

Olmsted County Truth In Taxation **2025 Levy and Budget**

December 5, 2024

Government Center Boardroom

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Property Tax Refunds from State of MN

Two refund programs are available to homestead property owners. Both are through the State of Minnesota:

- **Regular Refund:** Sometimes called the "circuit breaker," is based on your household income and the amount of property tax you pay.
- **Special Refund:** To qualify, your net property tax must increase by at least 12% percent and \$100. The increase was not because of improvements you made to the property. The special refund is not based on income. For more information or to determine if you are eligible for either of these refunds, read and fill out Form M1PR.

Forms and instructions for the Property Tax Refund are available through the [Minnesota Department of Revenue](#).

Which Entities Play A Role in Our Property Tax

State Legislature

Establishes property classes and class rates, determines levels of state aid to local units of government, sets the amount of homestead market value exclusion, sets the state general tax rate and mandates programs to local governments.

Local Governments

Olmsted County, City Councils, Township Boards, School Districts, and others) determine the tax levy amount needed to provide services.

County Assessor

Assigns each property in Olmsted County a market value and property classification as prescribed by state statute.

What Factors Affect Our Property Taxes?

Changes to local governments property tax needs

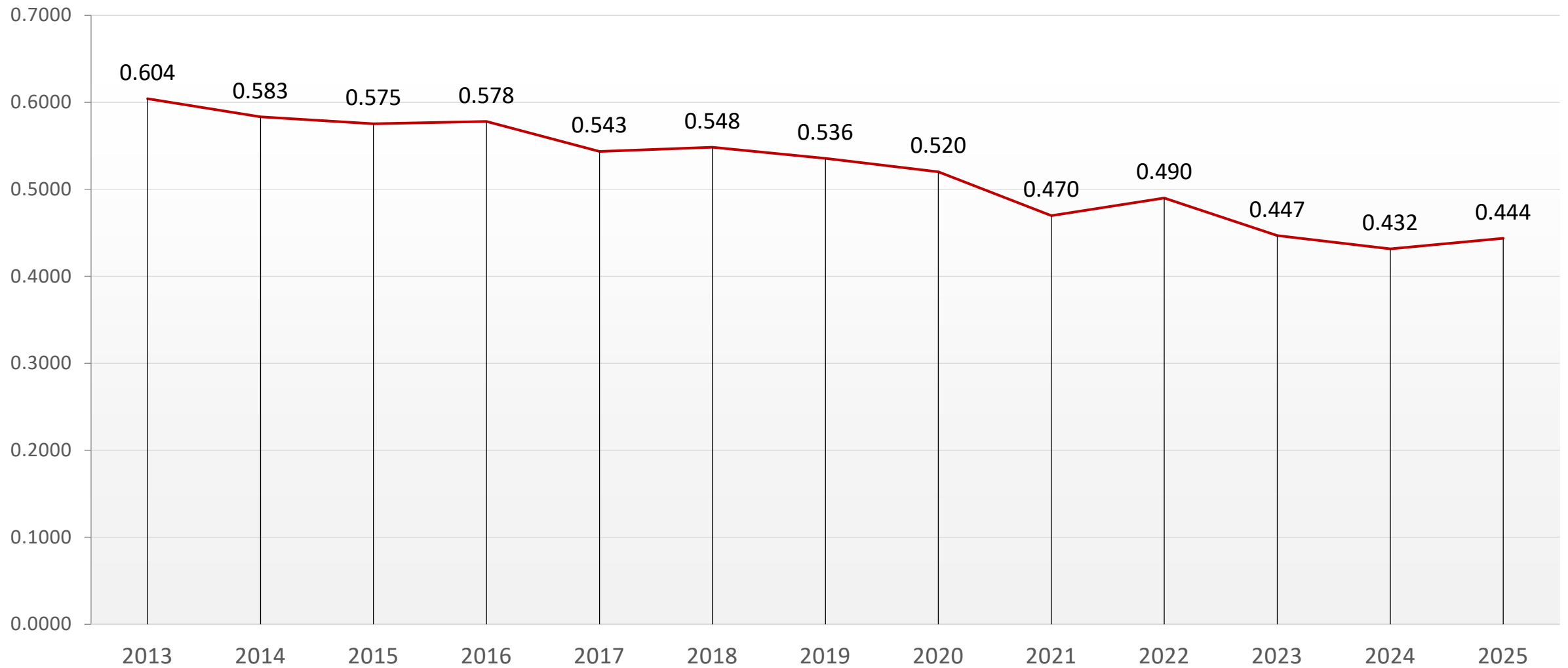
New taxes approved by referendum

Changes in market values

Legislative changes to property classification rates, state aid formulas and other tax laws

Legislative unfunded or not properly funded mandates

Olmsted County Only Local Tax Rate - History



$$\text{Local Tax Rate} = \frac{\text{(Property tax revenue needed)}}{\text{(Total Tax Capacity)}}$$

