



TRUTH IN TAXATION

PUBLIC HEARING

DECEMBER 7, 2022

6:00 p.m.

AGENDA

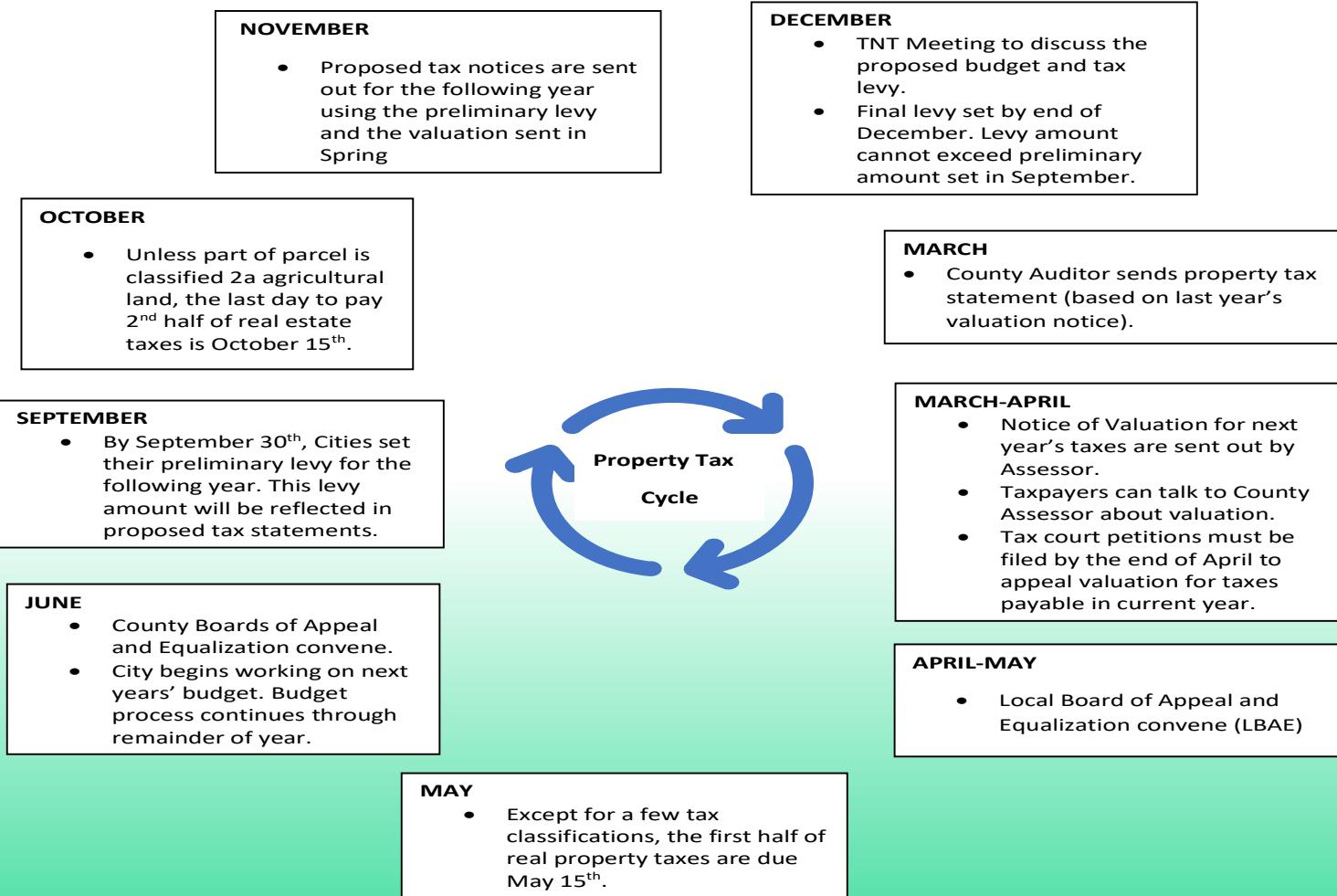
- PURPOSE OF THE TRUTH IN TAXATION PUBLIC HEARING
- PROPERTY TAXATION 101
- HOW DO WE COMPARE?
- WHERE DOES MY TAX DOLLAR GO?
- GENERAL FUND BUDGET/LEVY
- OTHER GOVERNMENTAL FUND BUDGETS/LEVIES
- ENTERPRISE FUND BUDGETS
- PROPERTY TAX RELIEF
- QUESTIONS/COMMENTS

PURPOSE OF THE TRUTH IN TAXATION HEARING

ENACTED IN 1988 TO:

- ENHANCE PARTICIPATION IN MINNESOTA'S PROPERTY TAX SYSTEM
- EDUCATE PUBLIC ON HOW PROPERTY TAXES ARE DETERMINED
- ENCOURAGE PUBLIC TO UNDERSTAND THE LOCAL GOVERNMENT'S BUDGET PROCESS
- ENCOURAGE PUBLIC TO BECOME INVOLVED IN HELPING LOCAL OFFICIALS SET SPENDING PRIORITIES

PROPERTY TAX 101- PROPERTY TAX CYCLE



VALUES AND CLASSIFICATION



VALUATION NOTICES SENT IN MARCH/APRIL – INCLUDES THE EMV TO BE ASSESSED TO THE NEXT TAX YEAR.



