

TRUTH IN TAXATION 2022

December 14, 2021
6:00 PM



CULTIVATING THE BEST IN US

PURPOSE

1. TO EXPLAIN THE PROPOSED BUDGET AND PROPOSED TAX LEVY FOR 2022
- 2.OBTAIN PUBLIC FEEDBACK ON THE PROPOSED CITY BUDGET

PURPOSE

- MARKET VALUES SHOWN ON YOUR TRUTH IN TAXATION NOTICE WERE ESTABLISHED IN THE SPRING AND ARE NOT A SUBJECT FOR THE HEARING TONIGHT.
- VALUES FOR THE 2021 ASSESSMENT (TAXES PAYABLE 2022) WERE DISCUSSED AND ESTABLISHED AT THE LOCAL BOARD OF REVIEW AND THE LOCAL BOARD OF EQUALIZATION HELD EARLIER THIS YEAR.



AGENDA

Review of 2022 Levy
and Budget Comparable
City Levy Data

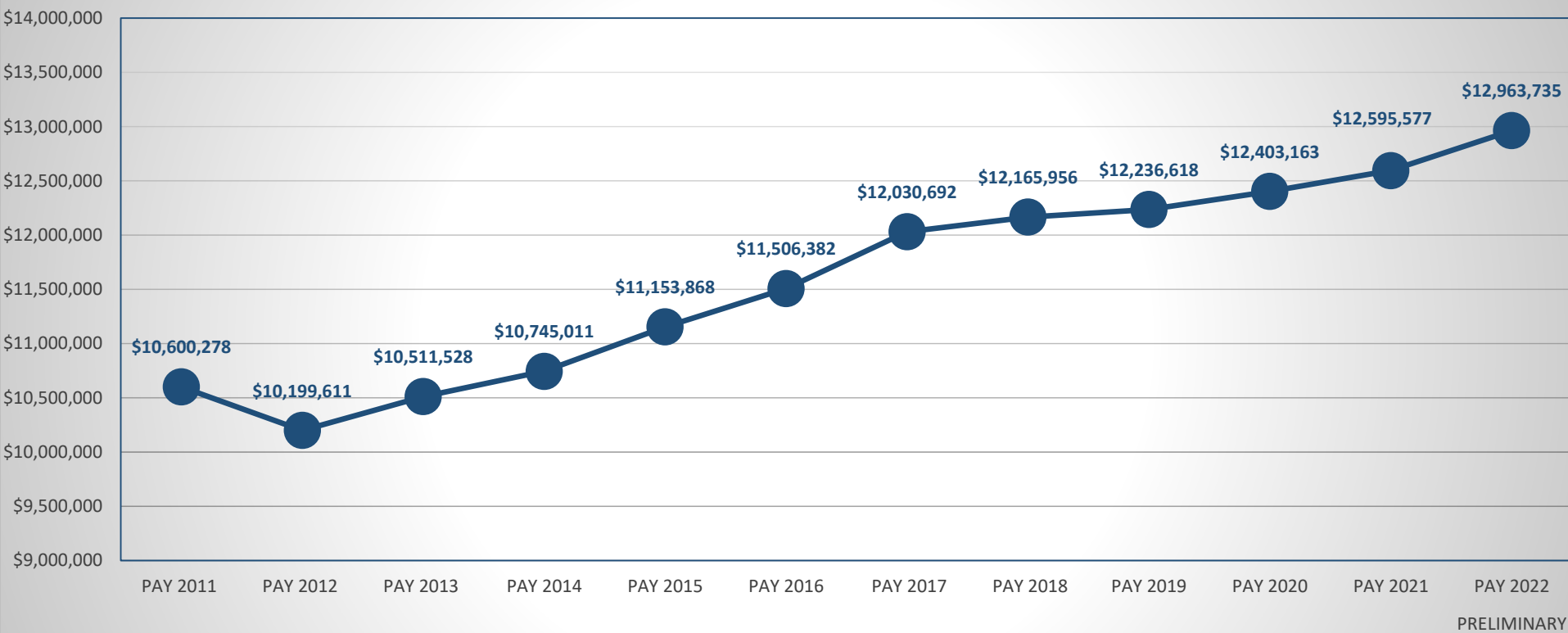
Property Owner Impacts

COUNTY ASSESSMENT SUMMARY WITH TAX CAPACITY VALUES													
CITY OF MARSHALL													
CODE	DESCRIPTION	2020/21 COUNT	2021/22 COUNT	COUNT DIFFERENCE	2020/2021 MARKET VALUE	2021/2022 MARKET VALUE	% OF CHANGE PRIOR YEAR	2020/2021 TAXABLE MARKET VALUE	2021/2022 TAXABLE MARKET VALUE	% OF CHANGE PRIOR YEAR	2020/2021 TAX CAPACITY	2021/2022 TAX CAPACITY	% OF CHANGE PRIOR YEAR
101	AGRICULTURE	51	55	4	7,857,200	9,765,800	24.29%	6,970,300	8,926,000	28.06%	69,703	89,141	27.89%
151	SEASONAL REC RESIDENTIAL	1	1	0	172,900	172,900	0.00%	172,900	172,900	0.00%	1,729	1,729	0.00%
200	RESIDENTIAL VACANT LAND	283	268	-15	8,975,900	8,560,800	-4.62%	8,975,900	8,560,800	-4.62%	112,256	107,065	-4.62%
201	RESIDENTIAL / SINGLE UNIT	3428	3460	32	521,247,900	555,236,700	6.52%	457,502,927	491,337,582	7.40%	4,570,628	4,908,956	7.40%
202	RES X-TRA FULL HOMESTEAD	63	59	-4	14,134,000	14,490,200	2.52%	13,129,378	13,660,987	4.05%	131,295	136,610	4.05%
203	RESIDENTIAL TRIPLEX	32	31	-1	5,269,400	5,134,500	-2.56%	4,626,446	4,481,365	-3.14%	45,991	44,538	-3.16%
204	1 TO 3 UNIT DWELLING	139	138	-1	16,209,700	15,373,200	-5.16%	16,209,700	15,373,200	-5.16%	202,637	192,182	-5.16%
205	4 OR MORE UNITS	148	146	-2	67,094,800	69,644,000	3.80%	67,094,800	69,644,000	3.80%	838,700	870,566	3.80%
217	QUALIFYING 4D LOW INCOME	12	12	0	12,053,900	12,397,600	2.85%	12,053,900	12,397,600	2.85%	90,408	92,985	2.85%
225	BED & BREAKFAST < 6 UNIT	1	0	-1	35,000	-	-100.00%	35,000	-	-100.00%	438	-	-100.00%
227	QUALIFYING GOLF COURSE	0	8	8		619,200			619,200			7,740	
