

**Public Meeting December 21, 2023**

**2024 Budget &  
Property Tax  
Levy  
Presentation**

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# CITY OF LINDSTROM

Welcome to the Public Meeting as required by  
State Statutes.

This hearing is to explain the tax impact the  
property tax levy will have on the taxpayers of  
Lindstrom.

# CITY OF LINDSTROM

## A REMINDER

Tonight we discuss the City's share of your total 2024 tax bill, not property valuations.

The meeting to appeal/discuss valuations is held in the Spring.

## Who Levies Property Taxes?

- Counties
- Cities and Townships
- School Districts
- State
- Various special taxing jurisdictions (e.g., watershed districts, library districts, hospital districts, HRA, ECRDC).



# KEY STEPS IN THE PROCESS

Step 1. The **County Assessor** determines the EMV for each parcel in the City, then calculates the market value exclusion if eligible. The exclusion affects each property independently. This determines the TAXABLE Market Value.

Step 2. The **Legislature** sets the formula for tax capacity based on Minnesota Classification Rates.

Step 3. The **County Assessor** calculates the tax capacity for each value of property in the City.

Taxable Market Value x Classification of Property = Tax Capacity.

Step 4. The **City Council** adopts a preliminary levy in September.

Step 5. After a public hearing the **City Council** adopts a final levy in December. The final levy amount is sent to the County Auditor for final calculations for each property taxed.

# General Fund Expenses

The Proposed General Fund Budget is \$3,991,322 to pay for City Services.

The General Fund pays for all City Services as outlined below. The services provided are those most commonly associated with City government and include:

## **General Government**

- City Council and Advisory Commissions
- Administration, Financial & Legal Services
- Licensing & Elections
- Planning/Zoning

## **Public Safety**

- Law Enforcement
- Fire
- Code Enforcement
- Civil Defense
- Animal Control

## **Public Works**

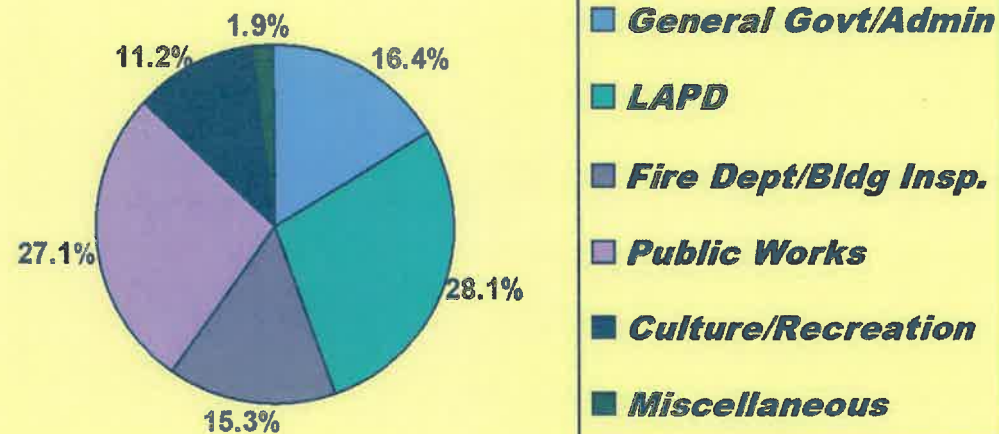
- Street Maintenance & Snow Removal & Street Lighting
- Engineering

## **Culture & Recreation**

- Mainstreet Beautification, City Celebrations
- Cable Commission
- Community Center
- Parks
- Library

**Miscellaneous** – Contract for Services, Cemetery, Contingency

# Proposed 2024 General Fund Expenses



**GENERAL GOVT/ADMIN = (16.42%)** City Council, Advisory Commissions, Financial, Administration, Legal Services, Licensing, Elections & Planning & Zoning