HOMESTEAD EXCLUSION – MAXIMUM EXCLUSION IS FOR A HOME WITH A VALUE OF \$76,000 (EXCLUSION IS \$30,400 OF VALUE). AS VALUE INCREASES, EXCLUSION BEGINS TO PHASE OUT. THERE IS NO EXCLUSION AT A MARKET VALUE OF \$413,800 OR HIGHER.



PROPERTY CLASSIFICATION – DETERMINES YOUR TAX RATE. RESIDENTIAL HOMESTEAD'S TAX RATE IS 1 PERCENT FOR THE FIRST \$500,000 IN VALUE AND 1.25 PERCENT FOR ANY VALUE OVER \$500,000.



TAXABLE MARKET VALUE X CLASS RATE = TAX CAPACITY. THE LEVY AND TOTAL TAX CAPACITY (FOR ALL PROPERTIES) ARE USED TO CALCULATE THE LOCAL TAX RATE - LOCAL TAX LEVY/TOTAL TAX CAPACITY = LOCAL TAX RATE

PROPOSED TAX STATEMENT

- SENT IN NOVEMBER (EXCLUDES SPECIAL ASSESSMENTS). THE STATEMENT SHOWS THE HOMEOWNER WHAT THE TAX BILL WOULD BE FOR THE FOLLOWING YEAR USING EACH TAXING JURISDICTIONS' PRELIMINARY BUDGETS.

ST LOUIS COUNTY
AUDITOR-TREASURER
NANCY NILGREN
100 N 5TH AVE W ROOM 214
DULUTH MN 55802
www.stlouiscountymn.gov

Print Date: 11/29/2022

Property Information

Parcel ID / #:

Property Description:

.00

Property

Proposed Property Taxes and Meetings by Jurisdiction for Your Property			
Contact Information	Meeting Information	Actual 2022	Proposed 2023
State General Tax	No public meeting	.00	.00
ST LOUIS COUNTY St. Louis County Admin 100 N 5th Ave W, Room 202 Duluth, MN 55802 (218)722-5383, EXT. 2 www.stlouiscountymn.gov	11/21/2022 7:00 PM City of Virginia Courthouse 11/28/2022 7:00 PM St. Louis County Courthouse - Duluth	392.80	458.75
CITY OF HIBBING City of Hibbing - Clerk 401 E 21st ST Hibbing, MN 55746 (218)283-4000 www.ci.hibbing.mn.us	12/07/2022 6:00 PM Hibbing City Hall 401 E 21st ST Hibbing, MN 55746	418.77	858.47
SCHOOL DISTRICT: 794 Voted Approved Levies - School Other Levies - School	.00 200.46	.00 200.46	.00 200.46
HSD 201 - Superintendent 800 E 21st ST Hibbing, MN 55746 (218)283-4044 www.hibbag.k12.mn.us	12/07/2022 6:00 PM Board Room 800 E 21st ST Hibbing, MN 55746	.97	11.38
Tax Increment Tax Fiscal Disparity Tax - see www.house.leg.state.mn.us/legispubs/finida.pdf for information on fiscal disparity tax			
Total excluding any special assessments			1,230.00 1,556.00
MT2022LTR			

PROPOSED TAXES 2023				
THIS IS NOT A BILL. DO NOT PAY.				
Step	VALUES AND CLASSIFICATION			
	Taxes Payable Year	2022 2023		
1	Estimated Market Value	111,500 128,500		
	Homestead Exclusion	27,205 25,675		
	Other Exclusions	0 0		
	Taxable Market Value	84,295 102,825		
	Class:	RES RMSTD RES RMSTD		
Step	PROPOSED TAX			
2	Property Taxes before credits	1,871.10		
	School building bond credit	.00		
	Agriculture market value credit	.00		
	Other credits	315.10		
	Property Taxes after credits	1,556.00		
Step	PROPERTY TAX STATEMENT			
3	Coming in March 2023			
The time to provide feedback on PROPOSED LEVIES is NOW				
It is too late to appeal your value without going to Tax Court.				

