

4:00 p.m. CITY COUNCIL STUDY SESSION
Discussion Item

1.	4:00 p.m.	City Council Workshop
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6:30 p.m. 2009 LOCAL BOARD OF APPEAL AND EQUALIZATION

6:45 p.m. CITY COUNCIL STUDY SESSION (Continued)
Discussion Item

1.	6:45 p.m.	City Council Workshop (Continued)
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9:30 p.m. Adjourn

Auxiliary aids for individuals with disabilities are available upon request. To make arrangements, please call the Administration Department at 952/924-2525 (TDD 952/924-2518) at least 96 hours in advance of meeting.

Regular Meeting Public Hearing Action Item Consent Item Resolution Ordinance
 Presentation Other:
EDA Meeting Action Item Resolution Other:
Study Session Discussion Item Written Report Other:

TITLE:

2010 Budget Workshop – “Thinking Anew”.

RECOMMENDED ACTION:

No formal action required. This report has been prepared to provide background information for the extended City Council Study Session on Monday night.

BACKGROUND:

In late January the City Council met in a workshop setting on a Friday and Saturday to revisit Vision St. Louis Park and the adopted Strategic Directions. The Council also spent time gaining a better understanding of the City’s Long Range Financial Management Plan and the budget challenges we expect to face for 2010. As a part of this we discussed the approach for tackling our budget challenges and a calendar of steps to be taken over the coming year.

In late February staff returned to the City Council at a Study Session and reviewed a more detailed recommended approach and budget calendar for 2009 in order to adopt a 2010 budget. The City Council reached consensus on the recommended approach, although some questions still remain on certain elements of public process.

Attached is the budget calendar we discussed. One of the steps proposed was for the City Council and department directors to participate in a facilitated workshop on “Big Bowl” concepts for thinking anew about our budget process, prioritization and budget policies. Our meeting on Monday night is intended to begin to accomplish this task.

Attached is an agenda for our extended study session which will begin at 4:00 p.m. in the City Council Chambers and conclude at 9:30 p.m. The facilitator chosen to lead us during the evening is Carl Neu with Neu and Company. As you will note in the attached bio, Mr. Neu has extensive experience working with local units of government around the country in a variety of capacities. He has also served as a city council member in Colorado.

I think you will find the conversation Monday night intellectually stimulating and challenging as we go about discussing the Council’s role in identifying big bowl priorities and results which should be achieved and staff’s role in delivering on that.

A couple of other items of note. Dinner and refreshments will be provided during the evening. You will also note on the agenda we will need to take a break from the Study Session to conduct the organizational meeting for this year’s Board of Equalization process. This should only take 15 minutes or so.

FINANCIAL OR BUDGET CONSIDERATION:

Not applicable at this time.

VISION CONSIDERATION:

Not applicable at this time.

Attachments: Proposed Budget Calendar
Detailed Agenda
Carl Neu Bio

Prepared by: Tom Harmening, City Manager

Draft 2010 Budget Process

For Discussion Only

- March – June - Staff undertakes budget analysis exercise
- March or April (depending on schedules) – City Council and Department Directors participate in a facilitated workshop on “big bowl” concepts of thinking anew about our budget, prioritization and budget policies.
- May/June – Staff and the City Council undertake an assessment of the legislative impacts of federal and state actions – discuss at Study Session.
- June – City Council and Department Directors undertake a budget workshop to review results of Staff’s budget analysis exercise and finalize preliminary budget priorities and policies.
- July – August - Undertake concerted effort to educate and receive feedback from the public on the budget “problem” we have and the proposed budget priorities.
- July thru September – Staff prepares draft budget (and alternatives if appropriate) and CIP based on the Council’s policies and priorities

- August – Staff and Council discuss preliminary property tax levy for 2010
- September – City Council establishes preliminary property tax levy
- October – City Council and Department Directors undertake workshop to review draft budget
- October – November – Follow-up work undertaken on the draft budget.
- October – November – Undertake another check – in with the community
- December – Budget Hearing and Adoption

