

Olmsted County Truth In Taxation **2024 Levy and Budget**

December 7, 2023

Government Center Boardroom

Wilfredo Román Cátala, Olmsted County CFO

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, property classification and calculates property tax as prescribed by state statute.

What Factors Affect Our Property Taxes?

Changes in market values

Changes to local tax levies

New taxes approved by referendum

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

Legislative unfunded or not properly funded mandates

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 6% 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](#).

What is the Local Tax Levy?

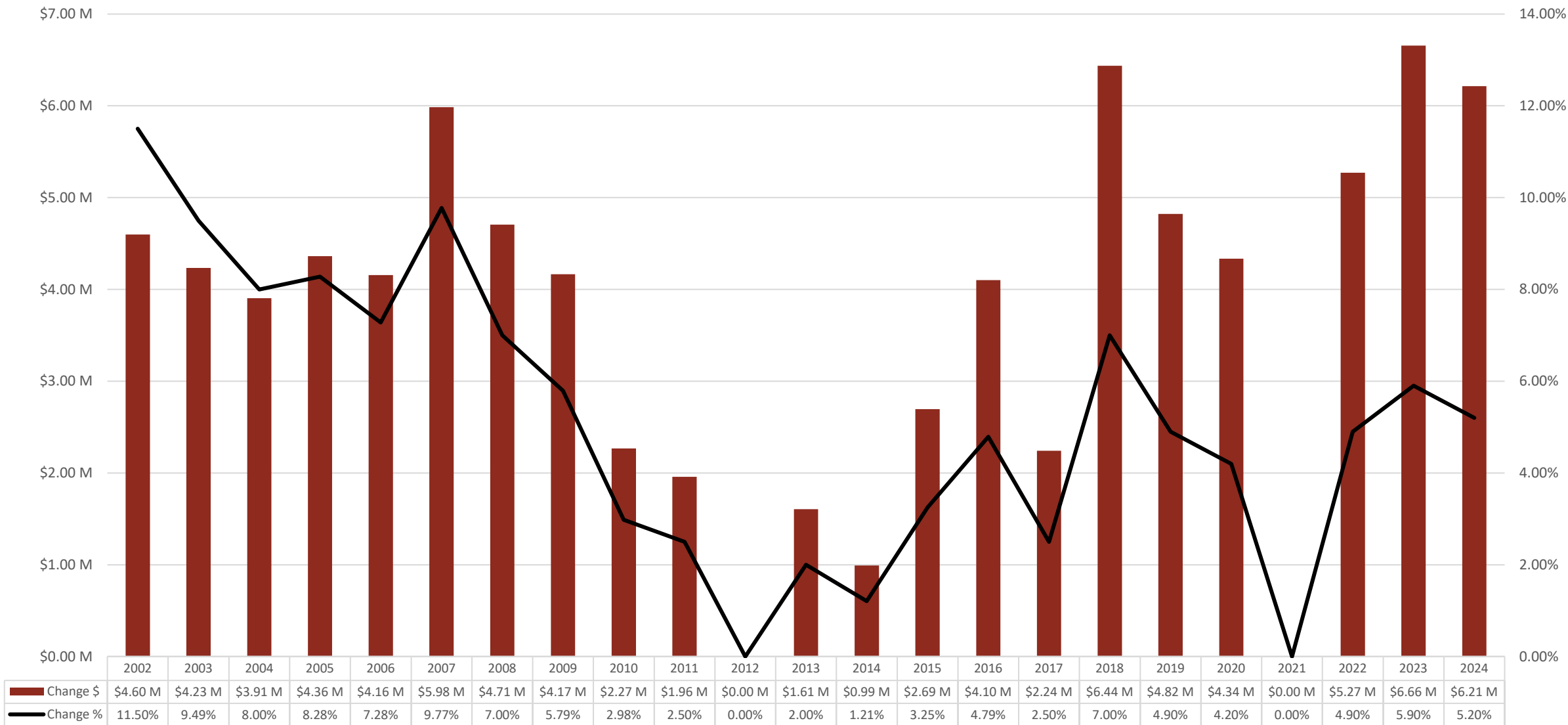
Local Tax Levy is the amount of property tax revenue needed to support services.

$$\begin{aligned} & \text{Total Proposed Budget} \\ & - \text{Non-Property Tax Revenue} \\ \hline & = \text{Local Tax Levy (Property Tax)} \end{aligned}$$

County + HRA Property Taxes (Levies)

	2023 Combined Levies	+	2024 Recommended increases	=	2024 Recommended Combined Levies	Percent Change
County	\$119,479,427		\$6,212,930		\$125,692,357	5.20%
HRA	\$4,567,153		\$342,531		\$4,909,684	7.50%
Total	\$124,046,580		\$6,555,461		\$130,602,041	5.28%

Property Tax Changes (County Only) - History



Percent change statistics (2002 – 2024): Minimum 0%, Maximum 11.50%, Median 4.90%, Average 5.15%

2023 Assessment Process Timeline

Property sales
study period*

**Oct. 2021 to
Sep 2022**

Property Value
Appeals Period

**Apr. 2023 to
Jun. 2023**

Property Tax
statements and
2024 valuation
notices are sent

Mar. 2023

2024 Proposed
tax statements
sent

Nov. 2023

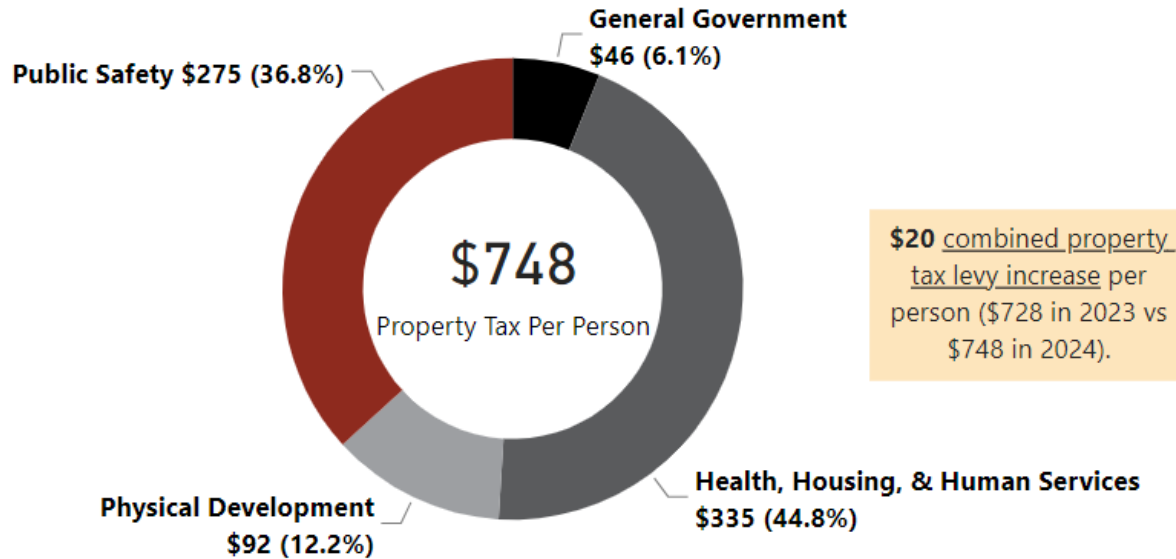
* State law requires assessors to value property at its most likely selling price. This study compares real estate sales prices to market values calculated by assessors to measure the overall accuracy of their appraisals. The study results are used to ensure property assessments are consistent. This assessment impact the property taxes payable in 2024.

Historical Median Sale Prices

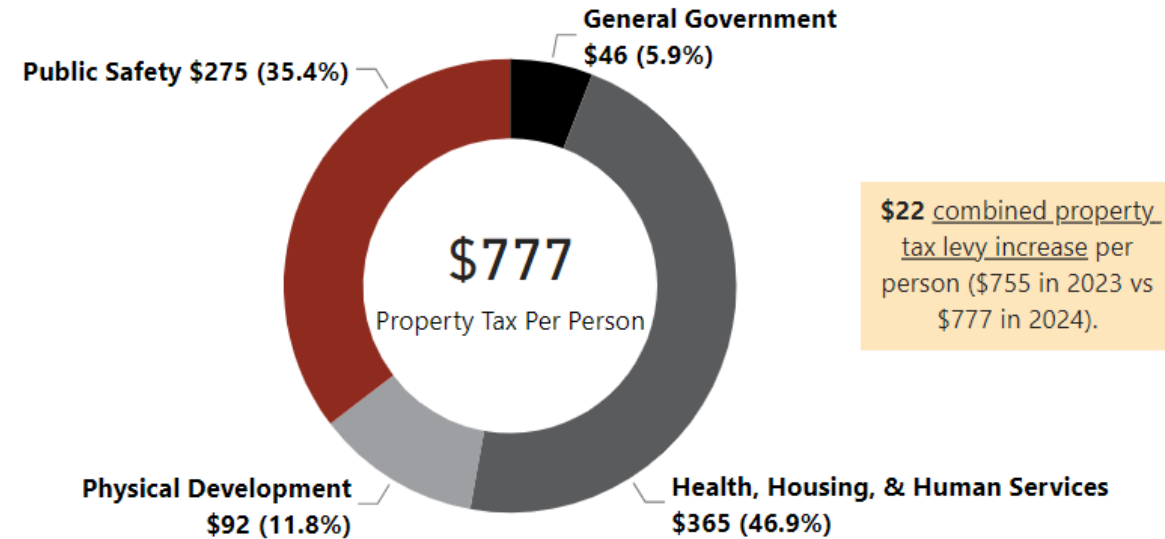
	Year and Median Amounts			2022 vs 2021*		2022 vs 2020	
City	2020	2021	2022	Change \$	Change %	Change \$	Change %
Byron	\$275,300	\$335,000	\$382,000	\$47,000	14.0%	\$106,700	38.8%
Oronoco	\$418,000	\$440,000	\$503,750	\$63,750	14.5%	\$85,750	20.5%
Rochester	\$259,900	\$290,000	\$319,450	\$29,450	10.2%	\$59,550	22.9%
Stewartville	\$232,450	\$248,500	\$290,000	\$41,500	16.7%	\$57,550	24.8%