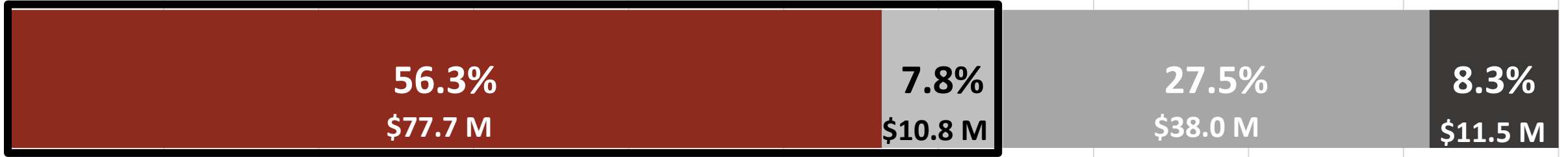
County + HRA Property Taxes (Levies)

| | 2024 Combined Levies | + | 2025 Recommended increases | = | 2025 Recommended Combined Levies | Percent Change |
|--------|----------------------|---|----------------------------|---|----------------------------------|----------------|
| County | \$125,692,357 | | \$6,998,316 | | \$132,690,673 | 5.57% |
| HRA | \$4,909,684 | | \$262,384 | | \$5,172,068 | 5.34% |
| Total | \$130,602,041 | | \$7,260,700 | | \$137,862,741 | 5.56% |

**\$138 million
rounded**

County + HRA Property Tax Distribution

County + HRA Property Taxes = \$138 Million



Residential and Apartments represent about 72% of market value and pay about 64% or \$88.5 M of County + HRA property taxes

Estimated Market Value = \$28.6 Billion



0.0% 10.0% 20.0% 30.0% 40.0% 50.0% 60.0% 70.0% 80.0% 90.0% 100.0%

■ Residential ■ Apartments ■ Commercial ■ Agriculture

County + HRA Property Tax Per Person

| Tax Payable Year | Property Tax All Property Types | Property Tax per person <u>per year</u> | Property Tax per person <u>per month</u> |
|------------------|---------------------------------|-----------------------------------------|------------------------------------------|
| 2025 | \$138.0 M | \$802 | \$67 |
| 2024 | \$130.6 M | \$777 | \$65 |
| | | \$25 | \$2 |

Estimated population used for 2024 and 2025 respectively are: 168,055 and 172,000.

County + HRA Property Tax Per Household

| Tax Payable Year | <u>Property Tax Residential & Apartments Only</u> | <u>Average Property Tax per household per year</u> | <u>Average Property Tax per household per month</u> |
|-------------------------|--------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------|
| 2025 | \$88.5 M | \$1,309 | \$109 |
| 2024 | \$83.8 M | \$1,260 | \$105 |
| | \$4.7 M | \$49 | \$4 |

Estimated number of households used for 2024 and 2025 respectively are: 66,528 and 67,687.