**City Council Workshop
AGENDA**

**Monday, April 13, 2009
4:00 p.m. – 9:30 p.m.
Council Chambers
Carl Neu, Facilitator**

Workshop Outcomes

- Renewed understanding of budget opportunities and challenges for 2010
- Understand relationship among City’s Mission, Vision, Strategic Direction and the policy-prioritization process.
- Identify key community success drivers and desired results and priorities for each.
- Council provides policy direction to City Manager for further budget preparation including agreement on “Next Steps”

4:00 p.m. Welcome, introductions and overview of workshop objectives.
Carl Neu

4:15 p.m. Budget Opportunities and Challenges
Tom Harmening, City Manager
This is intended to be an overview and revisit of the City’s budget opportunities and challenges for 2010.

4:30 p.m. Overview of Budget Prioritization Process
Carl Neu
Carl Neu will present an overview of the what, why, and how of the budget prioritization process.

5:15 p.m. Work groups (Working Dinner) (Round 1) 2 Teams
For each core element identified in the power point being used Monday night, work groups will identify what they consider to be the most important outcomes that council and the citizens expect to be delivered for the city for that particular element. Work groups will rotate. If time becomes an issue, we will do only two rounds of work groups.

6:30 p.m. Board of Equalization Meeting

6:45 p.m. Work groups (Round 2) 3 Teams

7:35 p.m. Break

7:50 p.m. Work groups (Round 3) 3 Teams

8:45 p.m. City Manager, Council, Department Director Dialogue including a discussion on next steps

9:15 p.m. Final Observations and Wrap Up
Carl Neu

9:30 p.m. Conclusion

CARL NEU

Carl Neu

Carl Neu, author and consultant, is recognized nationally as an authority on, and an experienced practitioner of, the theory and application of governance and leadership to city councils and county boards, local government managers, and community leaders.

Carl has worked with over 500 local government entities, and state and national municipal and county associations since 1976. Additionally, he is an experienced government official having served on the Lakewood, Colorado city council and as chair of the city’s charter commission. He currently serves as president of the Lakewood Public Building Authority.

Carl’s teaching affiliations include having been a lecturer at the University of Colorado’s Graduate School of Public Affairs, a faculty member at its Center for the Improvement of Public Management, and a faculty member for the Rocky Mountain Institute for Public Officials. He also served as a faculty member for the University of Arizona’s Local Government Leadership Institute.

Carl’s professional expertise focuses on development of those strategic leadership, policy development, long-range planning and teamwork skills required of elected and appointed local government officials and community leaders. These skills are necessary for effective performance in dealing with the forces and popular trends that are redefining government and governance, especially at the local level.

He is a graduate of the Massachusetts Institute of Technology, and has an M.B.A. from Harvard University.

Neu & Company

Neu & Company provides consultation services, workshops and conferences, and professional programs to improve the leadership and service delivery performance of local governments, and the professional skills of their policy-making boards, executives, and employees.

The Center for the Future of Local Governance™

This division of Neu and Company focuses on the development and dissemination of those strategic leadership, policy development, long-range planning and teamwork concepts and application techniques that can “awaken the best” in elected and appointed local government officials and community leaders. These insights and skills are necessary for effective performance in dealing with the forces and popular trends that are redefining government and governance, especially at the local level, during the 21st Century.



Experience LIFE in the Park

2009 Local Board of Appeal and Equalization

April 13, 2009
City Council Chambers
6:30 p.m.

AGENDA

1. Convene the St. Louis Park Local Board of Appeal and Equalization
2. Roll Call – Declaration of Quorum
3. Appoint Chair
4. Acknowledgement of Trained Members
5. Accept Roster of Appellants and Call for Any Additions
6. Determination of Date and Time for Continued Proceedings (Reconvene)
7. Instruct Assessor to:
 - a. Inform Appellants of Reconvene Date via Telephone and Certified Mail
 - b. Re-Inspect and Re-Appraise Parcels Under Appeal
8. Completion of the Local Board Certification Form
9. Recess

2009 St. Louis Park Local Board of Appeal and Equalization

All property owners are entitled to the right of appeal regarding their classification and market value. The City is required by statute to conduct a Local Board of Appeal and Equalization meeting to hear appeals. The **property classification** is determined by the actual use of the property. The **market value** is based on a) records maintained for every property and b) market conditions as of the date of the assessment which is January 2, 2009. Minnesota statute requires that all properties are to be valued at full market value.