2024 Property Tax (Levy) Per Capita by Division

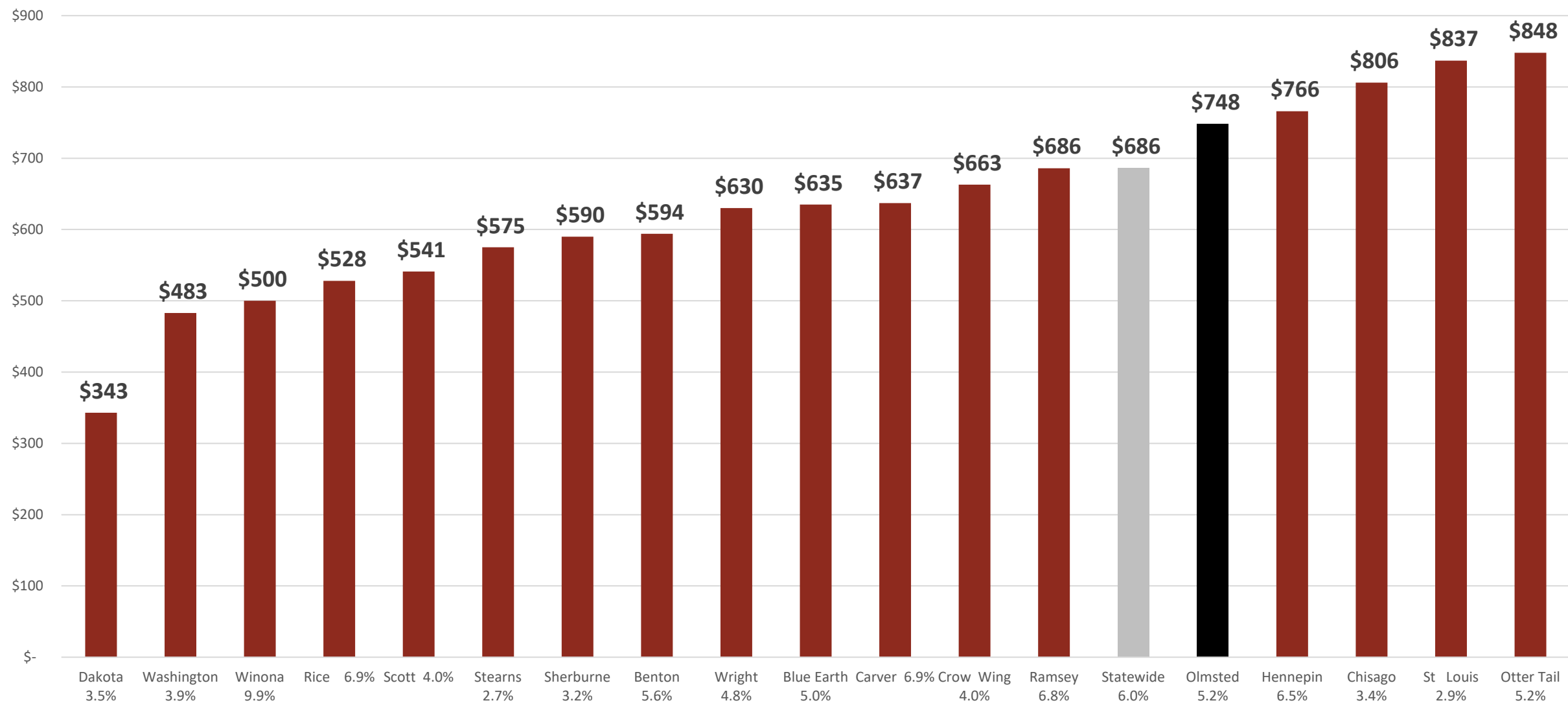
\$125.7 M – County Only



\$130.6 M – County + HRA



2024 Preliminary Property Tax Per Capita Comparison



For year 2024, Olmsted County ranks # 34 (out of 87 counties) for county property taxes payable per capita. Lower than about 61% or 53 of the 87 MN counties. Dakota County ranks #1, as the lowest and Cook County ranks #87, as the highest.

Residential Parcels Only (2024 Median Property Taxes)

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, for the range above	\$180,700	\$225,500	\$272,700	\$343,500	\$444,300	\$268,800
# of Parcels:	5,635	10,738	8,483	9,226	5,802	39,884
<u>Median taxes:</u>						
County	\$755	\$939	\$1,137	\$1,437	\$1,862	\$1,126
HRA	\$30	\$38	\$46	\$57	\$74	\$45
Other jurisdictions	\$1,551	\$1,919	\$2,295	\$2,838	\$3,544	\$2,265
All Property Taxes	\$2,336	\$2,896	\$3,478	\$4,332	\$5,480	\$3,436

Countywide Residential Parcels Only (County + HRA)

Tax Change Category - Parcel ID	Parcels	Median Tax Change	% of Total Selected Parcels	Cumulative % of Running Total
⊕ (5K) to < (1K)	8	(\$1,237)	0.01%	0.01%
⊕ (1K) to < (500)	41	(\$570)	0.07%	0.09%
⊕ (500) to < (250)	62	(\$346)	0.11%	0.20%
⊕ (250) to < (150)	229	(\$177)	0.41%	0.62%
⊕ (150) to < (50)	2,529	(\$76)	4.58%	5.19%
⊕ (50) to < 0	9,692	(\$13)	17.53%	22.72%
⊕ 0 to < 50	18,672	\$23	33.78%	56.50%
⊕ ✓ 50 to < 150	16,460	\$83 ✓	29.78% ✓	86.28%
⊕ 150 to < 250	3,724	\$182	6.74%	93.02%
⊕ 250 to < 500	2,556	\$323	4.62%	97.64%
⊕ 500 to < 1K	796	\$632	1.44%	99.08%
⊕ 1K to < 5K	484	\$1,664	0.88%	99.96%
⊕ 5K to < 10K	24	\$5,862	0.04%	100.00%
Total	55,277	\$39	100.00%	100.00%

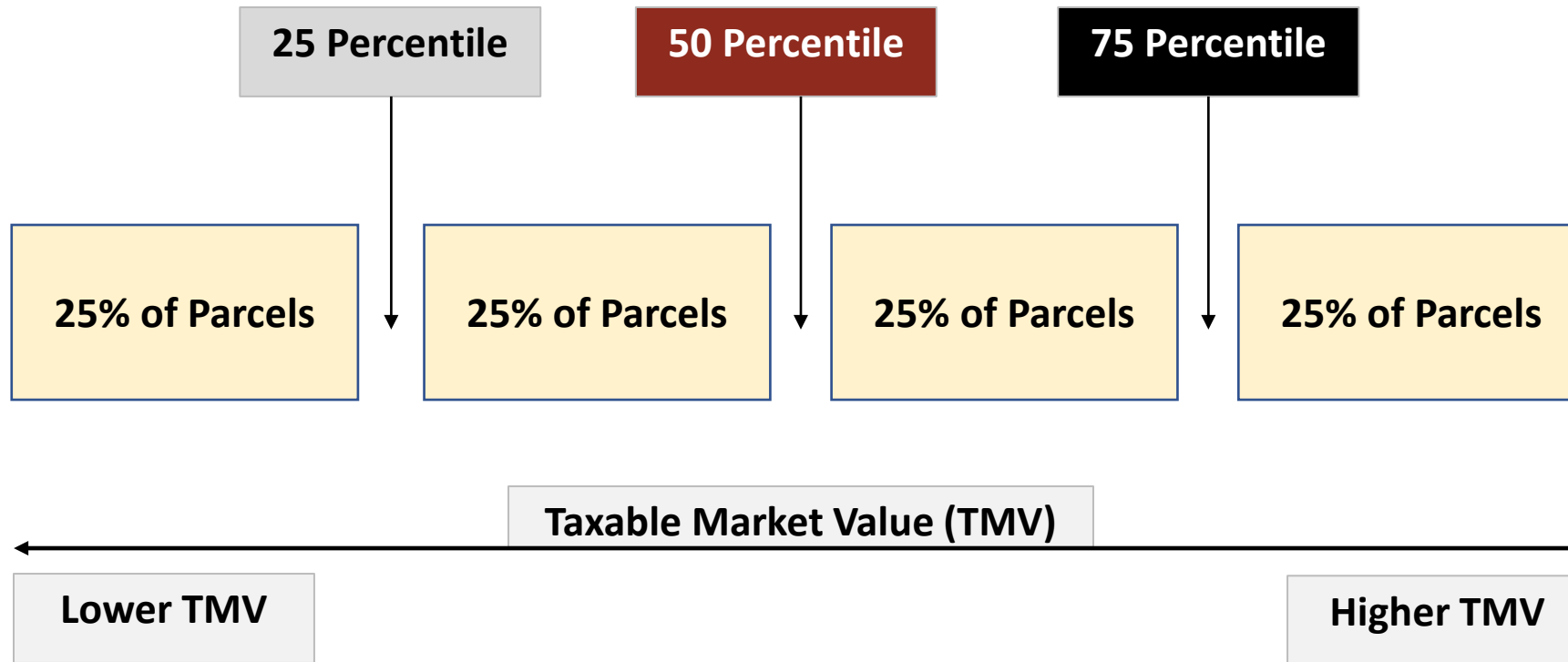
Almost 23% of residential parcels will experience a decrease in County + HRA property taxes in 2024 when compared to 2023

About 34% of residential parcels will have their 2024 County + HRA property taxes remain the same or increase less than \$50 when compared to 2023. The median increase is \$23.