County + HRA Property Tax Per Household Cont.



| Taxes Payable 2025 | Per Month | Per Year |
|------------------------------------------------------------|------------------|-----------------|
| Average County + HRA property tax (from previous slide) | \$109 | \$1,309 |

| US Bureau of Labor Statistics (Year 2023) | Per Month | Per Year |
|--------------------------------------------------|------------------|-----------------|
| Home Insurance | \$56 | \$672 |
| Auto Insurance | \$132 | \$1,584 |
| Health Insurance | \$347 | \$4,164 |
| Cell phone | \$104 | \$1,248 |
| Internet | \$58 | \$696 |
| Cable/Satellite | \$43 | \$516 |
| | \$740 | \$8,880 |

Residential Single Unit Parcels Only (County + HRA)

| Tax Change Category - Parcel ID | Parcels | Median Tax Change | % of Total Selected Parcels | Cumulative % of Running Total |
|---------------------------------|---------|-------------------|-----------------------------|-------------------------------|
| ▲ | | | | |
| ⊕ (10K) to < (5K) | 1 | (\$5,275) | 0.00% | 0.00% |
| ⊕ (5K) to < (1K) | 16 | (\$1,215) | 0.03% | 0.03% |
| ⊕ (1K) to < (500) | 100 | (\$586) | 0.20% | 0.23% |
| ⊕ (500) to < (250) | 156 | (\$354) | 0.31% | 0.54% |
| ⊕ (250) to < (150) | 187 | (\$188) | 0.37% | 0.91% |
| ⊕ (150) to < (50) | 1,702 | (\$72) | 3.37% | 4.28% |
| ⊕ (50) to < 0 | 8,724 | (\$14) | 17.26% | 21.53% |
| ⊕ 0 to < 50 | 18,378 | \$21 | 36.35% | 57.88% |
| ⊕ 50 to < 150 | 16,895 | \$81 | 33.42% | 91.30% |
| ⊕ 150 to < 250 | 2,987 | \$178 | 5.91% | 97.21% |
| ⊕ 250 to < 500 | 1,124 | \$320 | 2.22% | 99.43% |
| ⊕ 500 to < 1K | 253 | \$631 | 0.50% | 99.93% |
| ⊕ 1K to < 5K | 33 | \$1,336 | 0.07% | 100.00% |
| ⊕ 5K to < 10K | 1 | \$6,221 | 0.00% | 100.00% |

Almost 22% of residential parcels will experience a decrease in County + HRA property taxes in 2025 when compared to 2024

About 36% of residential parcels will have their 2025 County + HRA property taxes remain the same or increase less than \$50 when compared to 2024. The median increase is \$21.

About 33% of residential parcels will experience an increase in County + HRA property taxes between \$50 and \$149. The median increase is \$81.

About 9% of residential parcels will experience an increase in County + HRA property taxes of \$150 or higher.

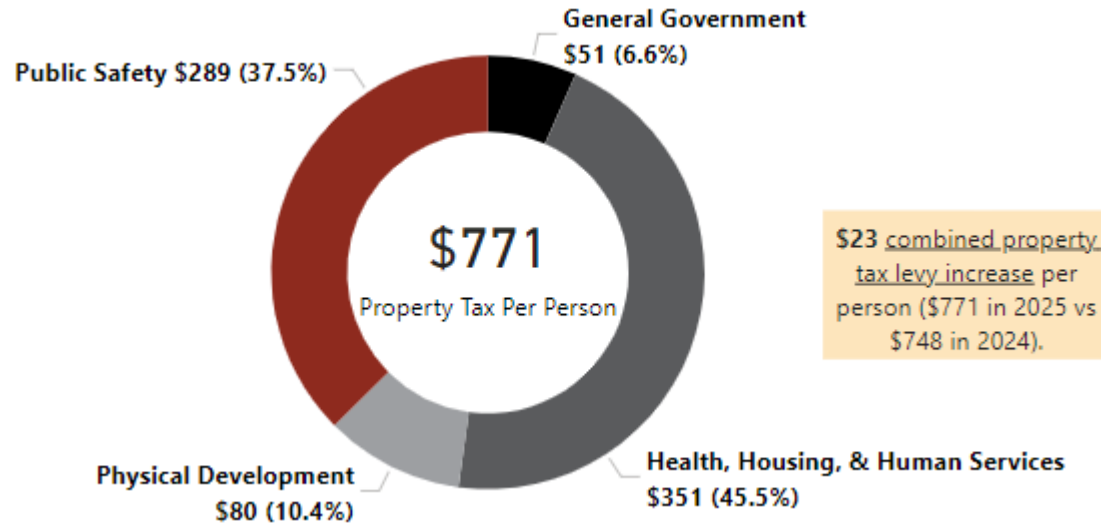
Residential Single Unit Parcels Only (2025 Median Values)

