

MEMO

TO: Sunfish Lake Mayor and Councilmembers
FROM: Timothy J. Kuntz, City Attorney
DATE: August 8, 2023
**RE: Resolution Setting Not-to-Exceed Tax Levy for Collection in the Year 2024;
September 5, 2023 Council Meeting; Agenda Item 8a**

Section 1. Background. All cities must adopt and file with the County a proposed “not-to-exceed” tax levy on or before September 30, 2023.

Because Sunfish Lake is over 500 in population, at one meeting, the City Council must adopt the proposed property tax levy and announce the time and place of a future Council meeting at which the budget and levy will be discussed and public input allowed, prior to final budget and levy determination. The public input meeting must occur after November 25, 2023 at, or later than 6:00 p.m. The time and place of the public input meeting must be included in the meeting minutes, but newspaper publication of the minutes is not required.

The City must provide the County Auditor with (i) the time and place of the meeting at which the budget and levy will be discussed and public input allowed; and (ii) a phone number that City tax payers may call if they have questions related to the Auditor’s property tax notice; and (iii) an address where comments will be received by mail.

The City must certify the final property tax levy to the County Auditor on or before December 28, 2023.

This year, the timeline for the truth-in-taxation process is as follows:

On or before September 30, 2023:

- At the September 5, 2023, meeting, the City Council must adopt the proposed property tax levy and announce the time and place of a future City Council meeting at which the budget and levy will be discussed and public input allowed, prior to final budget and levy determination. This public input meeting must occur after November 25, 2023, and must

start at, or after 6:00 p.m. The time and place of the public input meeting must be included in the September 5, 2022, Council meeting minutes, but newspaper publication of the minutes is not required. The date for the future meeting could be the regularly scheduled December 5, 2023, City Council meeting.

- The City Treasurer must inform the Dakota County Auditor of the “not-to-exceed” proposed levy.

The City Treasurer must provide the Dakota County Auditor with the following:

- The time and place of the meeting at which the budget and levy will be discussed and public input allowed (December 5, 2023, at 7:00 p.m.)
- A phone number that City taxpayers may call if they have questions related to the County Auditor’s property tax notice.
- An address where comments will be received by mail.

From November 11, 2023, to November 24, 2023:

- Dakota County Auditor prepares and sends parcels specific notices.

From November 25, 2023, to December 28, 2023:

- City holds meeting on December 5, 2023, at 7:00 p.m. to discuss the budget and property tax levy and, before a final determination, allows public input.

On or before December 28, 2023:

- Following adoption of the budget at the December 5, 2023 meeting, the City Treasurer must certify the final property tax levy to the Dakota County Auditor and file the certificate of compliance (Form TNT) with the Department of Revenue.

Section 2. Council Action. At the September 5, 2023, City Council meeting, the Council will be asked to consider the following actions:

1. Set a “not-to-exceed” tax levy by way of the attached Resolution Setting Not-to-Exceed Tax Levy for Collection in the Year 2024.
2. Set the regular meeting date of December 5, 2023 as the date at which public input will be taken.
3. Set the regular meeting date of December 5, 2023 as the date at which the Council will adopt the final budget and set the tax levy.
4. Post the attached Notice of Meeting to Consider the 2024 Budget and Tax Levy on the City website and at First Calvary Baptist Church on or before September 30, 2023 for the December 5, 2023 meeting.

**CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 23-_____

**RESOLUTION SETTING NOT-TO-EXCEED
TAX LEVY FOR COLLECTION IN THE YEAR 2024**

WHEREAS, State law requires that prior to September 30, 2023, the City of Sunfish Lake set a not-to-exceed tax levy for collection in the year 2024.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SUNFISH LAKE, MINNESOTA:

The City hereby sets the not-to-exceed tax levy for collection in the year 2024 as follows:

General Fund:

Not-to-Exceed General Property Tax Levy	\$
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Bond Retirement

Not-to-Exceed Improvement Bond Debt Retirement	\$
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Total Not-to-Exceed Levy	\$
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Less HACA and LGA	-\$0.00_____
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Final Net Not-to-Exceed Levy	\$
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The City Council of the City of Sunfish Lake will discuss and vote on the budget and property taxes for the year 2024 at the regularly scheduled City Council meeting on December 5, 2023, at 7:00 p.m. at the First Calvary Baptist Church, 5495 S. Robert Trail, Inver Grove Heights, Minnesota, 55077. The attached Notice of Meeting is hereby approved and posted at the First Calvary Baptist Church and on the Sunfish Lake City Website at www.sunfishlake.org.

