

Other Business

Meeting date: August 23, 2017

Subject:	Preliminary 2018 Budget & Property Tax Levies
District(s), Member(s):	All
Policy/Legal Reference:	Minnesota Statutes Section 275.065, Subdivision 1, Section 473.121, and Section 473.13, Subdivision 1
Staff Prepared/Presented:	Mary Bogie, Chief Financial Officer (651) 602-1359
Division/Department:	All

Proposed Action

Adoption of the following Resolutions for the Metropolitan Council's Preliminary 2018 Unified Operating Budget and the Proposed 2017, Payable 2018, Tax Levies:

- 2017-12:** Adopting the Metropolitan Council's Preliminary 2018 Unified Operating Budget
- 2017-13:** Adopting the Metropolitan Council's Proposed 2017 Tax Levy for General Purposes for Certification to the County Auditors
- 2017-14:** Adopting the Metropolitan Council's Proposed 2017 Tax Levy for General Purposes for Certification to the Minnesota Commissioner of Revenue
- 2017-15:** Adopting a Proposed 2017 Tax Levy for the Livable Communities Demonstration Account in the Metropolitan Livable Communities Fund
- 2017-16:** Adopting a Proposed 2017 Tax Levy for the Tax Base Revitalization Account of the Livable Communities Act
- 2017-17:** Resolution Certifying a Tax Levy for 2017 for Debt Service on Future Transit Bonds
- 2017-18:** Resolution Certifying a Tax Levy for 2017 for Debt Service on Future Parks Bonds

Background

Minnesota Statutes require the Metropolitan Council adopt the 2018 preliminary operating budget and proposed levies for 2017, payable in 2018, for certification to the County Auditors and Minnesota Commissioner of Revenue.

Minnesota Statutes regarding Truth In Taxation require the Metropolitan Council to:

- Announce the date and place of its subsequent regularly scheduled meeting(s) at which the budget and levy will be discussed and which the public will be allowed to speak,
- The meeting(s) in which the budget and levy will be discussed and final budget and levy determined must occur after November 22, and

- The meeting(s) shall not be held before 6:00pm

Therefore, the date, time, and place of the meeting will be the Council Meeting scheduled for:

December 13, 2017, 6:00pm
 Council Chambers
 390 Robert Street North
 St. Paul, Minnesota 55101-1805

Rationale

Unified Operating Budget

- Adoption of the Preliminary Unified Operating Budget establishes the framework for development of a public comment document.
- Minnesota Statutes Section 275.065, Subdivision 1, requires adoption of proposed budget and certification of proposed property tax levies for certification to the Commissioner of Revenue by September 1 and to the County Auditors on or before September 15.
- There will be continuing discussion on the budget through the fall so that the Council may make further changes to the budget up to final adoption, expected to occur on December 13, 2017.

Preliminary 2017, Payable 2018, Property Tax Levies

- Prior to final certification of levies in December the Council may elect to reduce levies from this preliminary level, but may not increase them.

Funding

The attached tax levy resolutions are summarized as follows:

<u>Levies Requiring Council Action</u>	<u>Preliminary Levies</u>	<u>Resolution No.(s)</u>
General Purposes	\$14,905,148	2017-13 2017-14
Livable Communities Demonstration Account	11,699,184	2017-15
Livable Communities Tax Base Revitalization Account	5,000,000	2017-16
Transit Debt Service Anticipation	15,666,809	2017-17
Parks Debt Service Anticipation	<u>4,654,649</u>	2017-18
Total Levies Requiring Council Action	<u>51,925,790</u>	

Levies Not Requiring Council Action
(previously certified)

Transit Debt Service 31,374,879

Parks Debt Service 1,992,375

33,367,254

TOTAL LEVIES 85,293,044

Known Support / Opposition

None

METROPOLITAN COUNCIL
390 Robert Street North, Saint Paul, Minnesota 55101-1805
(651) 602-1000 TTY (651) 291-0904

RESOLUTION NO. 2017-12

**RESOLUTION ADOPTING THE METROPOLITAN COUNCIL'S
PRELIMINARY 2018 UNIFIED OPERATING BUDGET**

WHEREAS, Minnesota Statutes, Section 275.065, Subdivision 1, requires that on or before September 15, the Council adopt the proposed budget and certify to the county auditors a proposed property tax levy for taxes payable in the following year; and

WHEREAS, Minnesota Statutes, Section 473.121, defines the Metropolitan Area as including only the Counties of Anoka, Carver, Dakota excluding the Cities of Northfield and Cannon Falls, Hennepin excluding the Cities of Hanover and Rockford, Ramsey, Scott excluding the City of New Prague and Washington.

NOW, THEREFORE BE IT RESOLVED:

1. THAT the Metropolitan Council Preliminary Budget for fiscal year 2018 is \$1,059,340,000 consisting of \$747,858,000 for operations, \$123,017,000 for pass-through grants, \$176,464,000 for debt service and \$12,001,000 for other post-employment benefits.
2. THAT the Metropolitan Council will continue to review the proposed budget until the final budget is adopted in December 2017.

