

Legislation Text

File #: 2020-3877, **Version:** 1

Discussion: Ballot language for Debt Levy Election for April 6, 2021

Issue/Request:

Discussion and consideration of the proposed ballot language to assign a portion of the existing general obligation debt service levy to the general fund operations tax levy.

Key Issues:

The City wants to assure the continuation of quality municipal services to the community. Assigning a portion of the existing general obligation debt service tax levy to the general fund operations tax levy helps to transfer the benefit of the City's growth in assessed valuation to operational funds. The proposed ballot issue indicates this transfer would be done in a manner that it would not increase the existing tax burden on the property tax payer.

Proposed City Council Motion:

I move to direct staff to place an ordinance on the January 12, 2021 City Council agenda that calls an election for the purpose of increasing the general fund operations tax levy by 10 cents and reducing the general obligation debt service levy by the same amount.

Background:

At the last meeting of the City Council, staff presented information related to reducing the general obligation debt service property tax levy rate by 10 cents and increasing the general fund operations property tax levy rate by the same amount. As a result of this discussion, the Council directed staff to prepare a draft ordinance including the ballot language for review at the January 5, 2021 meeting. Staff has discussed the language with bond counsel and have ensured that the language provided will not violate any existing bond covenants.

Brian Head, City Attorney;
David Bushek, Chief Counsel of Economic Development

Recommendation: Staff recommends placing the proposed ordinance or one substantially similar to it on the January 12, 2021 City Council Agenda.