

Truth In Taxation Meeting

The purpose of this meeting is to present the City's Proposed 2020 Budget and to receive public input and comments

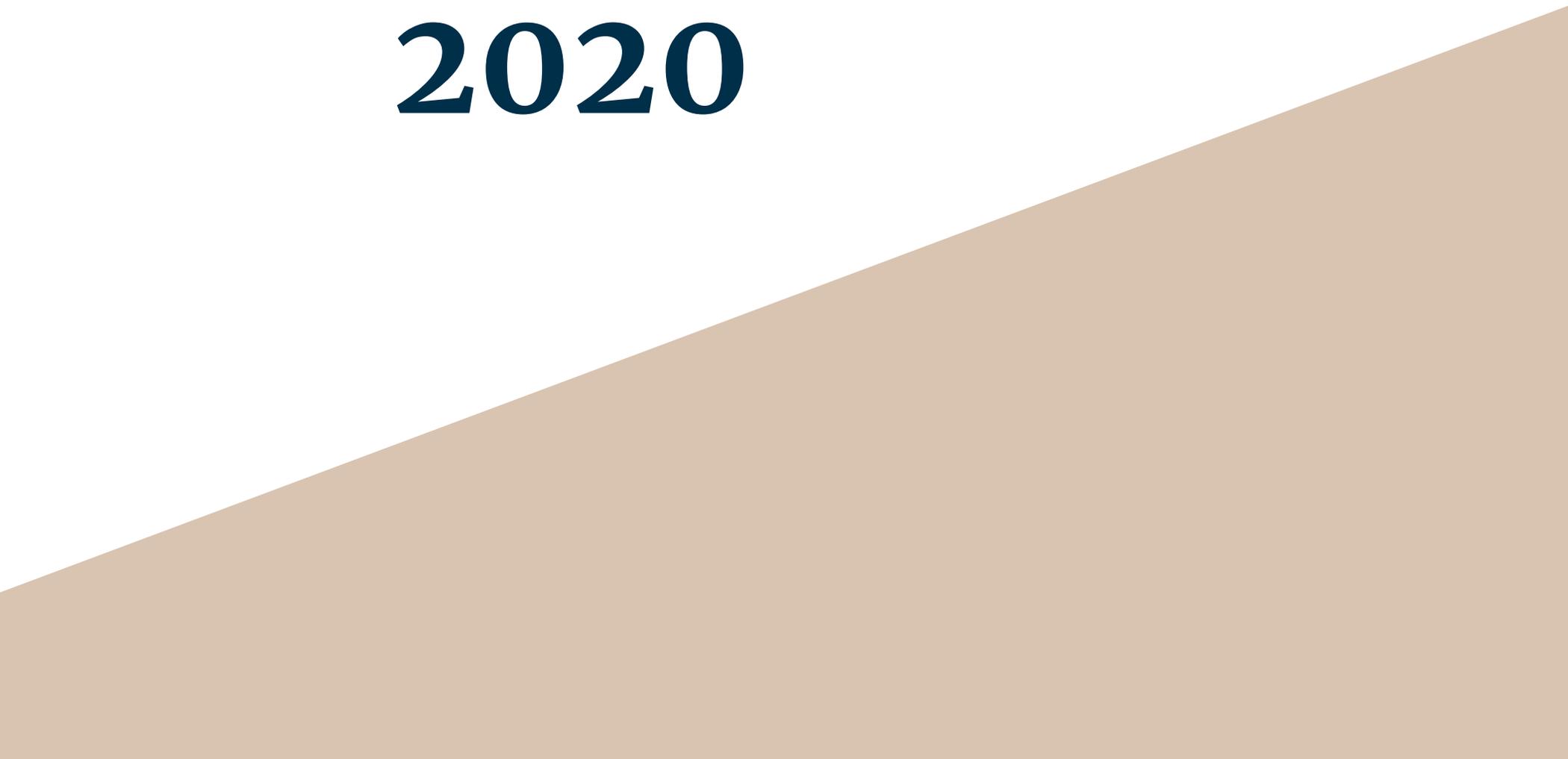
What Goes on Behind The Scenes.....