**LAPD =(28.11%)** Lakes Area Police Dept Contracted Services

**FIRE DEPT/ CODE ENFORCEMENT = (15.32%)** FD Operating & Code Enforce.

**PUBLIC WORKS = (27.15%)** Street Maintenance Operating, Snow Plowing, Engineering, Street Lighting

**CULTURE/RECREATION = (11.22%)** Mainstreet Flowers, Tourism Promotions, Cable TV Comm, Chisago Lakes Information Center, Community Center, Parks, and County Library

**MISCELLANEOUS = (1.90%)** Contract for Svcs, Initiative Foundation, Annexation Payments to Townships, Cemetery Operating, and Contingencies

City of Lindstrom

**2024 GENERAL FUND EXPENDITURES**

**Budget Comparison Summary**

<b><u>GENERAL GOVERNMENT</u></b>	<b><u>Budget 2023</u></b>	<b><u>Proposed 2024</u></b>	<b><u>+/- Difference</u></b>
<b>Administration/Elections/Audit</b> PT EE Increase, PR Step Increases, Election Costs in 24	<b>\$455,912</b>	<b>\$493,885</b>	<b>\$37,973</b>
<b>Planning</b>	<b>\$103,115</b>	<b>\$98,994</b>	<b>\$(4,121)</b>
<b>Legal Services</b>	<b>\$15,000</b>	<b>\$28,000</b>	<b>\$13,000</b>
<b>Government Buildings/Auto</b>	<b><u>\$32,181</u></b>	<b><u>\$34,650</u></b>	<b><u>\$2,469</u></b>
<b>Total General Government</b>	<b>\$606,208</b>	<b>\$655,529</b>	<b>\$49,321</b>
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<b><u>PUBLIC SAFETY</u></b>	<b><u>Budget 2023</u></b>	<b><u>Proposed 2024</u></b>	<b><u>+/- Difference</u></b>
<b>Law Enforcement</b> Incl. 4.3% Increase	<b>\$1,075,098</b>	<b>\$1,121,767</b>	<b>\$46,669</b>
<b>Fire Department</b> Increase Bldg Operations/Property Ins	<b>\$533,701</b>	<b>\$586,152</b>	<b>\$52,451</b>
<b>Code Enforcement/Bldg</b>	<b>\$23,859</b>	<b>\$22,871</b>	<b>\$(988)</b>
<b>Civil Defense/Animal Control</b>	<b><u>\$2,075</u></b>	<b><u>\$2,425</u></b>	<b><u>\$350</u></b>
<b>Total Public Safety</b>	<b>\$1,634,733</b>	<b>\$1,733,215</b>	<b>\$98,482</b>

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City of Lindstrom

**2024 GENERAL FUND EXPENDITURES**

**Budget Comparison Summary - continued**

<b><u>PUBLIC WORKS</u></b>	<b><u>Budget 2023</u></b>	<b><u>Proposed 2024</u></b>	<b><u>+/- Difference</u></b>
<b>Engineering</b>	\$32,000	\$25,000	\$(7,000)
<b>SD Maintenance /Operating</b>	\$340,706	\$332,007	\$(8,699)
<b>Street Improvements and/or Projects</b> <small>Maintenance/ Projects of Streets Increased amount</small>	\$445,000	\$568,000	\$123,000
<b>Street Lighting</b>	\$71,600	\$78,600	\$7,000
<b>Snow Removal /Salt &amp; Sand</b>	<u>\$70,000</u>	<u>\$80,000</u>	<u>\$10,000</u>
<b>Total Public Works</b>	\$959,306	\$1,083,607	\$124,301

<b><u>CULTURE &amp; RECREATION</u></b>	<b><u>Budget 2023</u></b>	<b><u>Proposed 2024</u></b>	<b><u>+/- Difference</u></b>
<b>Tourism/Beautification</b> <small>Downtown Seasonal EE Increased</small>	\$47,652	\$52,638	\$4,986
<b>Cable Television</b>	\$36,000	\$36,000	\$0
<b>Chisago Lakes Information Center</b>	\$7,302	\$8,680	\$1,378
<b>Community Center</b>	\$14,766	\$15,445	\$679
<b>Parks Operating</b> <small>Allemansratt PortableToilets moved to this fund/ Park Improv costs increase</small>	\$255,683	\$318,083	\$62,400
<b>Library</b>	<u>\$16,400</u>	<u>\$16,800</u>	<u>\$400</u>
<b>Total Culture &amp; Recreation</b>	\$377,803	\$447,646	\$69,843