Recommended Action: Agenda as Indicated on Cover Sheet

BACKGROUND:

In most jurisdictions and our historic practice, the Local Board is accomplished in two meetings. The first meeting is used to convene the Board, set the Board process, note that appeals are taken under advisement for further consideration at the reconvene meeting and to determine the date/time for continuation of the proceedings. The second meeting (reconvene) is used to hear and decide the merit of each appeal. The Local Board process depends on active participation from all parties involved including the board members, the property owner and assessing staff. The Board must conclude its business within 20 days of convening, this year by May 2, 2009.

The Assessor's Office has compiled a roster of parcels under appeal. All parcels under appeal will be re-appraised by the assessing staff. All property owners are requested to complete a form stating their basis of appeal, their estimate of the market value and informed that they are expected to present information supporting their opinion of value and/or classification.

As part of the Local Board process, A Local Board of Appeal Certification Form must be signed –at each Board meeting– by all Board members present. One trained and certified Board member (either Paul Omodt or Loran Paprocki) must be present at each meeting of the board.

For 2009, it is suggested that the Board reconvene prior to the April 27, 2009 study session to hear the appeals. All cases can be decided the same night they are heard or if additional time is needed, a second reconvene date can be set. Following a decision by the Local Board, the property owner is notified of the decision with sufficient time allowed for the owner appeal at the County Board of Appeal and Equalization. The Hennepin County Board of Appeal and Equalization begins June 15, 2009. An application is required no later than June 3, 2009. To appear before the County Board, all appellants must first have appealed before the St. Louis Park Board of Appeal and Equalization. Property owners may also appeal directly to the Minnesota State Tax Court.

Attachments: Summary of Duties and Responsibilities

Memo from the Department of Revenue (2008)

Sample – St. Louis Park Application to Local Board of Appeal and Equalization

Sample – Local Board of Appeal and Equalization Certification Form for 2009

Prepared by: Cory Bultema, City Assessor

Approved by: Tom Harmening, City Manager

Bruce DeJong, Finance Director

LOCAL BOARD OF APPEAL AND EQUALIZATION SUMMARY OF DUTIES AND RESPONSIBILITIES

Most of the responsibilities listed under the Local Board of Appeal and Equalization are statutory, primarily found in Minnesota Statutes 274.01.

- The first responsibility is attendance. The Local Board of Appeal and Equalization is an official public meeting similar to a City Council meeting and can not convene without a quorum. In addition to the local assessor, the county assessor, or one of his/her assistants is required to attend.
- At least one member must be present at each meeting of the Local Board of Appeals and Equalization (beginning in 2006) that has attended an appeals and equalization course as developed and approved by the Commissioner of Revenue.
- The valuation notices shall be in writing and be sent by ordinary mail at least ten calendar days before the meeting of the board. The valuation notice will include the dates, places and times set for the meetings of the Local Board of Appeal and Equalization as well as the Hennepin County Board of Appeal and Equalization.
- The meetings must be held between April 1 and May 31 each year. The County Assessor shall fix a day and time when the Local Board of Appeal and Equalization shall meet. The board must complete its work and adjourn within 20 days from the time of convening stated in the notice of the clerk, i.e., calendar days -- original night is day one.
- The clerk shall give published and posted notice of the meeting at least ten days before the date of the meeting.
- Local Boards of Appeal and Equalization must see that all taxable property is properly assessed, valued, and classified for all current assessments. The board may consider both real and personal property.
- If any property has been omitted, the board must correct the assessment by adding it to the list of assessments along with its market value.
- The board may not increase or decrease by percentage all assessments in a district of a given class of property. Changes in the aggregate to assessments are by class and are made by the county board of equalization.
- Although the Local Board of Appeal and Equalization has the authority to increase or decrease individual assessments, the total of such adjustments must not reduce the aggregate assessment by more than one percent. If the total reductions would lower the aggregate assessments by more

than one percent, none of the adjustments may be made. The assessor shall correct any clerical errors or double assessments discovered by the board without regard to the one percent limitation.

