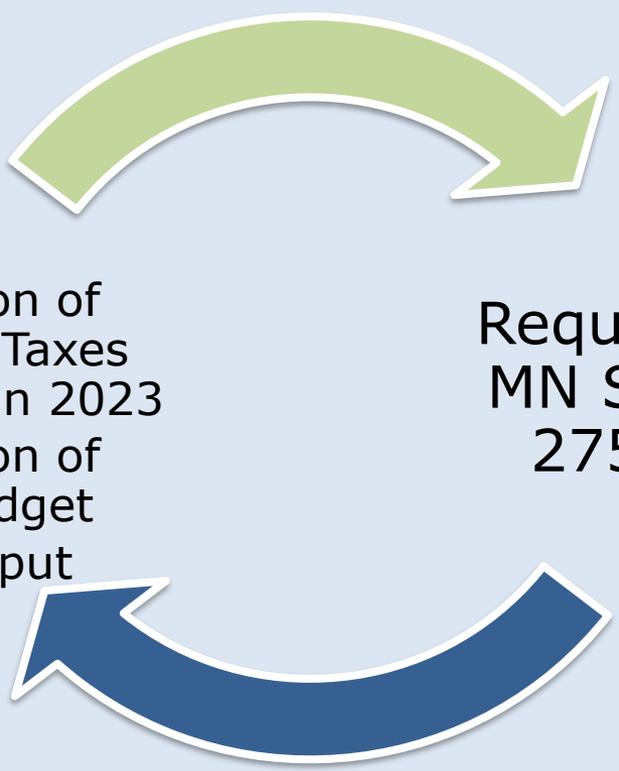




THE CITY OF
EXCELSIOR
MINNESOTA

Truth-in-Taxation and
2023 Budget Presentation

December 5th, 2022
City Council Meeting



Purpose

- Discussion of Levy for Taxes Payable in 2023
- Discussion of 2023 Budget
- Public Input