| Estimated Taxable Value - Range | \$150,000 to \$199,999 | \$200,000 to \$249,999 | \$250,000 to \$299,999 | \$300,000 to \$399,999 | \$400,000 to \$499,999 | \$150,000 to \$499,999 |
|----------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Median taxes, for the range above | \$179,500 | \$225,900 | \$272,800 | \$343,500 | \$442,700 | \$270,600 |
| # of Parcels: | 5,216 | 9,993 | 8,005 | 9,113 | 5,373 | 37,419 |
| County | \$768 | \$966 | \$1,169 | \$1,473 | \$1,908 | \$1,158 |
| HRA | \$31 | \$39 | \$47 | \$59 | \$76 | \$46 |
| Other jurisdictions* | \$1,611 | \$2,005 | \$2,409 | \$2,982 | \$3,764 | \$2,348 |
| All Property Taxes | \$2,410 | \$3,010 | \$3,625 | \$4,514 | \$5,748 | \$3,552 |

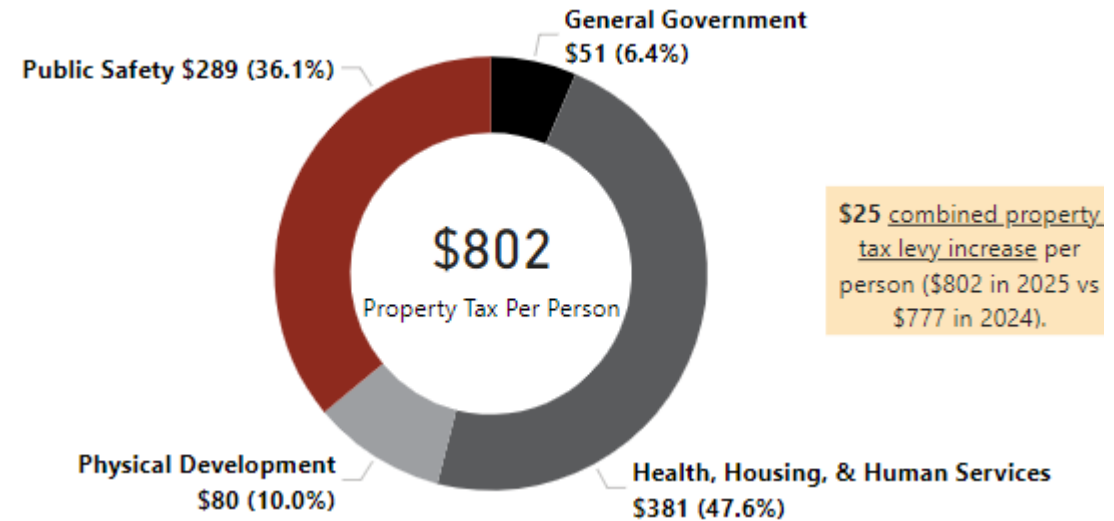
* Does not include new taxes approved by referendum

