



CITY OF GRAND RAPIDS

CITY COUNCIL
CHAMBERS
420 NORTH POKEGAMA
AVE.

Meeting Agenda Full Detail City Council

Tuesday, September 13, 2011

4:00 PM

Conference Room 2A

SPECIAL MEETING

CALL TO ORDER: Pursuant to due notice and call thereof a Special Meeting of the Grand Rapids City Council will be held on Tuesday, September 13, 2011 at 4:00 p.m. in Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL

FINANCE DEPARTMENT

1. **11-1774** Consider approving a resolution adopting the 2011 proposed levy/collectible in 2012 and setting December 12, 2011 at 6 pm to discuss the proposed budget, levy, and allow for public comment and December 19, 2011 for the subsequent meeting to adopt the final levy and budget.

Attachments: [2012 Revenue, Expenditures, & Levy.pdf](#)
[Resolution-Adopt Preliminary Levy 091211.pdf](#)

ADJOURNMENT

Attest:

Shawn Gillen, City Administrator



CITY OF GRAND RAPIDS

CITY COUNCIL CHAMBERS
420 NORTH POKEGAMA
AVE.

Legislation Details (With Text)

File #: 11-1774 **Version:** 1 **Name:** Adopt 2011 proposed levy/collectible 2012 and set hearing date
Type: Agenda Item **Status:** Passed
File created: 9/8/2011 **In control:** Finance
On agenda: 9/13/2011 **Final action:** 9/13/2011

Title: Consider approving a resolution adopting the 2011 proposed levy/collectible in 2012 and setting December 12, 2011 at 6 pm to discuss the proposed budget, levy, and allow for public comment and December 19, 2011 for the subsequent meeting to adopt the final levy and budget.

Sponsors:

Indexes:

Code sections:

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Date	Ver.	Action By	Action	Result
9/13/2011	1	City Council		

Title

Consider approving a resolution adopting the 2011 proposed levy/collectible in 2012 and setting December 12, 2011 at 6 pm to discuss the proposed budget, levy, and allow for public comment and December 19, 2011 for the subsequent meeting to adopt the final levy and budget.

Body

Background Information:

Attached are two spreadsheets:

- *2012 Recap of Revenues, Expenditures and Levy Requirements
- *Previously Certified Levies and 2011 Proposed Levy Payable in 2012

On the Previously Certified Levies and 2011 Proposed Levy, you will see:

- *The levy for the General Fund is the same as 2010
- *The Library levy was reduced by \$10,000
- *The Cemetery and GREDA Levy is the same as 2010
- *Levy for Internal Loan for 2011 Equipment Purchases of \$136,000 (new levy)
- *Special levy for PERA increases (this levy is outside levy limits when levy limits are in affect)
- *Debt levy increased by \$47,705

We do not have any of the tax capacity numbers or fiscal disparity numbers from Itasca County. They were supposed to get their computer program updates for the change in market value homestead credits September 9, and they may have numbers for us by Tuesday next week. Consequently, we have left all of those numbers the same as last year. With the above changes in the levy amounts and keeping the tax capacity and fiscal disparities numbers the same as last year, the tax rate would increase from 63.890% to 66.659%.

The City has to certify a preliminary levy to the County Auditor by September 15, 2011. The final levy adopted by the City Council in December can be less than, but not more than, the preliminary levy.

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 regularly scheduled meeting, but must occur between the dates of November 25, 2011 and December 28, 2011 and be held after 6 p.m. When

the City calendar was established in January, it was determined that date would be December 12, 2011, with the subsequent meeting to adopt the budget and levy would be December 19, 2011. These dates and time will be on the parcel specific notices sent out by Itasca County, so they cannot be changed once certified.

Requested City Council Action

Consider approving a resolution adopting the 2011 proposed levy/collectible in 2012 and setting December 12, 2011 at 6 pm to discuss the proposed budget, levy, and allow for public comment and December 19, 2011 for the subsequent meeting to adopt the final levy and budget.

