



City of Excelsior

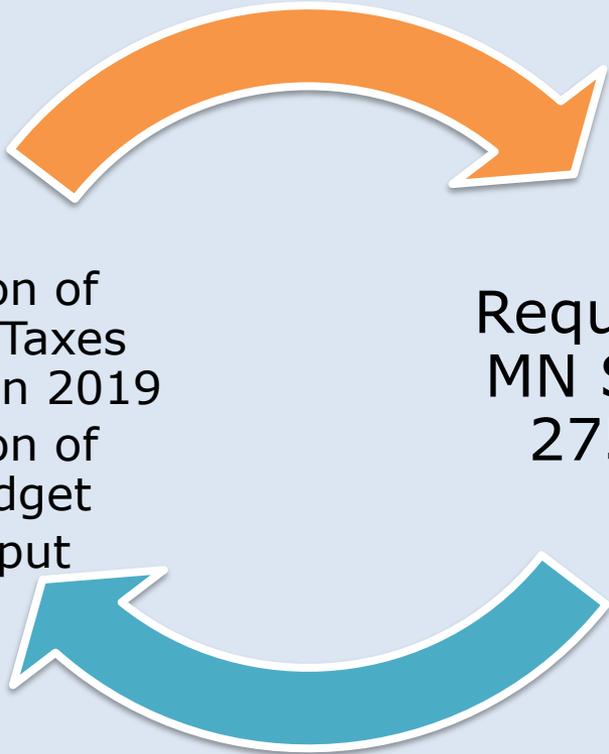
Truth-in-
Taxation and
2019 Budget
Presentation

December 3, 2018
City Council Meeting

Purpose

- Discussion of Levy for Taxes Payable in 2019
- Discussion of 2019 Budget
- Public Input

Required by
MN Statute
275.065



Truth in Taxation

Budget Process



Council establishes 2019 Budget Goals and Objectives



Staff prepares proposed budgets



Budget Discussions at Council Worksessions



Preliminary Tax Levy & Budget

Approved on September 17, 2018



Continue Budget Review

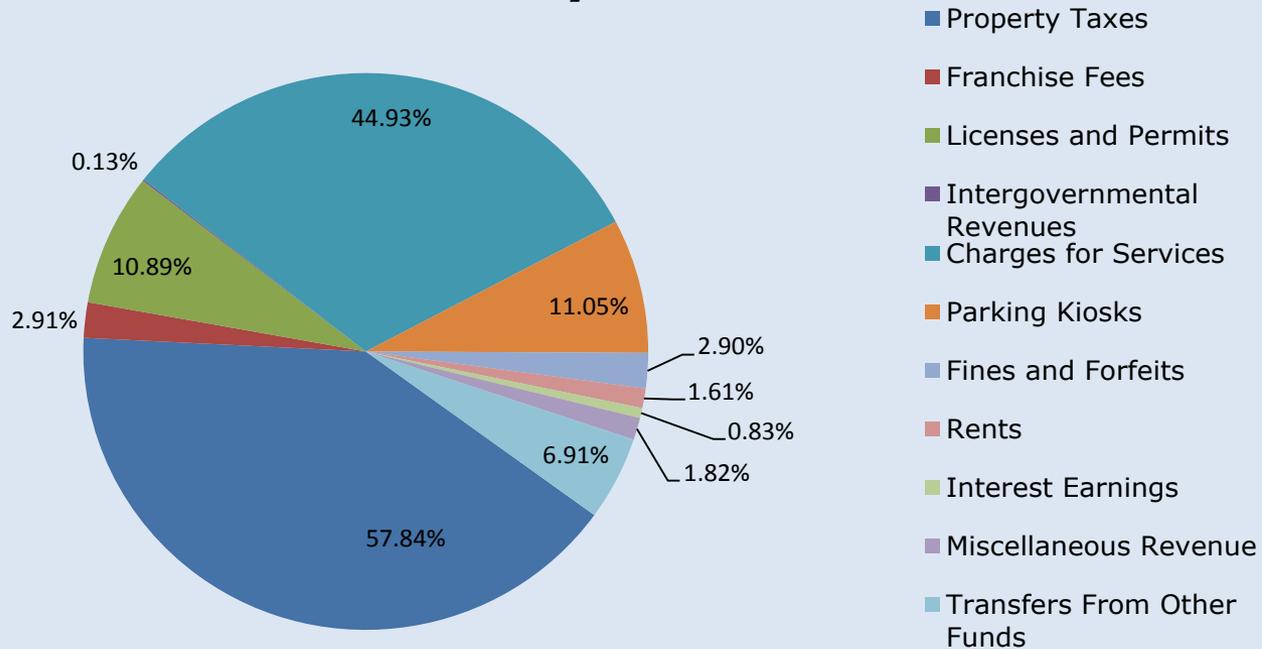


Final Budget Adoption

Truth in Taxation
Public Input

Property taxes make up roughly 58% of the City's General Fund revenue.