All citizens are invited to attend the meeting and express their opinions on the proposed budget and property taxes payable in the year 2024. At the meeting the Council will consider the following:

- 1.) Discuss the proposed budget and property tax levy for 2024.
- 2.) Receive public comment on the proposed budget and property tax levy for 2024.
- 3.) Determine and approve the final budget and property tax levy for 2024.

All written and oral comments will be considered at the meeting.

Passed this 5th day of September, 2023, by the City Council of Sunfish Lake.

Dan O'Leary, Mayor

ATTEST:

Christy Wilcox, City Clerk

08/31/23

SADLY
BUDIE

All Funds Year 2024	2022	2023	2023	2023	2024	Proposed	Non levy items-				
			Actual to	Full yr estimate	Budget	2024				general	
	Actual	Budget	7/31/2023	As of 7/31	Difference	Budget	\$ Change	% Change			
Revenues											
Property taxes - current	\$ 579,395	\$ 515,943	\$ 281,913	\$ 515,943	-	\$ 648,141	132,198	20.4%			
Property taxes - delinq	8,188	0	760	885	885	0	0	0.0%	0		
Grants	0	0	0	0	0	0	0	0.0%	0		
Other grants	29,725	0	0	0	0	0	0	-100.0%	0		
									Recycle Grant handled by WSP		
									ARPA Grant		
Gross permits & plan checks	0	1,500	2,097	2,155	655	1,500	0	0.0%	1,500		
Surtax revenue	37,584	24,000	(749)	24,000	0	8,000	(16,000)	-200.0%	8,000		
Charges for City services	0	420	15	420	0	420	0	0.0%	420		
									Based on 2nd qtr 2023 WSP		
Fines	5,599	3,000	2,100	3,000	0	3,000	0	0.0%	3,000		
Interest income	4,223	2,000	2,053	2,500	500	2,000	0	0.0%	2,000		
Miscellaneous	(10,382)	6,000	4,292	6,000	0	6,000	0	0.0%	6,000		
Subtotal-General and Surtax	114,244										
	768,576	552,863	292,481	554,903	2,040	669,061	116,198	17.4%	20,920		
Special Assessments	102,175	116,902	36,577	72,564	(44,336)	107,896	(9,006)	-8.3%	Total		
Bond Fund Levy	144,827	143,656	76,317	144,827	1,171	146,285	2,629	1.8%	107,896		
Assessments-Interest	0	0	0	0	0	0	0	0.0%	146,284		
Funding from CJP	0	0	0	0	0	0	0	0.0%	0		
Bond Proceeds	0	0	0	0	0	0	0	0.0%	-		
Total Revenues	1,015,578	813,421	405,375	772,294	(41,127)	923,242	109,821	11.9%	128,816		
Expenditures											
Council expenses	270	400	352	400	0	400	0	0.0%			
Publishing-printing & advertising	389	2,400	1,028	2,400	0	5,000	2,600	52.0%	Includes attorney publications		
Mayor	0	878	0	878	0	900	22	2.4%			
City Administrator	6,970	6,995	1,722	6,995	0	0	(6,995)	-100.0%			
City Clerk/Administrator	18,787	18,201	18,117	17,671	(530)	24,102	5,901	24.5%	2023 estimated +3%		
Digitization of records						15,000	15,000	100.0%			
Elections	3,001	600	186	600	0	3,000	2,400	80.0%			
Postage	175	600	44	600	0	600	0	0.0%			
Treasurer	26,219	25,532	14,976	24,788	(744)	26,298	766	2.9%	2023 estimated +3%		
Financial Audit		1,200				1,200	0	0.0%			
Bank charges	60	120	11,000	21,000	(60)	0	(21,000)	-100.0%	Audit completed in 2023		
City Attorney - Civil	62,538	35,000	42	60	0	120	0	0.0%	Same		
City Attorney - Prosecution	0	7,000	54,602	54,602	19,602	40,000	5,000	12.5%	Per City Attorney		
City Planner	56,971	43,400	22,233	43,400	0	7,000	0	0.0%	Estimate based on prior year comparisons		
Escrow research & Ordinance Update	10,360	58,250	737	30,000	0	48,000	4,600	9.6%	Per Planner		
Police	116,173	108,384	62,224	108,384	0	108,474	90	0.1%	Per WSP Finance Director 1% increase		
Fire protection	72,931	80,339	40,170	80,339	0	90,000	9,661	10.7%	Per Kristen Schabacher-Mendoza Heights preliminary Firebiling		
Signal lighting	157	90	52	90	0	90	0	0.0%			
Due to City Inspector	27,360	19,200	615	19,200	0	0	(19,200)	-100.0%	Permits done by WSP		
Septic System Administration	561	600	0	600	0	600	0	0.0%			

