

# 2020 Truth in Taxation

## December 10, 2019

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6:00 PM



# Purpose

1. To explain the proposed budget and proposed tax levy for 2020.
  2. Obtain public feedback on the proposed City budget.
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# 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 2019 assessment (taxes payable 2020) were discussed and established at the local Board of Review and the Local Board of Equalization held earlier this year.
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# Levy/Budget Timeline

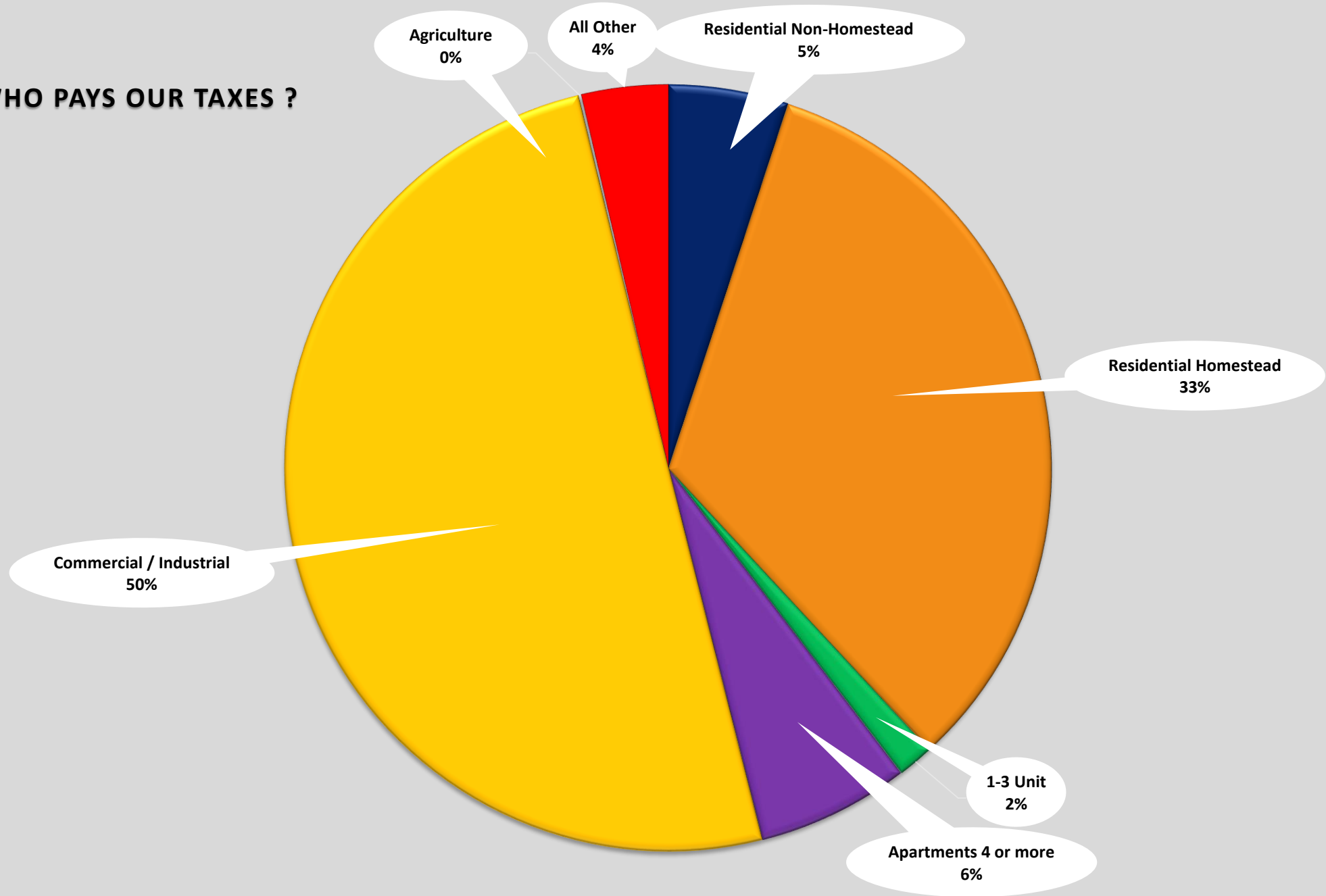
Jan	Market values determined
April	Local Board of Appeal and Equalization
June	County officials begin work on budget
Sept	Proposed budget is announced
Nov	Truth-in-Taxation notices mailed
Dec	Truth-in-Taxation meeting held 2020 budget is adopted on December 17, 2019 during the City of Marshall City Council Meeting
March	Property tax statements mailed