General Fund Revenue by Source

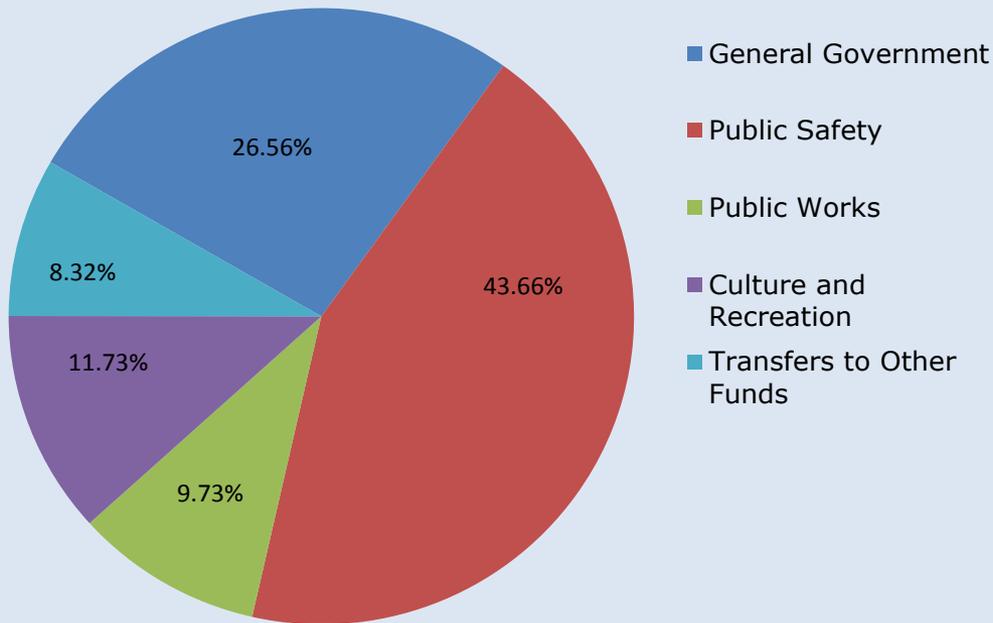


2018 General Fund Revenue by Source

	2018 Budget	2019 Budget	\$ Chg vs 2018 Budget	% Chg vs 2018 Budget
Property Taxes	1,296,544	1,386,700	90,156	6.95%
Franchise Fees	69,750	69,750	-	0.00%
Licenses and Permits	254,055	261,075	7,020	2.76%
Intergovernmental Revenues	3,095	3,095	-	0.00%
Charges for Services	81,804	74,400	(7,404)	-9.05%
Parking Kiosks	265,000	265,000	-	0.00%
Fines and Forfeits	69,575	69,575	-	0.00%
Rents	47,680	38,600	(9,080)	-19.04%
Interest Earnings	18,500	20,000	1,500	8.11%
Miscellaneous Revenue	42,550	43,550	1,000	2.35%
Transfers From Other Funds	99,000	165,579	66,579	67.25%
Total General Fund Revenue	2,247,553	2,397,324	149,771	6.66%



General Fund Expenditures by Function



What Does
the Levy
Pay for?



2018 General Fund Expenditures



General Government		636,656	26.56%
Public Safety		1,046,737	43.66%
Public Works		233,328	9.73%
Culture and Recreation		281,219	11.73%
Transfers to Other Funds		199,384	8.32%
Total General Fund Expenditures		<u>\$ 2,397,324</u>	<u>100.00%</u>

Notes:

- Public Safety consists of Police, Fire, and Building Inspections.
- General Government consists of City Council, City Manager/Clerk, Elections, Finance, Planning and Zoning, City Administration (City Hall), and Heritage Preservation.
- Public Works consists of Engineering and Streets.
- Culture and Recreation consists of Park Maintenance, Recreation Programs, and Cemetery.
- Transfers to Other Funds are contributions toward future capital improvements.