Almost 30% of residential parcels will experience an increase in County + HRA property taxes between \$50 and \$149. The median increase is \$83.

About 13% of residential parcels will experience an increase in County + HRA property taxes of \$150 or higher.

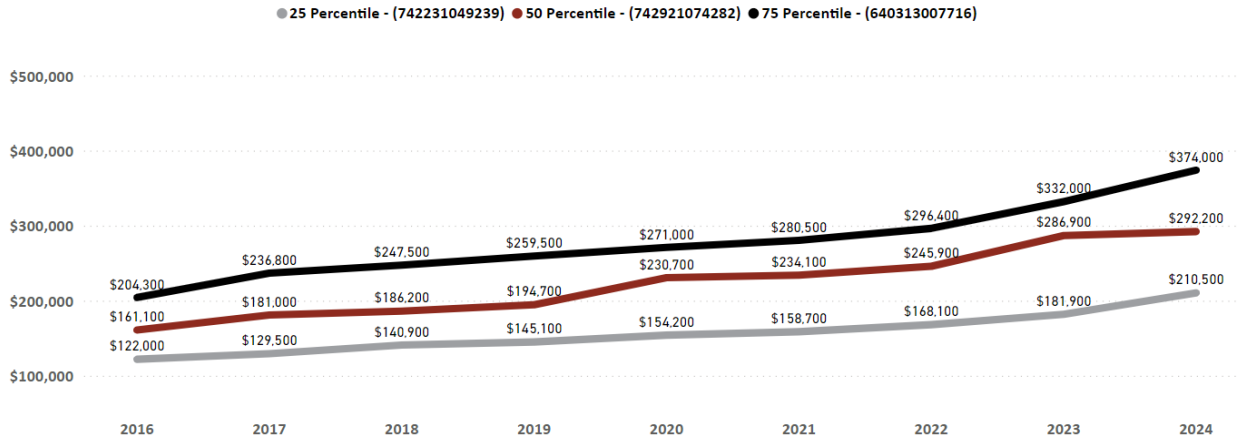
Sample Residential Parcels



We selected 3 residential parcels, per city, for 5 of the cities in Olmsted County, based on their 2024 TMV. Each parcel represent one of the 3 percentiles (25, 50 and 75).

City of Rochester Residential Parcel Examples

Taxable Market Value (TMV)

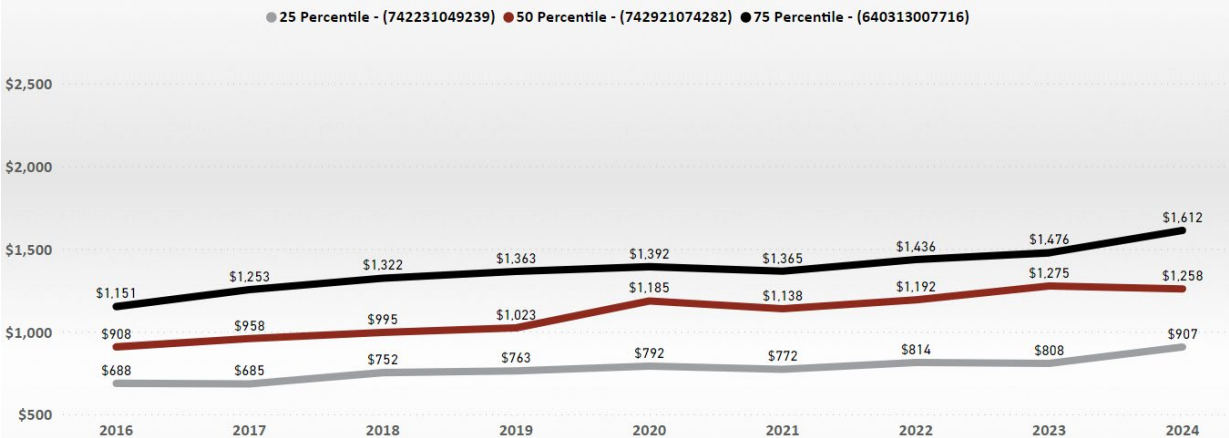


25 Percentile – TMV has increase \$ 88,500 or 73% in 8 yrs. About \$11K avg. per year

50 Percentile – TMV has increase \$131,100 or 81% in 8 yrs. About \$16.4K avg. per year

75 Percentile – TMV has increase \$169,700 or 83% in 8 yrs. About \$21.2K avg. per year

County + HRA Property Tax



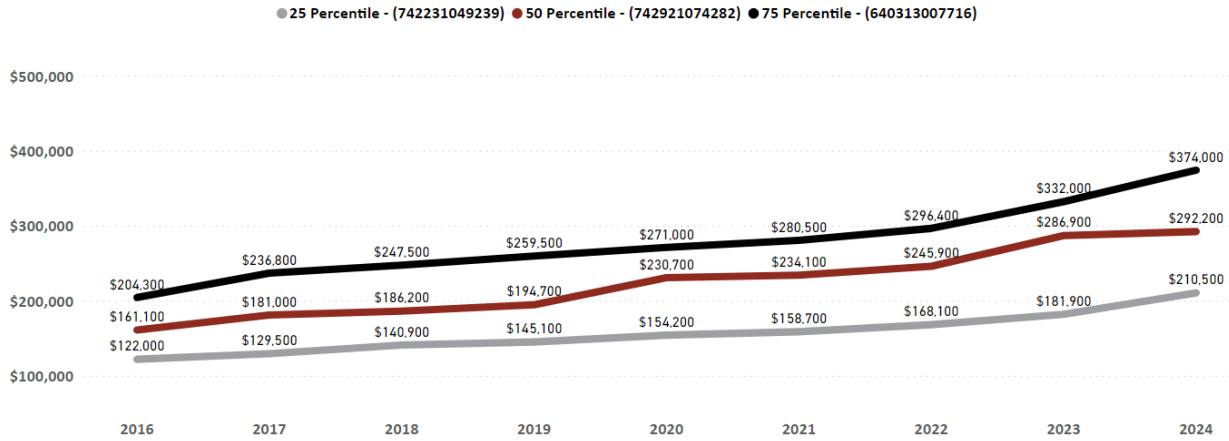
25 Percentile – Tax has increase \$219 or 32% in 8 yrs. About \$27 avg. per year

50 Percentile – Tax has increase \$350 or 39% in 8 yrs. About \$44 avg. per year

75 Percentile – Tax has increase \$461 or 40% in 8 yrs. About \$58 avg. per year

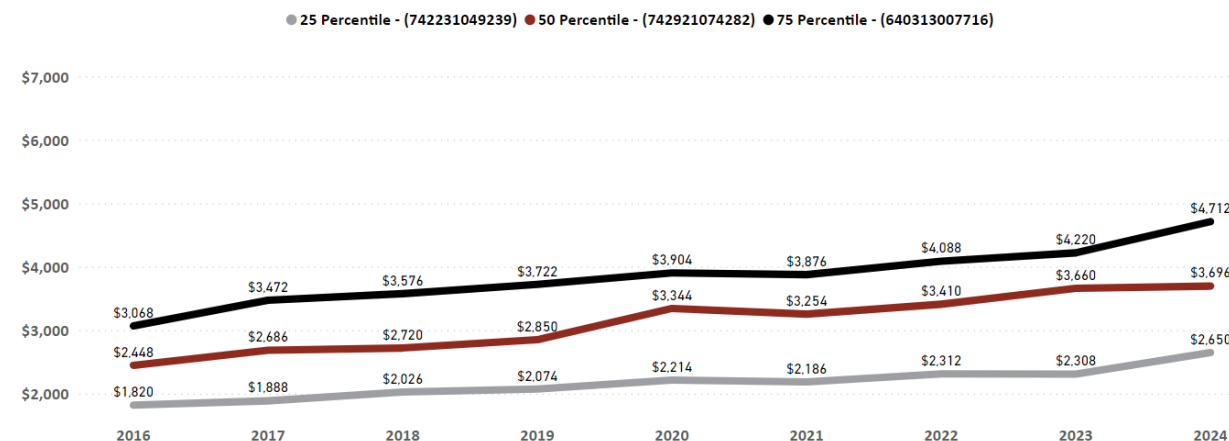
City of Rochester Residential Parcel Examples

Taxable Market Value (TMV)



25 Percentile – TMV has increase \$ 88,500 or 72.5% in 8 yrs. About \$11K avg. per year
50 Percentile – TMV has increase \$131,100 or 81.3% in 8 yrs. About \$16.4K avg. per year
75 Percentile – TMV has increase \$169,700 or 83% in 8 yrs. About \$21.2K avg. per year