**CITY OF MARSHALL ASSESSMENT SUMMARY WITH TAX CAPACITY VALUES - BASED ON 1-2-2018**

DESCRIPTION	2017/18 COUNT	2018/19 COUNT	2017/2018 MARKET VALUE	2018 / 2019 MARKET VALUE	% OF CHNAGE	2017/2018 TAXABLE MARKET VALUE	2018 / 2019 TAXABLE MARKET VALUE	% OF CHNAGE	2017/2018 TAX CAPACITY VALUE	2018/2019 TAX CAPACITY VALUE	% OF CHNAGE
<b>RESIDENTIAL VACANT LAND</b>	303	294	9,986,100	9,621,100	-3.66%	9,955,200	9,605,800	-3.51%	124,496	120,129	-3.51%
<b>RESIDENTIAL 1-3 UNITS</b>	3650	3655	523,379,400	533,916,700	2.01%	457,604,914	468,742,384	2.43%	4,611,950	4,722,165	2.39%
<b>SEASONAL REC RESIDENTIAL</b>	1	1	181,200	181,200	0.00%	181,200	181,200	0.00%	1,812	1,812	0.00%
<b>BED &amp; BREAKFAST &lt; 6 UNIT</b>	1	1	34,000	34,000	0.00%	34,000	34,000	0.00%	425	425	0.00%
<b>LEASED (STRUCTURES AND AG)</b>	11	11	4,167,200	4,171,700	0.11%	4,167,200	4,171,700	0.11%	47,875	48,165	0.61%
<b>AGRICULTURE</b>	51	53	7,390,800	7,402,000	0.15%	6,455,932	6,467,132	0.17%	63,773	63,886	0.18%
<b>4 or MORE UNITS</b>	157	154	74,831,500	71,671,200	-4.22%	74,824,100	71,671,200	-4.21%	871,456	839,007	-3.72%
<b>MH PARK</b>	3	3	929,000	929,000	0.00%	929,000	929,000	0.00%	11,613	11,613	0.00%
<b>COMMERCIAL/INDUSTRIAL</b>	692	701	323,707,200	323,566,600	-0.04%	323,707,200	323,566,600	-0.04%	6,180,935	6,177,650	-0.05%
<b>STATE ASSESSED PROPERTY</b>	12	12	12,841,700	14,941,700	16.35%	12,841,700	14,941,700	16.35%	254,584	296,884	16.62%
<b>NON-PROF COM SRV</b>	5	3	454,700	171,100	-62.37%	454,700	171,100	-62.37%	6,821	2,567	-62.37%
<b>EXEMPT</b>	339	340	473,673,200	467,060,700	-1.40%	473,673,200	467,049,100	-1.40%	-	-	
	5225	5228									
<b>TOTAL TAXABLE</b>	4886	4888	957,902,800	966,606,300	0.91%	891,155,146	900,481,816	1.05%	12,175,740	12,284,303	0.89%