General Fund Expenditures

Expenditures	2018 Budget	2019 Budget	\$ Chg vs 2018 Budget	% Chg vs 2018 Budget
Council	22,135	27,435	5,300	23.94%
City Manager/Clerk	108,639	115,860	7,221	6.65%
Elections	7,800	1,300	(6,500)	-83.33%
Finance	39,340	50,414	11,074	28.15%
Planning and Zoning	97,878	120,642	22,764	23.26%
City Administration	286,570	284,820	(1,750)	-0.61%
Parking Kiosks	32,200	35,000	2,800	8.70%
Heritage Preservation	1,085	1,185	100	9.22%
Police	763,770	783,637	19,867	2.60%
Fire Contract	208,681	223,100	14,419	6.91%
Building Inspection	30,000	40,000	10,000	33.33%
Engineering	12,500	13,000	500	4.00%
Streets	210,305	220,328	10,023	4.77%
Park Maintenance	185,522	223,559	38,037	20.50%
Recreation Programs	34,200	33,200	(1,000)	-2.92%
Cemetery	22,010	24,460	2,450	11.13%
Transfers To Other Funds	184,918	199,384	14,466	7.82%
	2,247,553	2,397,324	149,771	6.66%

City of Excelsior
2019 General Fund Revenue & Expense Budget Summary

	2016 Actual	2017 Actual	2018 Budget	2019 Budget	\$ Chg vs 2018 Budget	% Chg vs 2018 Budget
GENERAL FUND						
Revenues						
Property Taxes*	1,289,227	1,324,632	1,296,544	1,386,700	90,156	6.95%
Franchise Fees	70,196	69,630	69,750	69,750	-	0.00%
Licenses and Permits	260,570	413,801	254,055	261,075	7,020	2.76%
Intergovernmental Revenues	6,821	7,877	3,095	3,095	-	0.00%
Charges for Services	87,856	159,586	81,804	74,400	(7,404)	-9.05%
Parking Kiosks	141,501	259,462	265,000	265,000	-	0.00%
Fines and Forfeits	68,635	95,891	69,575	69,575	-	0.00%
Rents	37,193	46,453	47,680	38,600	(9,080)	-19.04%
Interest Earnings	16,579	6,072	18,500	20,000	1,500	8.11%
Miscellaneous Revenue	28,606	41,103	42,550	43,550	1,000	2.35%
Transfers From Other Funds	106,600	102,800	99,000	165,579	66,579	67.25%
	<u>2,113,784</u>	<u>2,527,307</u>	<u>2,247,553</u>	<u>2,397,324</u>	<u>149,771</u>	<u>6.66%</u>
Expenditures						
Council	21,172	20,139	22,135	27,435	5,300	23.94%
City Manager/Clerk	102,596	106,491	108,639	115,860	7,221	6.65%
Elections	5,568	867	7,800	1,300	(6,500)	-83.33%
Finance	40,814	39,398	39,340	50,414	11,074	28.15%
Planning and Zoning	101,491	96,844	97,878	120,642	22,764	23.26%
City Administration	116,765	267,766	286,570	284,820	(1,750)	-0.61%
Parking Kiosks	154,570	30,617	32,200	35,000	2,800	8.70%
Heritage Preservation	11,288	427	1,085	1,185	100	9.22%
Police	736,594	728,244	763,770	783,637	19,867	2.60%
Fire Contract	189,522	197,592	208,681	223,100	14,419	6.91%
Building Inspection	29,823	41,621	30,000	40,000	10,000	33.33%
Engineering	12,815	17,680	12,500	13,000	500	4.00%
Streets	195,762	190,410	210,305	220,328	10,023	4.77%
Park Maintenance	159,988	126,096	185,522	223,559	38,037	20.50%
Recreation Programs	31,069	92,380	34,200	33,200	(1,000)	-2.92%
Cemetery	19,608	21,278	22,010	24,460	2,450	11.13%
Transfers To Other Funds	94,363	229,195	184,918	199,384	14,466	7.82%
	<u>2,023,808</u>	<u>2,207,045</u>	<u>2,247,553</u>	<u>2,397,324</u>	<u>149,771</u>	<u>6.66%</u>
Net Change in Fund Balance	89,975	320,262	-	-		

* Property Taxes include current taxes, delinquent taxes and fiscal disparities.