- **Put together 45 Committee/Council meeting packets**
(2018-45 / 2017-47 / 2016-47)
- **Typed 42 Council/Committee meeting/workshop minutes**
(2018-44 / 2017 -66 / 2016-43)
- **Wrote and followed up on 24 nuisance concerns**
(2018-19 / 2017-36 / 2016-12)
- **Approximately 22,106 water/sewer bills were printed & mailed**
(2018-22,302 / 2017-22,732 / 2016-24,123)
- **382 residents have opted to go paperless with their water bills. This saves us approximately \$133/month and \$1,604/year on postage.**
(2018 - 311, \$105 & \$1306 / 2017 - 238, \$57 & \$684)
- **Processed 179 Assessment Searches**
(2018 - 185 / 2017 - 83 / 2016 - 221)
- **Issued 287 total building/mechanical permits**
(2018 - 290 / 2017 - 276 / 2016 - 180)

What Goes on Behind the Scenes Continued...

- **Through December 9, 1,518 checks have been issued.**
(2018 - 1,285 / 2017 - 1,429 / 2016 - 1,503)
- **Through November 23rd, 1,106 receipts have been entered.**
(2018 - 985 / 2017 - 905 / 2016 - 1,047)
- **Reviewed and issued 74 ROW permits**
(2018 - 108 / 2017 - 53 / 2016 - 70)
- **Maintenance had 161 work order/residents requests**
(2018-167 / 2017-185 / 2016-209)
- **Maintained over 50 inches of snow from Jan. 2019 to Dec. 2019.**
(2018 - 36 / 2017 - 30 / 2016 - 31)
- **PW used 205 tons of asphalt to fill potholes. That is approximately 12,268 five gallon buckets or about 276,030 shovels of asphalt.**
(2018 - 190 / 2017 - 100 / 2016 - 160)

City Budget 2020



Budget Impacts from Year to Year

Factors that can
Influence the Budget

- Inflation
- State Mandates – GASB laws/Audit (actuary)
- Council Initiatives
- Citizen Influence
- State Law Changes:
 - Homestead Exclusion
 - Property Tax Formulas
- Federal Law Changes
- Business Incentives (tax abatement/TIF)
- Infrastructure needs
- Public Safety Contracts

Budget Impacts from Year to Year

Factors that can Influence the Budget

- City operations are funded by tax dollars and the property tax system is determined by the State Legislature.
 - Enterprise operations (water/sewer) are similar to a for-profit commercial business.
 - Enterprise operations collect fees that are established by the City through a rate structure and CANNOT use property taxes.
 - Established fees must:
 - Cover all operating costs
 - Pay for capital improvements and expansion
 - Fund reserves
 - Be equitable and affordable
- * Information from Ehlers
Advisor (Sept 2007)

Factors That Make-up Your Property Taxes



- 1) **State Formulas based on type of property**
- 2) **Assessed Market Value**
(Olmsted Co. Assessor's Office)
- 3) **School Levy**
- 4) **City Levy**
- 5) **County Levy**
- 6) **State Tax**
(Commercial/Industrial)
- 7) **School Referendum**