- The local board does not have the authority to reopen former assessments on which taxes are due and payable. The board only considers assessments in the current year.
- The board may find instances of undervalued properties. The board must notify the owner of the property that the value is going to be raised. The property owner may then appear before the board if they so wish.
- It is the primary duty of each local board to examine the assessment record to see that all taxable property in the assessment district has been properly placed upon the list and valued by the assessor. The local boards do not have the authority to address exemption issues. Only the county assessor has the authority to exempt property.
- A taxpayer may appear in person, by council, or written communication to present his or her objection to the board. The focus of the appeal must center on the factors influencing the estimated market value or classification placed on the property.
- All changes will be entered into the assessment books by the county assessor's office.
- Before adjourning, the local board should prepare an official list of the changes. The law requires that the changes be listed on a separate form. All assessments that have been increased or decreased should be shown as prescribed on the form along with their market values. The record must be signed and dated by the members of the Local Board of Appeal and Equalization.

MINNESOTA • REVENUE

Memo

Date: March 20, 2008

To: All County Assessors, Local Assessors, and
Members of Local and County Boards of Appeal and Equalization

From: Andrea Fish, State Program Administrator
Information and Education Section

Subject: New Law Affecting 2008 Local and County Boards of Appeal and Equalization

Important Information Regarding Changes in Minnesota Statutes for Local and County Boards of Appeal and Equalization

Minnesota Statutes, section 274.01, subdivision 1(b) has been amended to include the following concerning local boards of appeal and equalization:

“A board member shall not participate in any actions of the board which result in market value adjustments or classification changes to property owned by the board member, the spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew, or niece of a board member, or property in which a board member has a financial interest. The relationship may be by blood or marriage.”

We recommend that if a local board is faced with this scenario, the decision to continue with the appeal shall be made by the remaining members of the board (assuming there is still a quorum). If there is not a quorum, or the remaining board members feel that there may otherwise be a conflict of interest, “No Change” should be marked on the record form and the property owner shall be able to appeal to the county board.

Minnesota Statutes, section 274.13, subdivision 1 has been amended to include the following concerning county boards of appeal and equalization:

“Members shall not participate in any actions of the board which result in market value adjustments or classification changes to property owned by the board member, the spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew, or niece of a board member, or property in which a board member has a financial interest. The relationship may be by blood or marriage.”

The appeal shall be handled solely by the remaining members of the board who have no such interest in the property.

These changes were effective the day following enactment. Consequently, they are effective for 2008 local and county boards of appeal and equalization. If you have any questions or concerns, please contact our division.

Property Tax Division
Mail Station 3340
St. Paul, MN 55146-3340

651-556-6091
Fax: 651-556-3128
proptax.questions@state.mn.us

APPLICATION TO LOCAL BOARD OF APPEAL & EQUALIZATION

Name: _____ Home Phone: _____

Address: _____ Day-Time Phone: _____

City: _____ State & Zip Code: _____

Address of Property to Appeal: _____

Property ID # _____ Owner Occupied _____ or Rental * _____

2009 Assessed Market Value as it appears on the Notice: _____

Date of Purchase: _____ Purchase Price: _____ Owner's Opinion of Value:

Additions, Renovations or Improvements since Purchase: _____

Cost of Addition, Renovations or Improvements since Purchase: _____

What are the reasons or documentation supporting the owner's opinion of market value? _____

* If a rental property, please submit: a building floorplan showing gross and net rentable area square footage; rent roll as of the assessment date; and, annual income/expense statements for the past and projected current year. This information will be reviewed for valuation via the Income Approach. The information submitted will be held confidential and not released to the public.