City of Excelsior Property Taxes

- City property taxes are determined by the City's Levy.
- Excelsior's levy consists of a General levy and Debt service levies to pay back bonds issued for the 2010-2011, and 2017 street projects.
- Hennepin County is responsible for valuations
 - 2018 Assessment Payable 2019
~ 7.3% increase over prior year



Where else does your property tax dollar go?



39%
Minnetonka
School District



33%
Hennepin
County



21%
City of
Excelsior

5%
Other

2% Met
Council

What do your property tax dollars pay for?

Services by Taxing Districts				
Hennepin County	City of Excelsior	Minnetonka School District	Metropolitan Special Taxing Districts	Other Special Taxing Districts
Social Services	Roads and Streets	K-12 Education	Transportation	Regional Parks
Public Health	Police and Fire	Community Education	Regional Sewer Systems	Regional Railroads
Road and Highways	Parks and Recreation		Mosquito Control (public health)	Museums
Libraries	Building Safety			Watershed Management
Corrections				Public Housing
Sheriff				
Environmental Services				



Hennepin County

A-600 Government Center
300 S. Sixth Street
Minneapolis, MN 55487-0060
612-348-3011 www.hennepin.us

Proposed levies & taxes 2019

2018 values for taxes payable in 2019

?1 John J Doe
123 MAIN ST NW
ANYTOWN MN 12345-6789

Property ID NO: 26-129-2441-0001
?2 123 Main ST NW **?**3

Property taxes statement schedule

Step 1	Value & classification	2018	2019
TAX YEAR PAYABLE CLASS:	HOMESTEAD	HOMESTEAD	HOMESTEAD
Estimated Market Value:	\$276,000	\$206,000	
Homestead Exclusions:	\$21,400	\$18,700	
Other Exclusion/Deferral:	\$0	\$0	
Taxable Mkt Values:	\$154,600	\$187,300	

Step 2 Proposed levies & taxes

2018 TAX	\$2,478.38	? 5
2019 PROPOSED	\$2,890.13	
Percent change	16.4%	

Now is the time to provide feedback on proposed levies. It is too late to appeal your value or classification without going to Tax Court.

Step 3 Property tax statement

Coming March 2019, due May 15, 2019 and Oct 15, 2019

[Budget Meeting Dates Times and Locations](#)

[\(Click Here for Taxing Authority Web Sites\)](#)

Addresses for correspondence	Actual 2018	Proposed 2019	Meeting date & location
Hennepin County A2400 Government Center Minneapolis MN 55487 612-348-3011	\$799.03 ? 6	\$997.71 ? 8	Dec 3, 2018 6:00 PM Commissioner Board Room A2400 Government Center Minneapolis MN 55487
City of GREENFIELD Greenfield City Hall 7738 Commerce Circle Greenfield MN 55357 763-477-6464	\$585.34 ? 7	\$692.39 ? 9	Dec 7, 2018 7:00 PM Greenfield City Hall 639 Town Hall Drive Greenfield MN 55357 ? 10
STATE GENERAL TAX			No meeting required ? 10
School District 883 Voter Approved Levies Other Local Levies: School District Total: Rockford - ISD 883 4091 Ash Street Rockford MN 55373 763-477-9145	\$583.90 \$325.82 \$909.72	\$647.98 \$592.18 \$1,149.24 ? 9	Dec 14, 2018 6:30 PM Heritage Room - room 592 Rockford High School 7400 County Road 50 Rockford MN 55375
Metro Special Taxing Dist. Metropolitan Council 390 Robert Street North St Paul MN 55101-1805 651-482-1447	\$25.25	\$27.75	Dec 10, 2018 6:00 PM Metropolitan Council 390 Robert Street North St Paul MN 55101-1805
Other Spec. Taxing Dist: Fiscal Disparity Tax: Tax Increment Tax:	\$86.26	\$93.02	No meeting required No meeting required No meeting required
TAX EXCLUDING SPECIAL ASSESSMENTS	\$2,478.38	\$2,890.13	