Required by
MN Statute
275.065

Truth in Taxation

Budget Process



Council Establishes 2023 Budget Goals and Objectives



Staff Prepares Proposed Budgets



Budget Discussions at Council Work Sessions



Preliminary Tax Levy & Budget

Approved on September 22, 2022



Continue Budget Review

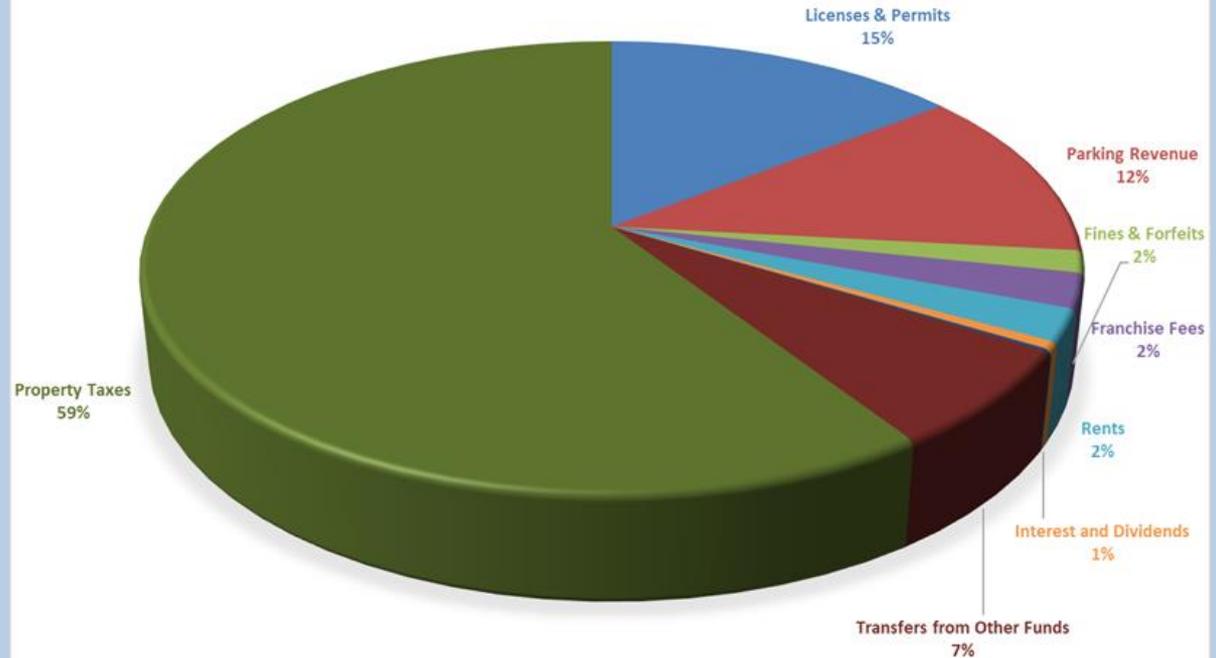


Final Budget Adoption

Truth in Taxation
Public Input

Property Taxes Account for 59% of the City's 2023 Budgeted General Fund Revenue

GENERAL FUND REVENUE BY SOURCE



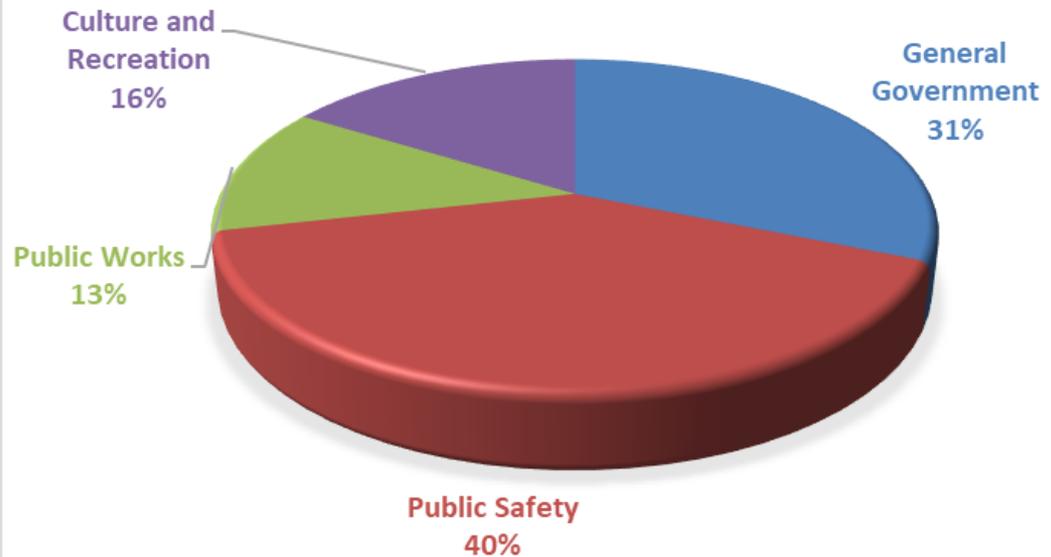
General Fund Budget - Revenues by Source

Revenues	2022 Budget	2023 Budget	\$ Chg vs. 2022	% Chg vs 2022
Licenses & Permits	\$ 361,030	\$ 416,660	\$ 55,630	15.41%
Parking Revenue	\$ 350,000	\$ 350,000	\$ -	0.00%
Fines & Forfeits	\$ 79,500	\$ 45,000	\$ (34,500)	-43.40%
Franchise Fees	\$ 70,750	\$ 70,750	\$ -	0.00%
Rents	\$ 61,668	\$ 62,500	\$ 832	1.35%
Interest and Dividends	\$ 10,000	\$ 15,000	\$ 5,000	50.00%
Other	\$ 27,380	\$ 5,000	\$ (22,380)	-81.74%
Transfers from Other Funds	\$ 200,000	\$ 200,000	\$ -	0.00%
Property Taxes/Fiscal Disp	\$ 1,523,406	\$ 1,706,679	\$ 183,273	12.03%
	\$ 2,683,734	\$ 2,871,589	\$ 187,855	7.00%



What Does
the City
Levy Pay
for?

GENERAL FUND EXPENSES BY FUNCTION



General Fund Budget - Expenditures by Function

	2023	
General Government	\$ 900,912	31%
Public Safety	\$ 1,150,333	40%
Public Works	\$ 358,546	12%
Culture and Recreation	\$ 461,798	16%
	\$ 2,871,589	100%

Notes:

- General Government consists of City Council, City Manager/Clerk, Elections, Finance, Planning and Zoning, and City Administration (City Hall).
- Public Safety consists of Police, Fire, and Building Inspections.
- Public Works consists of Engineering and Streets.
- Culture and Recreation consists of Heritage Preservation, Park Maintenance, Recreation Programs, and Cemetery.