TOTAL Property Tax

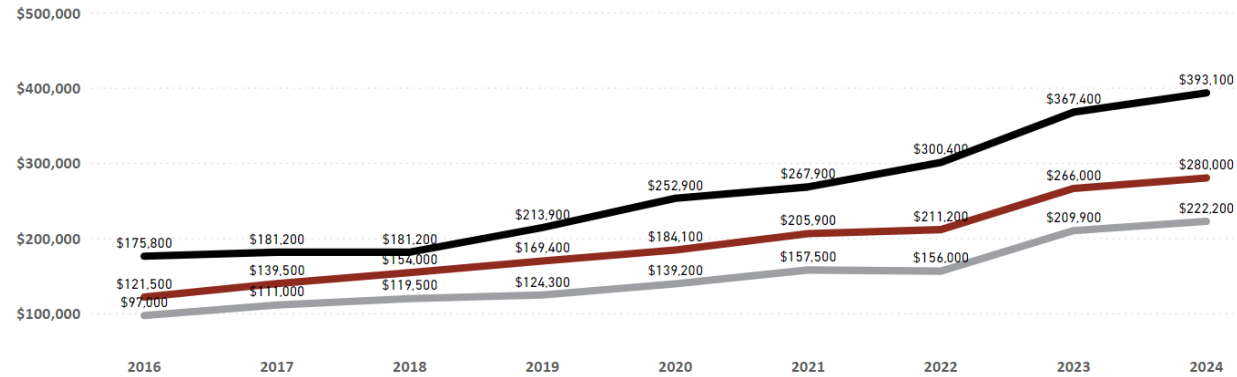


25 Percentile – Tax has increase \$830 or 46% in 8 yrs. About \$104 avg. per year
50 Percentile – Tax has increase \$1,248 or 51% in 8 yrs. About \$156 avg. per year
75 Percentile – Tax has increase \$1,644 or 54% in 8 yrs. About \$206 avg. per year

City of Byron Residential Parcel Examples

Taxable Market Value (TMV)

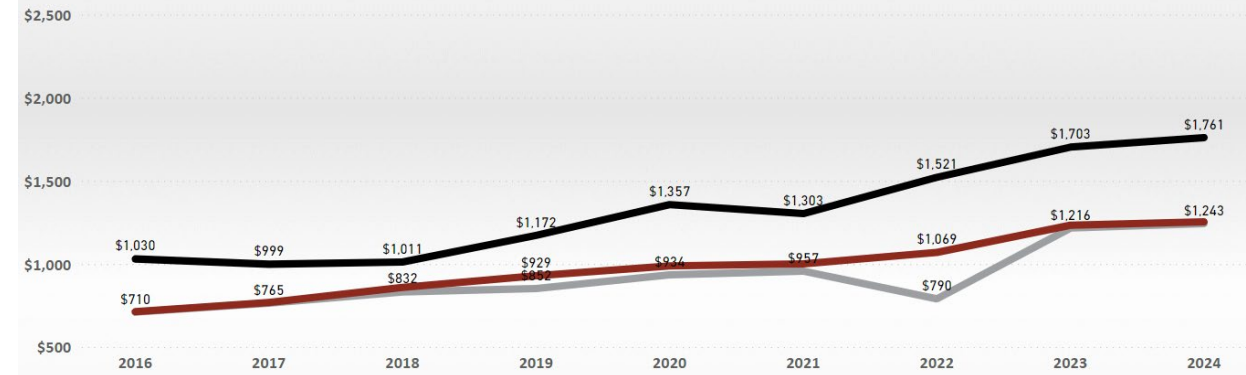
● 25 Percentile - (753224026905) ● 50 Percentile - (753323055547) ● 75 Percentile - (753114027265)



25 Percentile – TMV has increase \$125,200 or 129% in 8 yrs. About \$15.7K avg. per year
50 Percentile – TMV has increase \$158,500 or 131% in 8 yrs. About \$19.8K avg. per year
75 Percentile – TMV has increase \$217,300 or 124% in 8 yrs. About \$27.2K avg. per year

County + HRA Property Tax

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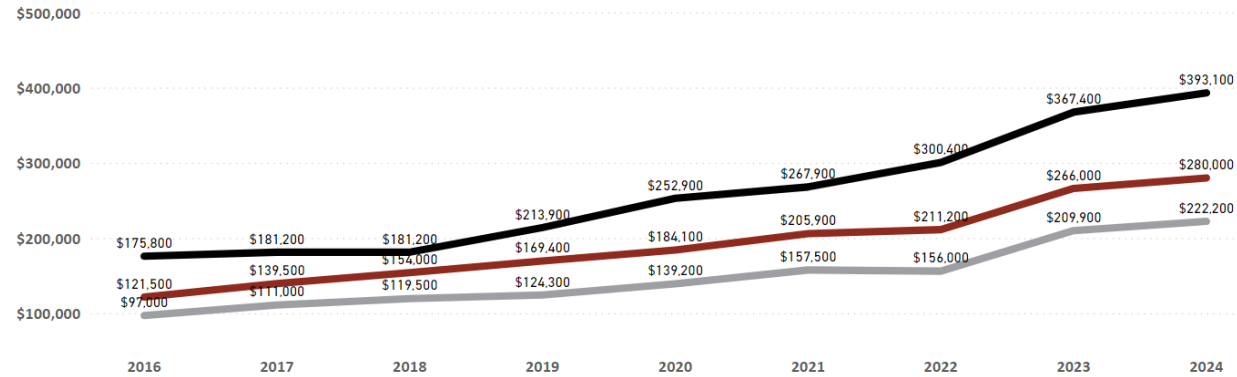


25 Percentile – Tax has increase \$533 or 75% in 8 yrs. About \$67 avg. per year
50 Percentile – Tax has increase \$540 or 76% in 8 yrs. About \$68 avg. per year
75 Percentile – Tax has increase \$731 or 71% in 8 yrs. About \$91 avg. per year

City of Byron Residential Parcel Examples

Taxable Market Value (TMV)

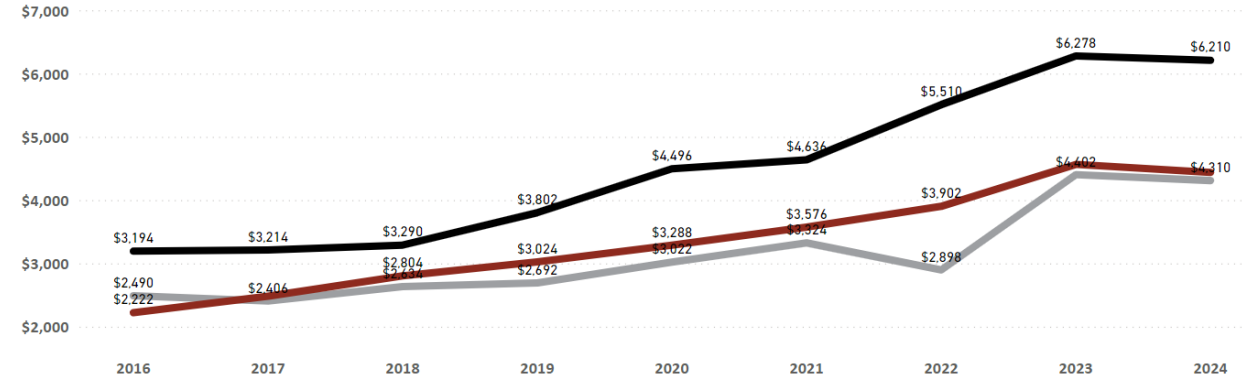
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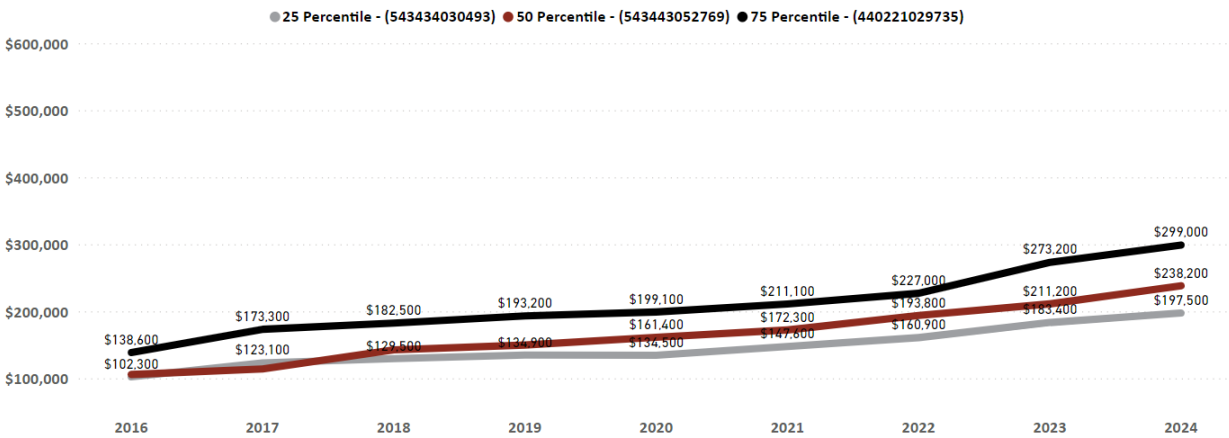
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25 Percentile – Tax has increase \$1,820 or 73% in 8 yrs. About \$228 avg. per year
50 Percentile – Tax has increase \$2,216 or 99% in 8 yrs. About \$277 avg. per year
75 Percentile – Tax has increase \$3,016 or 94% in 8 yrs. About \$377 avg. per year

