	-	0.00%
Transfers In	3,500	3,500	3,500	3,500	3,500	3,500	-	0.00%
Total non-tax revenues	3,954,877	4,531,066	4,130,893	4,617,991	3,930,257	4,199,268	269,011	1.66%
EXPENDITURES:								
Administration	445,868	443,132	461,742	487,120	470,747	486,573	15,826	3.36%
Building Maintenance	200,145	202,320	220,709	214,386	213,814	231,909	18,095	8.46%
Community Development	306,006	350,024	344,944	319,675	347,118	380,762	33,644	9.69%
Council/Boards	116,490	113,392	114,738	112,204	115,086	108,936	(6,150)	-5.34%
Engineering	340,682	261,348	290,629	266,373	298,195	291,378	(6,818)	-2.29%
Finance	447,447	368,823	391,332	391,561	448,938	471,526	22,587	5.03%
Fire	597,527	546,722	603,124	493,584	580,545	594,805	14,260	2.46%
Fleet Maintenance	306,346	376,943	233,869	239,038	240,690	247,434	6,744	2.80%
Information Technology	170,617	158,077	176,837	176,993	189,808	214,470	24,662	12.99%
Police	2,093,945	1,904,374	1,905,091	2,022,584	2,094,883	2,230,846	135,963	6.49%
Public Works	1,654,774	1,622,751	1,564,901	1,652,590	1,463,755	1,581,913	118,158	8.07%
Recreation	162,496	166,154	152,183	177,433	104,481	122,568	18,087	17.31%
City Wide	503,284	397,115	348,323	348,681	410,522	264,317	(146,205)	-35.61%
Special Projects-Council	13,713	-	-	-	-	-	-	-
Special Projects-Non-Budgeted	8,407	123,902	6,485	27,717	-	-	-	-
Total Department Expenditures	7,367,747	7,035,077	6,814,906	6,929,940	6,978,583	7,227,436	248,853	3.57%
Transfers Out								
Transfer to Capital Equipment	100,000	60,000	-	18,200	88,250	89,605	1,355	1.54%
Transfer to Civic Center	27,335	-	12,000	27,000	27,000	25,000	(2,000)	-
Transfer to Itasca Historical Soc	12,000	12,000	17,000	17,000	15,000	10,869	(4,131)	-27.54%
Transfer to Debt Service	150,000	190,000	150,000	150,000	200,606	150,000	(50,606)	-
Transfer to Airport	91,550	20,000	10,000	10,000	10,000	20,000	10,000	100.00%
Transfer to Golf Course	175,000	175,000	-	-	-	-	-	-
Transfer to DACF	42,000	40,000	20,000	27,000	22,400	28,000	5,600	25.00%
Transfer to Central School	-	-	-	-	-	40,000	40,000	0.00%
Transfers-Other	31,357	20,867	90,309	-	-	-	-	-
Transfer to Street Light Utility Fund	161,195	-	-	-	-	-	-	-
Mt. Itasca contribution	-	-	15,000	15,000	15,000	15,000	-	0.00%
Active Living Contribution	-	-	-	-	-	6,250	-	-
Add'l Officer-COPS Grnt	-	-	-	-	-	-	-	-
Communication Plan	-	-	-	-	-	-	-	-
Fund Balance Payback	-	-	-	-	100,000	86,000	(14,000)	-14.00%
Sales Tax Reduction	-	-	-	-	-	(30,000)	(30,000)	-
Total Expenditures and Other Uses	8,158,184	7,552,944	7,129,215	7,194,140	7,456,839	7,668,160	205,071	7.56%
Net Levy Required for General Fund	3,388,239	3,202,531	3,466,821	3,309,756	3,526,598	3,468,892	(57,705)	-1.64%
Net Levy for Library	577,376	534,716	534,716	524,716	575,038	616,984	41,946	7.29%
Net Levy for Cemetery	-	-	175,000	175,000	159,000	173,000	14,000	8.81%
GREDA Levy Request	45,000	50,000	50,000	50,000	83,240	85,000	1,760	2.11%
Capital Equipmt Loan	-	-	-	136,000	141,588	141,588	-	0.00%
Total Levy Required for Operations	\$ 4,010,615	\$ 3,787,247	\$ 4,226,537	\$ 4,195,472	\$ 4,485,464	\$ 4,485,464	\$ 0	0.00%
2014 Levy Limit						5,747,914	1,262,450	
2013 Operating Levy Limit						4,485,464	(0)	