2019 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		1 being the highest tax rate & 16 being the least			Does not include any School Referendums or Special Assessments	
City	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 House	\$500,000 Commercial Property (including State General Tax)			
Waseca	9,410	92.6040	64.2440	33.3580	193.8940	1	1	\$3,506	\$21,222			
Brainerd	13,349	80.3850	32.0004	29.8030	144.0440	2	5	\$2,604	\$16,611			
New Ulm	13,342	78.0620	39.8160	20.6700	139.9390	3	7	\$2,530	\$16,232			
Hutchinson	13,888	67.0450	57.8820	23.5500	152.0630	4	3	\$2,749	\$17,353			
Owatonna	25,599	63.2830	60.6670	27.6500	151.6000	5	4	\$2,741	\$17,310			
Albert Lea	17,677	61.9080	59.6970	27.3720	152.1170	6	2	\$2,750	\$17,358			
Northfield	20,007	59.4400	39.5240	31.0960	130.2820	7	9	\$2,355	\$15,338			
Fergus Falls	13,419	58.6010	42.4130	22.6800	123.6340	8	11	\$2,235	\$14,723			
Faribault	23,352	57.5030	39.5150	14.9410	112.0590	9	15	\$2,026	\$13,653			
<b>Marshall</b>	<b>13,664</b>	<b>56.7650</b>	<b>36.4230</b>	<b>27.6430</b>	<b>120.9780</b>	<b>10</b>	<b>13</b>	<b>\$2,187</b>	<b>\$14,478</b>			
Fairmont	10,666	55.6870	39.9930	25.2420	121.3160	11	12	\$2,193	\$14,509			
Worthington	13,136	52.1630	34.0100	18.9300	120.4040	12	14	\$2,177	\$14,425			
North Mankato	13,619	50.9500	54.0490	22.4410	127.9050	13	10	\$2,313	\$15,118			
St. Peter	11,692	50.1480	54.0320	38.0720	142.7170	14	6	\$2,580	\$16,489			
Alexandria	13,568	40.4720	46.9950	22.7580	111.1897	15	16	\$2,010	\$13,572			
Willmar	19,558	38.0760	59.1500	16.4830	130.5400	16	8	\$2,360	\$15,362			

# WHO PAYS OUR TAXES ?



# 2020 BUDGET

## 2020 General Fund Budget

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# City of Marshall Historical Levy



## Historical Tax Levy Increase Percentage and Average

Year	Levy Amount	Percentage Increase
2008	\$4,333,275	
2009	\$4,372,584	0.91
2010	\$4,666,667	6.73
2011	\$4,806,667	3
2012	\$4,806,667	0
2013	\$4,974,983	3.5
2014	\$5,119,357	2.9
2015	\$5,380,444	5.1
2016	\$5,654,847	5.1
2017	\$6,142,075	8.62
2018	\$6,375,474	3.8
2019	\$6,785,471	6.43
2020	\$7,056,113	3.99
Average Levy Increase Since 2008		4.17

## Tax Capacity Increase Percentage and Average

Year	Tax Capacity	Percentage Increase
2008	\$8,520,358	
2009	\$9,061,565	6.35
2010	\$9,506,725	4.91
2011	\$9,663,390	1.65
2012	\$9,605,127	(0.60)
2013	\$9,913,382	3.21
2014	\$10,199,548	2.89
2015	\$10,539,144	3.33
2016	\$10,925,341	3.66
2017	\$11,399,112	4.34
2018	\$11,547,175	1.30
2019	\$12,047,484	4.33
2020	\$12,172,155	1.03
Average Tax Capacity Growth Per Year Since 2008		2.98