Learn about property taxes: www.hennepin.us/propertytaxes

THIS IS NOT A BILL — DO NOT PAY

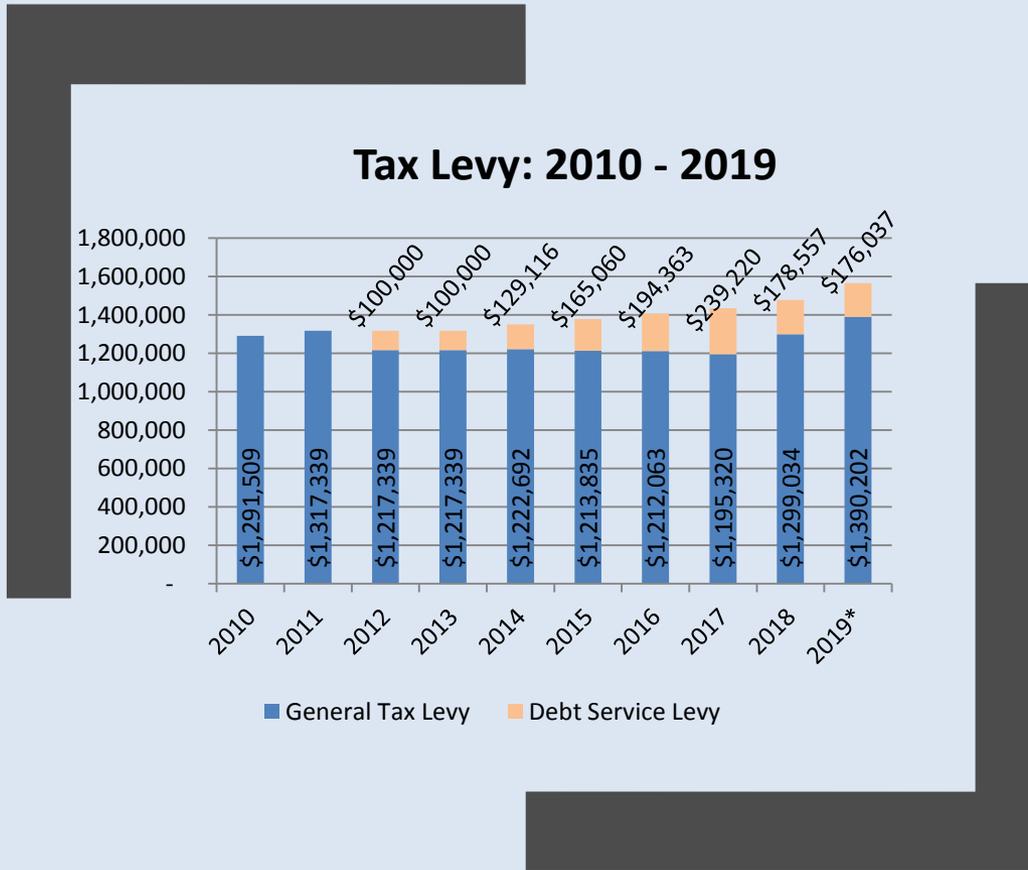
- County →
- City →
- School →
- Special Dist. →
- Other Dist. →



Approximately 21% of your property tax dollars pay for City services.



6.0% Proposed Levy Increase for 2019



- Total Proposed Levy - \$1,566,239

- \$88,648 more than 2018 levy

- Entire increase in going toward 2019 capital projects.