VALUATION NOTICE SENT MARCH/APRIL THIS IS WHEN YOU CAN APPEAL OR QUESTION CLASSIFICATION OR VALUATION

VALUATION NOTICE		2023
2022 Values for Taxes Payable in		
Property tax notices are delivered on the following schedule:		
Valuation and Classification Notice		
Step 1	Proposed Taxes Notice	
Step 2	2023 Proposed Tax	Coming November 2022
Step 3	Property Tax Statement	Coming March 2023
1st Half Taxes 2nd Half Taxes Total Taxes Due in 2023		
The time to appeal or question your CLASSIFICATION or VALUATION is NOW! It will be too late when you send taxes next.		
Your Property's Classification(s) and Values		
Taxes Payable in 2022	Taxes Payable in 2023	
<i>The assessor has determined your property's classification(s) to be:</i>		
<input type="checkbox"/> If this box is checked, your classification has changed from last year's assessment.		
<i>The assessor has estimated your property's market value to be:</i>		
Estimated Market Value (EMV)		
<i>Several factors can reduce the amount that is subject to tax:</i>		
Green Acres Value Deferral Rural Preserve Value Deferral Open Space Deferral Platted Vacant Land Deferral Exclusion for Veterans With Disabilities Mold Damage Exclusion Homestead Market Value Exclusion		
Taxable Market Value (TMV)		
<i>The following values (if any) are reflected in your estimated and taxable market values:</i>		
New Improvement Value		
<i>The classification(s) of your property affect the rate at which your value is taxed.</i>		
The following meetings are available to discuss or appeal your value and classification:		
Local Board of Appeal and Equalization/Open Book		County Board of Appeal and Equalization Meeting

PROPERTY TAX STATEMENT - MARCH

- TAX STATEMENT FOR THE CURRENT YEAR TAXES PAYABLE USING THE PRIOR YEARS' ASSESSED VALUE. STATEMENT IS SENT IN MARCH AND TAXES ARE DUE MAY 15TH AND OCTOBER 15TH
- STATEMENT INCLUDES TAXES FOR COUNTY, SCHOOL DISTRICT, CITY/TOWN, SPECIAL TAXING DISTRICT, POSSIBLY VOTER APPROVED LEVIES, AND POSSIBLY SPECIAL ASSESSMENTS ALL COMPILED INTO ONE TOTAL TAX STATEMENT

ST LOUIS COUNTY	
NAME:	JOHN W. COOPER JR. & MARY E. COOPER
ADDRESS:	1000 1/2 100TH AVENUE
CITY:	ST. LOUIS
STATE:	MISSOURI
ZIP:	63114-2175
PHONE:	314-962-4275
EMAIL:	WWW.STLOUISCOUNTY.COM
Debtors/Debtors:	
Debtors:	JOHN W. COOPER JR.
Taxpayer/Debtors:	JOHN W. COOPER JR.
Property Description:	
1 - 1000 1/2 100TH AVENUE	

REFUND/TAXES PAID/YEAR		Add the back of this statement to the amount on	
		2021	2022
1. Do you expect to form a LLC to do business? If yes, attach a copy of your LLC Agreement.		1,224.00	1,224.00
2. Do you expect to form a Corporation? If yes, attach a copy of your Corporation Agreement.		1,597.10	1,515.10
3. Do you expect to form a Partnership? If yes, attach a copy of your Partnership Agreement.		977.10	135.40
4. Do you expect to form a Sole Proprietorship? If yes, attach a copy of your Sole Proprietorship Agreement.		1,222.40	1,190.40
5. Do you expect to form a Non-Profit Organization? If yes, attach a copy of your Non-Profit Organization Agreement.		311.00	539.30
6. Do you expect to form a Real Estate Entity? If yes, attach a copy of your Real Estate Entity Agreement.		671.40	625.70
7. Do you expect to form a LLC to do business? If yes, attach a copy of your LLC Agreement.		2,534.40	1,060.40
8. Do you expect to form a Corporation? If yes, attach a copy of your Corporation Agreement.		2,534.40	2,534.40
9. Do you expect to form a Partnership? If yes, attach a copy of your Partnership Agreement.		1,372.40	1,250.30
10. Do you expect to form a Sole Proprietorship? If yes, attach a copy of your Sole Proprietorship Agreement.		1,222.40	1,222.40
11. Do you expect to form a Non-Profit Organization? If yes, attach a copy of your Non-Profit Organization Agreement.			

2. NO LATE PAYMENT STP
Pay on or before October 17 to avoid penalty
Real Estate ST LOUIS COUNTY
Payable in 2022

200 ESTATE	John Doe	John Doe
1st Tax For Year	1,000.00	John Doe
2nd Half Principal Due	.00	John Doe
3rd Half Principal Due	.00	John Doe
Total Paid Principal	1,000.00	John Doe

DETACH THIS STUB AND INCLUDE WITH SECOND HALF PAYMENT (THE COUNTY DOES NOT MAIL SECOND HALF STATEMENTS!)