*If 2014/IT-1 is approved we can reduce computer replacement to \$5,500.

**PROJECTED LEVY & TAX RATE
CITY OF GRAND RAPIDS
PREVIOUSLY CERTIFIED LEVIES AND 2013 PROPOSED LEVY**

	2009 Levy Payable 2010	2010 Levy Payable 2011	2011 Levy Payable 2012	2012 Levy Payable 2013	2013 Levy Payable 2014	
General Fund	3,202,531	3,466,821	3,309,756	3,526,598	3,468,892	-1.64%
Library Fund	519,716	534,716	524,716	575,038	616,984	7.29%
Cemetery	-	175,000	175,000	159,000	173,000	8.81%
GREDA Levy	45,000	50,000	50,000	83,240	85,000	2.11%
Levy for Internal Loan-2011 Equip Purchase	-	-	136,000	141,588	141,588	0.00%
Special Levies	8,000	8,000	-	-	-	
Total Levy Required for Operations	3,775,247	4,234,537	4,195,472	4,485,464	4,485,464	
Bonded Indebtedness	1,151,272	\$1,093,789	1,127,071	1,262,450	1,480,040	17.24%
GROSS LEVY	4,926,519	5,328,326	5,322,543	5,747,914	5,965,504	3.79%
Less:						
Fund Balance Contribution	-	-	-	-	-	
CERTIFIED LEVY	\$4,926,519	\$5,328,326	5,322,543	5,747,914	5,965,504	
	1.73%	8.16%	-0.11%	7.99%	3.79%	

2013 ESTIMATED TAX CAPACITY AND PROPOSED LEVY

TAX CAPACITY	\$8,272,044	CERTIFIED LEVY	\$5,965,504
Less:			
Powerline	-		
JOBZ	-		
TIF Captured tax increment	(137,925)	Less:	
Fiscal Disparities contribution	(1,120,826)	Fiscal disparities distribution levy	(342,386)
Taxable tax capacity*	\$7,013,293	Net amount levied to property owners	\$5,623,118

**2002 - 2012 TAXABLE TAX CAPACITY, CERTIFIED LEVY and CITY TAX RATE
and 2014 ESTIMATED TAXABLE TAX CAPACITY
and 2013 ESTIMATED LEVY and CITY TAX RATE**

TAX YEAR PAYABLE	TAXABLE TAX CAPACITY	NET CERTIFIED LEVY	CITY TAX RATE	CITY/TOWNSHIP TAX RATE	TOTAL TAX RATE
2002	\$ 4,013,622	\$ 3,221,066	80.169	2.696	82.865
2003	4,667,797	3,487,514	76.387	5.031	81.418
2004	4,883,098	3,774,982	79.273	4.625	83.898
2005	5,402,830	3,868,947	71.339	4.603	75.942
2006	5,692,534	3,977,337	69.869	4.452	74.321
2007	6,224,893	4,091,108	65.722	2.972	68.694
2008	6,851,971	4,503,251	65.722	3.834	69.556
2009	7,919,927	4,677,712	59.063	1.841	60.904
2010	7,115,267	4,631,705	65.095	1.271	66.366
2011	7,647,353	4,885,894	61.602	2.288	63.890
2012	7,014,456	4,874,006	67.019	2.466	69.485
2013	7,346,013	5,068,674	60.600	8.399	68.999
2014	\$7,013,293	\$5,623,118	77.711	2.467	80.178