2025 Property Tax (Levy) Per Person by Division

\$133 M – County Only

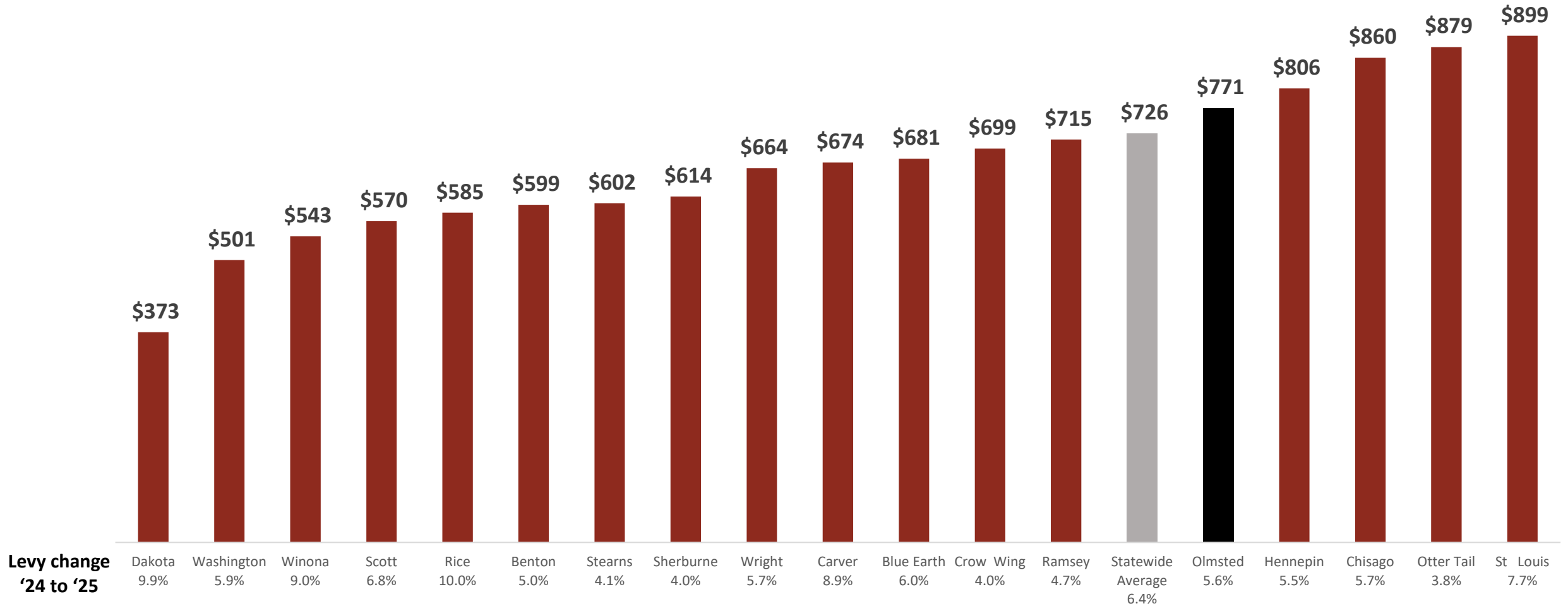


\$138 M – County + HRA



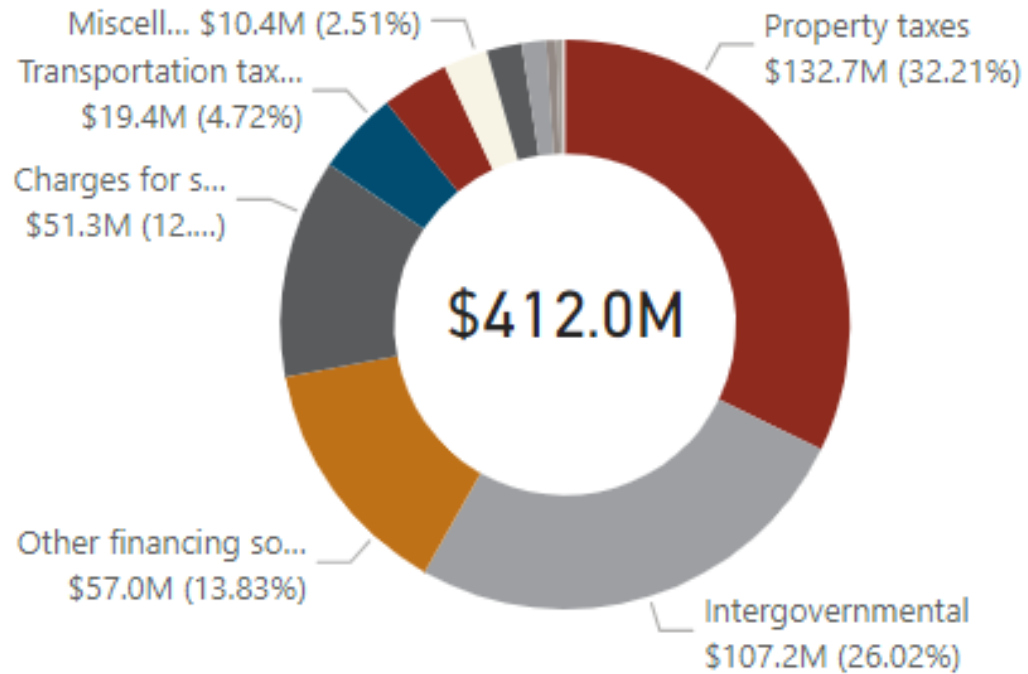
For the per person metric, we used the internally estimated population of 172,000 for year end 2024 (based on historical trends)