Revenues Sources

Total 2020 General Government = \$5,042,265

1. Intergovernmental 9.8%

\$495,854

➤ **LGA Aid, MSA**

2. Property Taxes 83.3%

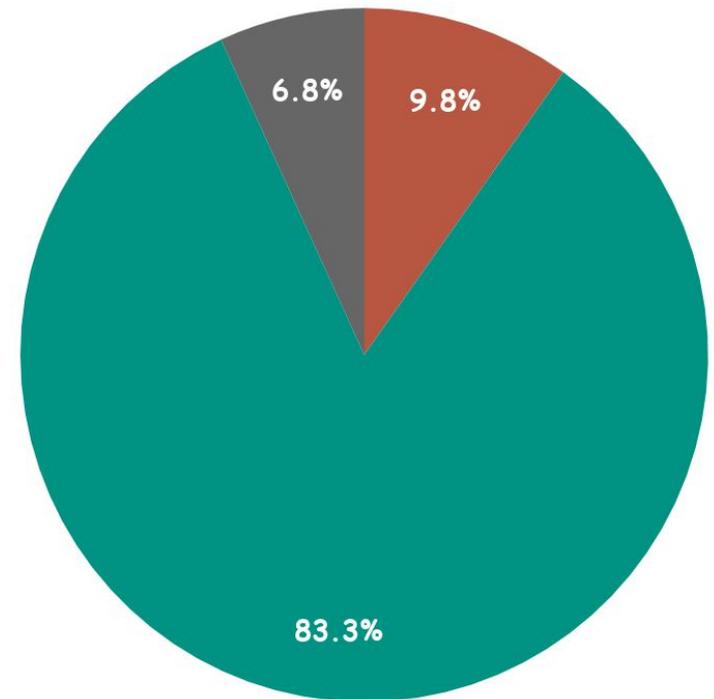
\$4,201,411

➤ **Certified Levy**

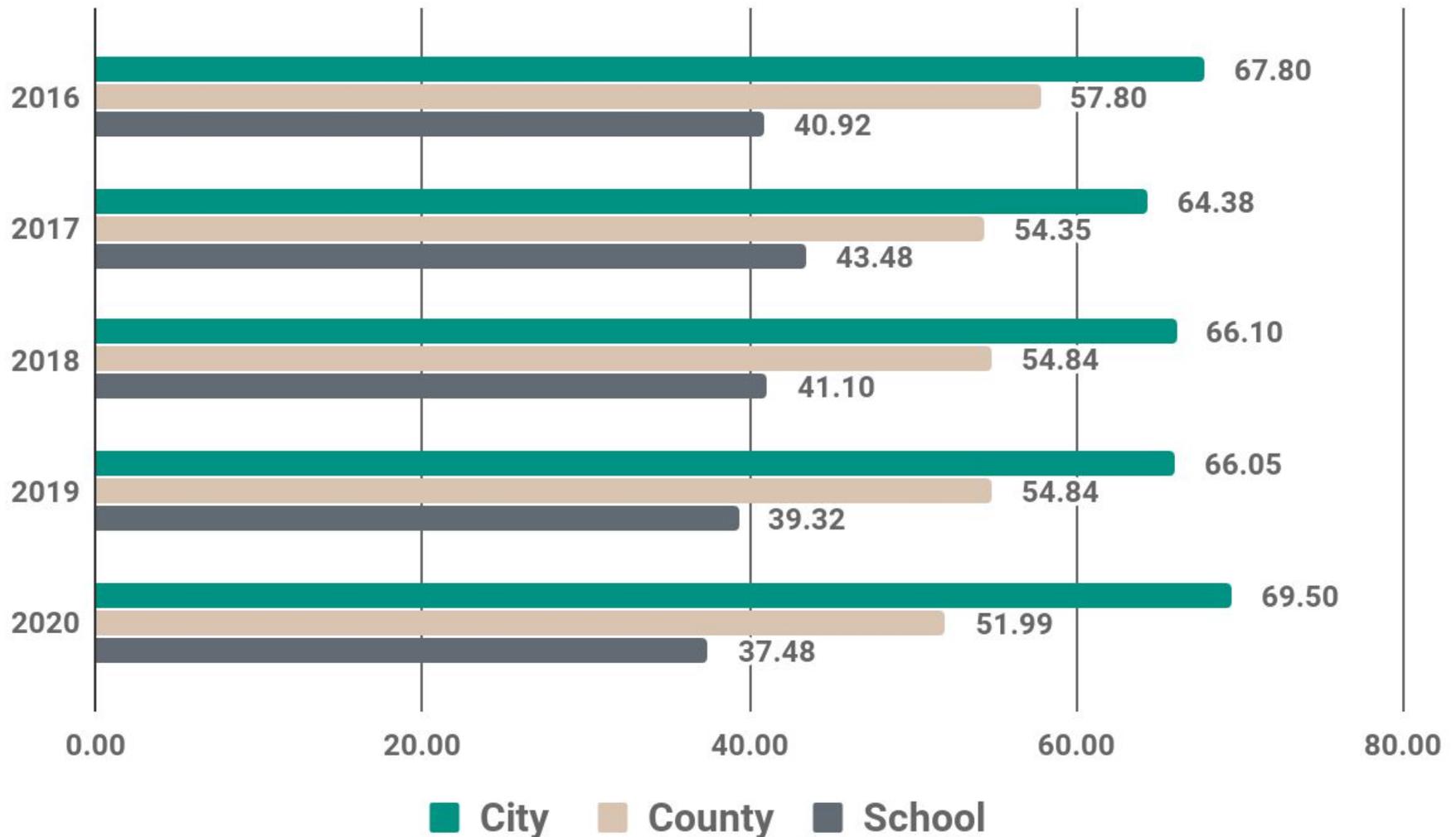
3. Other Revenues 6.8%

\$345,000

➤ **Rents, Fees, Licenses, Permits, Fines, Interest**



Tax Rate Allocation



Cost per RESIDENT per Year



	<u>2020</u>	<u>2019</u>
Law Enforcement	\$60.34	\$67.18
Parks/Pool (exl debt)	\$82.71	\$70.73
Snow Removal	\$26.84	\$17.63
First Responders - w/Townships	\$6.34	\$8.49
Fire Protection - w/Townships	\$31.59	\$40.13
Street Lights	\$19.93	\$20.38