230	LAND/BUILD - P UTILITY	1	1	0	6,446,600	6,708,200	4.06%	6,446,600	6,708,200	4.06%	128,932	133,414	3.48%
233	COMM LAND & BUILDING	362	384	22	204,514,400	204,861,900	0.17%	204,514,400	204,861,900	0.17%	3,861,119	3,859,582	-0.04%
234	INDUST LAND/BUILDINGS	92	95	3	74,988,400	75,552,200	0.75%	74,988,400	75,552,200	0.75%	1,445,210	1,455,899	0.74%
235	RR LAND BUILDINGS	1	1	0	4,458,100	2,936,400	-34.13%	4,458,100	2,936,400	-34.13%	88,412	57,978	-34.42%
240	LAND/BUILD - P UTILITY	3	4	1	688,500	350,300	-49.12%	688,500	350,300	-49.12%	13,770	6,617	-51.95%
243	COMM LAND & BUILDING	185	159	-26	22,581,200	20,820,900	-7.80%	22,581,200	20,820,900	-7.80%	445,615	411,829	-7.58%
244	INDUST LAND/BUILDINGS	67	64	-3	22,894,900	22,635,200	-1.13%	22,894,900	22,635,200	-1.13%	456,079	450,873	-1.14%
247	MH PARK	1	1	0	142,700	142,700	0.00%	142,700	142,700	0.00%	1,784	1,784	0.00%
250	EDUCATED MH PARK OWNER	2	2	0	786,300	786,300	0.00%	786,300	786,300	0.00%	7,863	7,863	0.00%
312	NON-PROF COM SRV - NON REV	1	0	-1	12,100	-	-100.00%	12,100	-	-100.00%	182	-	-100.00%
313	NON-PROF COM SRV- DONATE	1	0	-1	139,800	-	-100.00%	139,800	-	-100.00%	2,097	-	-100.00%
401	AGR ON LEASED LAND	5	2	-3	1,990,400	169,600	-91.48%	1,990,400	169,600	-91.48%	10,760	1,696	-84.24%
427	TRANSMN LINES	3	3	0	391,100	512,900	31.14%	391,100	512,900	31.14%	7,822	10,258	31.14%
431	TOOLS AND MACHINERY	1	0	-1	26,300	-	-100.00%	26,300	-	-100.00%	526	-	-100.00%
441	STRUCT -LL- URBAN	2	1	-1	447,800	425,300	-5.02%	447,800	425,300	-5.02%	8,956	8,506	-5.02%
444	DISTRIB LINES	1	1	0	30,400	29,300	-3.62%	30,400	29,300	-3.62%	608	586	-3.62%
445	SYST OF GAS UTILITIES	1	1	0	4,700	3,800	-19.15%	4,700	3,800	-19.15%	94	76	-19.15%
451	STRUCT - PUBLIC LL	2	2	0	1,232,400	1,232,400	0.00%	1,232,400	1,232,400	0.00%	23,794	23,794	0.00%
455	SYST OF GAS UTILITIES	1	1	0	3,581,800	4,091,400	14.23%	3,581,800	4,091,400	14.23%	71,636	81,468	13.72%
TOTAL TAXABLE		4890	4900	10	998,408,600	1,032,653,700	3.43%	932,129,151	966,432,434	3.68%	12,639,044	12,963,735	2.57%

2011-2022 Historical Tax Capacity

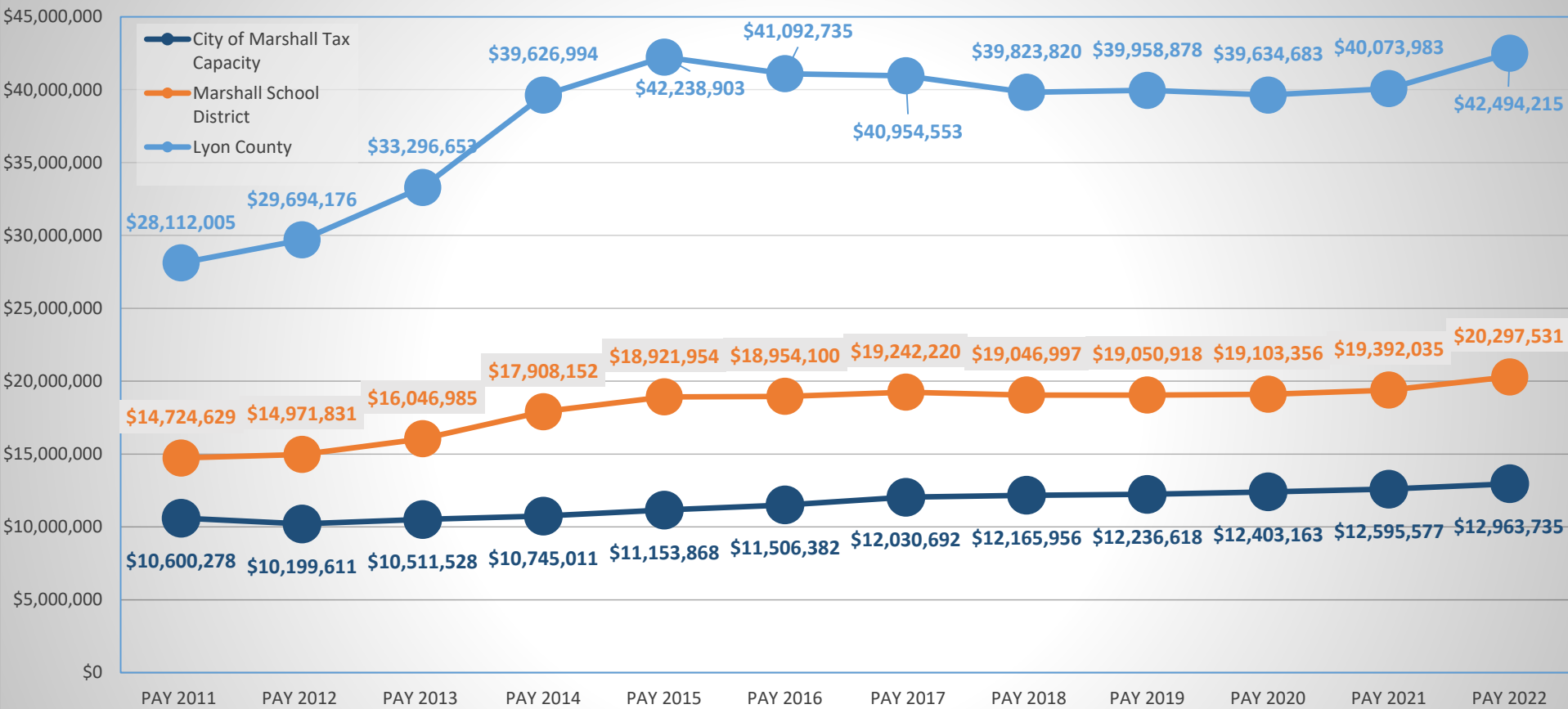


**City of Marshall Tax Capacity Projections
(prior to TIFF)**



Lyon County, City of Marshall, ISD #413 = Tax Capacity

Lyon County, City of Marshall, ISD # 413 Tax Capacity (prior to TIFF)