Estimated Market Value Trendline

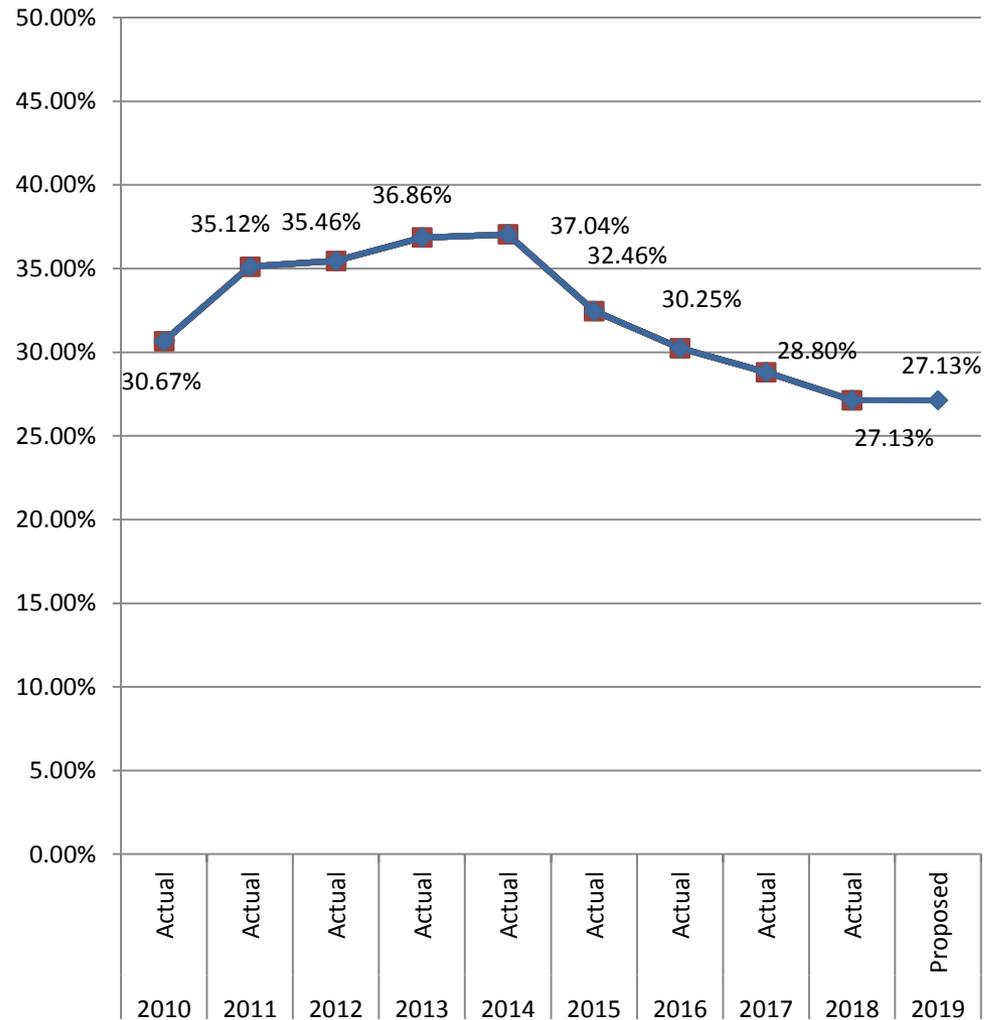


2018 Estimated Market Value – City of Excelsior \$516,873,400

