City of Spring Lake Park Truth in Taxation Hearing

2026 Budget & Tax Levy

December 1, 2025

Purpose of TNT Hearing

- Required under M.S. § 275.065.
- Provide information on 2026 proposed budget and tax levy.
- Provide opportunity for residents to share feedback on the proposed budget and tax levy.
- This is <u>not</u> the time to discuss your estimated market value. That occurs during the Open Book Assessment process in April.

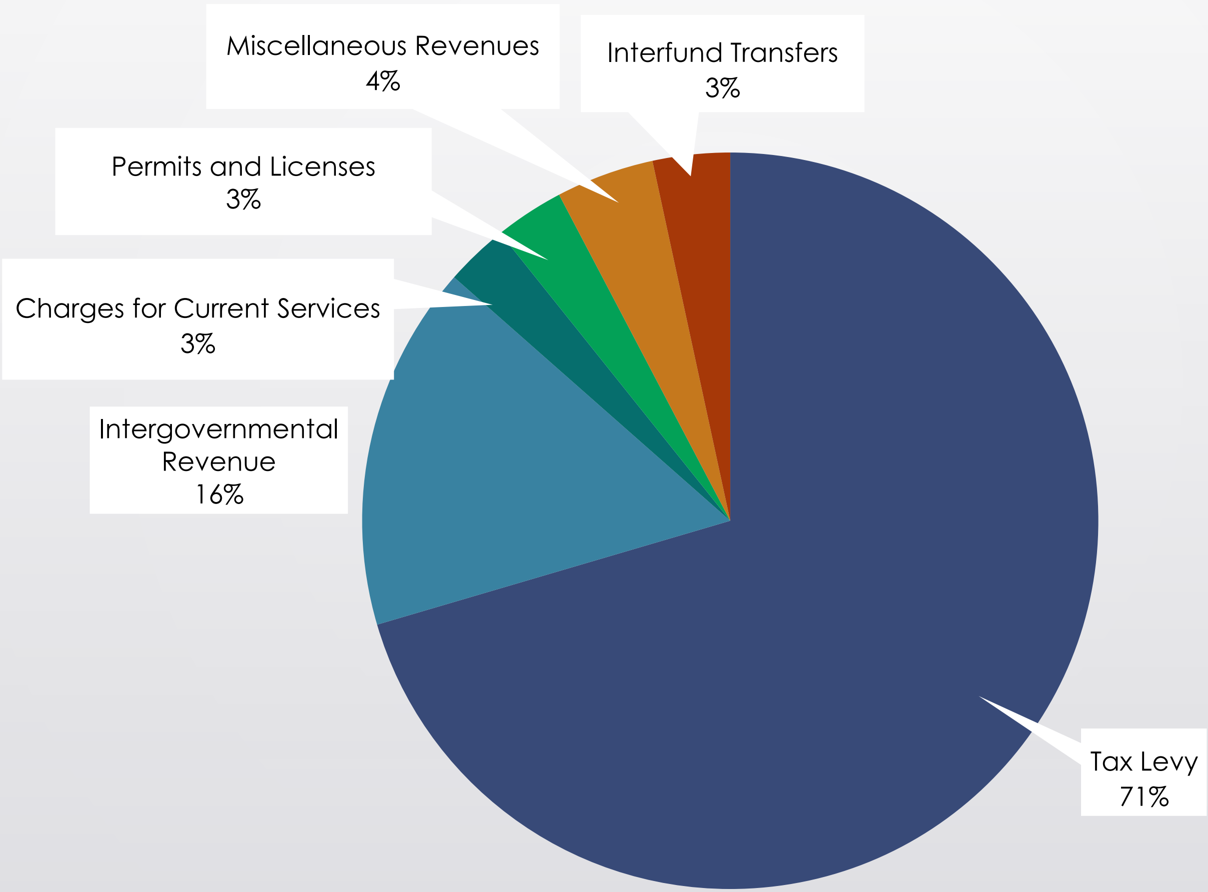
2026 Budget Process

• June 2025	Department Heads Draft Departmental Budgets
• July 2025	Department Heads Present Budgets to Administrator
• August 18, 2025	Administrator Presents Proposed Budget to City Council
• September 1, 2025	Council Approves Preliminary Budget/Tax Levy
• December 1, 2025	TNT Hearing
• December 15, 2025	Council Approves Final Budget/Tax Levy

