



**BUDGET AND LEVY PUBLIC
HEARING**

**DECEMBER 2, 2023
6:01 P.M.**

GRAND RAPIDS

IT'S IN MINNESOTA'S NATURE



AT TONIGHT'S PUBLIC HEARING THE COUNCIL WILL DISCUSS:

- The proposed property tax levy for taxes payable in 2025 and the proposed 2025 budget.
- The percentage of increase in the proposed property tax.
- Why there are variations in property taxes.



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Proposed Property Tax Levy

PROJECTED LEVY & TAX RATE

CITY OF GRAND RAPIDS

PREVIOUSLY CERTIFIED LEVIES AND 2024 PROPOSED LEVY

	2020 Levy Payable 2021	2021 Levy Payable 2022	2022 Levy Payable 2023	2023 Levy Payable 2024	2024 Levy Payable 2025
General Fund	5,197,994	5,243,850	5,828,363	5,805,969	6,395,780
Library Fund	711,010	759,331	759,331	825,128	830,187
Cemetery	212,812	218,427	226,157	238,199	252,892
GREDA Levy	60,000	60,000	80,000	100,000	125,000
Levy Internal Loan-Equip Purchases	192,000	224,000	224,000	224,000	225,000
Abatement Levies-Yanmar	25,000	15,000	20,000	25,000	25,000
Special Levies	-	-	-	-	-
Total Levy Required for Operations	6,398,816	6,520,608	7,137,851	7,218,296	7,853,859
Bonded Indebtedness	1,694,906	1,680,512	2,082,657	1,965,076	1,803,306
GROSS LEVY	8,093,722	8,201,120	9,220,508	9,183,372	9,657,165
Less:					
Fund Balance Contribution	-	-	(499,662)	-	-
CERTIFIED LEVY	8,093,722	8,201,120	8,720,846	9,183,372	9,657,165
	1.36%	1.33%	6.34%	5.30%	5.16%



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Increases

- Operations +\$473,793 or 8.8%
- Debt Service (\$161,770) or (8.23%)
- Total 5.16% over 2024



ITEMS WHICH MAY IMPACT YOUR PROPERTY TAXES

- The Market value of your property changed.
- The Market value of other properties in your area changed, shifting taxes. (Commercial, Residential, Industrial)
- The City, County, School District levies and budgets changed.
- Aid from the State or Federal Government has been reduced, increased, or eliminated.



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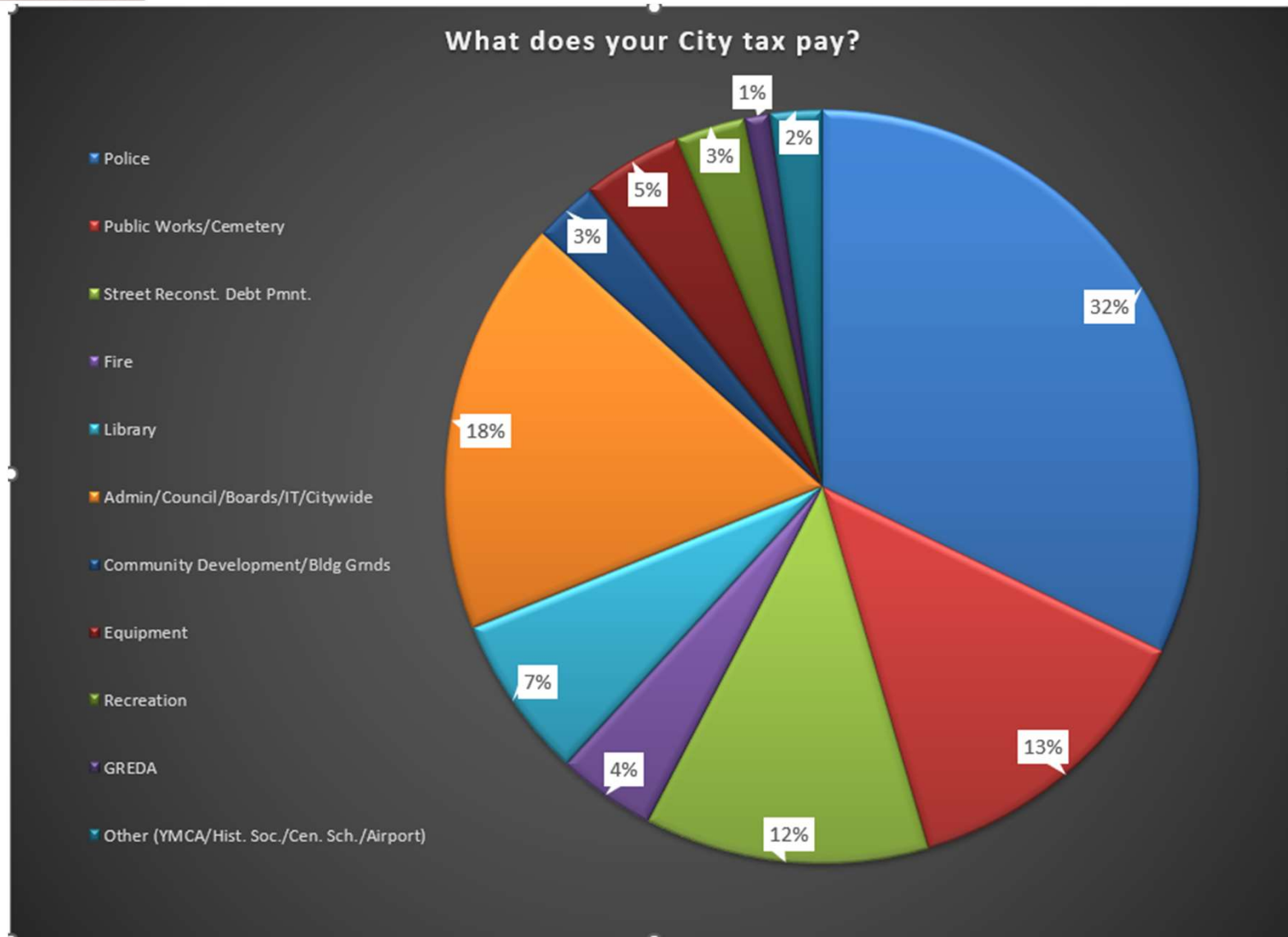
Reason for Tax Increase