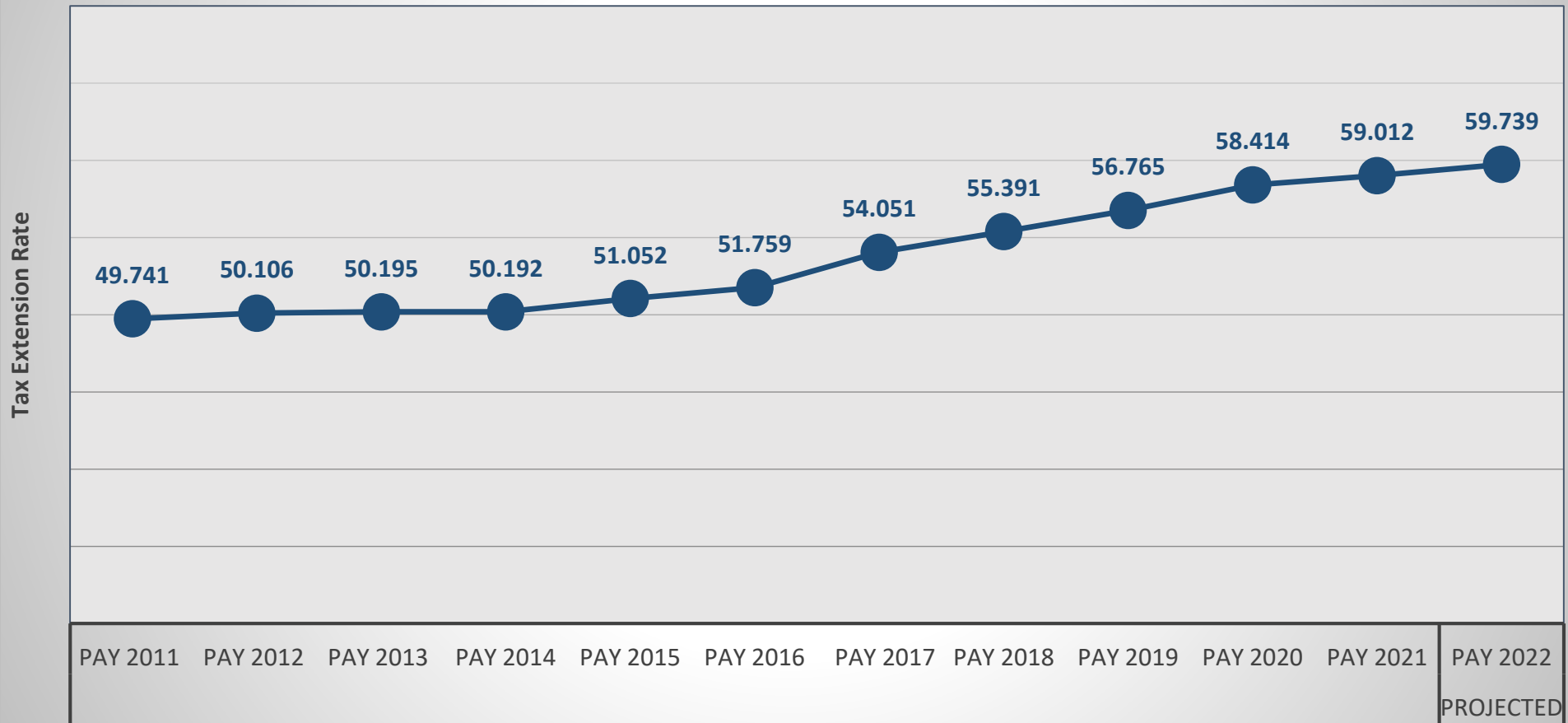


PRELIMINARY

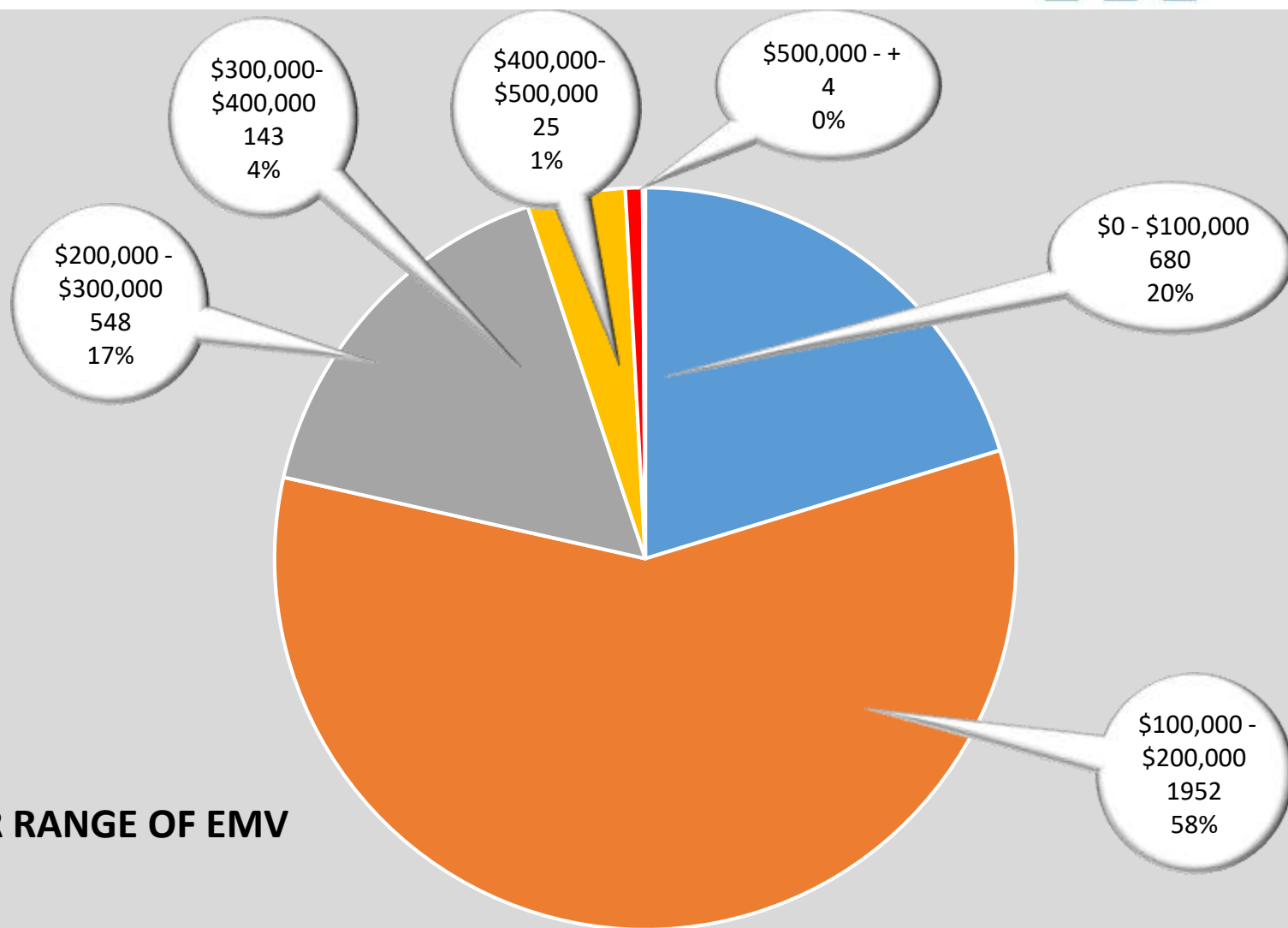
2011-2021 Historical Tax Extension Rate



Historical Tax Extension Rate City of Marshall



2021 TAX RATE COMPARISON											How does Marshall Rank?		What does this mean in Tax Dollars? If you lived or owned in the following communities this is what you could expect to pay in Taxes				
Tax rate data obtained from respective County Auditors/Assessors. Population data obtained online (may vary). Data is distributed by Counties in various formats, rates may slightly vary due to manual calculations.											1 being the highest tax rate & 19 being the lowest		Does not include any School Referendums or Special Assessments				
City	County	Population	City Tax Rate	+/-	County Tax Rate	+/-	School Tax Rate	+/-	Total Tax Rate	+/-	Ranking by City Tax Rate	Ranking by Total Tax Rate	\$200,000 Residential Homestead	+/- in \$	\$500,000 Commercial Property (including State General Tax)	+/- in \$	City
Alexandria	Douglas	13,568	39.0830	-3.272%	45.5150	-2.011%	19.5060	-8.761%	106.1390	-3.741%	19	19	\$1,919	-\$75	\$12,606	-\$604	Alexandria
Fairbault	Rice	23,352	55.6050	-0.448%	39.8520	0.822%	15.5530	22.013%	111.1750	2.616%	13	18	\$2,010	\$51	\$13,072	\$40	Fairbault
Northfield*	Dakota	20,007	56.6661	-2.570%	20.5380	-5.832%	29.9917	-1.405%	111.5930	-2.990%	11	17	\$2,018	-\$62	\$13,111	-\$540	Northfield
Fergus Falls	Otter Tail	13,419	57.6320	-1.064%	40.0620	-2.604%	19.8160	-11.362%	117.5110	-5.258%	10	16	\$2,125	-\$118	\$13,658	-\$825	Fergus Falls
Worthington	Nobles	13,136	56.6430	1.854%	34.8020	-0.078%	25.2250	-11.189%	120.9010	-1.775%	12	15	\$2,186	-\$40	\$13,972	-\$424	Worthington
Willmar	Kandiyohi	19,558	40.8410	2.525%	58.4250	-3.805%	22.4020	-3.051%	123.8390	0.130%	18	14	\$2,239	\$3	\$14,243	-\$207	Willmar