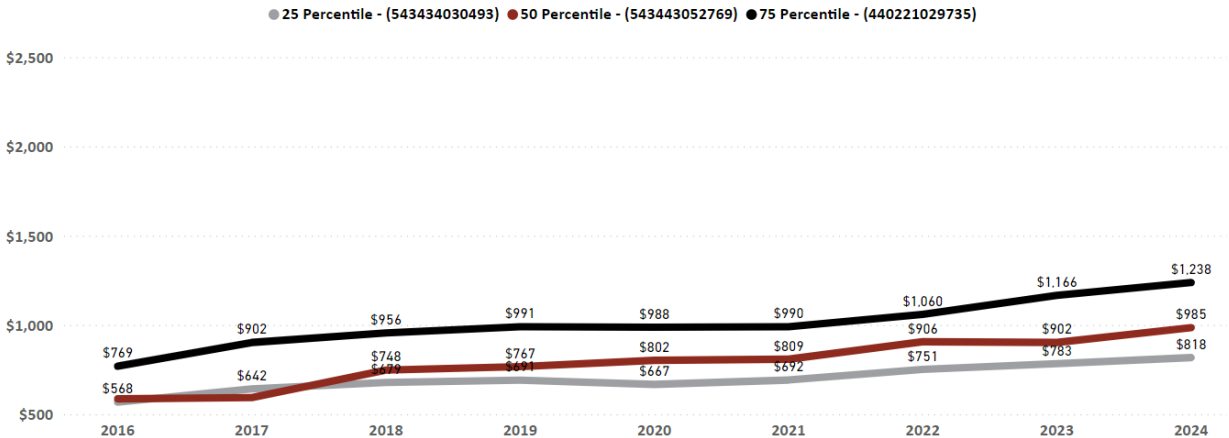
City of Stewartville Residential Parcel Examples

Taxable Market Value (TMV)



25 Percentile – TMV has increase \$95,200 or 93% in 8 yrs. About \$11.9K avg. per year
50 Percentile – TMV has increase \$132,300 or 125% in 8 yrs. About \$16.5K avg. per year
75 Percentile – TMV has increase \$160,400 or 116% in 8 yrs. About \$20K avg. per year

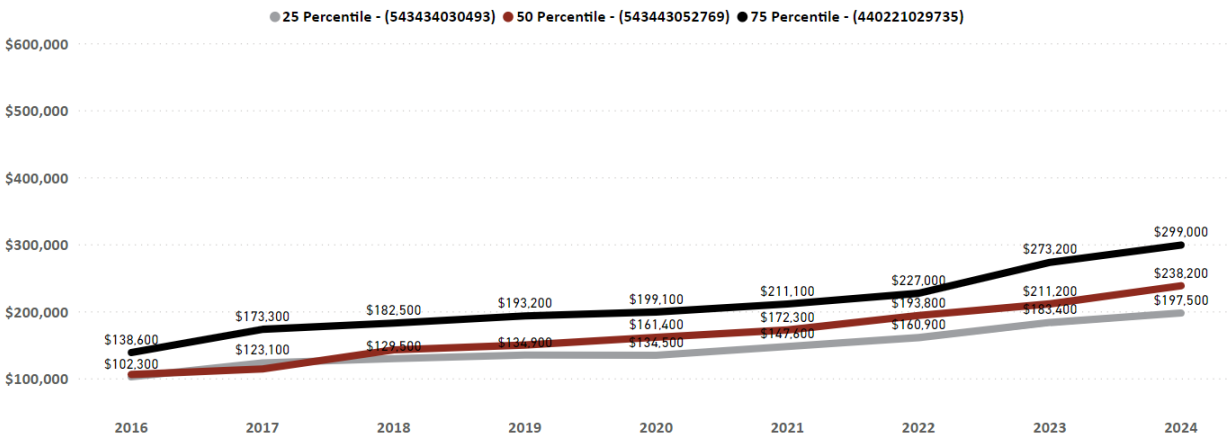
County + HRA Property Tax



25 Percentile – Tax has increase \$250 or 44% in 8 yrs. About \$31 avg. per year
50 Percentile – Tax has increase \$398 or 68% in 8 yrs. About \$50 avg. per year
75 Percentile – Tax has increase \$469 or 61% in 8 yrs. About \$59 avg. per year

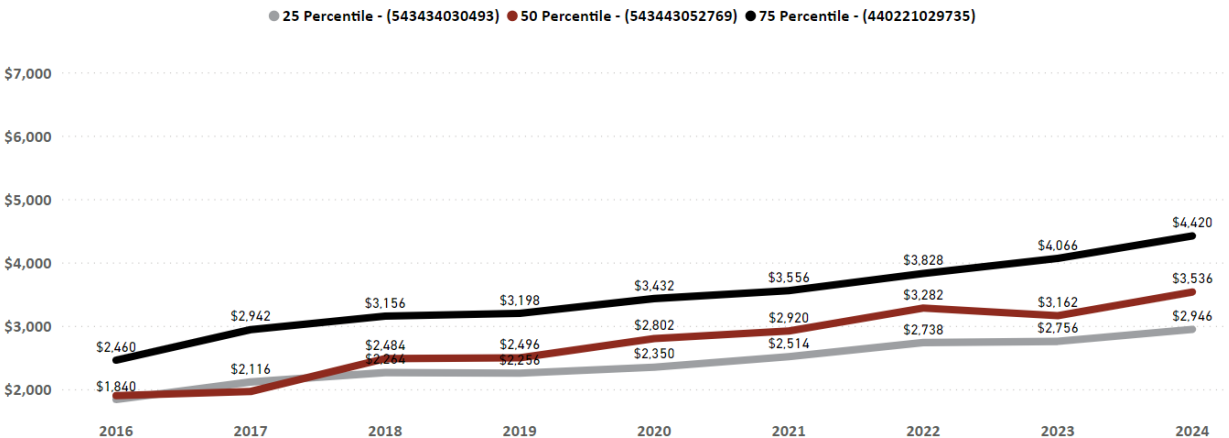
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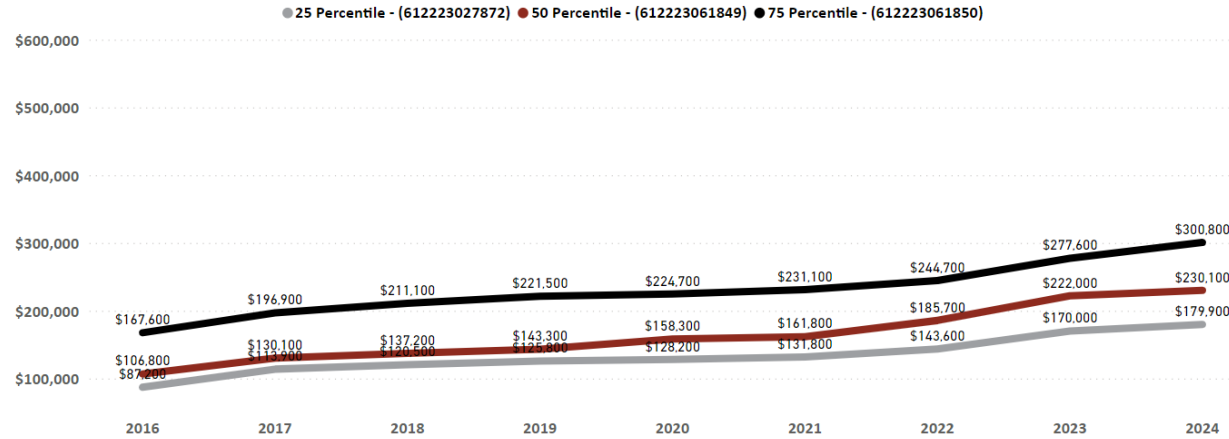
TOTAL Property Tax



25 Percentile – Tax has increase \$1,106 or 60% in 8 yrs. About \$138 avg. per year
50 Percentile – Tax has increase \$1,636 or 86% in 8 yrs. About \$205 avg. per year
75 Percentile – Tax has increase \$1,960 or 80% in 8 yrs. About \$245 avg. per year

City of Dover Residential Parcel Examples

Taxable Market Value (TMV)