- Reason for increase in Tax Capacity is
 - Increase in Estimated Market Value of Residential Properties
 - Little or no increase in EMV of Commercial/Industrial Properties
- There is a major tax burden shift to residential property due to strong home sales.



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What Do Taxes Pay





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Residential EMV's

2024 to 2025 Increases	Yearly	Monthly
Inc./\$100k	-\$5	\$0
Median \$207.8k	-\$11	-\$1
Mean \$269.6k	-\$15	-\$1
2025 Estimated Total City Tax	Yearly	Monthly
Inc./\$100k	\$726	\$61
Median \$207.8k	\$1,509	\$126
Mean \$269.6k	\$1,958	\$163



\$269,900 EMV Home (\$1,960)

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Department	% of City Tax	Annual Cost	Cost per Day
Police	32.20%	\$631	\$1.73
Public Works	13.26%	\$260	\$0.71
Street Debt Service	12.20%	\$239	\$0.66
Fire	4.21%	\$82	\$0.23
Library	7.02%	\$138	\$0.38
Admin/Fin./IT/Etc.	17.85%	\$350	\$0.96
Com. Dev./Bldg	2.69%	\$53	\$0.14
Equipment	4.29%	\$84	\$0.23
Recreation	2.98%	\$59	\$0.16
GREDA	1.06%	\$21	\$0.06
Other	2.24%	\$44	\$0.12
Total		\$1,653	\$5.37



State Rebate – Tax Increase over 12%

\$\$\$ REFUNDS

You may qualify for one or both refunds from the State of Minnesota based on your 2023 Property Taxes.

If you owned and occupied this property as your homestead on January 2, 2023, you may qualify for one or both of the following homestead credit refunds:

1. **Property Tax Refund** - If your taxes exceed certain income-based thresholds, and your total household income is less than \$128,280.
2. **Special Property Tax Refund** - If you also owned and occupied this property as your homestead on January 2, 2022, and **both** of the following are true:
 - The net property tax on your homestead increased by more than 12% from 2022 to 2023.
 - The increase was at least \$100, not due to improvements on the property.

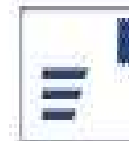
For Form M1PR and instructions:



www.revenue.state.mn.us



(651) 296-3781



Minnesota Tax Forms
Mail Station 1421
St. Paul, MN 55146-1421

Make sure to provide your Property ID Number on your M1PR to ensure prompt processing.



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THANK YOU FOR COMING TONIGHT.

Questions and comments will now be
taken...