Fairmont	Martin	10,666	61.0470	0.010%	40.0100	-3.977%	23.5830	-5.110%	124.9020	-2.391%	5	13	\$2,258	-\$55	\$14,342	-\$505	Fairmont
Marshall	Lyon	13,664	59.0120	1.024%	37.5140	-0.069%	32.3340	4.580%	129.0130	1.558%	9	12	\$2,333	\$36	\$14,722	-\$39	Marshall
North Mankato	Nicollet	13,619	48.8270	-1.693%	58.4890	6.203%	21.4370	-1.398%	129.2450	1.809%	16	11	\$2,337	\$42	\$14,743	-\$10	North Mankato
Northfield*	Rice	20,007	59.7630	-2.563%	39.8580	0.822%	29.8520	-1.657%	129.7390	-1.290%	7	10	\$2,346	-\$31	\$14,789	-\$379	Northfield
Bemidji	Beltrami	16,318	50.3400	-0.085%	62.2120	-0.705%	16.2800	-2.216%	130.2400	-0.870%	15	9	\$2,355	-\$21	\$14,835	-\$328	Bemidji
Sauk Rapids	Benton	14,244	40.9110	-3.721%	55.2000	-5.554%	32.8650	-7.198%	132.3220	-5.405%	17	8	\$2,392	-\$137	\$15,028	-\$922	Sauk Rapids
Brainerd	Crow Wing	13,349	73.4300	-7.440%	32.4470	-0.185%	28.9840	0.357%	136.6080	-4.162%	3	7	\$2,470	-\$107	\$15,425	-\$771	Brainerd
New Ulm	Brown	13,342	77.9650	-1.086%	41.6910	1.344%	21.4730	2.545%	142.4310	0.112%	2	6	\$2,575	\$3	\$15,963	-\$207	New Ulm
St. Peter	Nicollet	11,692	51.7020	0.097%	58.4730	6.203%	36.8640	2.668%	147.5290	3.108%	14	5	\$2,667	\$80	\$16,435	\$189	St. Peter
Albert Lea	Freeborn	17,677	60.3370	0.455%	63.7370	1.860%	24.5460	-11.543%	154.3900	0.639%	6	4	\$2,791	\$18	\$17,069	-\$132	Albert Lea
Owatonna	Steele	25,599	59.5300	-4.723%	57.7580	-4.464%	37.8590	-5.388%	155.1470	-4.790%	8	3	\$2,805	-\$141	\$17,139	-\$944	Owatonna
Hutchinson	McLeod	13,888	67.2330	1.143%	58.5570	-2.093%	33.5440	-2.070%	159.5420	-2.805%	4	2	\$2,885	-\$83	\$17,546	-\$648	Hutchinson
Waseca	Waseca	9,410	91.0000	-1.588%	66.1010	2.292%	30.5190	-5.526%	193.0190	-0.018%	1	1	\$3,490	-\$1	\$20,643	-\$225	Waseca