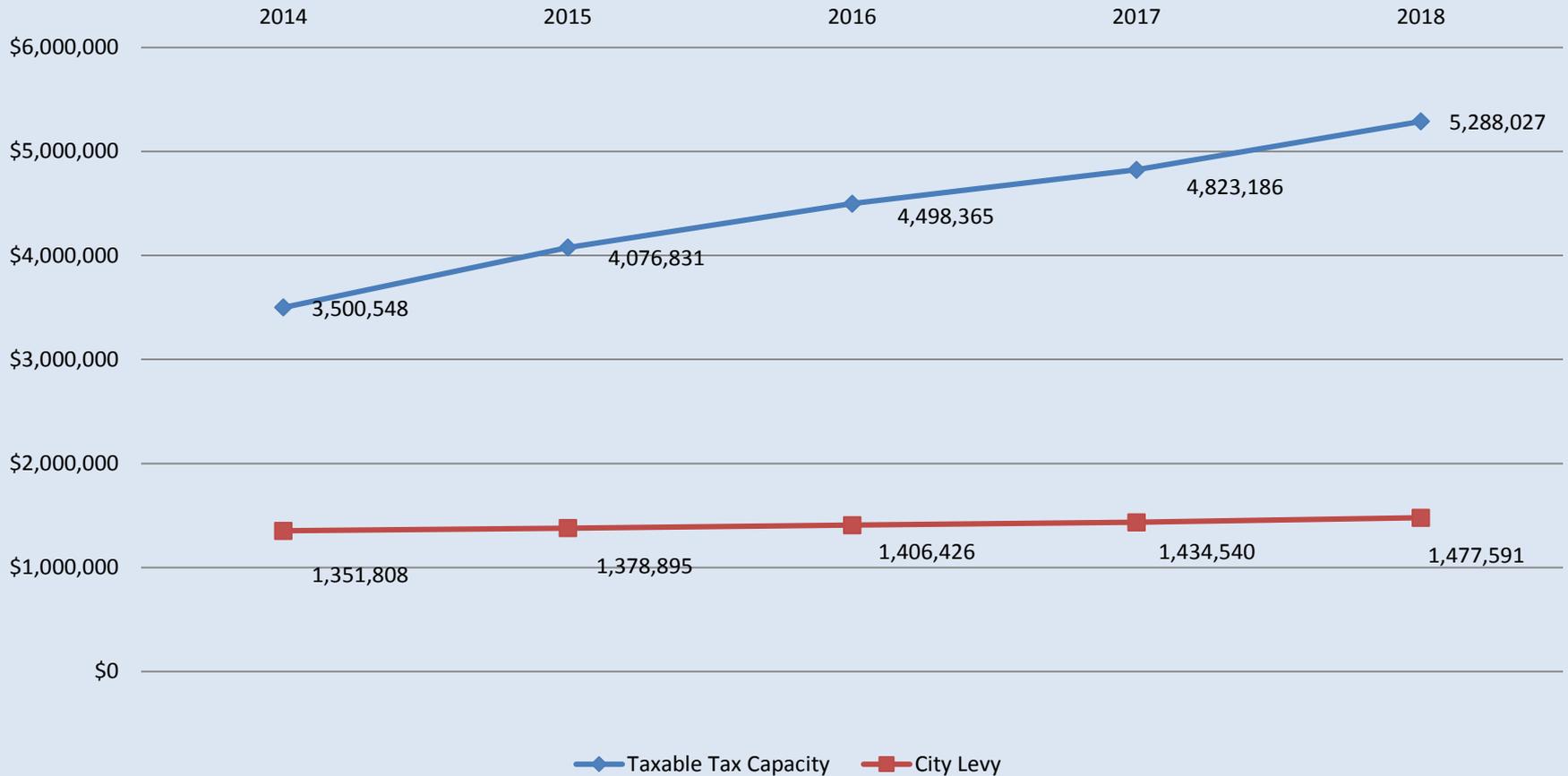
2018 Estimated Market Value Median Single Family Residential - \$465,000

