Other Business
Meeting date: August 26, 2020

Subject: Preliminary 2021 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: Marie Henderson, Acting Chief Financial Officer (651) 602-1387
Division/Department: All

Proposed Action
Adoption of the following Resolutions for the Metropolitan Council’s Preliminary 2021 Unified Operating Budget and the Proposed 2020, Payable 2021, Tax Levies:

2020-10: Adopting the Metropolitan Council’s Preliminary 2021 Unified Operating Budget
2020-11: Adopting the Metropolitan Council’s Proposed 2020 Tax Levy for General Purposes for Certification to the County Auditors
2020-12: Adopting the Metropolitan Council’s Proposed 2020 Tax Levy for General Purposes for Certification to the Minnesota Commissioner of Revenue
2020-13: Adopting a Proposed 2020 Tax Levy for the Livable Communities Demonstration Account in the Metropolitan Livable Communities Fund
2020-14: Adopting a Proposed 2020 Tax Levy for the Tax Base Revitalization Account of the Livable Communities Act
2020-15: Resolution Certifying a Tax Levy for 2020 for Debt Service on Future Transit Bonds
2020-16: Resolution Certifying a Tax Levy for 2020 for Debt Service on Future Parks Bonds

Background
Minnesota Statutes require the Metropolitan Council adopt the 2021 preliminary operating budget and proposed levies for 2020, payable in 2021, 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 9, 2020, 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 both the Commissioner of Revenue 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 9, 2020.

Preliminary 2020, Payable 2021, 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:

<table>
<thead>
<tr>
<th>Levies Requiring Council Action</th>
<th>Preliminary Levies</th>
<th>Resolution No.(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Purposes</td>
<td>$16,139,454</td>
<td>2020-11</td>
</tr>
<tr>
<td>Livable Communities Demonstration Account</td>
<td>12,668,002</td>
<td>2020-13</td>
</tr>
<tr>
<td>Livable Communities Tax Base Revitalization Account</td>
<td>5,000,000</td>
<td>2020-14</td>
</tr>
<tr>
<td>Transit Debt Service Anticipation</td>
<td>13,887,379</td>
<td>2020-15</td>
</tr>
<tr>
<td>Parks Debt Service Anticipation</td>
<td>1,800,000</td>
<td>2020-16</td>
</tr>
<tr>
<td><strong>Total Levies Requiring Council Action</strong></td>
<td><strong>49,494,835</strong></td>
<td></td>
</tr>
</tbody>
</table>
**Levies Not Requiring Council Action**  
*(previously certified)*

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Debt Service</td>
<td>39,244,167</td>
</tr>
<tr>
<td><strong>TOTAL LEVIES</strong></td>
<td><strong>88,739,002</strong></td>
</tr>
</tbody>
</table>

**Known Support / Opposition**
None
RESOLUTION NO. 2020-10

RESOLUTION ADOPTING THE METROPOLITAN COUNCIL'S PRELIMINARY 2021 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 2021 is $1,148,720,000 consisting of $801,711,000 for operations, $127,992,000 for pass-through grants, $201,354,000 for debt service and $17,663,000 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 2020.

Adopted this 26th day of August 2020.

____________________________  ______________________________
Charles Zelle, Chair     Elizabeth Sund, Recording Secretary
RESOLUTION ADOPTING THE METROPOLITAN COUNCIL’S PROPOSED  
2020 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 2020, payable in 2021, for general Council purposes is $16,139,454.

Adopted this 26th day of August 2020.

_________________________________________  _________________________________________
Charles Zelle, Chair                      Elizabeth Sund, Recording Secretary
RESOLUTION NO. 2020-12

RESOLUTION ADOPTING THE METROPOLITAN COUNCIL'S PROPOSED 2020 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 2020, payable in 2021, for general Council purposes is $16,139,454.

Adopted this 26th day of August 2020.

______________ Charles Zelle, Chair  _______________ Elizabeth Sund, Recording Secretary
RESOLUTION NO. 2020-13

RESOLUTION ADOPTING A PROPOSED 2020 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 2020, payable in 2021, is $12,668,002.

Adopted this 26th day of August 2020.

__________________________  _________________________
Charles Zelle, Chair                 Elizabeth Sund, Recording Secretary
RESOLUTION NO. 2020-14

RESOLUTION ADOPTING A PROPOSED 2020 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 Statues, 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 2020, payable in 2021, 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 26th day of August 2020.