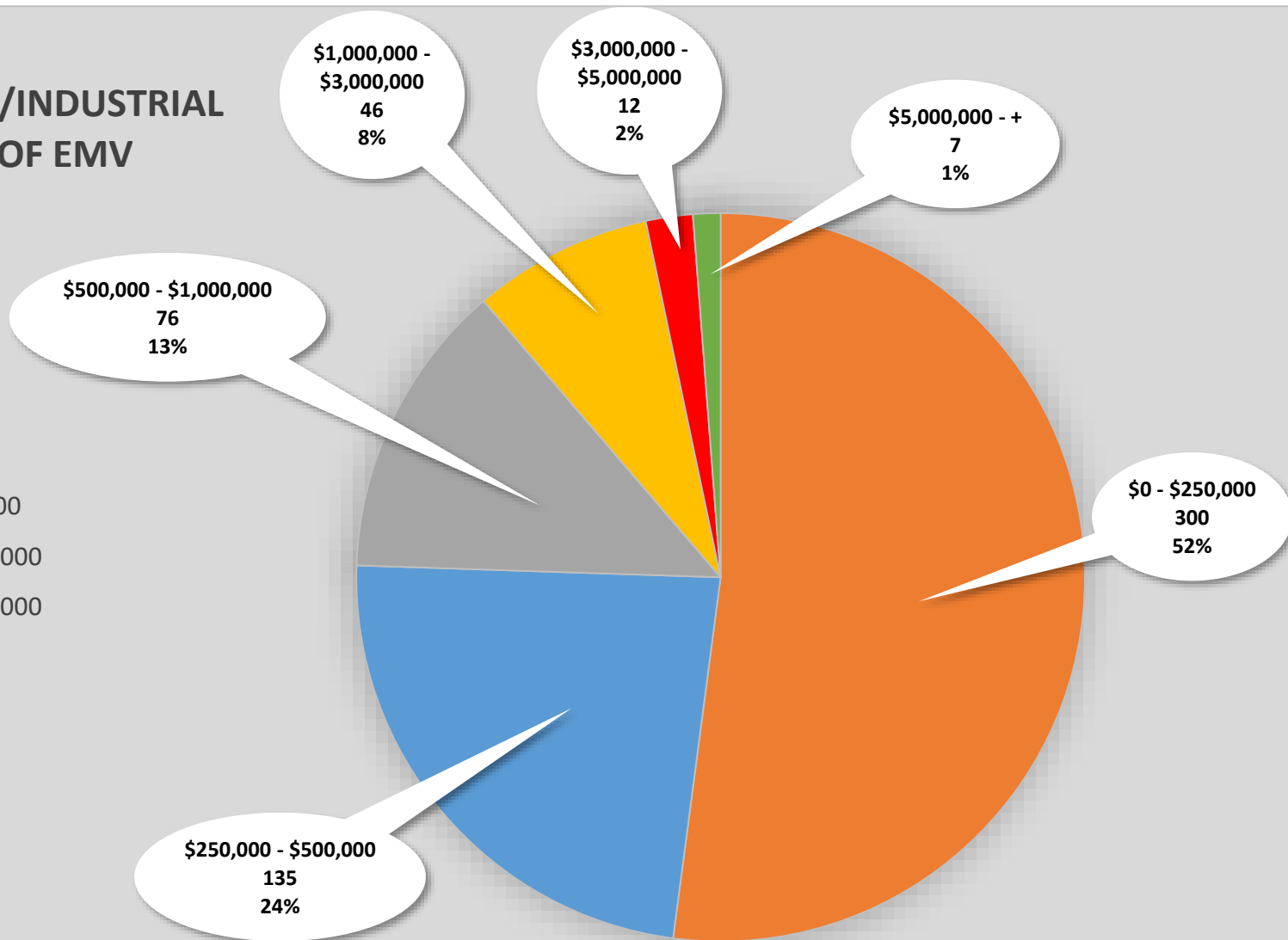


OF HOMES PER RANGE OF EMV

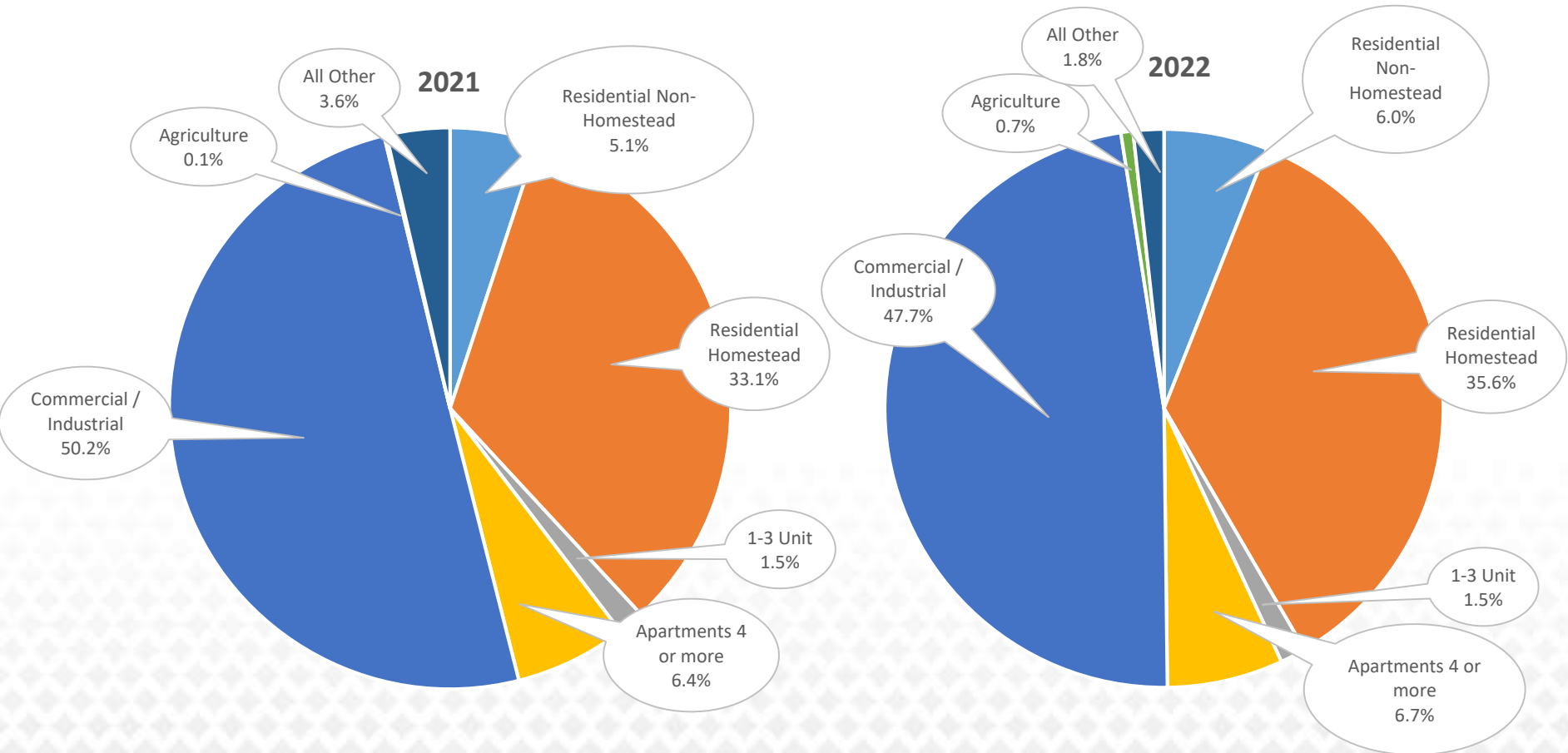


OF COMMERCIAL/INDUSTRIAL WITH RANGE OF EMV

- \$0 - \$250,000
- \$250,000 - \$500,000
- \$500,000 - \$1,000,000
- \$1,000,000 - \$3,000,000
- \$3,000,000 - \$5,000,000
- \$5,000,000 - +



Who pays our taxes?