Adopted this 23rd day of August 2017.

Alene Tchourumoff, Chair

Emily Getty, Recording Secretary

METROPOLITAN COUNCIL
390 Robert Street North, Saint Paul, Minnesota 55101-1805
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RESOLUTION NO. 2017-13

**RESOLUTION ADOPTING THE METROPOLITAN COUNCIL'S PROPOSED
2017 TAX LEVY FOR GENERAL PURPOSES
FOR CERTIFICATION TO THE COUNTY AUDITORS**

WHEREAS, Minnesota Statutes, Section 275.065, Subdivision 1, requires that on or before September 15, the Council adopt the proposed budget and certify to the County Auditors a proposed property tax levy for taxes payable in the following year; and

WHEREAS, Minnesota Statutes, Section 473.121, defines the Metropolitan Area as including only the Counties of Anoka, Carver, Dakota excluding the Cities of Northfield and Cannon Falls, Hennepin excluding the Cities of Hanover and Rockford, Ramsey, Scott excluding the City of New Prague and Washington; and

WHEREAS, Minnesota Statutes, Section 473.249, Subdivision 1, authorizes the Council to levy a tax on all taxable property in the Metropolitan Area to provide funds for the general purpose of carrying out the Council's responsibilities as provided by law; and

WHEREAS, Minnesota Statutes, Section 473.13 requires that the share of the tax to be levied within each county by the Council must be an amount bearing the same proportion to the total final levy agreed on by the Council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area.

NOW, THEREFORE BE IT RESOLVED:

THAT the amount proposed to be raised from ad valorem taxes levied in 2017, payable in 2018, for general Council purposes is \$14,905,148.

Adopted this 23rd day of August 2017.

Alene Tchourumoff, Chair

Emily Getty, Recording Secretary

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RESOLUTION NO. 2017-14

**RESOLUTION ADOPTING THE METROPOLITAN COUNCIL'S PROPOSED
2017 TAX LEVY FOR GENERAL PURPOSES
FOR CERTIFICATION TO THE MINNESOTA COMMISSIONER OF REVENUE**

WHEREAS, Minnesota Statutes, Section 275.065, Subdivision 1, requires that on or before September 15, the Council adopt the proposed budget and certify to the county auditors a proposed property tax levy for taxes payable in the following year; and

WHEREAS, Minnesota Statutes, Section 473.121, defines the Metropolitan Area as including only the Counties of Anoka, Carver, Dakota excluding the Cities of Northfield and Cannon Falls, Hennepin excluding the Cities of Hanover and Rockford, Ramsey, Scott excluding the City of New Prague and Washington; and

WHEREAS, Minnesota Statutes, Section 473.249, Subdivision 1, authorizes the Council to levy a tax on all taxable property in the Metropolitan Area to provide funds for the general purpose of carrying out the Council's responsibilities as provided by law; and

WHEREAS, Minnesota Statutes, Section 473.249, Subdivision 2, requires the Council to certify its proposed property tax levy for general Council purposes to the Minnesota Commissioner of Revenue by September 1 of the levy year.

NOW, THEREFORE BE IT RESOLVED:

THAT the amount proposed to be raised from ad valorem taxes levied in 2017, payable in 2018, for general Council purposes is \$14,905,148.

Adopted this 23rd day of August 2017.

Alene Tchourumoff, Chair

Emily Getty, Recording Secretary

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390 Robert Street North, Saint Paul, Minnesota 55101-1805
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RESOLUTION NO. 2017-15

**RESOLUTION ADOPTING A PROPOSED 2017 TAX LEVY FOR THE
LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT IN THE
METROPOLITAN LIVABLE COMMUNITIES FUND**

WHEREAS, Minnesota Statutes, Section 275.065, Subdivision 1, requires that on or before September 15, the Council adopt the proposed budget and certify to the county auditors a proposed property tax levy for taxes payable in the following year; and

WHEREAS, Minnesota Statutes, Section 473.121, defines the Metropolitan Area as including only the Counties of Anoka, Carver, Dakota excluding the Cities of Northfield and Cannon Falls, Hennepin excluding the Cities of Hanover and Rockford, Ramsey, Scott excluding the City of New Prague and Washington; and

WHEREAS, Minnesota Statutes, Section 473.253, Subdivision 1, authorizes a property tax levy for the Livable Communities Demonstration Account in the Metropolitan Livable Communities Fund.

NOW, THEREFORE BE IT RESOLVED:

THAT the amount of the Livable Communities Demonstration Account in the Metropolitan Livable Communities Fund proposed to be raised from ad valorem taxes levied in 2017, payable in 2018, is \$11,699,184.

Adopted this 23rd day of August 2017.