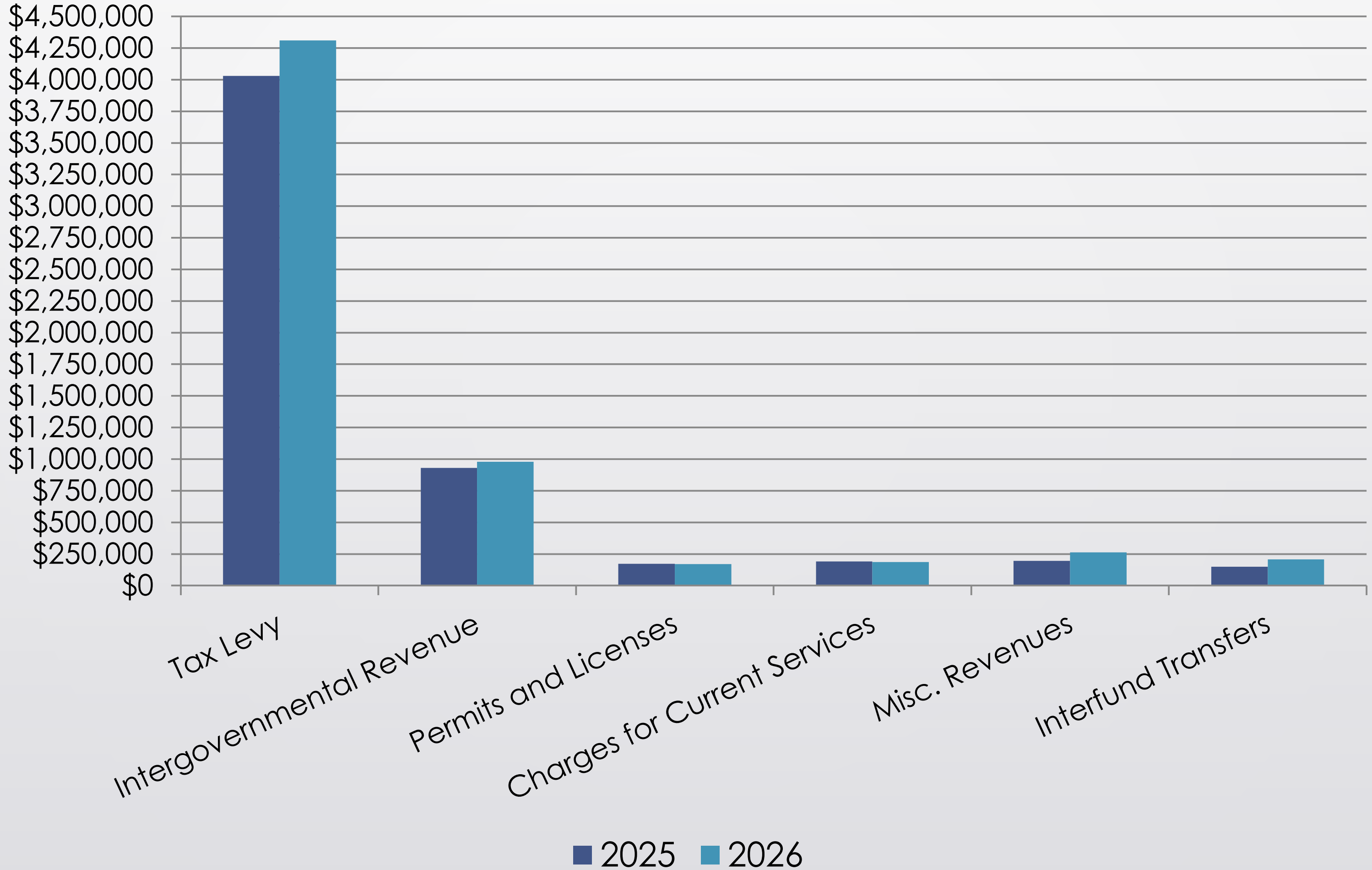
Why Does My Property Tax Bill Vary From Year to Year