1 PAYMENT DUE DATE Pay on or before May 16 to avoid penalty
Real Estate ST LOUIS COUNTY Payable in 2022
* 100% payment due at end of this period. Due 5/16

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RECEIVED IN THE ST. LOUIS COUNTY AUDITOR
MAIL TO ST. LOUIS COUNTY AUDITOR

FISCAL DISPARITIES 101

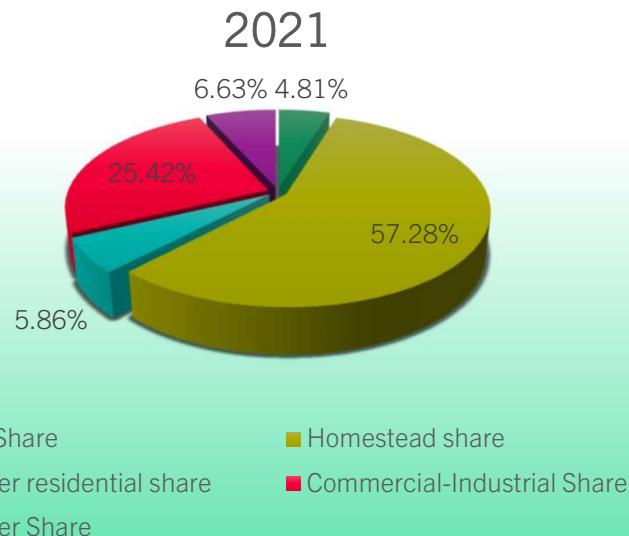
- LOCAL GOVERNMENT UNITS CONTRIBUTE A PORTION OF THE GROWTH IN THEIR COMMERCIAL, INDUSTRIAL, AND PUBLIC UTILITY PROPERTY TO A TAX BASE SHARING POOL. EACH COMMUNITY RECEIVES A DISTRIBUTION OF PROPERTY VALUE FROM THE POOL BASED ON THE MARKET VALUE AND POPULATION OF EACH CITY.
- THE CONTRIBUTION TO THE POOL IS 40% OF THE GROWTH IN COMMERCIAL, INDUSTRIAL, AND PUBLIC UTILITY VALUE SINCE THE BASE YEAR (1995 FOR TAConite AREA).
- FOR 2023, HIBBING'S DISTRIBUTION IS DECREASING BY \$332,120. THERE WAS A LARGE INCREASE FOR 2022 (\$320,401.80) FOLLOWED BY A LARGE DECREASE FOR 2023. THE COMMERCIAL CLASSIFICATION OF SHORT-TERM RENTAL PROPERTIES OVER THE PAST FEW YEARS MAY BE PLAYING A ROLE IN THE DROP OF THE FISCAL DISPARITIES DISTRIBUTIONS

FISCAL DISPARITIES DISTRIBUTIONS 2021-2023

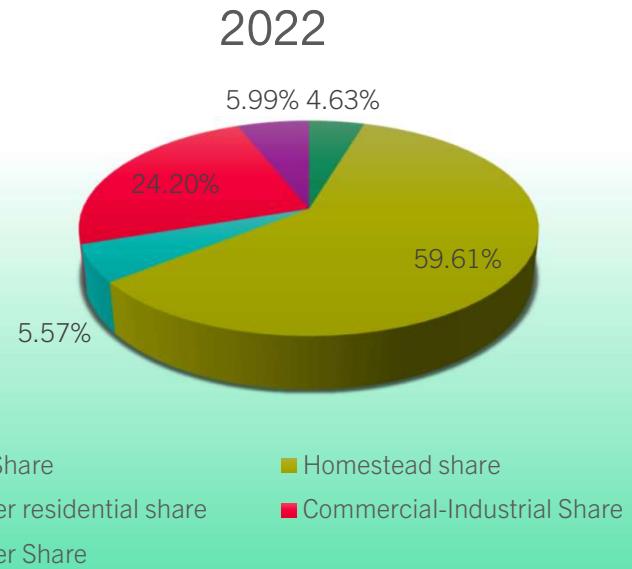
CVT	Taxing Authority	2020 FD Distribution	2021 FD Distribution	2022 FD Distribution	Change for 2022	2023 FD Distribution	Change for 2023
69	ST LOUIS COUNTY	\$4,556,237.10	\$4,337,781.76	\$4,985,220.82	\$647,439.06	\$3,995,309.39	-\$989,911.43
15	CITY OF BIWABIK	\$79,911.67	\$78,507.15	\$96,112.14	\$17,604.99	\$81,032.42	-\$15,079.71
20	CITY OF CHISHOLM	\$997,695.68	\$927,695.56	\$1,100,474.72	\$172,779.16	\$780,964.25	-\$319,510.41
30	CITY OF ELY	\$370,748.36	\$343,721.62	\$453,339.56	\$109,617.94	\$268,266.38	-\$185,073.18
40	CITY OF EVELETH	\$678,542.17	\$696,717.43	\$860,325.44	\$163,608.01	\$698,959.47	-\$161,365.91
60	CITY OF GILBERT	\$315,826.52	\$294,001.66	\$376,500.09	\$82,498.43	\$232,786.15	-\$143,713.94
80	CITY OF TOWER	\$49,130.67	\$46,015.58	\$56,695.83	\$10,680.25	\$37,684.68	-\$19,011.19
90	CITY OF VIRGINIA	\$1,406,870.32	\$1,232,592.08	\$1,653,032.39	\$420,440.31	\$1,253,727.69	-\$399,304.70
100	CITY OF AURORA	\$461,476.90	\$407,623.58	\$621,676.22	\$214,052.64	\$393,768.52	-\$227,907.70
105	CITY OF BABBITT	\$182,869.94	\$154,276.83	\$191,733.54	\$37,456.71	\$142,278.55	-\$49,454.99
110	CITY OF BROOKSTON	\$7,399.54	\$7,618.11	\$8,335.31	\$717.20	\$7,197.90	-\$1,137.41
115	CITY OF BUHL	\$128,925.76	\$150,520.26	\$182,971.05	\$32,450.79	\$112,600.30	-\$70,370.71
120	CITY OF COOK	\$90,263.68	\$88,016.39	\$94,780.14	\$6,763.75	\$61,424.53	-\$33,355.61
140	CITY OF HIBBING	\$1,581,583.76	\$1,515,660.21	\$1,836,062.01	\$320,401.80	\$1,503,941.66	-\$322,120.35
142	CITY OF HOMER LAKE						