CITY OF GRAND RAPIDS
2012 RECAP OF REVENUES, EXPENDITURES AND LEVY REQUIREMENTS

	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Adopted Budget	2012 Proposed	Increase/ (Decrease) over 2011	Percent Increase
NON TAX REVENUES:								
Annexation & delinquent taxes	\$ 108,251	\$ 112,929	\$ 210,425	\$ 270,381	\$ 100,000	\$ 250,000	\$ 150,000	150.00%
Payment in Lieu of Taxes (PILOT)	667,148	682,277	854,072	853,542	855,000	855,000	-	0.00%
Licenses and Permits	342,328	207,233	270,376	254,002	271,465	268,250	(3,215)	-1.18%
Local Government Aid (LGA)	1,410,910	965,489	1,280,888	963,410	1,349,614	963,000	(386,614)	-28.65%
Intergovernmental Revenues	873,304	924,182	412,304	782,091	437,433	408,895	(28,538)	-6.52%
Charges for Services	512,529	633,084	636,168	653,822	657,839	725,550	67,711	10.29%
Fines and Forfeitures	126,772	175,497	129,839	101,829	143,400	117,000	(26,400)	-18.41%
Interest Income	199,519	87,933	47,987	23,498	45,000	25,000	(20,000)	-44.44%
Miscellaneous	16,570	34,029	22,643	35,384	18,491	17,380	(1,111)	-6.01%
Other Financing Sources	109,454	796,810	86,675	589,605	10,000	10,000	-	0.00%
Transfers In	3,500	3,500	3,500	3,500	22,822	22,822	-	0.00%
Fund Balance Usage	-	-	-	-	-	-	-	0.00%
Total non-tax revenues	4,370,285	4,622,963	3,954,877	4,531,066	3,911,064	3,662,697	(248,167)	-19.16%
EXPENDITURES:								
Administration	408,534	435,760	445,868	443,132	452,735	468,505	15,770	3.48%
Building Maintenance	123,661	148,977	200,145	202,320	219,301	228,025	8,724	3.98%
Community Development	282,998	327,965	306,006	350,024	333,028	338,662	5,635	1.69%
Council/Boards	82,524	95,499	116,490	113,392	115,246	112,533	(2,713)	-2.35%
Engineering	312,879	326,324	340,682	261,348	271,953	276,566	4,614	1.70%
Finance	401,461	419,129	447,447	368,823	390,215	396,759	6,544	1.68%
Fire	476,176	476,176	521,613	531,387	592,303	598,413	6,110	1.03%
Fleet Maintenance	521,613	531,387	480,582	592,303	213,233	217,662	4,429	2.08%
Information Technology	156,664	155,853	170,617	158,077	177,081	171,892	(5,189)	-2.93%
Police	1,817,660	1,934,423	2,093,945	1,904,374	1,932,745	1,954,665	21,920	1.13%
Public Works	1,550,171	1,765,677	1,654,774	1,622,751	1,473,911	1,509,395	35,484	2.41%
Recreation	145,920	151,269	162,496	166,154	174,138	175,262	1,124	0.65%
City Wide	112,880	247,921	503,256	397,115	373,322	395,022	21,700	5.81%
Special Projects-Council	14,065	35,147	13,713	-	-	-	-	-
Special Projects-Non-Budgeted	17,776	229,830	8,407	123,902	-	-	-	-
Airport Joint Zoning Board	12,513	9,945	-	-	-	-	-	-
Total Department Expenditures	6,437,493	7,291,283	7,466,041	7,235,102	6,719,210	6,843,361	124,151	1.85%
Transfers Out								
Transfer to Capital Equipment	290,000	851,505	100,000	60,000	412,675	40,357	(372,318)	-90.22%
Transfer to Civic Center	30,835	30,835	27,335	-	12,000	12,000	-	-
Transfer to Itasca Historical Soc	12,000	12,000	12,000	12,000	17,000	17,000	-	0.00%
Transfer to Debt Service	150,000	150,000	150,000	190,000	150,000	150,000	-	-
Transfer to Airport	85,000	91,550	91,550	20,000	10,000	10,000	-	0.00%
Transfer to Golf Course	27,722	20,422	175,000	175,000	-	-	-	-
Transfer to DACF	34,071	36,500	42,000	40,000	42,000	42,000	-	-
Transfers-Other	248,437	241,187	97,497	87,007	-	-	-	-
Transfer to Street Light Utility Fund	136,870	108,393	161,195	-	-	-	-	-
Mt. Itasca contribution	-	-	-	-	15,000	15,000	-	-
Total Expenditures and Other Use:	7,452,428	8,833,675	8,322,618	7,819,109	7,377,885	7,129,718	(248,167)	-8.82%
Net Levy Required for General Fund	3,119,511	3,508,225	3,388,239	3,202,531	3,466,821	3,466,821	0	0.00%
Net Levy for Library	564,660	579,566	577,376	534,716	534,716	524,716	(10,000)	-1.87%
Net Levy for Cemetery	-	-	-	-	175,000	175,000	-	-
GREDA Levy Request	45,000	45,000	45,000	50,000	50,000	50,000	-	0.00%
Levy for equipment certificates	-	-	-	-	-	136,000	136,000	-
Total Levy Required for Operation	\$ 3,729,171	\$ 4,132,791	\$ 4,010,615	\$ 3,787,247	\$ 4,226,537	\$ 4,352,537	\$ 126,000	2.98%