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City of Lindstrom

**2024 GENERAL FUND EXPENDITURES**

Budget Comparison Summary - continued

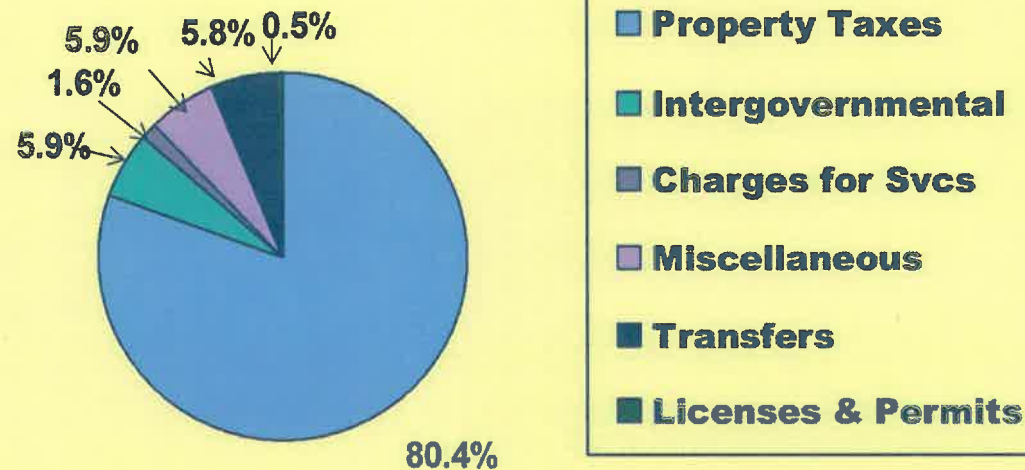
<u>CONTRACT FOR SERVICES</u>	<u>Budget 2023</u>	<u>Proposed 2024</u>	<u>+/- Difference</u>
Lakes Center for Youth & Families	\$2,000	\$2,000	\$0
Chisago Lakes Historical Society	\$500	\$500	\$0
Chisago County Senior Center	<u>\$300</u>	<u>\$300</u>	<u>\$0</u>
Total Contracts	\$2,800	\$2,800	\$0

<u>URBAN/ ECONOMIC DEVELOP.</u>	<u>Budget 2023</u>	<u>Proposed 2024</u>	<u>+/- Difference</u>
Urban Development/Tax Reimb. to Township	\$5,229	\$5,429	\$200
Initiative Foundation	<u>\$260</u>	<u>\$260</u>	<u>\$0</u>
Total Urban /Economic Develop.	\$5,489	\$5,689	\$200

<u>MISCELLANEOUS</u>	<u>Budget 2023</u>	<u>Proposed 2024</u>	<u>+/- Difference</u>
Cemetery	\$47,200	\$51,021	\$3,821
Compost Site/Contingency	<u>\$8,300</u>	<u>\$11,815</u>	<u>\$3,515</u>
Total Miscellaneous	\$55,500	\$62,836	\$7,336

<b>TOTAL EXENDITURES GENERAL FUND</b>	<b>\$3,641,838</b>	<b>\$3,991,322</b>	<b>\$349,484</b>
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# Proposed 2024 General Fund Revenues



**PROPERTY TAXES = (80.42%)** Current Ad Valorem Taxes, Delinquent, Penalties & Mobile Home Taxes

**INTERGOVERNMENTAL = (5.86%)** LGA (Local Govt. Aid), Fire Dept Aid, and PERA Aid Payment

**CHARGES FOR SERVICES = (1.55%)** Zoning & Subdivision Fees, Assmt Searches, Fire Svc Contracts and Cemetery Revenue

**MISCELLANEOUS = (5.85%)** Interest, Community Center Rental, Liquor Stores Rent, Cable TV Franchise Fees, and Antenna Rentals/Leases, Street Lighting Fees, Electric & Gas Franchise Fees