- Market-Driven
  - Valuation Changes
  - Property Tax Classification Changes
- Government-Driven
  - Budgets and Tax Levies of Various Jurisdictions
  - Changes in Federal/State Mandates
  - Voter Approved Referendums
  - Special Assessments
- External Factors
  - Changes in aid/revenue from State and Federal Governments
  - State Legislative Changes

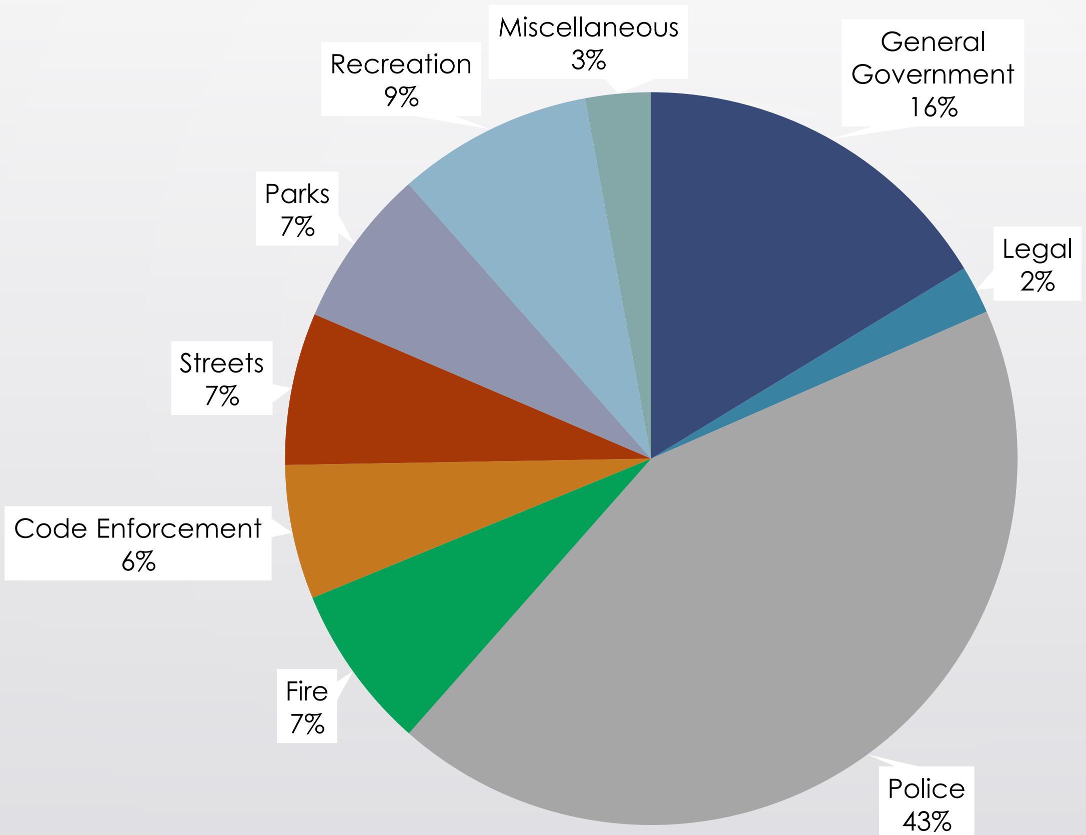
2026 General Fund Revenues



Revenue Comparison

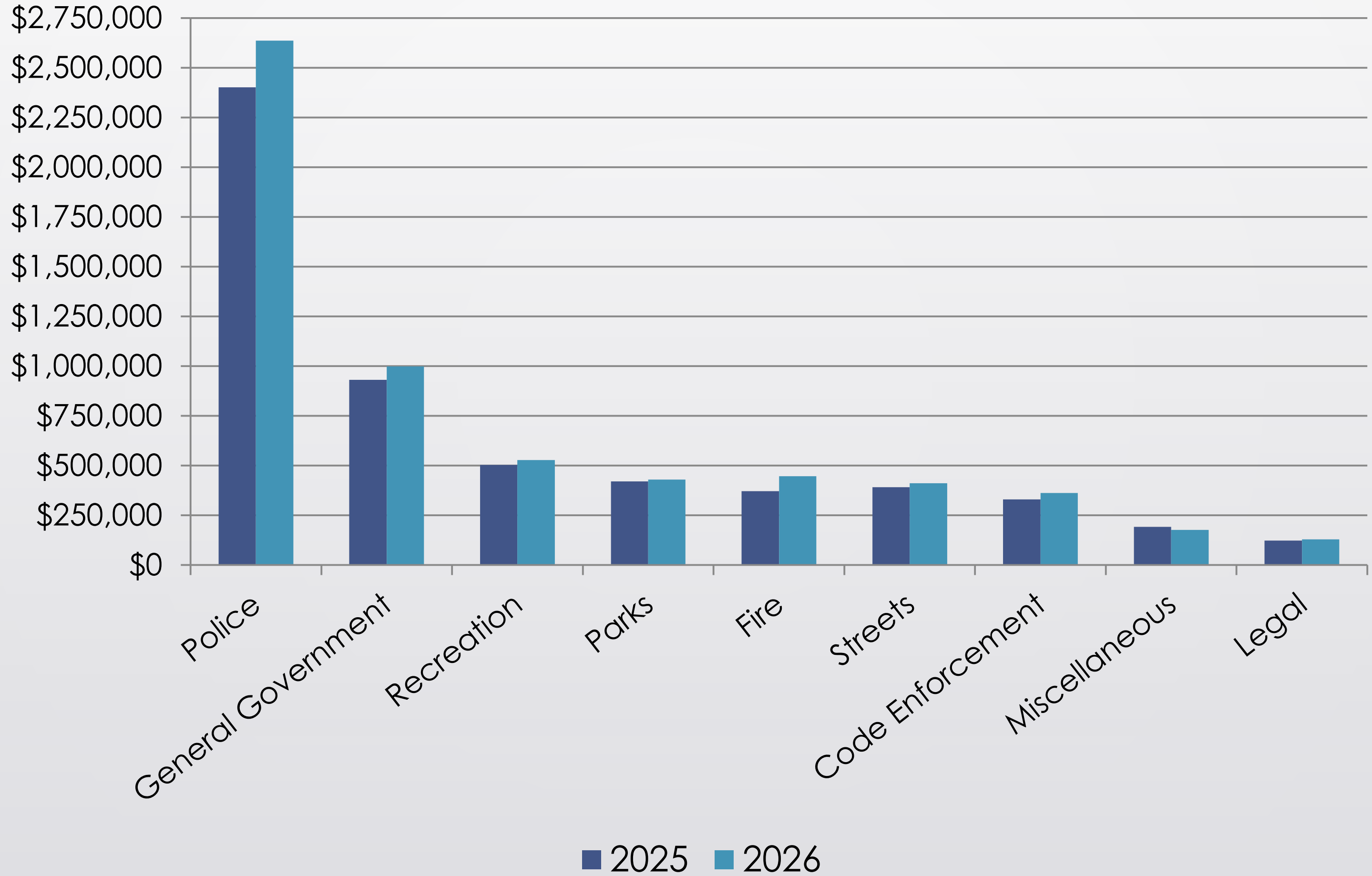


2026 General Fund Expenditures



Notes: General Government includes City Council, Administration, Assessor, Audit, I.T., Engineering, Planning and Zoning and Government Buildings.