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PROJECTED LEVY & TAX RATE
CITY OF GRAND RAPIDS
PREVIOUSLY CERTIFIED LEVIES AND 2011 PROPOSED LEVY
September 13, 2011 Budget Meeting

	2007 Levy Payable 2008	2008 Levy Payable 2009	2009 Levy Payable 2010	2010 Levy Payable 2011	2011 Levy Payable 2012	
General Fund	\$ 3,508,225	3,388,239	3,202,531	3,466,821	3,466,821	0.00%
Library Fund	579,566	577,376	519,716	534,716	524,716	-1.87%
Cemetery	-	-	-	175,000	175,000	0.00%
GREDA Levy	45,000	45,000	45,000	50,000	50,000	0.00%
Levy for Internal Loan-2011 Equip Purchases	-	-	-	-	136,000	
Special Levies	8,000	8,000	8,000	8,000	8,000	0.00%
Bonded Indebtedness	625,480	824,333	\$1,151,272	1,093,789	1,141,494	4.36%
GROSS LEVY	4,766,271	4,842,948	4,926,519	5,328,327	5,502,031	3.26%
Less:						
Fund Balance Contribution	(150,000)	-	-	-	-	
CERTIFIED LEVY	\$4,616,271	\$4,842,948	\$4,926,519	5,328,327	5,502,031	
		4.91%	1.73%	8.16%	3.26%	

2011 ESTIMATED TAX CAPACITY AND PROPOSED LEVY

TAX CAPACITY	\$8,806,343
Less:	
JOBZ	-
TIF Captured tax increment	(116,130)
Fiscal Disparities contributor	(1,100,000)
Taxable tax capacity*	\$7,590,213

CERTIFIED LEVY	\$5,502,031
Less:	
Fiscal disparities distribution levy	(442,433)
Net amount levied to property owners	\$5,059,598

2002 - 2010 TAXABLE TAX CAPACITY, CERTIFIED LEVY and CITY TAX RATE
and 2011 ESTIMATED TAXABLE TAX CAPACITY
and 2011 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	7,590,213	5,059,598	64.354	2.306	66.659

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

RESOLUTION NO. 11-

A RESOLUTION ADOPTING THE PROPOSED 2011 LEVIES PAYABLE IN 2012 AND THE
PROPOSED 2012 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 25, 2011 and December 28, 2011 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 2012 proposed budget and this budget and levy were presented to the City Council on September 13, 2011,

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 2012 of \$7,129,718, 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 2011 taxes collectible 2012 be as follows:

General Fund	\$3,466,821
Regional Library Fund	524,716
Itasca Calvary Cemetery	175,000
Grand Rapids Economic Development Authority	50,000
Interfund Loan Repayment	136,000
Special Levy	8,000
2001B Improvement Bonds	12,864
2004 Improvement Bonds	106,460
2005A Improvement Bonds	50,933
2007A Improvement Bonds	119,947
2006C Improvement Bonds	27,852
2008B GO Reconstruction Bonds	79,001
2008C Improvement Bonds	74,644
CP2001-6 21 st St SE	33,217
CP2007-7 NE 9 th Avenue Special Levy	2,749
2009D Equipment Certificates	138,320
2009B Refunding Bonds	27,249
2009C Improvement Bonds	312,217
2010A Improvement Bonds	153,541
2010 Debt Study Reduction	(62,500)
2011 Improvement Bonds	65,000
TOTAL CERTIFIED TO COUNTY AUDITOR	<u>\$5,502,031</u>

BE IT FURTHER RESOLVED, by the City Council of the City of Grand Rapids, Minnesota, that the City certifies to the County Auditor the following dates:

- December 12, 2011 at 6 p.m.to discuss the proposed budget and levy and allow for public comment
- December19, 2011 for the subsequent hearing for the adoption of the final levy and budgets

Adopted this 13th day of September, 2011.

Dale Adams, Mayor

Attest:

Kim Johnson-Gibeau, City Clerk

Councilmember seconded the foregoing resolution and the following voted in favor thereof ; and the following voted against same: None, whereby the resolution was declared duly passed and adopted.