General Fund Expenditures

Expenses	2022 Budget	2023 Budget	\$ Chg vs. 2022	% Chg vs 2022
Council	\$ 20,741	\$ 21,661	\$ 920	4.44%
City Manager/Clerk	\$ 254,267	\$ 280,914	\$ 26,647	10.48%
Elections	\$ 7,000	\$ 1,000	\$ (6,000)	-85.71%
Finance	\$ 72,672	\$ 80,650	\$ 7,978	10.98%
Planning and Zoning	\$ 108,268	\$ 192,949	\$ 84,681	78.21%
City Administration	\$ 303,185	\$ 323,738	\$ 20,553	6.78%
Heritage Preservation	\$ 2,800	\$ 2,800	\$ -	0.00%
Police	\$ 877,924	\$ 871,693	\$ (6,231)	-0.71%
Fire Contract	\$ 267,684	\$ 278,640	\$ 10,956	4.09%
Building Inspection	\$ 55,000	\$ 55,000	\$ -	0.00%
Engineering	\$ 20,000	\$ 32,000	\$ 12,000	60.00%
Streets	\$ 249,841	\$ 271,546	\$ 21,705	8.69%
Park Maintenance	\$ 393,341	\$ 396,528	\$ 3,187	0.81%
Recreation Programs	\$ 21,000	\$ 26,000	\$ 5,000	23.81%
Cemetery	\$ 30,011	\$ 36,470	\$ 6,459	21.52%
	\$ 2,683,734	\$ 2,871,589	\$ 187,855	7.00%

Where else does your property tax dollar go?



39%
Minnetonka
School District

30%
Hennepin
County

24%
City of
Excelsior

2% Met
Council

5%
Other

What do your property tax dollars pay for?

Services by Taxing Districts				
City of Excelsior (24%)	Hennepin County (30%)	Independent School District #276 (39%)	Metropolitan Special Taxing Districts (Met Council) (2%)	Other Special Taxing Districts (5%)
Police and Fire	Social Services	K-12 Education	Transportation	Regional Parks
Roads and Streets	Public Health	Community Education	Regional Sewer Systems	Regional Railroads
Parks and Recreation	Road and Highways		Mosquito Control (public health)	Museums
Building Safety	Libraries			Watershed Management
	Sheriff / Corrections			Public Housing
	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 2020

2019 values for taxes payable in 2020

71

JOHN J DOE
123 MAIN ST NW
ANYOWN MN 12345-6789

72

Property ID NO: 26-129-2441-001

123 Main St NW

73

Property taxes statement schedule

Step 1 Value & classification

TAX YEAR PAYABLE CLASS	2019 HOMESTEAD	2020 HOMESTEAD
Estimated Market Value:	\$176,000	\$206,000
Homestead Exclusion:	\$21,400	\$19,700
Other Exclusion/Deferral:	\$0	\$0
Taxable Mkt Value:	\$154,600	\$187,300

74

Step 2 Proposed levies & taxes

2015 TAX:	\$2,478.38
2016 PROPOSED	\$2,890.13
Percent change	16.6%

75

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.

76

Step 3 Property tax statement

Coming March 2020, due May 15, 2020 and Oct 15, 2020

[Budget Meeting Dates](#)
[Times and location](#)

THIS IS NOT A BILL — DO NOT PAY

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

Addresses for correspondence	Actual 2019	Proposed 2020	Meeting date & location
Hennepin County A2400 Government Center Minneapolis MN 55487 612-348-3011	\$799.83	\$907.71	Dec 2, 2015 6:00 PM Commissioner Board Room A2400 Government Center Minneapolis MN 55487
City of GREENFIELD Greenfield City Hall 7738 Commerce Circle Greenfield MN 55357	\$585.34	\$692.39	Dec 2, 2015 7:00 PM Greenfield City Hall 6390 Town Hall Drive Greenfield MN 55357
STATE GENERAL TAX			No meeting required
School District 883 Voter Approved Levy: Other Local Levies	\$583.90	\$667.08	Dec 15, 2015 6:30 PM Heritage Room - room 502 Rockford High School 7600 County Road 50 ROCKFORD MN 55373
School District Total	\$399.82	\$502.18	
Rockford - ISD 883 6051 Ash Street Rockford MN 554373 763-477-9165	\$983.72	\$1,169.26	
Metro Special Taxing Dist. Metropolitan Council 390 Robert Street North St Paul MN 55101-1805 651-602-1647	\$25.23	\$27.75	Dec 10, 2015 6:00 PM Metropolitan Council 390 Robert Street North St Paul MN 55101-1805
Other Spec. Taxing Dist.: Fiscal Disparity Tax: Tax Increment Tax:	\$84.26	\$93.02	No meeting required No meeting required No meeting required
TAX INCLUDING 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 24% of your property tax dollars pay for City services.