Tax Capacity Increase Percentage and Average

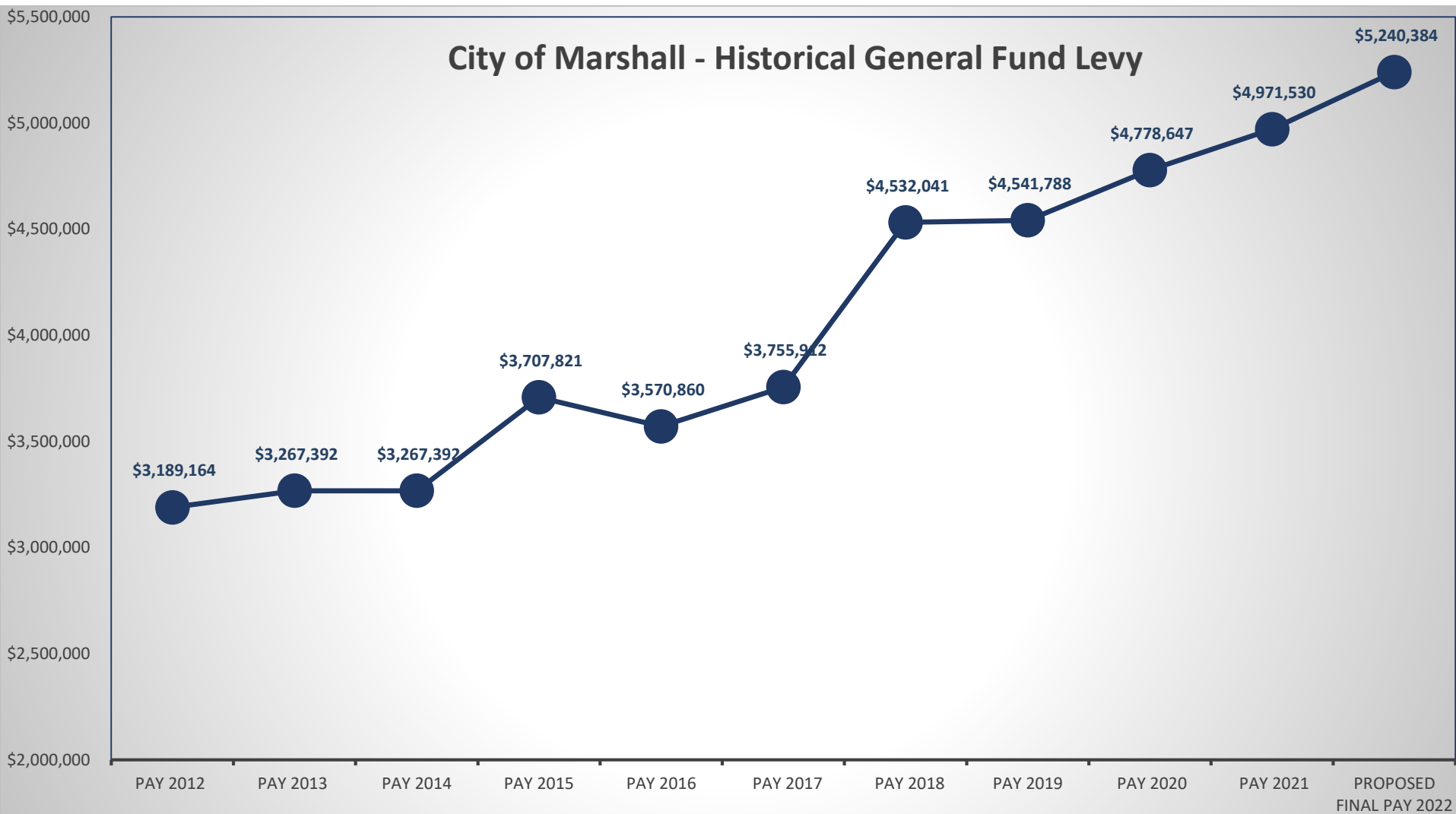


Payable Year	Levy Tax Capacity (After TIFF Deduction)	Percentage Increase
2011	\$9,663,390	
2012	\$9,605,127	-0.60%
2013	\$9,913,382	3.21%
2014	\$10,119,548	2.08%
2015	\$10,556,108	4.31%
2016	\$10,935,532	3.59%
2017	\$11,399,112	4.24%
2018	\$11,537,391	1.21%
2019	\$12,020,279	4.19%
2020	\$12,104,450	0.70%
2021	\$12,317,601	1.76%
2022	\$12,665,177	2.74%
Average Tax Capacity Growth Since 2011		2.49%