Expenditure Comparison



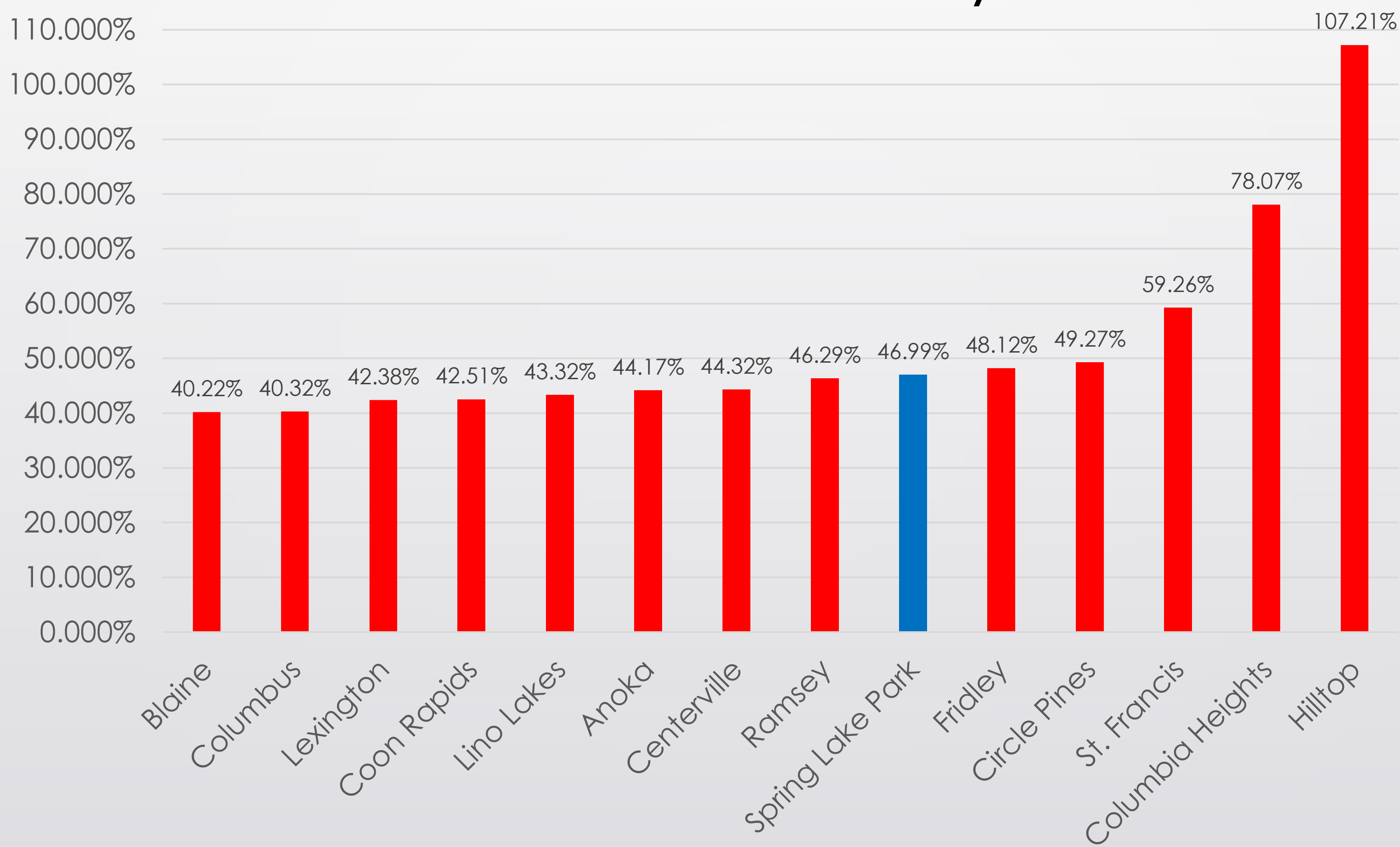
2026 Budget Highlights

- Proposed 2026 Levy is $4,982,100, an increase of 5.55%.
  - General Government levy increase is 6.98%, from $4,029,435 to $4,310,534
  - Capital Improvement Fund levy to increase by 5.00% from $194,591 to $204,320.
  - Street Improvement Levies remain stable at $52,499.
  - Debt Service levy decreases from $444,747 to $414,747, due to excess City Hall Renovation/Expansion project funds being transferred into the Debt Service Fund.
- Proposed 2026 Budget is <u>balanced.</u>
- City's tax rate will increase slightly from 46.324% in 2025 to 46.994% in 2026.

2026 Budget Highlights

- City is self-financing capital equipment needs, allowing money previously allocated for bond issuance costs and interest payments to fund equipment needs instead.
- Budget proposes adding a 13^{th} licensed peace officer to the Police Department; authorizes creation of new Administrative Captain position
- Budget addresses inflationary increases such as salaries, benefits, fuel, increases in temporary salary ranges, printing and publication costs, and workers compensation insurance.

Proposed 2026 Tax Rates for Select Anoka County Cities



Spring Lake Park Historical Tax Rate

Revenue Detail

Revenue by Source	2025 Budget	2026 Budget	% Chg.
Property Taxes	$ 4,029,435.00	$ 4,310,534.00	6.98%