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 service bonds issued for the street and utility improvement projects.
- Hennepin County is responsible for valuations
 - Valuation Notices sent in March
 - City holds Open Book Meeting in April
 - ~ Opportunity to contest valuation

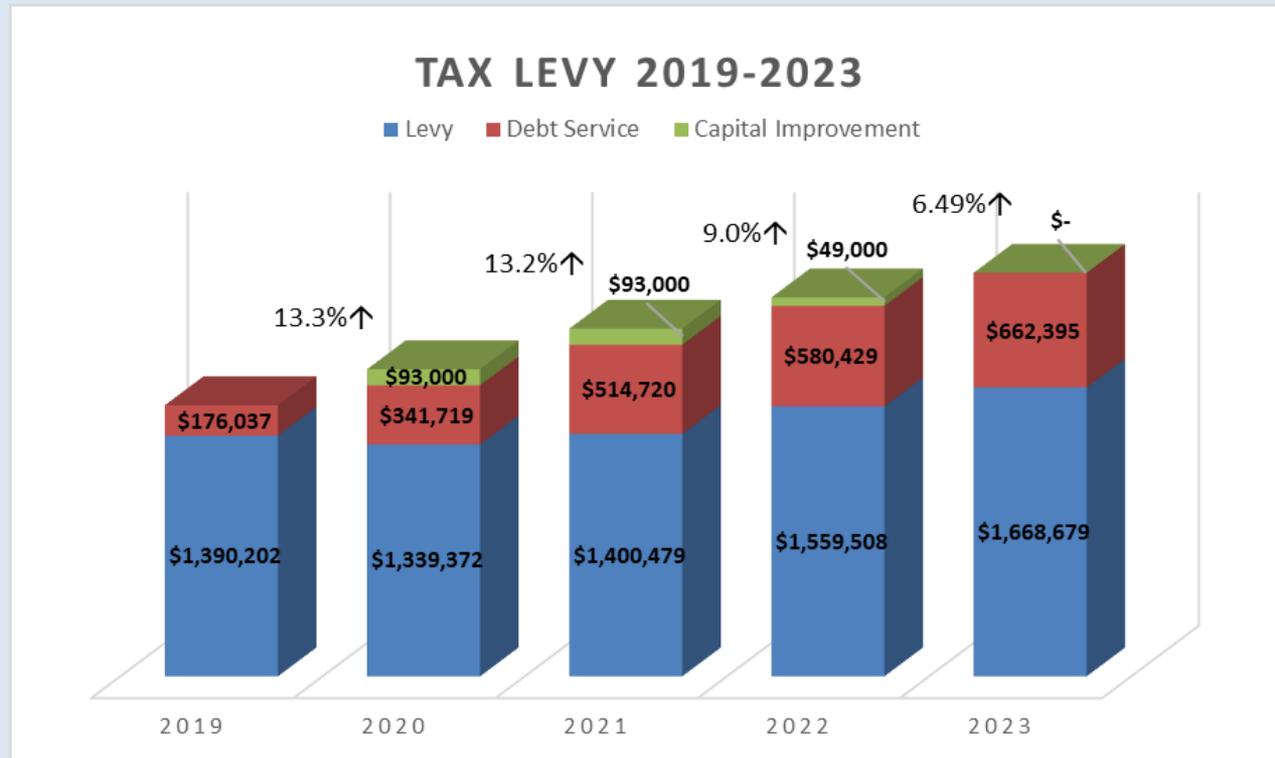


Components of City's Levy

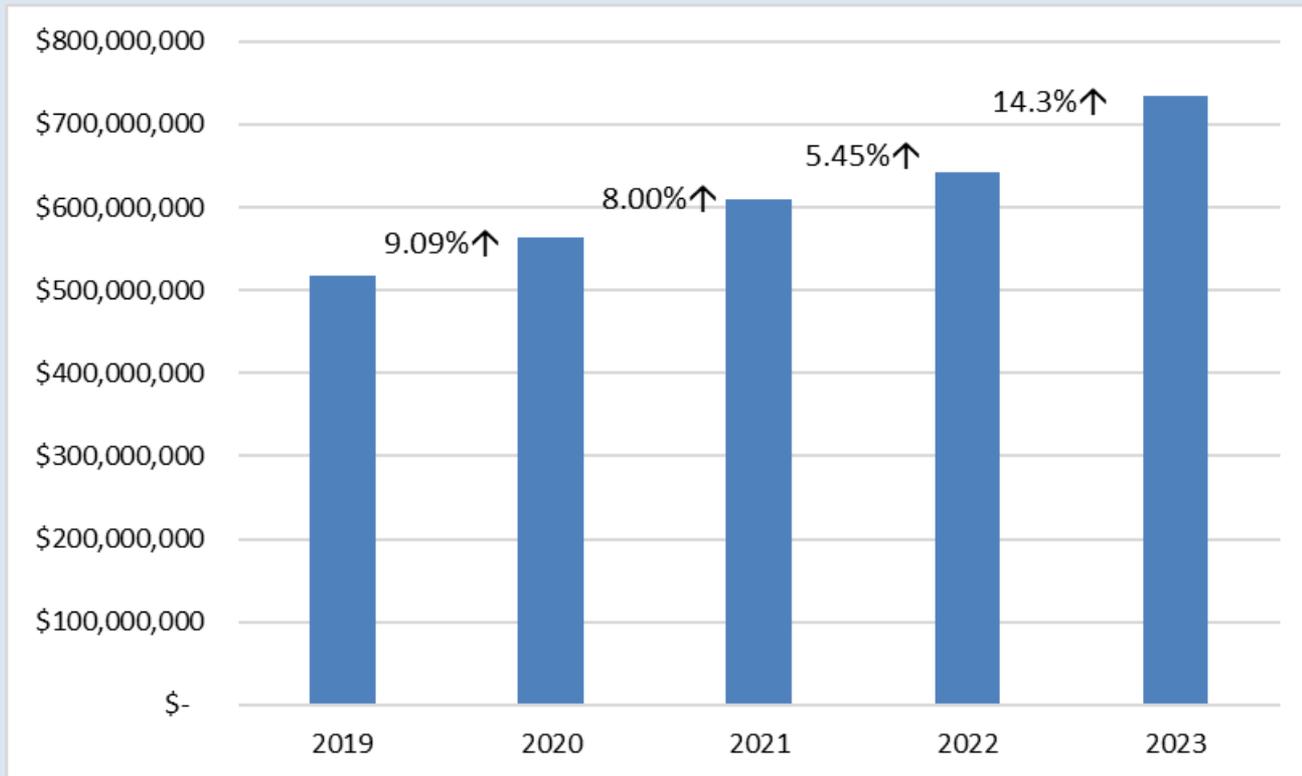
	2022	2023	\$ change	% change
General Fund	\$ 1,559,508	\$ 1,668,679	\$ 109,171	7.00%
Capital Improvement	\$ 49,000	\$ -	\$ (49,000)	-100.00%
Total General Revenue	\$ 1,608,508	\$ 1,668,679	\$ 60,171	3.74%
Debt Service				
2010A	\$ 123,123	\$ 100,000	\$ (23,123)	-18.78%
2017A	\$ 118,613	\$ 80,198	\$ (38,415)	-32.39%
2019A	\$ 170,841	\$ 152,486	\$ (18,355)	-10.74%
2020A	\$ 83,900	\$ 96,635	\$ 12,735	15.18%
2021A	\$ 83,952	\$ 233,076	\$ 149,124	177.63%
Total Debt Service	\$ 580,429	\$ 662,395	\$ 81,966	14.12%
Total Levy	\$ 2,188,937	\$ 2,331,074	\$ 142,137	6.49%