HIBBING'S NET TAX CAPACITY

PAYABLE 2021 (NTC - \$7,882,926)



PAYABLE 2022 (NTC - \$8,217,957)



HOW DO WE COMPARE IN TAX BASE COMPOSITION?

	Ag Share	Homestead share	Other residential share	Commercial-Industrial Share	Other Share	Total Net Tax Capacity
Bemidji	0.12%	39.23%	15.59%	42.08%	2.98%	\$ 13,619,026.00
Chisholm	0.22%	75.99%	7.47%	15.97%	0.35%	\$ 1,328,598.00
Duluth	0.01%	52.48%	13.94%	29.89%	3.67%	\$ 90,210,678.00
Grand Rapids	0.87%	49.19%	8.14%	39.36%	2.44%	\$ 10,012,059.00
Hibbing	4.63%	59.61%	5.57%	24.20%	5.99%	\$ 8,217,957.00
Mountain Iron	4.57%	41.42%	5.35%	35.63%	13.03%	\$ 2,879,327.00
Virginia	0.47%	47.80%	10.64%	39.41%	1.67%	\$ 3,901,921.00
Reference						
League of MN Cities						
2022 Tax Base Composition (lmc.org)						

HOW DO WE COMPARE IN CITY TAX RATES? TAX RATE = LEVY / TOTAL TAX CAPACITY

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Bemidji	49.19%	50.14%	50.78%
Chisholm	96.40%	92.90%	90.62%
Duluth	41.70%	43.00%	42.09%
Grand Rapids	84.22%	84.50%	82.36%
Hibbing	93.92%	91.19%	88.98%
Mountain Iron	50.95%	50.87%	50.56%
Virginia	136.00%	121.79%	119.03%

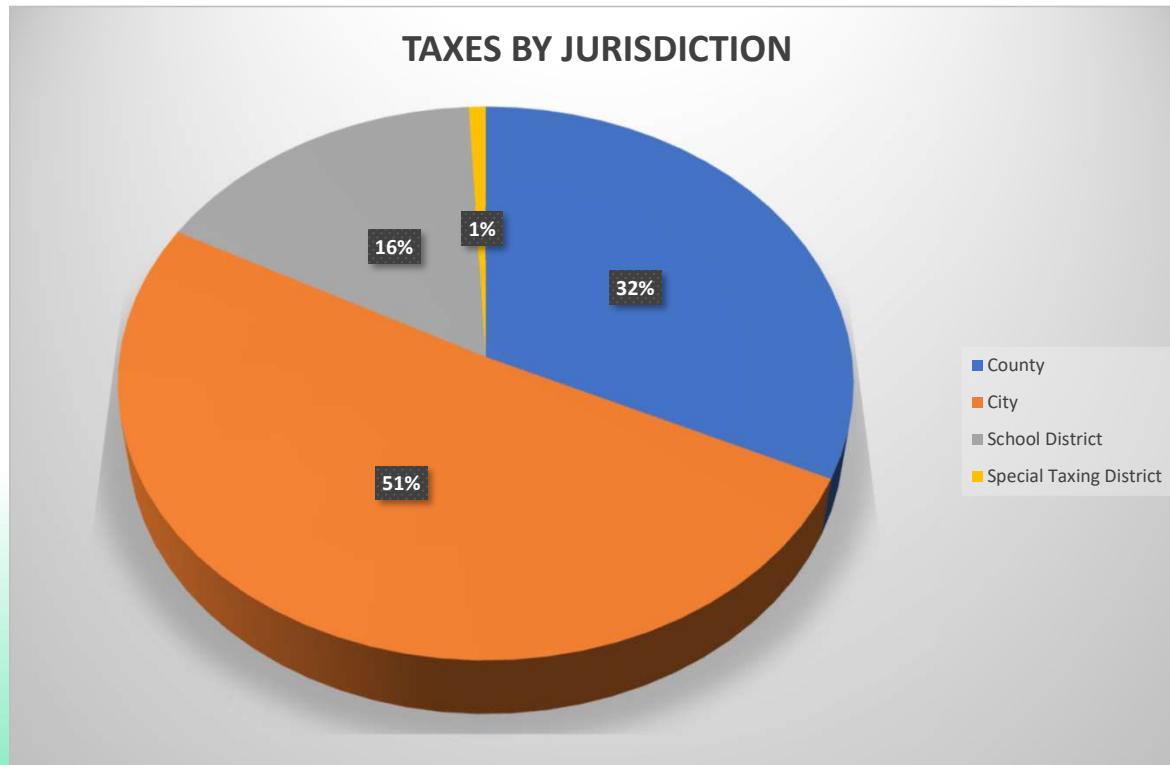
Reference
Property Tax Reports - League of
Minnesota Cities (lmc.org)