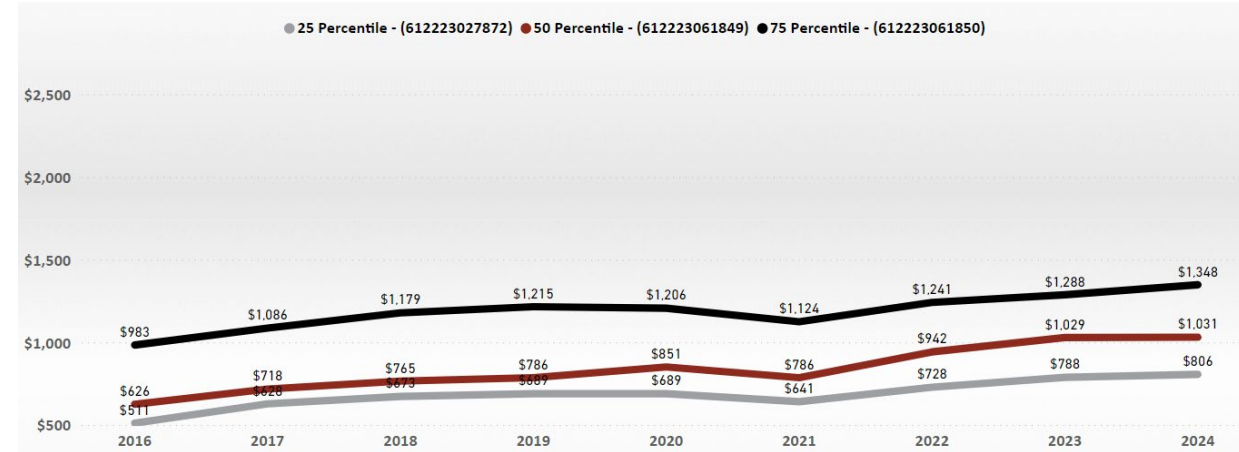


25 Percentile – TMV has increase \$92,700 or 106% in 8 yrs. About \$11.6K avg. per year

50 Percentile – TMV has increase \$123,300 or 115% in 8 yrs. About \$15.4K avg. per year

75 Percentile – TMV has increase \$133,200 or 80% in 8 yrs. About \$16.6K avg. per year

County + HRA Property Tax



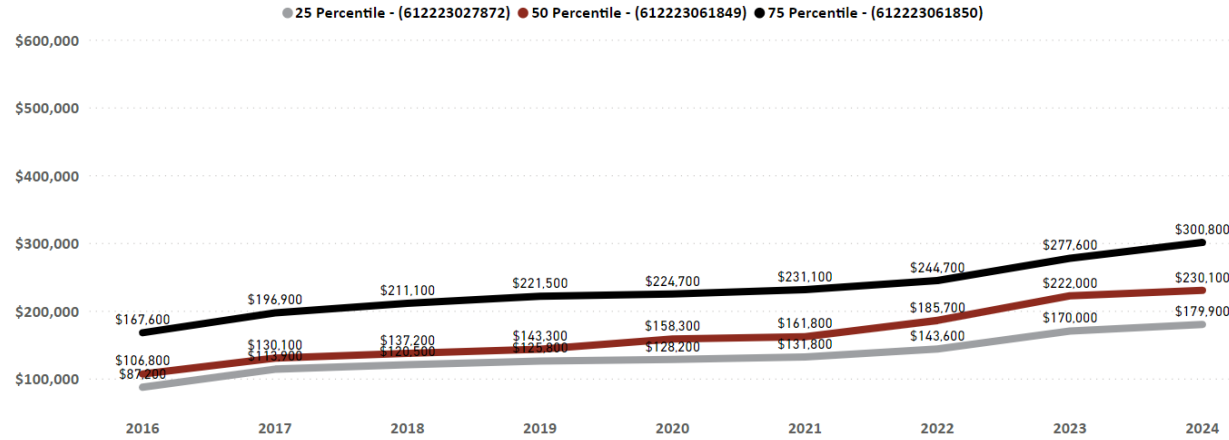
25 Percentile – Tax has increase \$295 or 58% in 8 yrs. About \$37 avg. per year

50 Percentile – Tax has increase \$405 or 65% in 8 yrs. About \$51 avg. per year

75 Percentile – Tax has increase \$365 or 37% in 8 yrs. About \$46 avg. per year

City of Dover Residential Parcel Examples

Taxable Market Value (TMV)

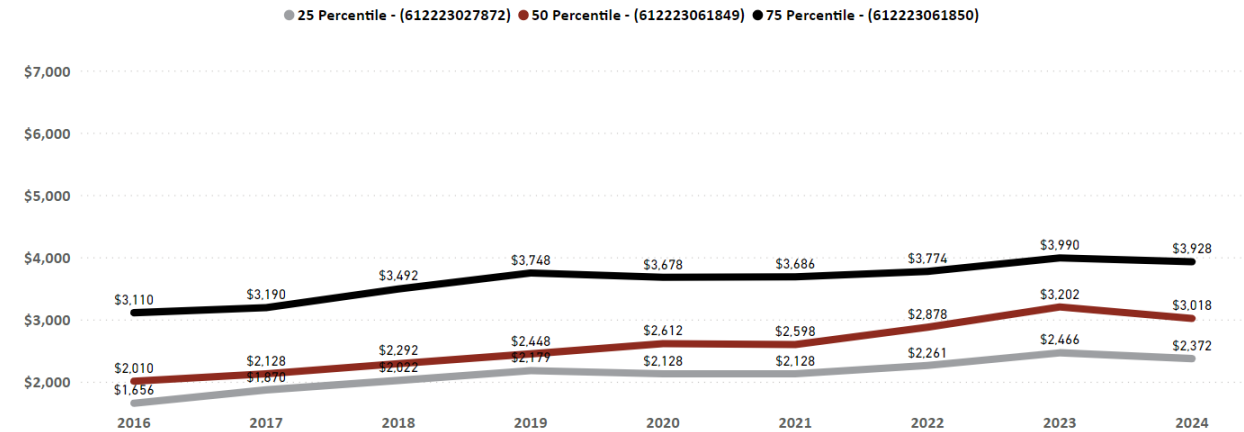


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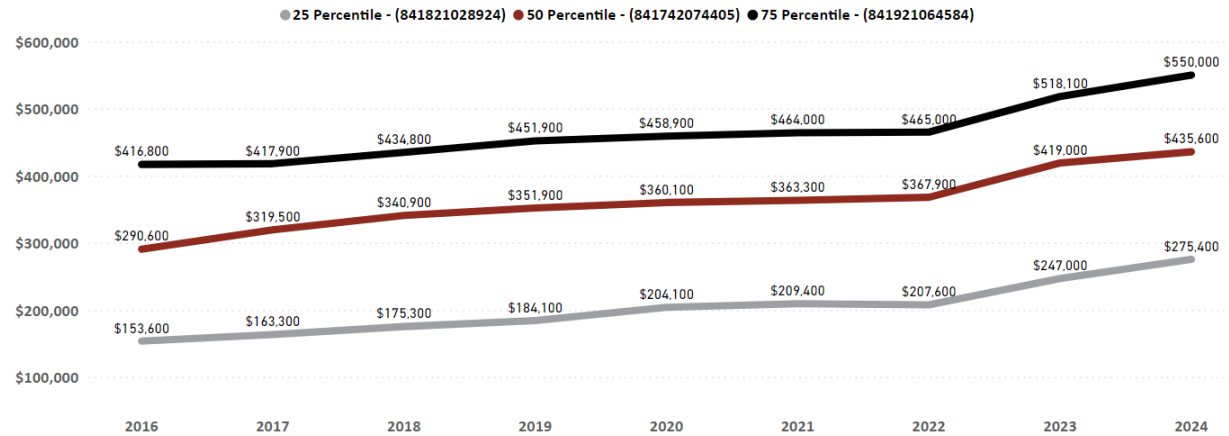
25 Percentile – Tax has increase \$716 or 43% in 8 yrs. About \$90 avg. per year

50 Percentile – Tax has increase \$1,008 or 50% in 8 yrs. About \$126 avg. per year

75 Percentile – Tax has increase \$818 or 26% in 8 yrs. About \$102 avg. per year

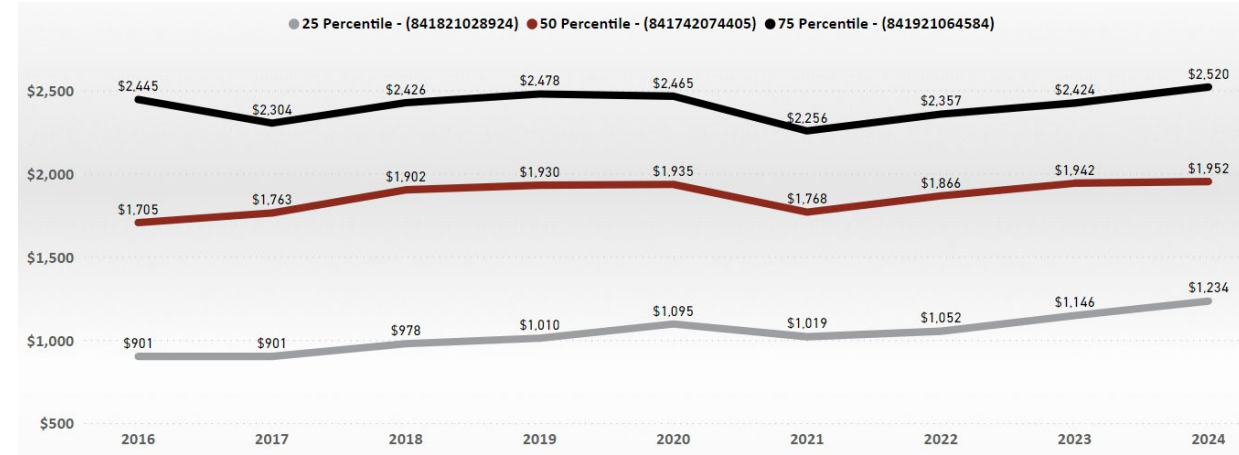
City of Oronoco Residential Parcel Examples

Taxable Market Value (TMV)



25 Percentile – TMV has increase \$121,800 or 79% in 8 yrs. About \$15.2K avg. per year
50 Percentile – TMV has increase \$145,000 or 50% in 8 yrs. About \$18.1K avg. per year
75 Percentile – TMV has increase \$133,200 or 32% in 8 yrs. About \$16.6K avg. per year