2020 Tax Dollar

56 cents goes to the county,
school and other taxing districts

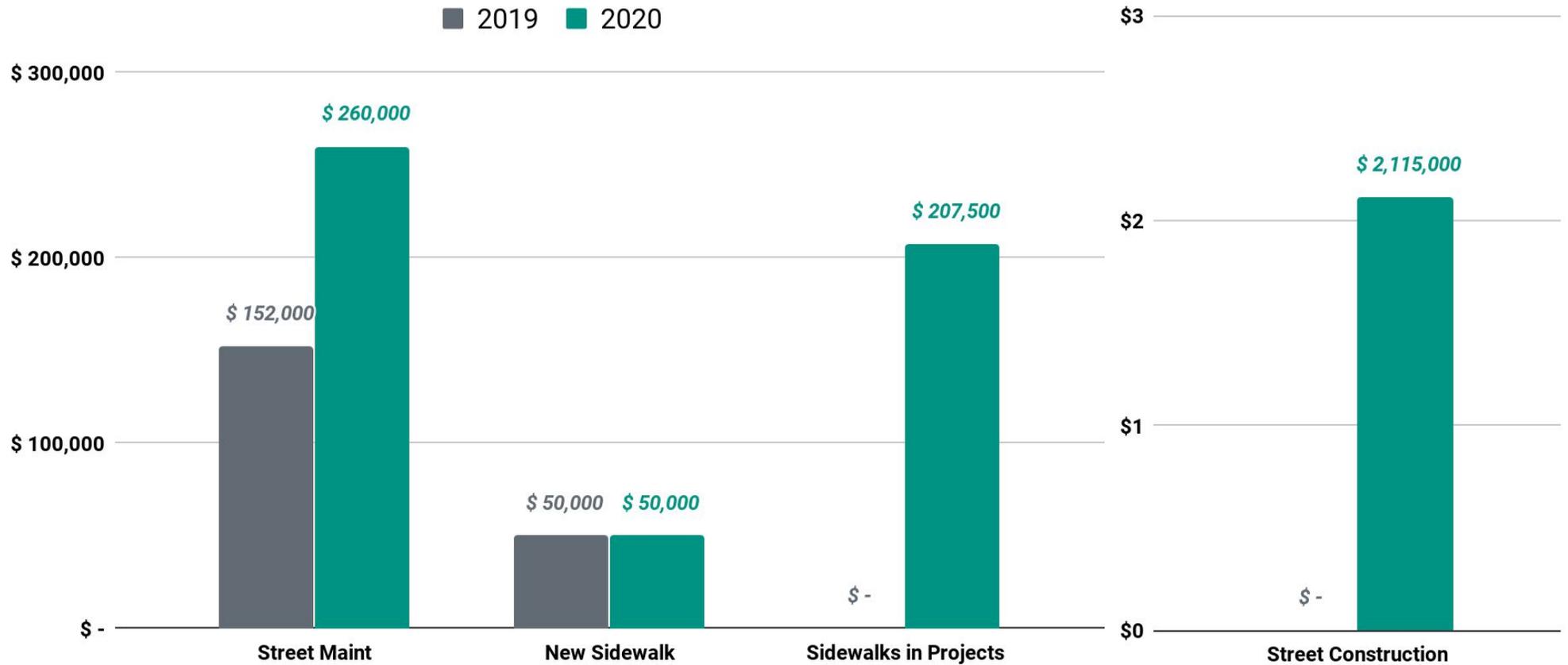
44 cents goes
to the City

City's 44 cent share is as
follows for the items listed:



- 11 cents - Law Enforcement
- 2 cents - First Responders
- 6 cents - Fire Protection
- 4 cents - Street Lights
- 16 cents - Parks / Pool
- 5 cents - Snow Removal