2025 Preliminary Property Tax Per Person Comparison



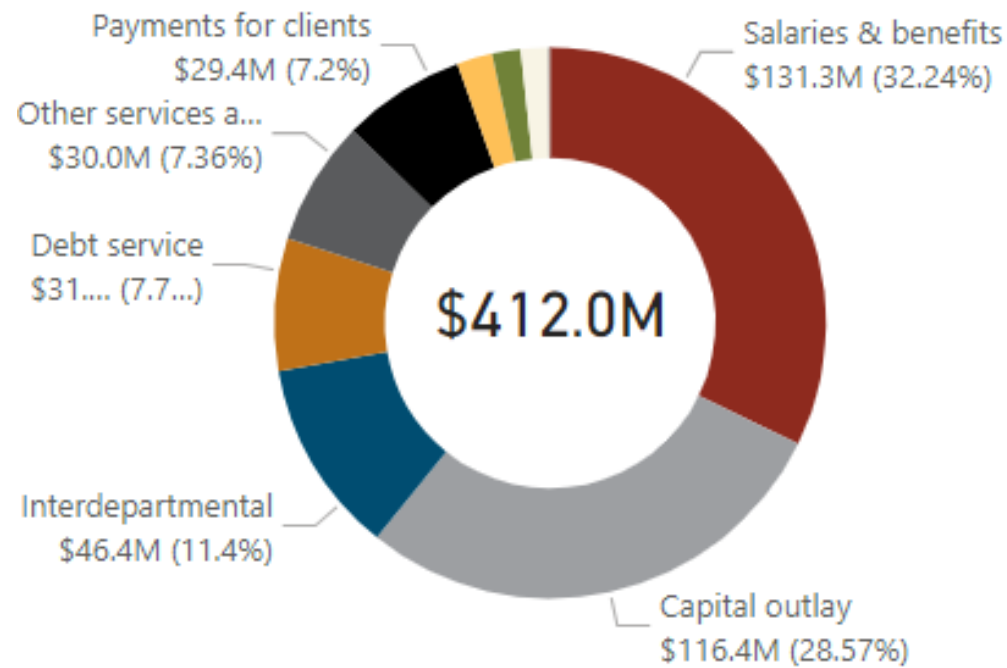
For year 2025, Olmsted County ranks # 29 (out of 87 counties) for county property taxes payable per capita (per person). Lower than about 67% or 58 of the 87 MN counties. Dakota County ranks #1, as the lowest and Travers ranks #87, as the highest.