**City of Sunfish Lake
Budget Analysis
All Funds**

All Funds									
	2022	2023	2023	2023	2024	2024			
Year 2023	Actual	Budget	Actual to 7/31/2023	Full yr estimate	Budget Difference	Budget	\$ Change	% Change	
City Engineer	40,929	52,180	26,265	52,180	0	49,750	(2,430)	-4.9%	Monthly, NPDES, LGU Role, Mapping & General
Road maint/capital improve	0	9,100	0	0	(9,100)	22,100	13,000	58.8%	Street sweeping, sign replacement (CIP), bituminous & shoulder maintenance
Capital Improvements	181,232	0	595	595	595	64,630	64,630	-100.0%	Per capital improvement plan
Charlton road maint	0	0	0	0	0	0	0	0.0%	Gravel, grading, Sunfish Outlet cleaning & dust control
Street lighting	1,015	600	595	700	100	600	0	0.0%	
Sign maint/pavement mark	1,175	4,500	583	4,500	0	4,500	0	0.0%	
Escrow expense	125,972	0	0	0	(3,000)	3,000	0	0.0%	Per City Engineer
Snow removal - IGH	0	3,000	0	0	0	45,000	6,000	13.3%	Per City Engineer
Snow removal - other	39,000	0	26,000	39,000	0	0	0	100.0%	Recycling handled by WSP
Recycling	0	0	0	0	0	0	0	2.9%	3% increase in forester rate
City Forester	9,713	27,062	5,670	27,062	0	27,874	812	1.3%	
Forestry expenses	17,948	14,800	12,707	14,800	0	15,000	200	0.0%	
Deer management	0	450	0	450	0	450	0	0.0%	
Water quality	0	1,140	1,140	1,140	0	1,400	260	18.6%	Camp program & public education materials
Insurance	1,898	2,800	0	2,800	0	4,000	1,200	30.0%	League of MN Cities, Workers Comp
Memberships	9,176	4,900	292	4,900	0	4,900	0	0.0%	League of MN Cities, Lower Mississippi, Metro, et al
Rent	0	0	0	0	0	0	0	0.0%	
Office Supplies & Expense	1,529	2,440	200	2,440	0	2,440	0	0.0%	
Surfax payments	265	420	44	420	0	0	(420)	-100.0%	
Website Expenses	555	4,000	460	4,000	0	4,000	0	0.0%	Webmaster
Welcome Committee	0	0	0	0	0	250	250	100.0%	
Miscellaneous	3,287	2,500	2,142	2,500	0	2,500	0	0.0%	
Deposit to Reserves	0	0	0	0	0	0	0		
Subtotal-General & Surfax	834,594	599,081	307,052	604,744	5,663	655,202	56,121	8.6%	
Bond Interest	42,872	35,718	16,621	42,707	8,413	28,040	(7,678)	-27.4%	Per bond schedule
Bond Principle	170,000	175,000	175,000	175,000	0	240,000	65,000	27.1%	Per bond schedule
Total expenditures	1,049,484	813,421	498,673	822,451	9,030	923,242	109,821	11.9%	
Net increase(decrease) in reserve	(33,906)	0	(93,298)	(50,157)	(50,157)	(0)	(0)		
Summary & Tax Rate Analysis									
General Revenue	557,629	592,071							
Bond Fund-Levy	112,523	144,827							
Total	670,152	736,898			2024				
						Budget Balance	Levy \$		
						648,141	9.47%	Unchanged	2024
						146,285	1.01%	Unchanged	2024
						794,426	7.81%	Unchanged	2024
Tax Rate	0.28629	0.21814				0.26334	20.73%	0.24427	14.00%

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City of Sunfish Lake
2024 Proposed Budget

Taxable Market Value Comparison

	2023	%	Preliminary 2024	%	\$ Change	% Change	New Construction	% Change w/o New
Residential	258,825,075	99.4%	258,374,905	99.4%	(450,170)	-0.2%	3,472,300	-1.5%
Personal Property	1,452,500	0.6%	1,458,800	0.6%	6,300	0.4%	-	0.4%
Totals	260,277,575	100.0%	259,833,705	100.0%	(443,870)	-0.2%	3,472,300	-1.5%