Proposed Levy Increase for 2023

- Total Proposed Levy - \$2,331,074
- \$142,137 more than 2022 levy
- Increase is primarily related to increased debt service payments and additional staff

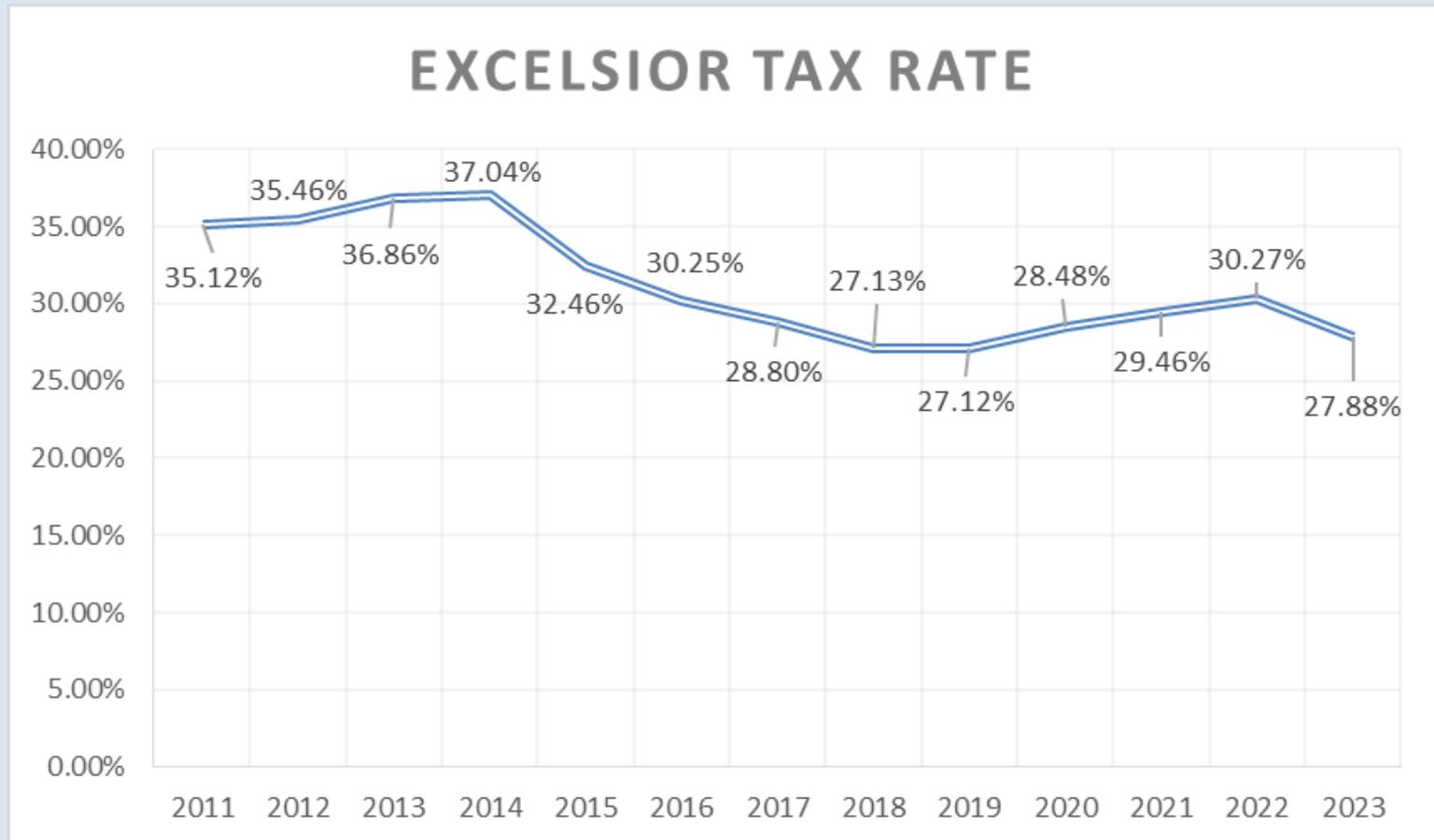