WHERE DOES MY TAX DOLLAR GO??

2023 PROPOSED BUDGET

TAXES BY JURISDICTION



CITY OF HIBBING LEVY HISTORY

\$12,000,000.00

\$10,000,000.00

\$8,000,000.00

\$6,000,000.00

\$4,000,000.00

\$2,000,000.00

\$-

2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 proposed 2023

General Fund Levy Capital Levy PI Levy HEDA Library Debt Service OPEB Tax Abatement

GENERAL FUND

- THE GENERAL FUND IS THE LARGEST OPERATING FUND OF THE CITY.
- WHEN LOCAL GOVERNMENT AID, TACONITE MUNICIPAL AID, CHARGES FOR SERVICES, AND OTHER MISCELLANOUS REVENUES AREN'T ENOUGH TO COVER ANTICIPATED OPERATING EXPENDITURES, THE CITY CERTIFIES A LEVY TO COVER THE DIFFERENCE AND BALANCE THE BUDGET.
- THE PROPOSED GENERAL FUND LEVY FOR 2023 IS **\$6,543,296** AN INCREASE OF **1.8%** FROM 2022'S GENERAL FUND LEVY OF **\$6,427,759**

REASONS FOR THE INCREASE?

REVENUES

- LARGEST REVENUE ASIDE FROM THE LEVY IS LOCAL GOVERNMENT AID (LGA) - \$8,360,051
- LGA HAS NOT INCREASED AT THE SAME RATE AS INFLATION. THEREFORE, THE LEVY MUST MAKE UP THE DIFFERENCE.
- BUILDING PERMIT FEES, USER GROUP FEES, GOLF COURSE FEES, CEMETERY FEES, AND AMBULANCE FEES WERE INCREASED WHICH RAISED THE 2023 BUDGETED REVENUES
- TACONITE AID & PRODUCTION TAXES HAVE BEEN STABLE