Tax Capacity Value Comparison

	2023	%	Preliminary 2024	%	\$ Change	% Change	New Construction	% Change w/o New
Residential	2,995,690	99.1%	2,988,516	99.1%	(7,174)	-0.2%	43,400	-1.7%
Personal Property	28,104	0.9%	28,224	0.9%	120	0.4%	0	0.4%
Totals	3,023,794	100.0%	3,016,740	100.0%	(7,054)	-0.2%	43,400	-1.7%

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Parameters: Tax Year: 2023 Payable Year: 2024

DAKOTA COUNTY
USAGE CLASSIFICATION REPORT
REAL ESTATE AND PERSONAL PROPERTIES
By Municipality

USG CLASS	TAXABLE MKT VALUE	SUNFISH LAKE			MKT VALUE NEW CONST	TAX CPC NEW CONST	STATE TAX TAX CPC	REFERENDA MKT VALUE
		LOCAL TAX TAX CPC	NUM HSTD	TOTAL NUM PROP BY CLASS				
A - Residential	258,374,905	2,988,516	159	249	3,472,300	43,400	0	258,380,600
P - Personal Property	1,458,800	28,224	0	4	0	0	25,366	1,458,800
Total for District 38	259,833,705	3,016,740	159	253	3,472,300	43,400	25,366	259,839,400

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City of Sunfish Lake
Budget Analysis
2024

	2024	2023	Inc/(Dec)	% change
Revenue				
General Levy	\$ 648,141	\$ 515,943	\$ 132,198	25.6%
2014A Bond Levy	18,468	18,737	(269)	-1.4%
2017A Bond Levy	32,451	32,907	(456)	-1.4%
2019A Bond Levy	64,247	61,581		
2021A Bond Levy	31,118	30,431	687	2.3%
Subtotal	794,426	659,599	132,160	20.4%
All other	128,816	153,822	\$ (25,006)	-16.3%
Total	923,242	813,421	107,155	13.5%
Expenditures				
Total	923,242	813,412	109,830	13.5%

**City of Sunfish Lake
Property Tax Levy History**

8/31/2023

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	Proposed 2024
Operating Levy-inc'l LGA	387,300	389,589	430,023	472,236	481,163	541,693	531,724	557,629	592,071	515,943	648,141
Debt Service Levy	27,600	40,300	41,461	41,827	81,957	81,585	138,428	112,523	144,527	143,656	146,285
Total	414,900	429,889	471,484	514,063	563,120	623,278	670,152	670,152	736,598	659,599	794,426
Less Haca and Lpa/Lga	0	0	0	0	0	0	0	0	0	0	0
Net Levy - excl LGA	414,900	429,889	471,484	514,063	563,120	623,278	670,152	670,152	736,598	659,599	794,426
Percent change from prior year	<u>0.00%</u>	<u>3.61%</u>	<u>9.66%</u>	<u>9.03%</u>	<u>9.54%</u>	<u>10.68%</u>	<u>8.78%</u>	<u>0.00%</u>	<u>9.92%</u>	<u>-10.45%</u>	<u>20.44%</u>

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CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 23-_____

RESOLUTION SETTING NOT-TO-EXCEED
TAX LEVY FOR COLLECTION IN THE YEAR 2024

WHEREAS, State law requires that prior to September 30, 2023, the City of Sunfish Lake set a not-to-exceed tax levy for collection in the year 2024.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SUNFISH LAKE, MINNESOTA:

The City hereby sets the not-to-exceed tax levy for collection in the year 2024 as follows:

General Fund:

Not-to-Exceed General Property Tax Levy

\$

Bond Retirement

Not-to-Exceed Improvement Bond Debt Retirement

\$

Total Not-to-Exceed Levy

\$

Less HAC and LGA

-\$0.00

Final Net Not-to-Exceed Levy

\$

The City Council of the City of Sunfish Lake will discuss and vote on the budget and property taxes for the year 2024 at the regularly scheduled City Council meeting on December 5, 2023, at 7:00 p.m. at the First Calvary Baptist Church, 5495 S. Robert Trail, Inver Grove Heights, Minnesota, 55077. The attached Notice of Meeting is hereby approved and posted at the First Calvary Baptist Church and on the Sunfish Lake City Website at www.sunfishlake.org. All citizens are invited to attend the meeting and express their opinions on the proposed budget and property taxes payable in the year 2024. At the meeting the Council will consider the following:

1.) Discuss the proposed budget and property tax levy for 2024.

2.) Receive public comment on the proposed budget and property tax levy for 2024.

3.) Determine and approve the final budget and property tax levy for 2024.

All written and oral comments will be considered at the meeting.

Passed this 5th day of September, 2023, by the City Council of Sunfish Lake.

ATTEST:

Dan O'Leary, Mayor

Christy Wilcox, City Clerk