

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Adopt Resolution Supporting Local Govt Aid Increase

DATE: February 26, 2016

BACKGROUND

Local Government Aid (LGA) is a critical need for our city that provides funding to restrain property taxes on homeowners and businesses, and provides for basic services such as police, fire protection and infrastructure.

No Omnibus Tax Bill was passed by the 2015 legislature, thus freezing the LGA appropriation.

The Coalition of Greater MN Cities is encouraging cities to adopt the attached resolution in support of an increase in LGA.

REQUESTED COUNCIL ACTION

Approve a motion adopting the resolution supporting an increase in Local Government Aid.

Attachment(s): LGA Resolution

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

RESOLUTION NUMBER 2187

**A RESOLUTION IN SUPPORT OF INCREASING LOCAL GOVERNMENT AID IN
THE 2016 LEGISLATIVE SESSION**

WHEREAS, Local Government Aid (LGA) is a critical need for our city; and

WHEREAS, LGA provides funding to restrain property taxes on homeowners and businesses; and

WHEREAS, LGA provides for basic services such as public safety, infrastructure and fire protection; and

WHEREAS, the legislature and state agencies have imposed unfunded mandates upon local cities, including increased pension requirements, expensive wastewater infrastructure costs, among other mandates; and

WHEREAS, an LGA increase would help the City of Cannon Falls do the following: an increase of each approximate \$23,000 increase in LGA would offset a respective one percent levy increase necessary to maintain the existing service levels for police, fire and street maintenance (including snow removal); and

WHEREAS, no Omnibus Tax Bill was passed by the 2015 legislature, thus freezing the LGA appropriation.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF CANNON FALLS, MINNESOTA to support an increase in the base appropriation for Local Government Aid of \$45.5 million effective for aid payable in 2017 and urges adoption of this proposal by the House and Senate.

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the Senator Matt Schmit, Representative Tim Kelly and Governor Mark Dayton.

Adopted this 2nd day of March, 2016.

BY: _____
Lyman M. Robinson, Mayor

ATTEST: _____
Ronald S. Johnson, City Administrator