_________________________________________  _______________________________________
Charles Zelle, Chair                           Elizabeth Sund, Recording Secretary
RESOLUTION NO. 2020-15

RESOLUTION CERTIFYING A TAX LEVY FOR 2020 FOR DEBT SERVICE ON FUTURE TRANSIT BONDS

WHEREAS, The Council anticipates issuing general obligation transit bonds in 2020 and/or 2021 and making principal and interest payments on said bonds during the period from February 2, 2021 to February 1, 2022; 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 2020, payable in 2021, is necessary to fund principal and interest payments on said bonds during the period from February 2, 2021 to February 1, 2022.

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 2020, payable in 2021, of $13,887,379 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 2020 and/or 2021.

Adopted this 26th day of August 2020.

______________________________  ________________________________
Charles Zelle, Chair             Elizabeth Sund, Recording Secretary
RESOLUTION NO. 2020-16

RESOLUTION CERTIFYING A TAX LEVY FOR 2020 FOR DEBT SERVICE ON FUTURE PARKS BONDS

WHEREAS,  The Council anticipates issuing general obligation on parks bonds in 2020 and/or 2021 and making principal and interest payments on said bonds during the period from February 2, 2021 to February 1, 2022; 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 2020, payable in 2021, is necessary to fund principal and interest payments on said bonds during the period from February 2, 2021 to February 1, 2022.

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 2020 payable in 2021, of $1,800,000 for debt service on general obligation parks bonds to be issued by the Council in 2020 and/or 2021.

Adopted this 26th day of August 2020.

_____________________________    ________________________________
Charles Zelle, Chair                Elizabeth Sund, Recording Secretary
Listed below is the 2020 data for the (1) date and time of the hearing, (2) location of the public hearing, (3) the phone number to be published and (4) the mailing address for written responses. Please review this information and make the necessary changes or indicate, by putting an “X” next to SAME, that this information is what should be published in the Truth in Taxation Notice.

1) Public Hearing Date: December 9, 2020
Time: 6:00 PM

2) Location: Council Chambers
Address: 390 Robert Street North
St Paul, MN 55101-1805

3) Phone: (651) 602-1738

Mailing Address: Metropolitan Council
390 Robert Street North
St Paul, MN 55101-1805

Please return this form to the address below with your proposed levy certification by Sep 4, 2020.

Dick Sivanich, Tax Accounting Supervisor
Ramsey County Records & Revenue
90 West Plato Boulevard
P.O. Box 64097
St. Paul, MN 55164-0097

Phone #: (651) 266-2042 Fax #: (651) 266-2199
COUNTY, CITY AND SPECIAL TAXING DISTRICT LEVY CERTIFICATION
PROPOSED TAXES PAYABLE IN 2021

FOR METROPOLITAN COUNCIL
(Governmental Agency)

<table>
<thead>
<tr>
<th>LEVY PURPOSE</th>
<th>CERTIFIED FINAL TAX LEVY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET TAX CAPACITY BASED LEVIES</strong></td>
<td></td>
</tr>
<tr>
<td>1) General</td>
<td>$ 16,139,454.00</td>
</tr>
<tr>
<td>2a) Debt – Transit Taxing District and Cities of Lakeville, Forest Lake,</td>
<td>53,131,546.00</td>
</tr>
<tr>
<td>Columbus, Maple Plain and Ramsey</td>
<td></td>
</tr>
<tr>
<td>2b) Debt – Parks</td>
<td>$ 1,800,000.00</td>
</tr>
<tr>
<td>3) Other (Please Specify)</td>
<td>0.00</td>
</tr>
<tr>
<td>4) Highway Right-of-Way Acquisition</td>
<td>0.00</td>
</tr>
<tr>
<td>5) Livable Communities Demonstration Account</td>
<td>$ 12,668,002.00</td>
</tr>
<tr>
<td>6) Livable Communities Tax Base Revitalization Account</td>
<td>$ 5,000,000.00</td>
</tr>
<tr>
<td><strong>10) Total Net Tax Capacity Based Levies</strong></td>
<td></td>
</tr>
<tr>
<td>(Total 1 through 9)</td>
<td>$ 88,739,002.00</td>
</tr>
</tbody>
</table>

| **MARKET VALUE BASED LEVIES**                                               |                          |
| 11)                                                                         |                          |
| 12)                                                                         |                          |
| **13) Total Market Value Based Referendum Levies**                          |                          |
| (Total 11 & 12)                                                            | $ 0.00                  |
| **14) Total Certified Levy**                                                |                          |
| (Total 10 & 13)                                                            | $ 88,739,002.00          |

I, the authorized representative of the above mentioned Governmental Agency, certify that the foregoing information is accurate to the best of my knowledge.

Acting Chief Financial Officer August 27, 2020

Signature of Authorized Representative Title Date

Phone Number of Contact Person Marie Henderson (651) 602-1387