# YOUR 2020 TAX LEVY



General Fund, 0.68

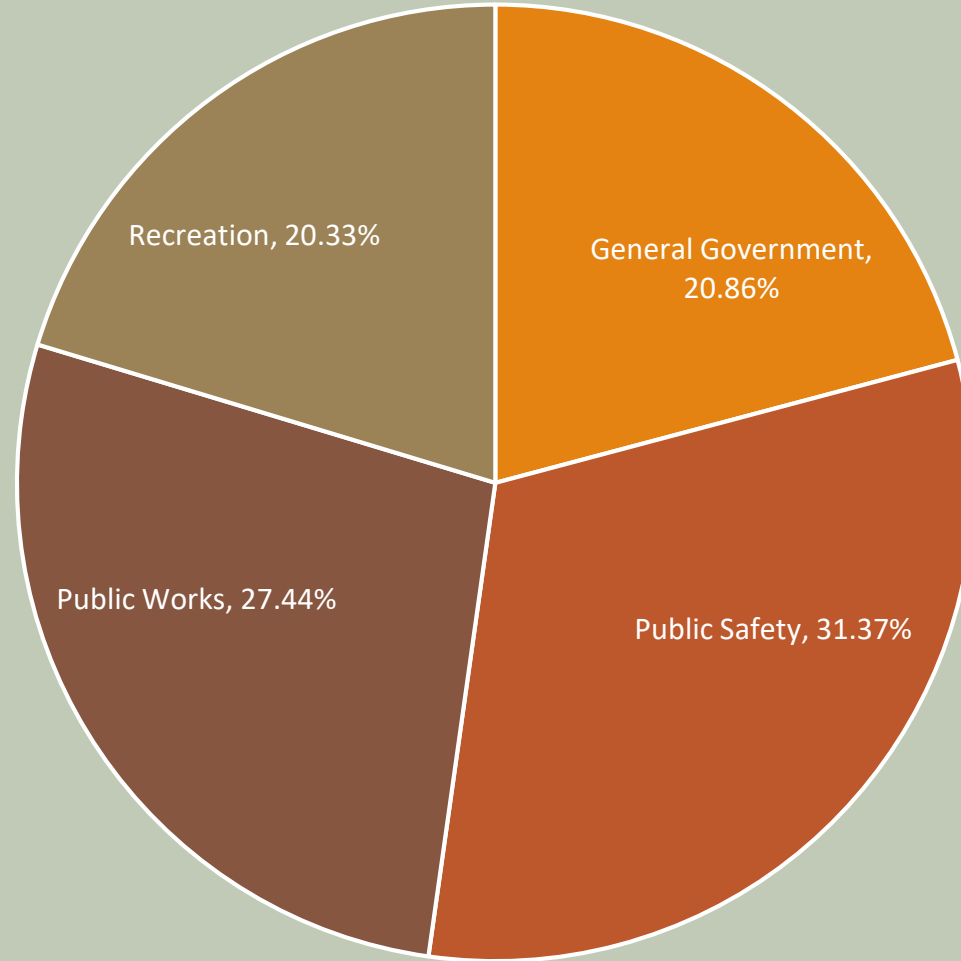
Capital Equipment, 0.05

Street Improvement, 0.04

EDA, 0.02

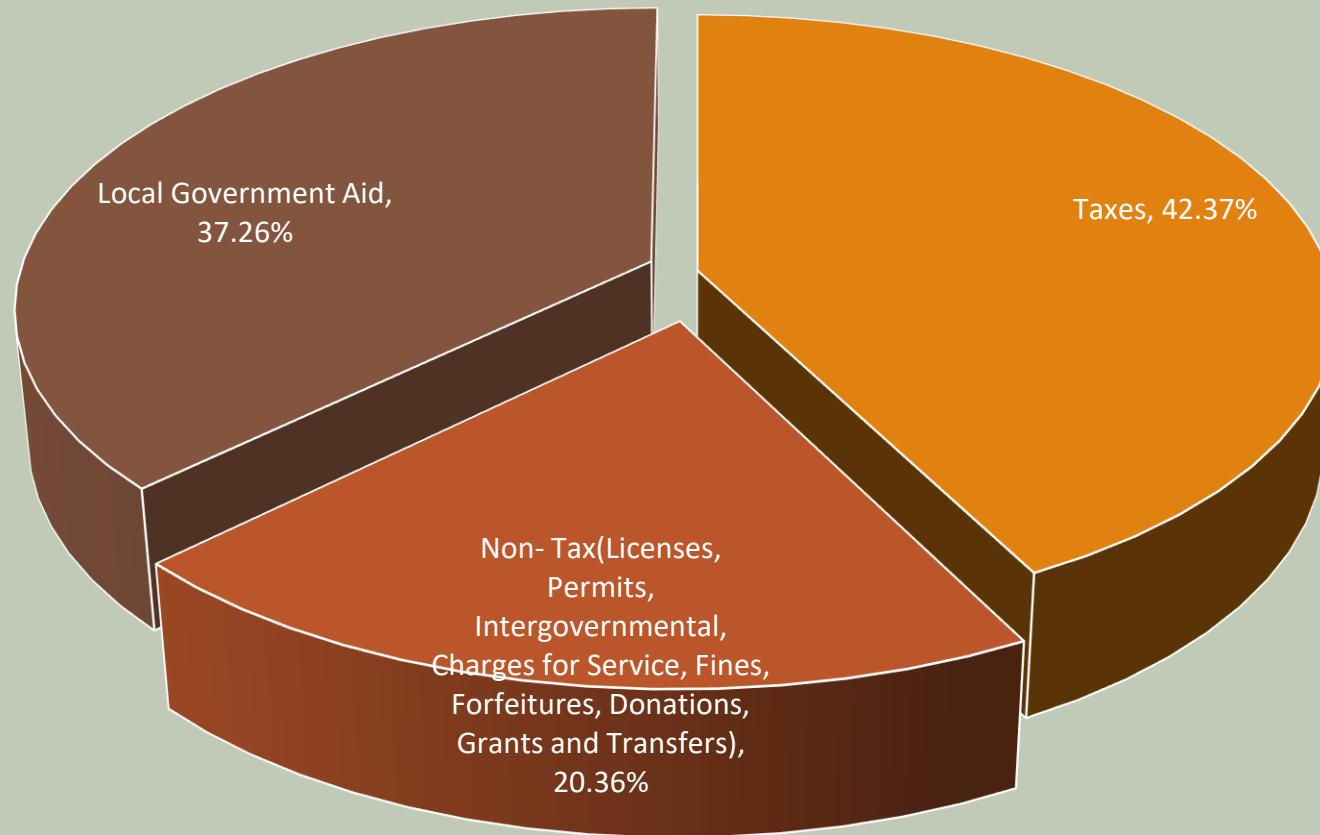
Debt Service, 0.21

## 2020 General Fund Property Tax Allocation



# 2020 General Fund Revenues

12,722,279



# Budget/Levy Impacts

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# 2020 Tax Levy Impacts

## Revenue

- Local Government Aid Increase

- PERA Credit

- Overall \$100,000 new revenue equates to 1.4% reduction in levy

## Personnel

- 3.25% COLA

- Health Insurance

## Capital Improvement Plan/Bonding

- Overall Decrease from 2019 to 2020

- Future Debt Reduction-Street Overlays-equates to 3.68% increase in levy

- City Hall Revenue from 2019 and Future Existing Revenue

- Body Cameras

## Other

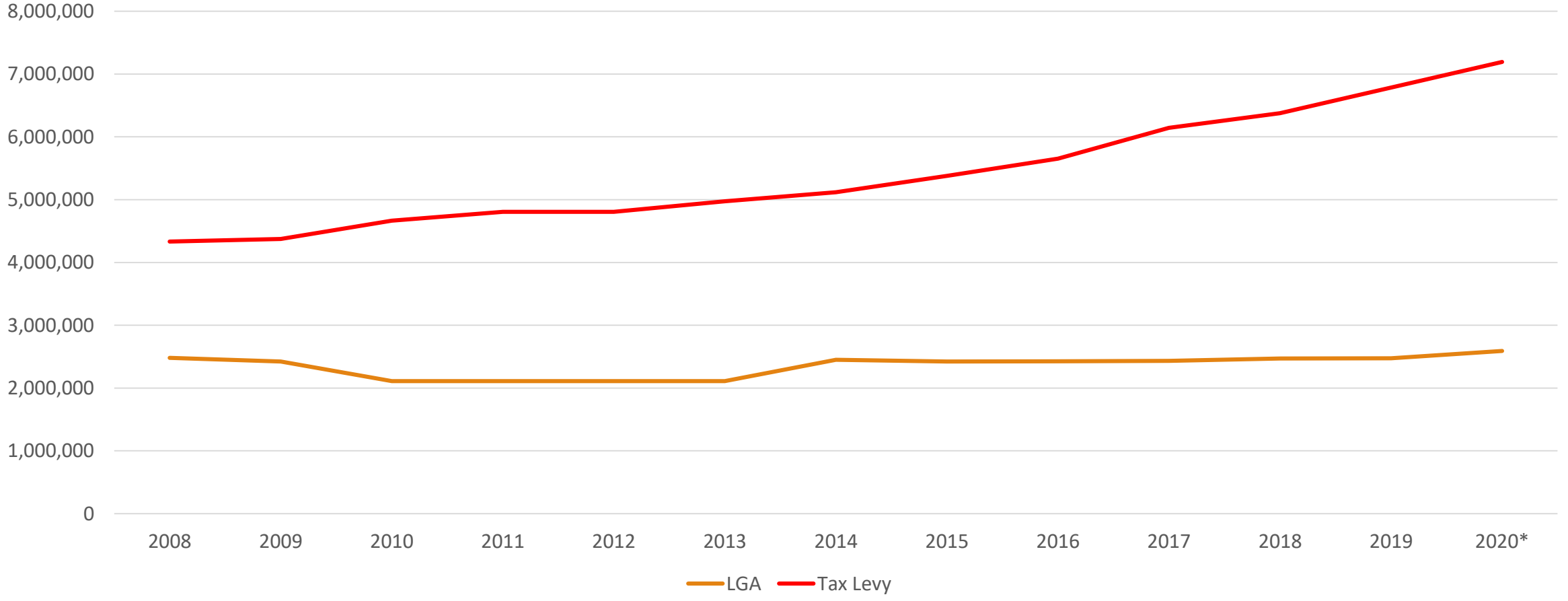
- Increase in Library Funding