2025 Revenue Budget (County Only)



| Category | Amount | % |
|-------------------------|----------------------|----------------|
| Property taxes | \$132,690,673 | 32.21% |
| Intergovernmental | \$107,177,276 | 26.02% |
| Other financing sources | \$56,971,393 | 13.83% |
| Charges for services | \$51,301,583 | 12.45% |
| Transportation taxes | \$19,442,103 | 4.72% |
| Reserves | \$15,772,757 | 3.83% |
| Miscellaneous | \$10,354,174 | 2.51% |
| Interest | \$8,204,282 | 1.99% |
| Transfers in | \$5,706,961 | 1.39% |
| Licenses & permits | \$2,298,000 | 0.56% |
| Wheelage taxes | \$1,400,000 | 0.34% |
| Gifts | \$637,250 | 0.15% |
| Fines | \$22,000 | 0.01% |
| Total | \$411,978,452 | 100.00% |

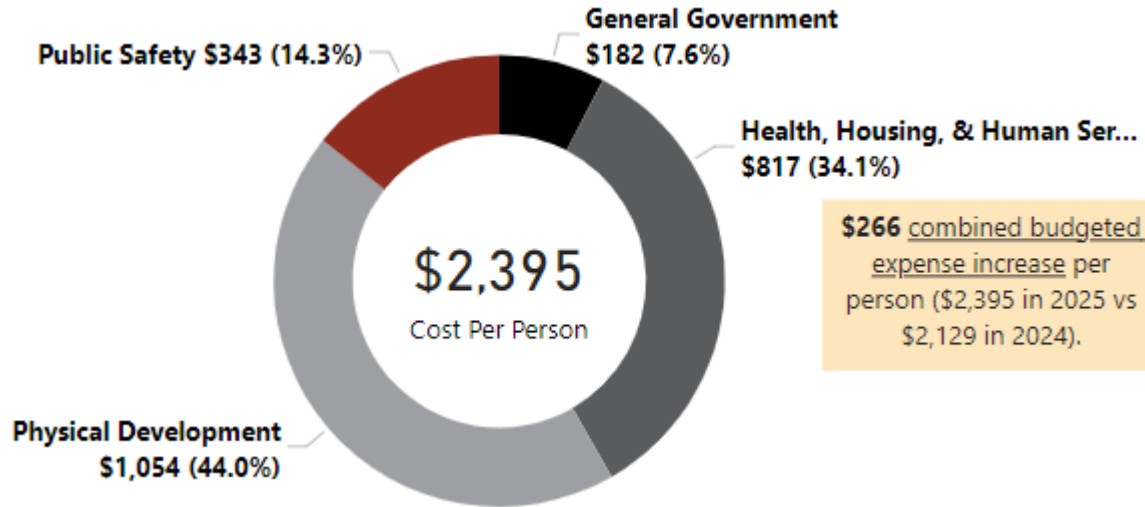
2025 Expense Budget (County Only)