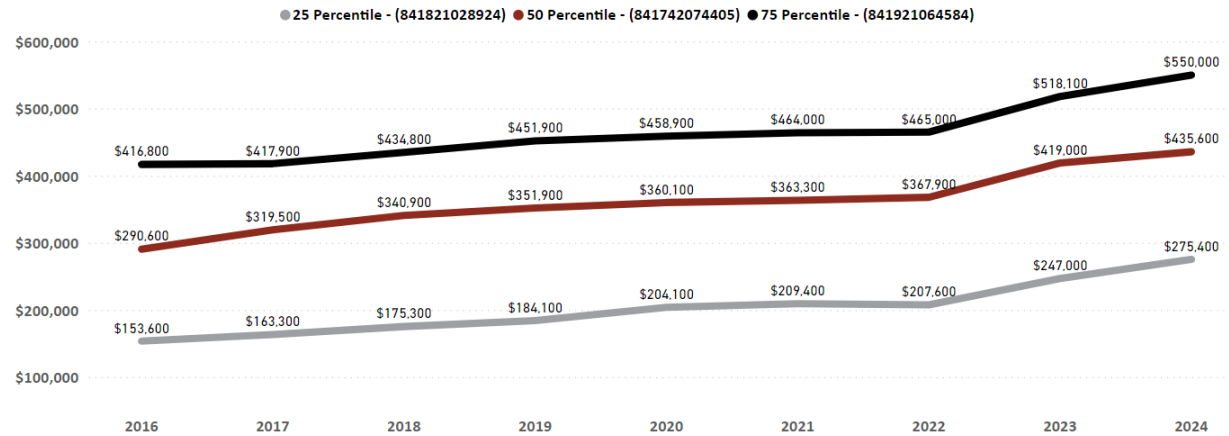
County + HRA Property Tax



25 Percentile – Tax has increase \$333 or 37% in 8 yrs. About \$42 avg. per year
50 Percentile – Tax has increase \$247 or 15% in 8 yrs. About \$31 avg. per year
75 Percentile – Tax has increase \$75 or 3% in 8 yrs. About \$9 avg. per year

City of Oronoco Residential Parcel Examples

Taxable Market Value (TMV)

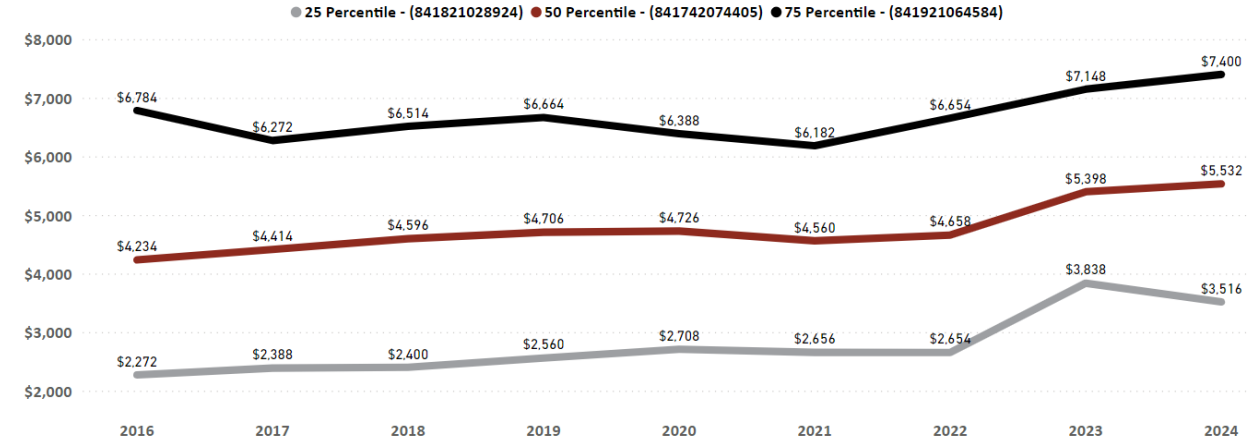


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TOTAL Property Tax

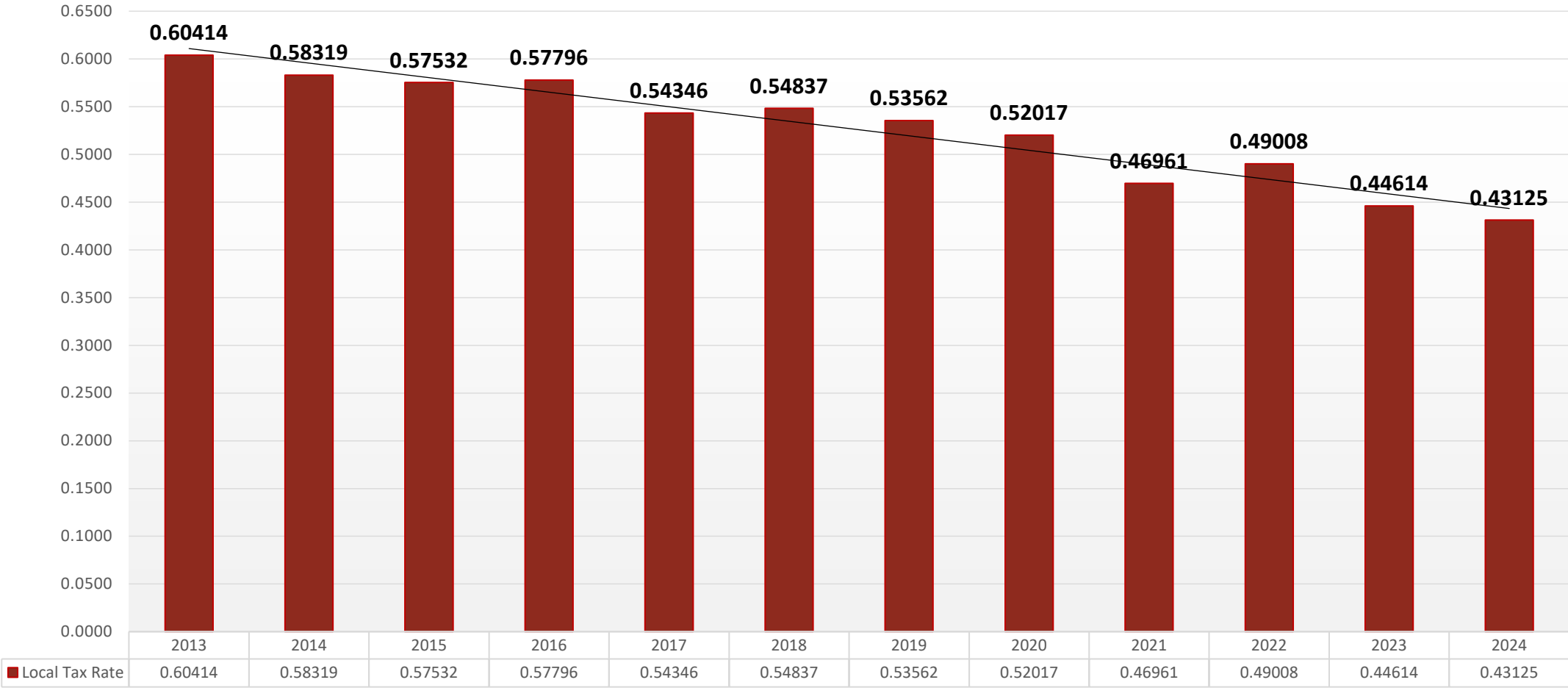


25 Percentile – Tax has increase \$1,244 or 55% in 8 yrs. About \$156 avg. per year

50 Percentile – Tax has increase \$1,298 or 31% in 8 yrs. About \$162 avg. per year

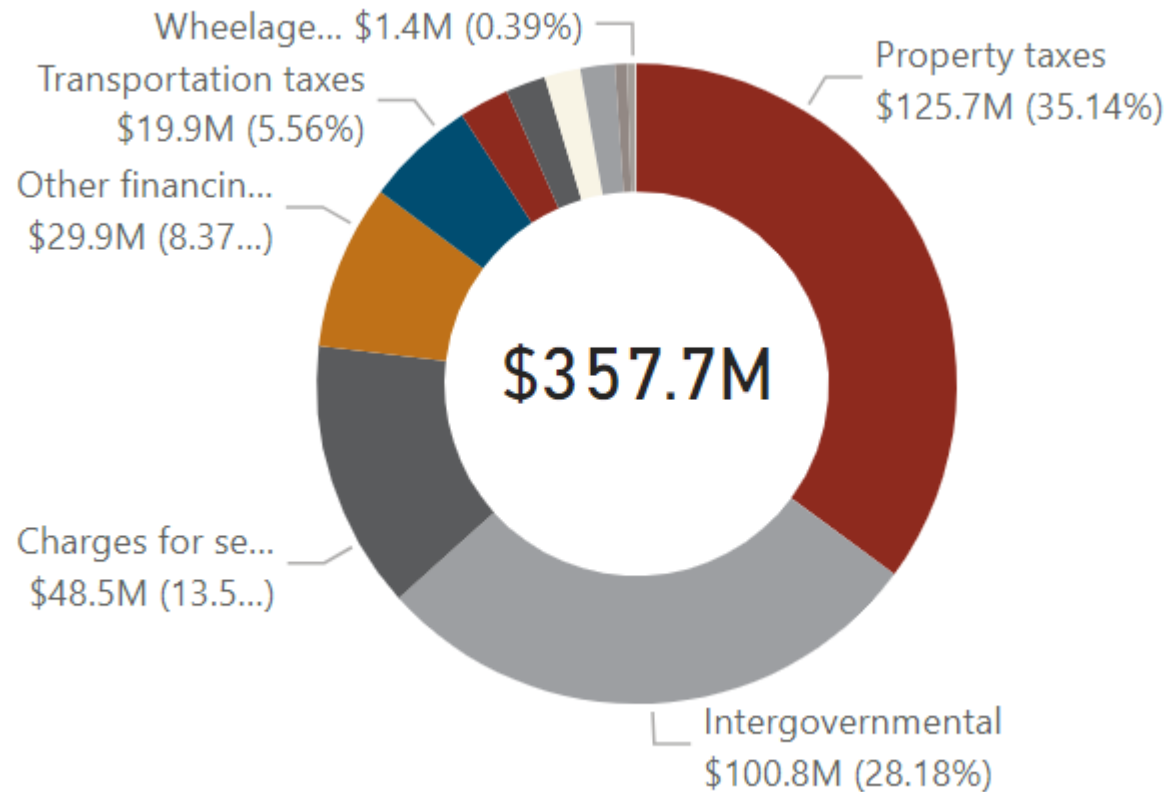
75 Percentile – Tax has increase \$616 or 9% in 8 yrs. About \$77 avg. per year