Estimated Market Value Trendline

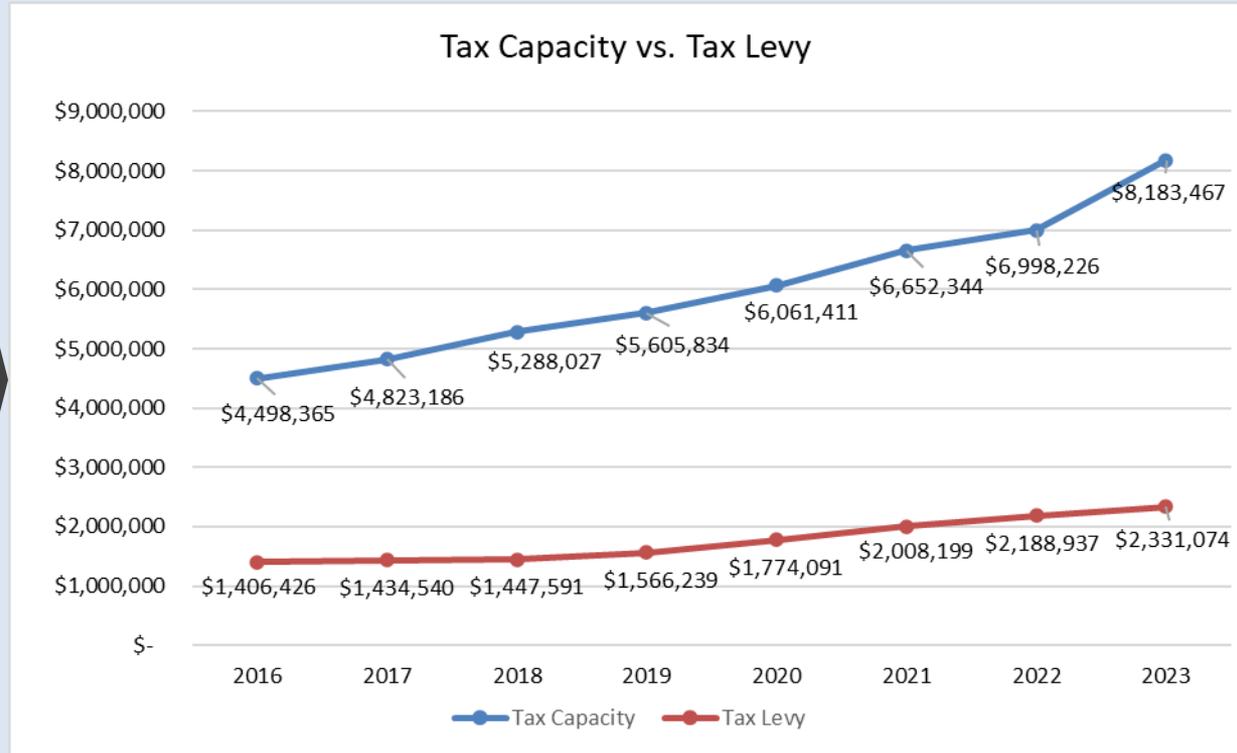


2023 Proposed Market Value – City of Excelsior \$733,817,200
2022 Estimated Market Value Median Single Family Residential - \$753,000

