

**ORDER OF BUSINESS**  
**BOARD OF ESTIMATE & TAXATION**  
**Regular Meeting - March 9, 2011**  
**Wednesday**  
**City Hall, Room 317 ( Council Chambers ) - 4:00 p.m.**

**ROLL CALL**

**NEW BUSINESS**

1. RESOLUTION 2011R-xxx By Colvin Roy & Hodges

Requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$ 64,940 for the Prospect Park Area Phase II Street Resurfacing Project No. 5207. Assessments to be collected over five years beginning on the 2012 real estate tax statements.

2. RESOLUTION 2011R-xxx by Colvin Roy & Hodges

Requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$ 135,875 for the Broadway St NE Street Resurfacing Project No. 5214. Assessments to be collected over five years beginning on the 2012 real estate tax statements

3. Per Pres Wheeler discussion on HF481

**Levy Freeze Bill Introduced**

**Proposal would aggressively restrict the ability of cities and counties to increase property taxes in 2012.** *(Published Feb 16, 2011)*

On Feb. 14, [Rep. Linda Runbeck](#) (R-Circle Pines) introduced [HF 481](#), a bill that would freeze property taxes in 2012 for cities, counties, and special taxing districts. The bill excludes school districts and the state of Minnesota, and is silent on township levies. Under the freeze, cities would be prohibited from increasing property tax levies in 2012, except for increases for funding increasing debt service costs on pre-existing debt. Cities that annex property where the annexation is effective for the first time during taxes payable year 2012 would be permitted to raise additional property taxes, but the increase would be limited to an amount equal to the taxable value of the newly annexed property multiplied by the city's 2011 tax rate. In addition to these allowable levy increases, cities could increase their 2012 levies if approved by the voters at a general or special election, as allowed in [Minnesota Statutes, section 275.73](#).

As a result of the freeze, cities would not have to certify a preliminary levy for truth-in-taxation statements. However, even without changes in a city's property tax levy, individual property owners could experience an increase or decrease in their tax bills in 2012 due to changes in property values.

Cities would also be prohibited from incurring any new debt if the debt service would require payments beginning in 2012.

The bill includes a further restriction that specifies that no city can increase its 2012 levy to amortize the unfunded pension liability over the amount for that purpose for taxes payable in 2011.

## **REPORTS**

R – 1. Variable Rates ( Tax Exempt ) for the weeks starting March 3 & 10, 2011.

R – 2. Official Statement for the \$ 33,800,00 General Obligation Convention Center Refunding Bonds, Series 2011 Sale March 15 & the \$ 71,250,00 Taxable General Obligation Convention Center Refunding Bonds, Series 2011 Sale on March 15, results of which will be reported at the next Board meeting scheduled for April 13, 2011..