Intergovernmental Revenue (LGA, Court Fines, etc)	$ 929,679.00	$ 982,077.00	5.63%
Permits and Licenses (Liquor, Sign, Bldg, Rental, etc)	$ 173,029.00	$ 168,950.00	(2.35%)
Charges for Current Services (Zoning Fees, Gambling Tax, Alarm Calls, Rental Housing)	$ 192,087.00	$ 186,275.00	(3.03%)
Miscellaneous Revenues (Ins. Dividends, Admin Fines, Service Contracts)	$ 196,031.00	$ 263,490.00	34.41%
Interfund Transfers (Public Utilities, Recycling)	$ 148,497.00	$ 207,446.00	39.70%
TOTAL	**$ 5,668,758.00**	**$6,118,772.00**	**7.94%**

Expenditure Detail

Expenditure by Department	2025 Budget	2026 Budget	% Chg.
General Government	$ 934,645.00	$ 998,243.00	6.80%
Police Department	$ 2,402,043.00	$ 2,634,126.00	9.66%
Fire Protection	$ 372,235.00	$ 446,012.00	19.82%
Code Enforcement	$ 329,880.00	$ 363,085.00	10.07%
Streets	$ 391,136.00	$ 411,377.00	5.17%
Recreation	$ 502,777.00	$ 528,161.00	5.05%
Parks	$ 420,842.00	$ 430,589.00	2.32%
Legal	$ 122,500.00	$ 130,000.00	6.12%
Miscellaneous	$ 192,700.00	$ 177,179.00	(8.05%)
TOTAL	**$ 5,668,758.00**	**$ 6,118,772.00**	**7.94%**

2026 Property Tax Levy

Revenue by Category	2025 Levy	2026 Levy	% Chg.
General Operations (General Revenue, CIP Levy, Street Levies)	$4,276,525.00	$4,567,353.00	6.80%
Debt Service (2024A GO Improvement Bond)	$ 444,747.00	$ 414,747.00	(6.75%)
TOTAL	**$4,721,272.00**	**$4,982,100.00**	**5.52%**

Thank You for Attending!

Spring Lake Park

History. Community. Home.