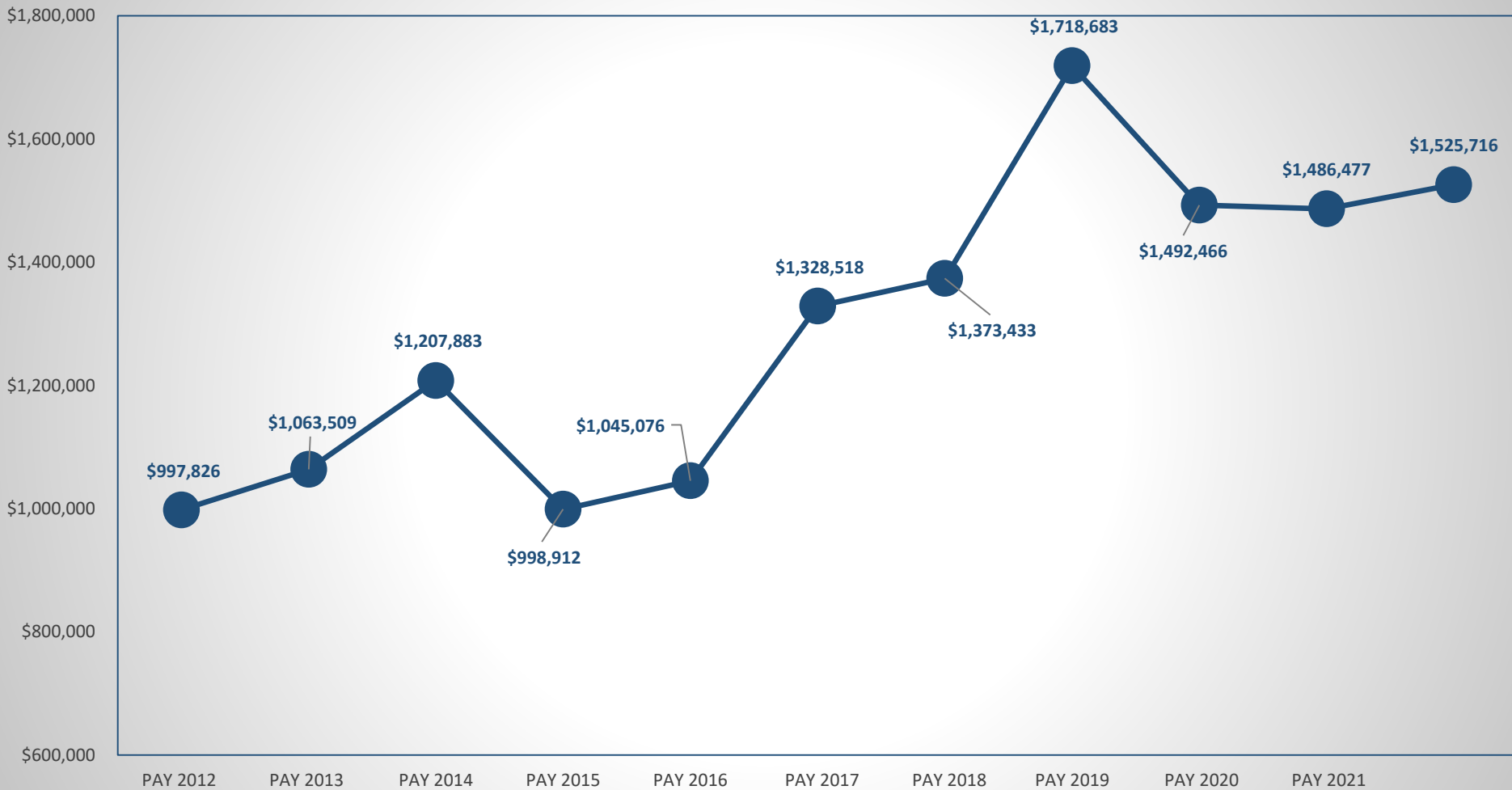
Historical Tax Levy Increase Percentage and Average

Year	Levy Amount	Percentage Increase
2011	\$4,806,667	3.00%
2012	\$4,806,667	0.00%
2013	\$4,974,983	3.50%
2014	\$5,119,357	2.90%
2015	\$5,380,444	5.10%
2016	\$5,654,847	5.10%
2017	\$6,142,075	8.62%
2018	\$6,375,474	3.80%
2019	\$6,785,471	6.43%
2020	\$7,056,113	3.99%
2021	\$7,254,007	2.80%
Proposed Final 2022	\$7,566,100	4.30%
Average Levy Increase Since 2011		4.13%