2020 Budget Increases

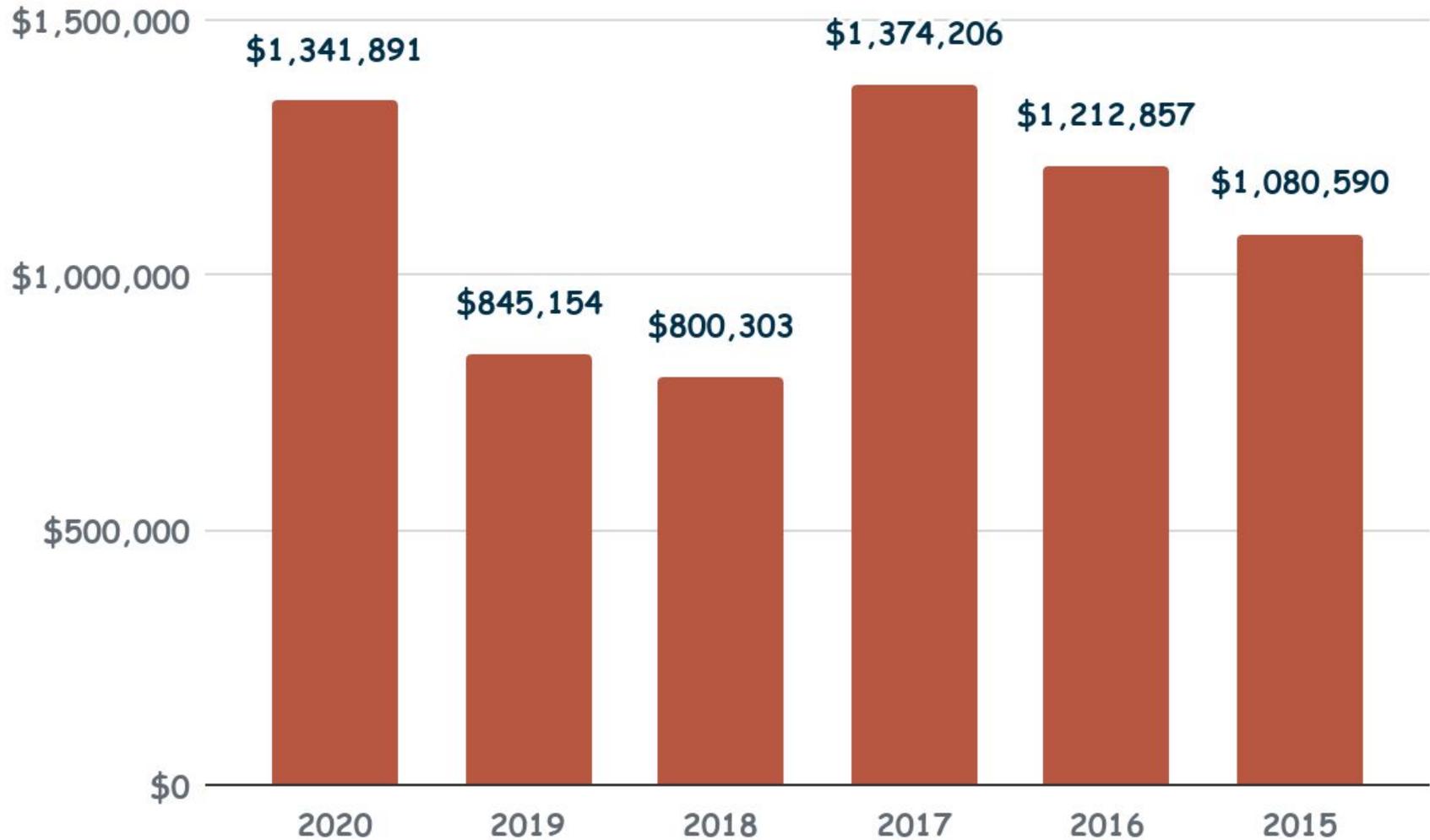


2020 CITY CERTIFIED LEVY

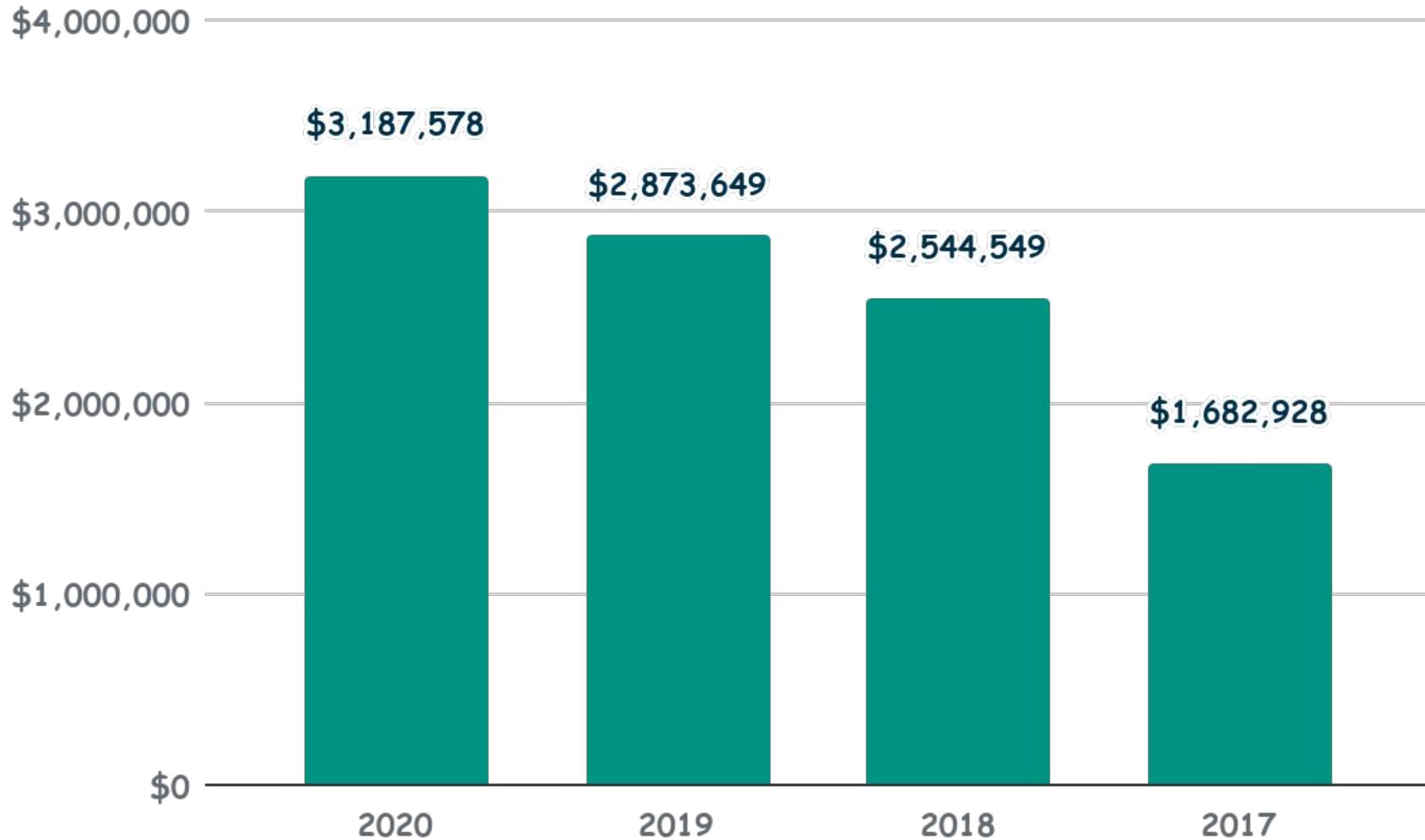
**Certified Debt and
Operating Levy
\$4,201,411**

**Levy Increase of
\$546,959 from
2019**

DEBT LEVY BY YEAR



OPERATING LEVY BY YEAR



Example of Property Tax Comparison 2019 to 2020

	2020	2019	Change
Assessed Value	\$ 174,000	\$174,000	
City Levy	\$1,898.56	\$1,806.34	\$92.22
State General Tax	\$479.70	\$521.72	(42.02)
County Levy	\$1,417.68	\$1,461.56	(43.88)
School Levy	\$461.52	\$458.86	\$2.66
School Referendum	\$856.38	\$894.40	(38.02)
Special Tax District -Co HRA	\$46.16	\$35.12	\$11.04
TOTAL TAX	\$5,160.00	\$5,178.00	\$(18.00)

TAX RATE COMPARISON

Certified Levy Divided by Assessed market Value

Population	City	Proposed	2019
6,269	Stewartville	66.51	66.04
5,644	Byron	69.50	66.17
6,414	Kasson	75.08	77.43
3,395	Pine Island	84.67	81.32
2,858	Chatfield	106.00	112.07

2020 LOCAL GOVERNMENT AID PER CAPITA

Population	City	Annual LGA	Per Capita
5,770	Byron	\$360,854	\$62.54
117,444	Rochester	\$7,510,799	\$63.96
6,269	Stewartville	\$1,021,250	\$163.74
6,504	Kasson	\$1,170,059	\$179.90
3,420	Pine Island	\$642,990	\$188.01
2,881	Chatfield	\$823,688	\$285.91

QUESTIONS???

**THANK YOU FOR
COMING!**