**TRANSFERS = (5.78%)** On & Off Sale Municipal Liquor Stores, Water & Sewer Overhead Costs, Elections, Monopole

**LICENSES & PERMITS = (.54%)** Bldg Permits Garbage Haulers, Tobacco Licensing, Business Licensing, Special Event Permits, Animal Licensing, and Liquor and Beer Licensing

## **Add'l \*LGA Received Is Allocated for Future Capital Equipment**

### Revenue goes into Capital Funds – Not General Operating Funds

- City Hall – Facility Improvements
- Fire Dept – Future Vehicles, Capital Safety Equipment
- Street Dept – Future Vehicles/Equipment, Repair of Shop
- Parks Trails, Improvements, Lawnmowers
- Cemetery – Lawnmowers, Improvements

**TOTAL LGA ALLOCATED FOR FUTURE CAPITAL : \$332,162**

\*LGA = Local Government Aid paid by the MN Dept. of Revenue & approved by the MN Legislature .



City of Lindstrom

**2024 GENERAL FUND REVENUES**

**Budget Comparison Summary**

**TOTAL REVENUE SOURCES SUMMARY**

<b>DESCRIPTIONS</b>	<b>Budget 2023</b>	<b>Proposed 2024</b>	<b>+/- Difference</b>
<b>General Property Taxes</b>	<b>\$2,938,006</b>	<b>\$3,175,402</b>	<b>\$237,396</b>
<b>Delinquent Taxes/Penalties</b>	<b>\$20,700</b>	<b>\$22,700</b>	<b>\$2,000</b>
<b>Mobile Home Taxes</b>	<b>\$13,500</b>	<b>\$12,000</b>	<b>\$(1,500)</b>
<b>Licenses &amp; Permits</b>	<b>\$26,450</b>	<b>\$21,550</b>	<b>\$(4,900)</b>
<b>Intergovernmental Revenue</b>	<b>\$170,000</b>	<b>\$233,955</b>	<b>\$63,955</b>
<b>Charges for Services</b>	<b>\$59,400</b>	<b>\$61,753</b>	<b>\$2,353</b>
<b>Miscellaneous Revenue</b>	<b>\$190,720</b>	<b>\$233,300</b>	<b>\$42,580</b>
<b>Transfers In</b>	<b><u>\$223,062</u></b>	<b><u>\$230,662</u></b>	<b><u>\$7,600</u></b>
<b>TOTAL REVENUE GENERAL</b>	<b>\$3,641,838</b>	<b>\$3,991,322</b>	<b>\$349,484</b>

## Impact on Taxpayers

If the proposed 2024 Budget is adopted, the City will request Chisago County to collect \$3,584,402 from City taxpayers to help pay for City services. A portion of the proposed tax levy will fund the EDA (Economic Development Authority). The EDA was established to market the community's economic resources to expand the tax base beyond the single family residential sector. The EDA levy portion is \$64,000. The Debt Service portion of \$45,000 is also included.

# 2024 Proposed Levy

➤ General Government Levy Fund	<u>\$3,175,402</u>
➤ EDA (Economic Development Authority) Levy	<u>\$ 64,000</u>
➤ GO Equipment Certificate (FD )	<u>\$ 15,000</u>
➤ 2020 Go Bonds (Fire Hall & Redevelopment)	<u>\$ 30,000</u>
<b><i>TOTAL LEVY</i></b>	<b><i>\$3,284,402</i></b>

## Action Requested:

1. Approval of Resolution #20231221-01 adopting the 2024 Budget and Property Tax Levy in the amount of \$3,284,402.

## Note:

Tax Rate 2023 - 42.98%

Tax Rate 2024 - 41.78%