City of Marshall - Debit Service Levy





City of Marshall - Capital Improvement Levy



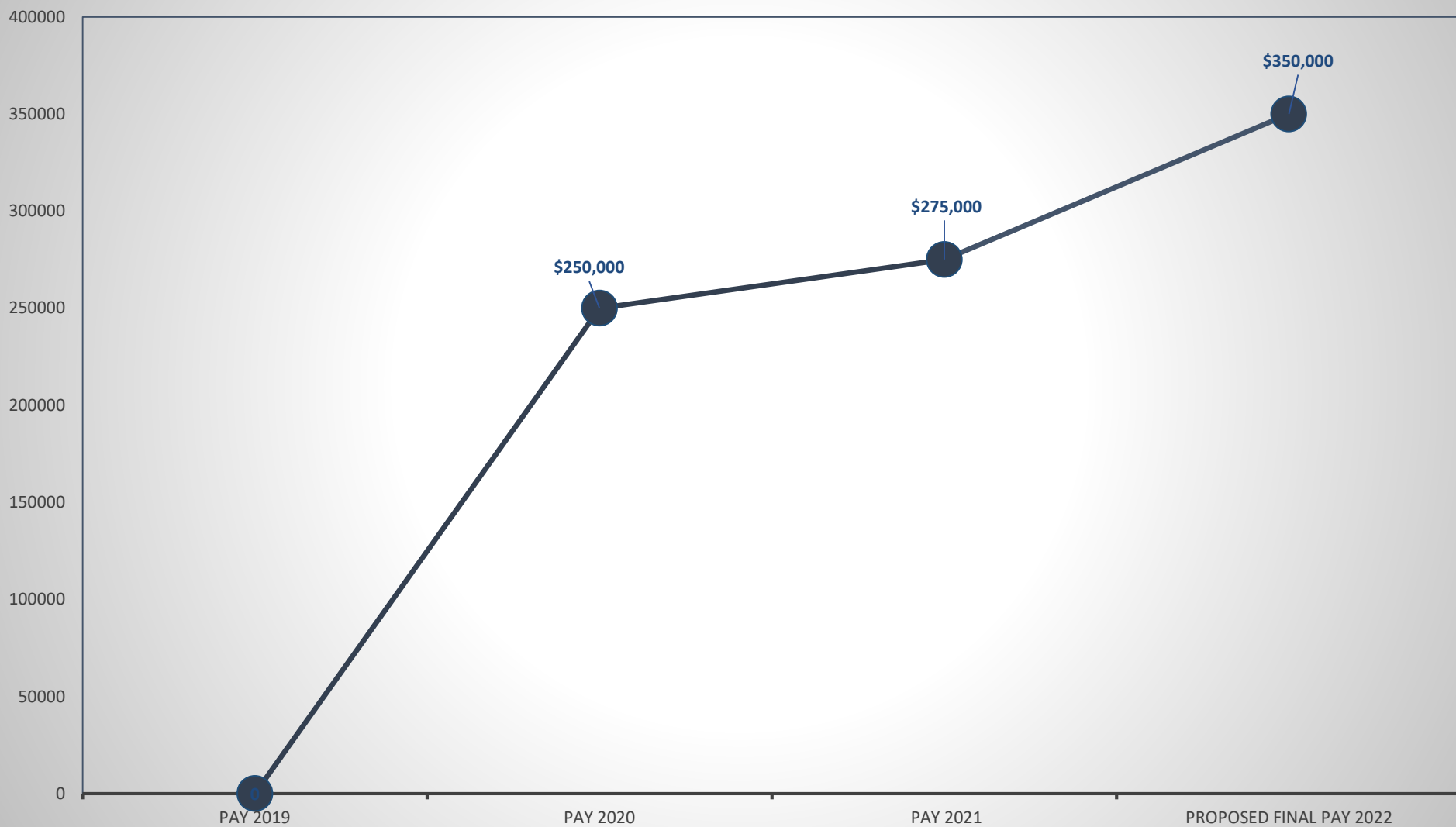


City of Marshall - EDA Levy



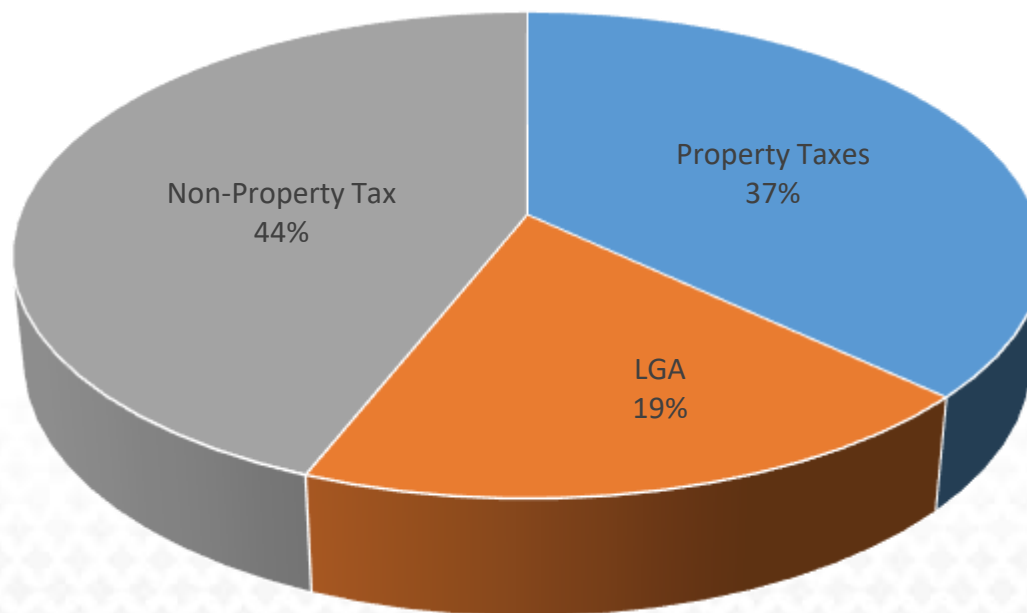


City of Marshall - Street Levy





2022 General Fund Revenues





2022 Tax Levy Impacts

Personnel

COLA 3%

Comparable Worth Study

Health Insurance

Reduction

LGA

Relatively the same

Reserve Spending

Included as part of Levy Reduction

Debt Reduction

Increases in Capital and Streets

Tax Abatements-Reserve Spending

EDA-But some off-set by Assessing

Library



City of Marshall Tax Abatements

<u>Parcel #</u>	<u>Address</u>	<u>Anticipated Abatement Start Year</u>	<u>Amount to Levy</u>	<u>Amount to Levy 2022</u>
			<u>2021</u>	
27-826023-0	1103 Slate Street	2021	\$ 998	\$ 1,192
27-125002-0	1501 US Hwy 59	2022		\$ 12,776
27-711028-0	305 Brussels Ct	2021	\$ 851	\$ 973
27-711029-0	307 Brussels Ct	2021	\$ 897	\$ 1,023
27-814001-0	702 E Southview Drive	2021	\$ 1,637	\$ 1,405
27-711040-0	301 London Road	2022		\$ 1,082
27-711041-0	303 London Road	2022		\$ 1,104
27-574061-2	301 Stephens Ave	2022		\$ 3,195
27-945001-0	1500 Travis Road	2021	\$ 9,780	\$ 7,202
27-105001-0	1005 Channel Parkway	2021	\$ 2,484	\$ 2,329
27-315002-0	314 Rainbow Road	2021	\$ 367	\$ 435
27-538002-0	London Road	2023		
27-143089-0	500 Elizabeth St	2023		
27-711048-0	310 Athens Ave	2023		
27-630030-0	505 Darlene Dr	2023		
27-711049-0	308 Athens Ave	2023		
27-143087-0	504 Elizabeth	2023		
27-143055-0	600 Elizabeth	2023		
			\$ 17,014	\$ 32,716

Special Levy Debt Service





Comparable Preliminary Tax Levies

City	% Change Preliminary Levy
Bemidji	9.5%
Sauk Rapids	17.1%
New Ulm	6.0%
Brainerd	2.0%
Albert Lea	10.0%
Alexandria	7.9%
Willmar	20.2%
Marshall	6.0%
Hutchinson	7.0%
St. Peter	5.9%
North Mankato	2.0%
Worthington	17.1%
Fergus Falls	6.9%

Overall,
Preliminary
City Levy
Changes
Statewide:
6.6%



What
Does $x\%$
Equal in
\$\$\$?

City of Marshall:

6.0% \$435,093

4.0% \$290,160

3.0% \$217,620

Lyon County:

6.0% \$914,784

4.0% \$609,857

1.7% \$264,752



PROJECTED NUMBERS FOR PAY 2022

Preliminary Pay 2022 Tax Capacity Including TIF	\$12,963,735
*TIF	<u>- \$298,558</u>

Preliminary Pay 2022 Tax Capacity	\$12,665,177
2021 Tax Capacity Extension Rate	<u>59.0120%</u>

(*** excluding Rural Service District Calculations***)

Preliminary Levy	\$7,473,974
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Preliminary levy of \$7,473,974 (or about a 3.02% increase over pay 2021) results in no property tax increase **if** no 2021 valuation change (city portion of property tax only).

Based on preliminary tax capacity figures from the Lyon County assessment abstract.



Recommended 2022 Preliminary Levy and General Fund Budget

	2021 Levy	2022 Proposed Levy	% of Levy Increase		
General	4,957,530	5,240,384	2.98%		
EDA	135,000	150,000	0.08%		
Capital	400,000	350,000	0.17%		
Street Capital	275,000	350,000	0.20%		
Debt	1,486,477	1,525,716	0.87%		
Tax Levy	7,254,007	7,566,100	4.30%		
		How does this impact Property Taxes? <i>*City Portion Only</i> IF NO CHANGE IN ESTIMATED MARKET VALUE			
		Homestead Residential Property			
Levy Increase	4.03%	100,000	150,000	300,000	
Capacity Growth Rate	3.02%	\$5	\$9	\$21	
Levy Increase & Capacity Growth Rate Difference	1.01%	Commercial Property			
		150,000	250,000	500,000	1,000,000
		\$16	\$31	\$67	\$140

Questions?