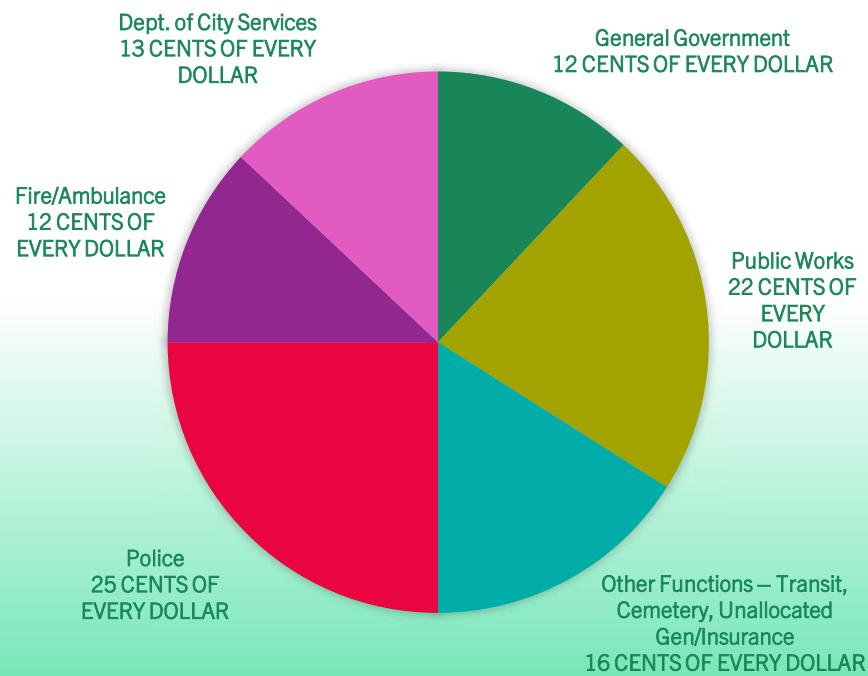
EXPENDITURES

- 4 COLLECTIVE BARGAINING AGREEMENTS WERE UP FOR NEGOTIATION AT THE END OF 2022.
- CITY HAS BEEN WORKING ON MOVING TO A COMPARABLE WORTH PAY STRUCTURE
- UNIONS THAT HAVE SETTLED – 2.75% PAY INCREASE FOR 2023 + STEPPED PAY STRUCTURE
- INSURANCE INCREASED 9.5% FOR ACTIVE EMPLOYEES
- INFLATION HAS IMPACTED OUR BUDGETS – CPI OVER THE YEAR ENDED OCTOBER 2022 IS UP 7.7%
- UTILITY RATES HAVE INCREASED 5%

LEVY COVERAGE

Truth in Taxation - Based upon 2023 Proposed Budget					
	Total Expenditures	Direct Revenue Offset	Net	% Reduction	Levy Coverage
General Government	2,265,427	202,171	2,063,256	1,268,389	794,867
Public Works	3,762,831	1,500	3,761,331	2,312,283	1,449,048
Other Functions	3,878,776	1,125,951	2,752,825	1,692,303	1,060,522
Police	4,539,377	397,100	4,142,277	2,546,470	1,595,807
Fire/Ambulance	4,242,283	2,188,400	2,053,883	1,262,627	791,256
Dept. of City Services	2,492,533	281,500	2,211,033	1,359,236	851,797
GeneralFund	21,181,227	4,196,622	16,984,605	10,441,309	6,543,296
HEDA	105,177		105,177		105,177
Library (586,043 state mandate plus 247,844 transfer from general fund to fund deficit)	586,043		586,043		586,043
Debt Service	362,500		362,500		362,500
OPEB Debt Service Levy	400,000		400,000		400,000
Permanent Improvement	778,870		778,870		778,870
Special Levy - Tax Abatement	75,000		75,000		75,000
Capital Fund	692,000		692,000		692,000
	24,180,817	4,196,622	19,984,195	10,441,309	9,542,886

EACH TAX DOLLAR LEVIED FOR THE GENERAL FUND:



LIBRARY FUND LEVY

- SPECIAL REVENUE FUND OF THE CITY THAT TRACKS REVENUES AND EXPENDITURES OF THE HIBBING PUBLIC LIBRARY
- STATE MANDATED LEVY FROM MN DEPT OF EDUCATION IS \$586,043. THIS REMAINS UNCHANGED FOR 2023
- THIS AMOUNT ISN'T ENOUGH TO SUSTAIN THE LIBRARY'S OPERATIONS. GENERAL FUND BUDGETS A TRANSFER TO THE LIBRARY TO FUND THE DEFICIT. 2023'S AMOUNT IS \$247,844
- THE BUDGETED TRANSFER IS UP 4% FROM 2022 TO COVER BUDGETED PAY INCREASES, THE INSURANCE INCREASE OF 9.5%, AND THE INCREASE IN COST OF SUPPLIES.

HEDA FUND LEVY

- THE CITY OF HIBBING ESTABLISHED THE HIBBING ECONOMIC DEVELOPMENT AUTHORITY THROUGH AN ENABLING RESOLUTION PER MN STATUTE 469.091
- THE HEDA LEVY HAS REMAINED UNCHANGED AT \$105,177 FOR MANY YEARS
- THE CITY MAY LEVY TAXES IN ANY YEAR FOR THE BENEFIT OF THE AUTHORITY AN AMOUNT NOT MORE THAN 0.01813 PERCENT OF ESTIMATED MARKET VALUE.

CAPITAL FUND LEVY

- LEVY COVERS THE COST OF CAPITAL IMPROVEMENTS AND NEW EQUIPMENT WITH LASTING VALUE
- LEVY INCREASED FROM \$441,732 IN 2022 TO \$692,000 IN 2023 (57%)
- AGING EQUIPMENT AND INFRASTRUCTURE AS WELL INFLATION AND PROCUREMENT CHALLENGES HAVE ATTRIBUTED TO THIS INCREASE
- ITEMS IN THE 2023 CAPITAL BUDGET INCLUDE:
 - CITY HALL BUILDING IMPROVEMENTS
 - GREENS MOWER & UTILITY CART
 - AMBULANCE
 - NEW SQUAD CAR FOR POLICE DEPT
 - PARKS MASTER PLAN
 - NEW SOFTWARE
 - MINEVIEW PROJECT
 - CAREY LAKE CAMPGROUND PROJECT

PERMANENT IMPROVEMENTS FUND LEVY

- INCREASED FROM \$540,000 IN 2022 TO \$778,870 IN 2023 (44%)
- PRICE OF BITUMINOUS HAS INCREASED
- RAINY ROAD BRIDGE PROJECT IS PLANNED TO BE COMPLETED IN 2023. MN STATE AID BRIDGE BOND FUNDS WILL PAY FOR A MAJORITY OF THE PROJECT. THE CITY HAS TO COVER THE APPROACHES TO THE BRIDGE
- THE CITY IS BUDGETING A TOTAL OF \$1,861,500 IN STREET PAVING PROJECTS OF WHICH NEARLY \$1.4M IS COVERED WITH MINNESOTA STATE AID FUNDING.