Excelsior Tax Rate

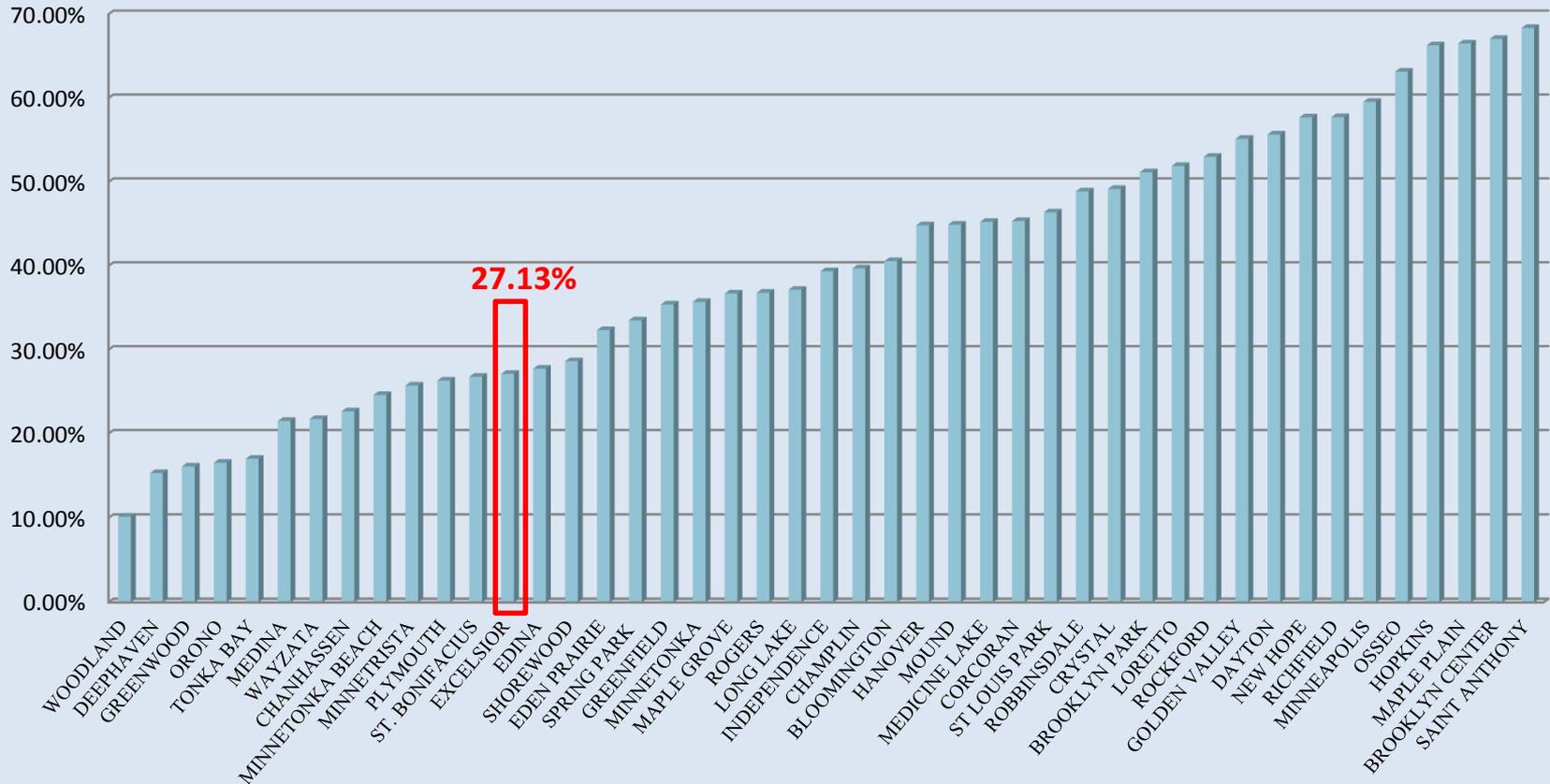
Excelsior Tax Rate



Increase in Tax Capacity to Increase in City Tax Levy



2018 Hennepin County Tax Rates



2019 Proposed – 27.64%

2017 vs. 2018 Levy

Levy \$1,566,246 - 6% increase						
est market value	\$ 250,000	\$ 375,000	\$ 500,000	\$ 750,000	\$ 1,000,000	\$ 1,500,000
homestead exclusion	14,740	3,490	-	-	-	-
taxable market value	235,260	371,510	500,000	750,000	1,000,000	1,500,000
net tax capacity	2,353	3,750	5,000	7,500	10,000	17,500
tax rate	27.13%	27.13%	27.13%	27.13%	27.13%	27.13%
net tax payable	\$ 638	1,017	1,356	2,035	2,713	4,747
Incremental Tax Payable over Prior Year						
	\$ 250,000	\$ 375,000	\$ 500,000	\$ 750,000	\$ 1,000,000	\$ 1,500,000
6.00%	36	58	77	115	154	269



Residential Examples



	Property A	Property B	Property C
Property Value	\$ 300,000	\$ 465,000	\$ 700,000
Less Homestead Mkt Value Exclusion	(50,560)	-	-
Taxable Market Value	350,560	465,000	700,000
Class Rate	1%	1%	1.25%
Tax Capacity	\$ 3,506	\$ 4,650	\$ 7,500
City Tax Rate	27.13%	27.13%	27.13%
City of Excelsior - Estimated Taxes	\$ 951.07	\$ 1,261.55	\$ 2,034.75

Commercial Example



	<u>Property A</u>		
Property Value	\$ 1,000,000		
Tax Capacity	\$ 15,000	Based on Class Rates (1.5-2.0%)	
City Tax Rate	27.13%		
City of Excelsior - Estimated Taxes	<u>\$ 4,069.50</u>		

- Homestead Market Value Exclusion
 - Values up to \$413,800
- Property Tax Refund
- Targeting Property Tax Refund (aka Special Property Tax Refund)
 - Property Tax Increase of over 12% and \$100
- Disabled Veteran Homestead Value Exclusion
- Senior Citizens Property Tax Deferral Program

Property Tax Relief Programs



The Approved 2019 budget will be available on the City's website.

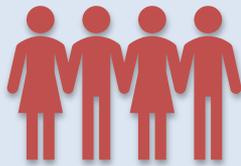
<http://www.excelsiormn.org>

Hard copies may be obtained at City Hall during regular business hours.

Excelsior City Hall
339 Third Street
Excelsior, MN 55331



Next Steps



City Council to accept Public Input



Consideration of Resolutions

Setting the Final Levy for Payable 2019
Adopting the 2019 Budget

Any
questions or
comments?

- Contact Info:
- Kelly M Horn, Finance Officer
- khorn@excelsiormn.org
- (952) 653-3677 (direct)