- Increase in Streets-Equipment Rental, Snow Hauling

- Compensation Study



City of Marshall  
Local Gov. Aid vs. Tax Levy  
2008-2020



\*Proposed Tax Levy

# 2020 Preliminary Levies- Comparable Cities

Preliminary City Levy Changes for CY 2020					
November 14, 2019					
CITY NAME	COUNTY	Pay 2019 Final Levy	Pay 2020 Preliminary Levy	\$ Change Levy	% Change Levy
TOTALS		45,268,219	47,985,800	2,717,581	6.0%
BEMIDJI	BELTRAMI COUNTY	5,867,794	6,120,321	252,527	4.3%
BRAINERD	CROW WING COUNTY	5,895,572	6,131,395	235,823	4.0%
CLOQUET	CARLTON COUNTY	2,991,500	3,043,000	51,500	1.7%
HUTCHINSON	MCLEOD COUNTY	7,310,005	7,537,908	227,903	3.1%
MARSHALL	LYON COUNTY	6,785,471	7,056,113	270,642	4.0%
SAUK RAPIDS	BENTON COUNTY	3,980,600	3,990,600	10,000	0.3%
ST PETER	NICOLLET COUNTY	2,988,590	3,246,615	258,025	8.6%
WILLMAR	KANDIYOHI COUNTY	5,250,000	5,924,657	674,657	12.9%
WORTHINGTON	NOBLES COUNTY	4,198,687	4,935,191	736,504	17.5%

# Recommended 2020 Preliminary Levy and General Fund Budget

	2019 Levy	2020 Proposed Levy	% of Levy Increase	
General	4,541,788	4,778,647	3.49%	
Capital	400,000	400,000	0.0%	
Street	0	250,000	3.68%	
EDA	125,000	135,000	0.15%	
Debt	1,718,683	1,492,466	(3.33%)	
<b>Tax Levy</b>	<b>6,785,471</b>	<b>7,056,113</b>	<b>3.99%</b>	
		How does this impact Property Taxes? <i>*City Portion Only (IF NO VALUE CHANGE)</i>		
		<b>Homestead Residential Property</b>		
Levy Increase	3.99%	100,000	150,000	300,000
Capacity Growth Rate	1.03%	\$9	\$15	\$35
Levy Increase & Capacity Growth Rate Difference	2.96%	<b>Commercial Property</b>		
		150,000	250,000	500,000
		\$27	\$51	\$111
				1,000,000
				\$232

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# Adoption of 2020 Levy and Budget

Tuesday December 17, 2019

5:30 PM

Middle School Board Room



# Questions?

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