DEBT SERVICE LEVY

- SOMETIMES THE CITY NEEDS TO FINANCE EQUIPMENT OR PROJECTS WITH DEBT AND THEN PAYS THE DEBT BACK OVER TIME
- THE DEBT SERVICE LEVY PROVIDES THE FUNDING NEEDING TO PAY BACK THE ANNUAL PRINCIPAL AND INTEREST PAYMENTS ON THE DEBT
- HIBBING'S DEBT SERVICE LEVY DECREASED FROM \$422,197 IN 2022 TO \$362,500 IN 2023 BECAUSE A 10-YEAR EQUIPMENT CERTIFICATE WAS PAID OFF IN 2022. THE DECREASE IS 14% OVER THE PRIOR YEAR

OTHER LEVIES

- TAX ABATEMENT – THE CITY CAN UTILIZE TAX ABATEMENT FOR ECONOMIC DEVELOPMENT INCENTIVES FOR A CONTRACTED PERIOD. THE TAX ABATEMENT LEVY COVERS THE ABATEMENT OF THE CITY TAXES.
- OTHER POST EMPLOYMENT BENEFITS (OPEB) – LEVY TO PAY FOR BENEFITS FOR RETIREES COMMITTED TO THROUGH COLLECTIVE BARGAINING AGREEMENTS

OVERALL PROPOSED LEVY INCREASE

- THE PROPOSED LEVY INCREASE FOR 2023 IS AN INCREASE OF 5.95% FROM \$9,007,268 TO \$9,542,886.
- THIS IS A NET LEVY INCREASE OF \$535,618
- IF HOME VALUE, CLASSIFICATION, AND FISCAL DISPARITIES ALL REMAINED CONSTANT, THIS WOULD COST A HOMEOWNER WITH A HOUSE VALUED AT \$100,000 APPROXIMATELY \$49.17 MORE IN CITY TAXES FOR 2023.
- DUE TO A REDUCTION IN FISCAL DISPARITIES ALLOCATIONS AND MARKET VALUE INCREASES, SOME TAXPAYERS WILL SEE A LARGER INCREASE TO THEIR SHARE OF CITY TAXES FOR 2023.

ENTERPRISE FUNDS

- THE SEWER FUND AND SANITATION FUND ARE BUDGETED ENTERPRISE FUNDS. THESE FUNDS ARE BUSINESS-TYPE ACTIVITIES THAT AREN'T PART OF THE LEVY. THE SERVICES PROVIDED IN THESE FUNDS ARE PAID FOR WITH UTILITY RATES SET TO COVER OPERATING AND CAPITAL COSTS
- A SEWER RATE INCREASE OF 1% IS BUDGETED FOR FEBRUARY 1, 2023 ACCORDING TO A SEWER RATE STUDY PREPARED BY A CONSULTANT (BAKER TILLY) IN 2021
- BUDGETED OPERATING EXPENDITURES FOR SEWER FUND INCREASED \$161,796 OR 8.8% FOR 2023.
- BUDGETED OPERATING EXPENDITURES FOR SANITATION FUND INCREASED \$141,022 OR 6.1% FOR 2023.
- CONTRIBUTING FACTORS OF THE OPERATING INCREASES ARE INFLATION, PERSONNEL COST, AND AN INCREASE IN INSURANCE OF 9.5%
- A 0-3% INCREASE IN OPERATING COST WAS BUILT INTO THE STUDY BASED ON HISTORICAL DATA. INFLATION HAS LED TO INCREASES MUCH HIGHER THAN 3%. AN UPDATED RATE STUDY MAY BE REQUIRED IN 2023 DUE TO MARKET CONDITIONS.

PROPERTY TAX RELIEF

- PROPERTY TAX REFUNDS

<https://www.revenue.state.mn.us/property-tax-refund>

- SENIOR CITIZENS' PROPERTY TAX DEFERRAL PROGRAM

<https://www.revenue.state.mn.us/property-tax-deferral-senior-citizens>

- OTHER PROPERTY TAX PROGRAMS

<https://www.revenue.state.mn.us/property-tax-programs>

QUESTIONS OR COMMENTS?

QUESTIONS ABOUT THE CITY'S BUDGET

SHEENA MULNER – CITY CLERK/TREASURER - 218-262-3486 x 716

QUESTIONS ABOUT YOUR CLASSIFICATION OR ASSESSED VALUE

RODELLA LAFRENIERE – ST. LOUIS COUNTY ASSESSOR – 218-262-6087