Alene Tchourumoff, Chair

Emily Getty, Recording Secretary

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RESOLUTION NO. 2017-16

**RESOLUTION ADOPTING A PROPOSED 2017 TAX LEVY FOR THE
TAX BASE REVITALIZATION ACCOUNT
OF THE LIVABLE COMMUNITIES ACT**

WHEREAS, Minnesota Statutes, Section 275.065, Subdivision 1, requires that on or before September 15, the Council adopt the proposed budget and certify to the county auditors a proposed property tax levy for taxes payable in the following year; and

WHEREAS, Minnesota Statutes, Section 473.121, defines the Metropolitan Area as including only the Counties of Anoka, Carver, Dakota excluding the Cities of Northfield and Cannon Falls, Hennepin excluding the Cities of Hanover and Rockford, Ramsey, Scott excluding the City of New Prague and Washington; and

WHEREAS, The Hennepin County Auditor has certified an amount of \$7,876,457.50 under Minnesota Statutes, Section 473F.08, Subdivision 3b(b); and

WHEREAS, Minnesota Statutes, Section 473F.08, Subdivision 3b(c), provides that the Metropolitan Council may annually certify to the Ramsey County Auditor the amount certified by the Hennepin County Auditor under Minnesota Statutes, Section 473F.08, Subdivision 3b(b), but not to exceed \$5,000,000, to be used to provide funds for cleanup of polluted lands in the metropolitan area; and

NOW, THEREFORE BE IT RESOLVED:

THAT the amount proposed to be raised from ad valorem taxes levied in 2017, payable in 2018, as an addition to the area wide levy under the Metropolitan Revenue Distribution Act and credited to the Tax Base Revitalization Account within the Metropolitan Livable Communities Fund is \$5,000,000.

Adopted this 23rd day of August 2017.

Alene Tchourumoff, Chair

Emily Getty, Recording Secretary

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RESOLUTION NO. 2017-17

**RESOLUTION CERTIFYING A TAX LEVY FOR 2017
FOR DEBT SERVICE ON FUTURE TRANSIT BONDS**

WHEREAS, The Council anticipates issuing general obligation transit bonds in 2017 and/or 2018 and making principal and interest payments on said bonds during the period from February 2, 2018 to February 1, 2019; and

WHEREAS, The Council may certify a tax levy in anticipation of the issuance of general obligation bonds in a manner and to the extent permitted by Minnesota Statutes Section 475.61, Subdivision 1; and

WHEREAS, Minnesota Statutes, section 473.4461 provides that notwithstanding any provision of section 473.446 or any other law, the Council may not levy a tax under section 473.446, subdivision 1, in any city not included in the transit taxing district as it existed on January 1, 2001, unless the Council and the governing body of that city have agreed on a transit service expansion plan; and

WHEREAS, The Council has reached agreement on a transit service expansion plan with each of the governing bodies of the Cities of Columbus, Forest Lake, Lakeville, Maple Plain and Ramsey in accordance with the provisions of Minnesota Statutes, section 473.4461; and

WHEREAS, It has been determined that a tax levy in 2017, payable in 2018, is necessary to fund principal and interest payments on said bonds during the period from February 2, 2018 to February 1, 2019.

NOW, THEREFORE BE IT RESOLVED:

THAT pursuant to the provisions of Minnesota Statutes Section 475.61, subdivision 1, the Chair of the Council is directed to authorize and direct the County Auditors of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties to levy a tax in 2017, payable in 2018, of \$15,666,809 upon the Transit Taxing District as defined in Minnesota Statutes, section 473.446, subdivision 2, and upon the cities of Columbus, Forest Lake, Lakeville, Maple Plain and Ramsey for debt service on general obligation transit bonds to be issued by the Council in 2017 and/or 2018.

Adopted this 23rd day of August 2017.

Alene Tchourumoff, Chair

Emily Getty, Recording Secretary

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RESOLUTION NO. 2017-18

**RESOLUTION CERTIFYING A TAX LEVY FOR 2017
FOR DEBT SERVICE ON FUTURE PARKS BONDS**

WHEREAS, The Council anticipates issuing general obligation on parks bonds in 2017 and/or 2018 and making principal and interest payments on said bonds during the period from February 2, 2018 to February 1, 2019; and

WHEREAS, The Council may certify a tax levy in anticipation of the issuance of general obligation bonds in a manner and to the extent permitted by Minnesota Statutes Section 475.61, Subdivision 1; and

WHEREAS, It has been determined that a tax levy in 2017, payable in 2018, is necessary to fund principal and interest payments on said bonds during the period from February 2, 2018 to February 1, 2019.

NOW, THEREFORE BE IT RESOLVED:

THAT pursuant to the provisions of Minnesota Statutes Section 475.61, Subdivision 1, the Chair of the Council is directed to authorize and direct the County Auditors of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties to levy a tax in 2017 payable in 2018, of \$4,654,649 for debt service on general obligation parks bonds to be issued by the Council in 2017 and/or 2018.

Adopted this 23rd day of August 2017.

Alene Tchourumoff, Chair

Emily Getty, Recording Secretary