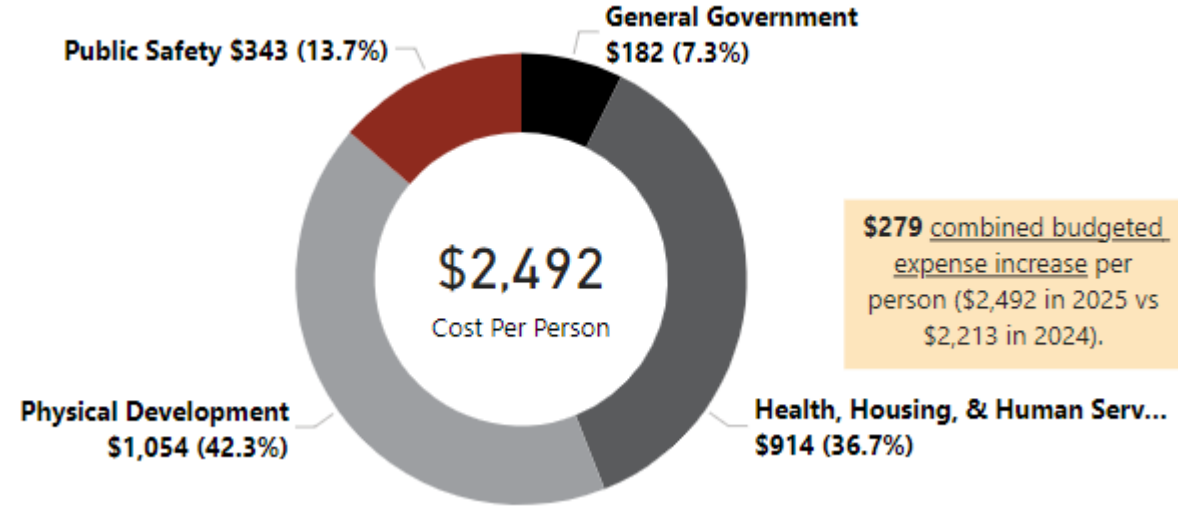
| Category | Amount | % |
|----------------------------|----------------------|----------------|
| Salaries & benefits | \$133,738,383 | 32.46% |
| Capital outlay | \$116,421,464 | 28.26% |
| Interdepartmental | \$47,988,601 | 11.65% |
| Debt service | \$31,665,413 | 7.69% |
| Other services and charges | \$30,845,012 | 7.49% |
| Payments for clients | \$29,354,429 | 7.13% |
| Supplies | \$8,489,996 | 2.06% |
| Transfers out | \$6,787,035 | 1.65% |
| Miscellaneous | \$6,563,241 | 1.59% |
| Contingency | \$401,000 | 0.10% |
| Contra-accounts | (\$276,119) | -0.07% |
| Total | \$411,978,455 | 100.00% |

2025 Budgeted Cost Per Person by Division

\$412 M – County Only



\$428.7 M – County + HRA



Any Path Home – Homelessness initiative



- Hundreds of adults are experiencing homelessness in Olmsted County – each with unique needs.
- Any Path Home aims to ensure everyone has access to housing and services, regardless of their situation.
- Various partner agencies are included in the coalition.
- Next steps include outreach, data collection, partnership strengthening, and addressing service gaps.
- Initiative is in its early stages; however existing support for emergency shelter, health care, and social services will continue.

New mobile crisis response process



By focusing resources within Olmsted County, we can ensure faster response times, improved service integration, and better alignment with community needs.

- Face-to-face services for adults and children experiencing a mental health crisis or emergency.
- Rather than a regional response, starting in 2025, Olmsted County will have its own mobile crisis response process.
- Local mental health crises will be sent to the Olmsted County Crisis Response team.
- More tailored approach to meeting the needs of our local community.

New camera systems for Sheriff's Office

- Upgrading body worn and fleet/squad camera system.
- Increases officer safety and efficiency.
- New 5G internet/Wi-Fi routers and technologies to assist deputies in performing duties.
- Also includes a taser upgrade.
- Integration of camera and taser data to help with data analysis.



Veteran Services work



- Dedicated to helping county residents who have served our country (and their families!).
- Help navigate the complex landscape of federal and state benefits.
- Investigate, prepare, and process necessary benefit forms.
- Actively advocate for veterans' rights and entitlements.

Solar panels at Kalmar Landfill

- Solar panel installation on landfill maintenance building in spring 2025.
- Effort to invest in renewable energy and lead in sustainable practices.
- Panels are expected to generate 52,000 kilowatt hours of electricity each year.
- This will provide more than enough power for the building, allowing it to run entirely on solar energy.



2025 Budget Adoption

The 2025 Levy and Budgets will be adopted at the regular Board meeting which begins at **5:00 pm Tuesday, December 17, 2024**,

Government Center Boardroom,
151 4th Street SE, Rochester, MN

This presentation will be available
on the Olmsted County website.

<https://www.olmstedcounty.gov/government/county-departments/finance/budgets-and-statements>

If you have questions, email the Olmsted County Finance office:
wilfredo.romancatala@olmstedcounty.gov

Public Comment Opportunity

PLEASE:

- Use the microphone at the lectern, and
- State your name and address for the record before speaking.
- Please make sure you've entered your name and address on the circulated sign-in sheet.