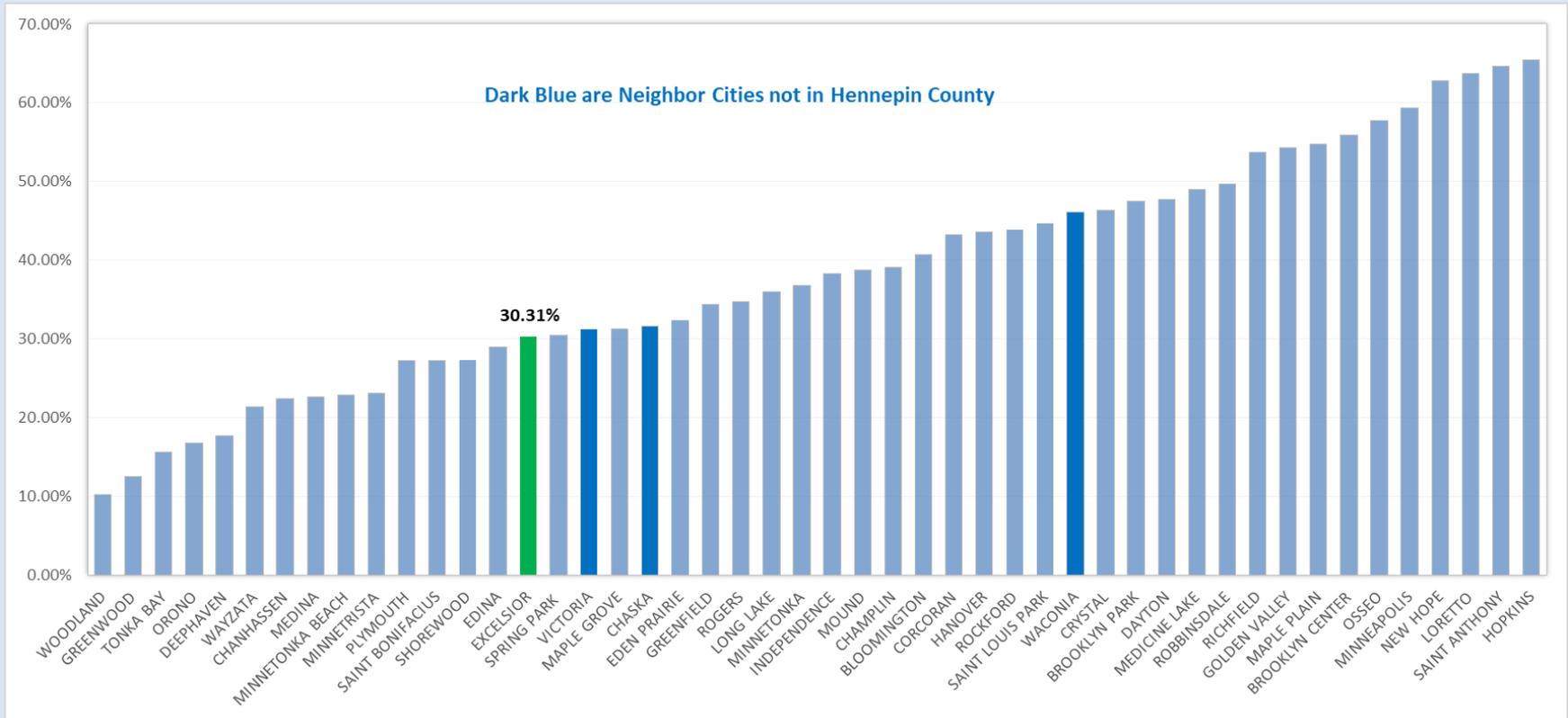
2011-2023 Tax Rate Percentages



Increase in Tax Capacity to Increase in City Tax Levy



2022 Hennepin County Tax Rates



Residential Examples



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Levy increase of 6.49%	Property A	Property B	Property C
Est. Property Value	\$ 250,000	\$ 500,000	\$ 1,000,000
Less: Homestead Credit	\$ 14,740	\$ -	\$ -
Taxable Market Value	\$ 235,260	\$ 500,000	\$ 1,000,000
Net Tax Capacity	\$ 2,353	\$ 5,000	\$ 11,250
City Tax Rate	27.88%	27.88%	27.88%
City of Excelsior-Estimated Tax	\$ 656	\$ 1,394	\$ 3,137

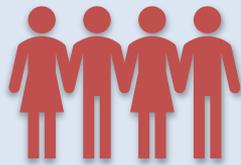
2023 Proposed Utility Rate Increases

UTILITY RATES

(assumes "average" residential water use of 15,000 gallons per quarter)

Water Rate Increase	\$.44 per 1K gallons
Annual Change	\$ 26.40
Water Base Increase	\$3.02 per quarter
Annual Change	\$ 12.08
Sewer Rate Increase	\$0.83 per 1K gallons
Annual Change	\$ 49.80
Sewer Base Increase	\$3.05 per quarter
Annual Change	\$ 12.20
Surface Water Increase Medium	\$16.63 per quarter
Annual Change	\$ 66.52
Sum of Annual Utility Rate Increase	\$ 167.00
Monthly Impact on "average"	\$ 13.92
residential account	

Next Steps



City Council to Accept Public Input



Consideration of Resolutions

Setting the Final 2022 Levy for Payable 2023
Adopting the 2023 Budget

The Approved 2023 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



Any
questions or
comments?

- Contact Info:
- Jenny Palmer, Finance Director
- jpalmer@excelsiormn.org
- (952) 653-3677 (direct)