I Do _____, Do not _____, wish to make a personal appearance. _____

Signature of Owner/Petitioner

The Local Board of Appeal and Equalization convenes at 6:30 pm on April 13, 2009 in the Council Chambers of City Hall. By submitting this application, your appeal will be entered into the record and it is not required to attend the first Board meeting. You will be notified via phone and certified letter of the reconvene meeting where the Board will hear your appeal. **This application must be received prior to the meeting.**

The appeal process depends on you to present information supporting your opinion of value and/or classification. This includes locally competitive sales and related data. Inspection access must be granted for Assessing staff or the Board to make a change benefitting the property owner.

We strongly encourage you to contact the Assessor's Office at 952-924-2639 well before the Board meeting. Appeals can often be resolved at the informal discussion level and you may not need to appear before the Board. For informal discussion, re-inspection scheduling and review of your valuation please return this application to the Assessor's Office on or before Friday, April 3, 2009.

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Local Board of Appeal and Equalization Certification Form for 2009

The Local Board of Appeal and Equalization (LBAE) **must complete and sign** the LBAE Certification Form for each meeting of the local board. Since all local boards are required to comply with the training and quorum requirements, **this form must be completed even if no appeals are heard.** At the end of each LBAE meeting, the county assessor or authorized city assessor takes possession of the completed form.

Section 1 – The following information must be completed at the beginning of the meeting.

County name Hennepin County		Jurisdiction name (indicate city or town) City of St. Louis Park (Munic Code 46)	
Meeting (circle one): convened or reconvened	Date 13 April 2009	Time 6:30	<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.

Township/City Board Members

Please list **all voting members** of the LBAE. For each **voting member**, check "Present" or "Absent" to indicate which members were in attendance. For each **voting member** present, check "Yes" or "No" indicating if the member has completed the training required under Minnesota Statutes, Section 274.014 within the last four years. **All voting members present at the meeting must sign this form.** By signing this form, you certify that you attended the LBAE meeting. You are also certifying that no board member participated in actions concerning the valuation or classification of a property owned by the board member, the board member's spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle aunt, nephew, or niece of a board member, or any property in which the board member has a financial interest (the relationships may be by blood or marriage).

Print names of all <i>voting</i> members	Title	Attendance	Training certified	Signature (for those in attendance only)
Jeff Jacobs	Board Member	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X
Paul Omodt	Board Member	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X
Phillip Finkelstein	Board Member	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X
Susan Sanger	Board Member	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X
John Basill	Board Member	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X
Loran Paprocki	Board Member	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X
C. Paul Carver	Board Member	<input type="checkbox"/> Present <input type="checkbox"/> Absent	<input type="checkbox"/> Yes <input type="checkbox"/> No	X

Assessment Personnel

This section must be completed by the county assessor (or an assistant delegated by the county assessor) or authorized city assessor present at the meeting.

Local assessor information		County assessor (or delegate) / authorized city assessor information		
Does this jurisdiction have a local assessor? <input type="checkbox"/> Yes <input type="checkbox"/> No		Name	Title	License no.
If yes, was the local assessor present? <input type="checkbox"/> Yes <input type="checkbox"/> No		Cory Bultema	City Assessor	2530
Local assessor name	License no.	County assessor (or delegate) / authorized city assessor certification		
Other assessment personnel present		By signing below, I certify I was present at the meeting and (please check one):		
Please list additional names on back of this form.		<input type="checkbox"/> A quorum was present and a training certified member was present; or		
Name	Title	<input type="checkbox"/> I took over the meeting and changed it to an open book format because:		
Name	Title	<input type="checkbox"/> A quorum was not present and/or		
Name	Title	<input type="checkbox"/> A trained member was not present.		
		County assessor (or delegate) / authorized city assessor signature		
		X		

Section 2 – The following information must be completed at the end of the meeting.

Meeting (circle one): recessed or adjourned	Time	<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.
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Scheduling for Reconvene Meeting (if needed)

The LBAE **must resolve all issues before the meeting is adjourned.** If issues are unresolved, the board should recess until the next meeting. The LBAE must complete and sign a LBAE Certification Form for each reconvene meeting. The date and time for the reconvene meeting must be determined before the initial meeting is recessed. **Once the LBAE has adjourned it cannot reconvene.**

Date for reconvene meeting	Time	<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.
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