Olmsted County Only Local Tax Rate - History



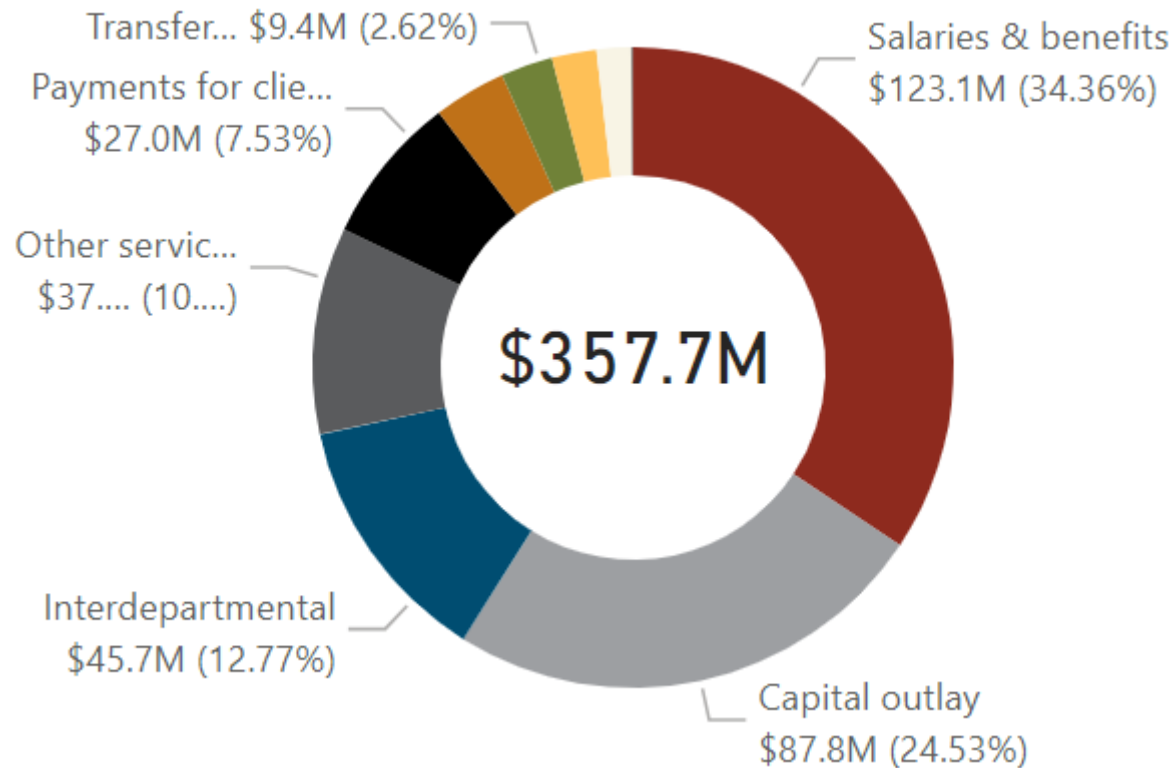
$$\text{Local Tax Rate} = \frac{(\text{Property tax revenue needed})}{(\text{Total Tax Capacity})}$$

2024 Revenue Budget (County Only)



Category	Amount	%
Property taxes	\$125,692,356	35.14%
Intergovernmental	\$100,826,008	28.18%
Charges for services	\$48,492,263	13.56%
Other financing sources	\$29,940,435	8.37%
Transportation taxes	\$19,907,602	5.56%
Transfers in	\$9,060,620	2.53%
Reserves	\$7,218,489	2.02%
Miscellaneous	\$6,494,974	1.82%
Interest	\$6,228,694	1.74%
Licenses & permits	\$2,162,900	0.60%
Wheelage taxes	\$1,400,000	0.39%
Gifts	\$293,500	0.08%
Fines	\$22,000	0.01%
Total	\$357,739,841	100.00%

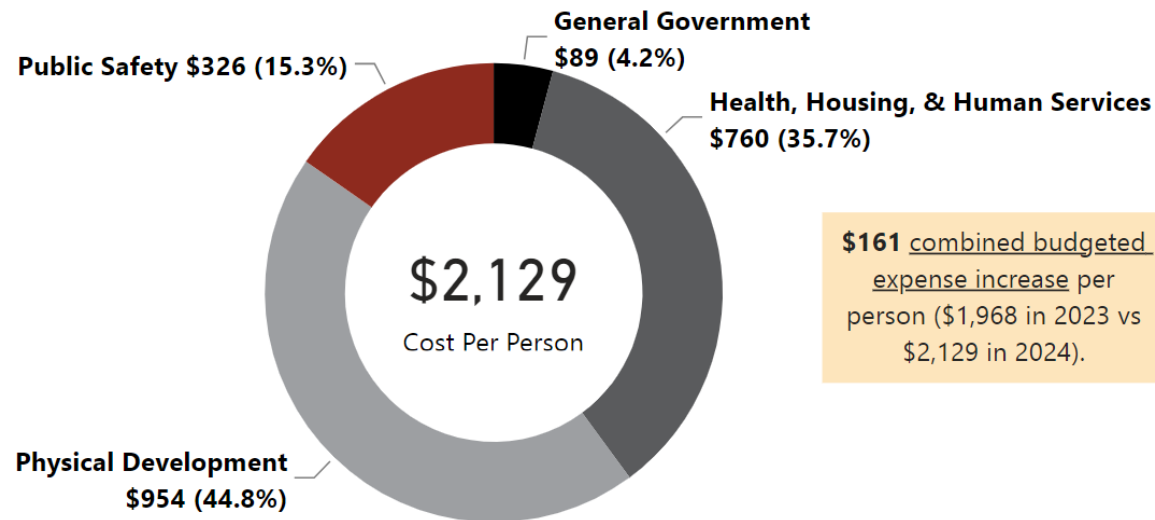
2024 Expense Budget (County Only)



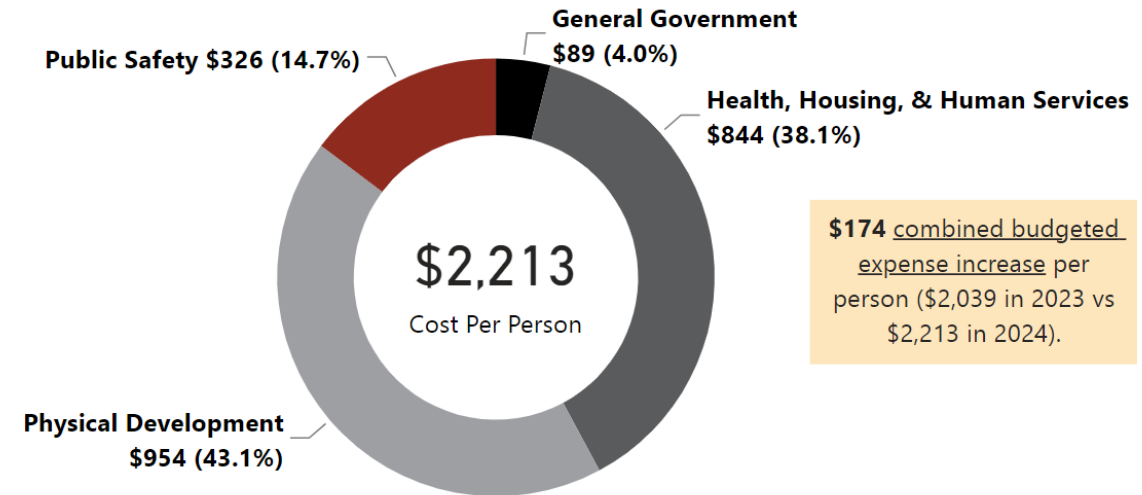
Category	Amount	%
Salaries & benefits	\$123,057,321	34.40%
Capital outlay	\$87,833,928	24.55%
Interdepartmental	\$45,749,162	12.79%
Other services and charges	\$37,388,992	10.45%
Payments for clients	\$26,975,761	7.54%
Debt service	\$13,090,049	3.66%
Transfers out	\$9,380,024	2.62%
Supplies	\$8,072,044	2.26%
Miscellaneous	\$6,188,820	1.73%
Contingency	\$401,000	0.11%
Contra-accounts	(\$397,258)	-0.11%
Total	\$357,739,843	100.00%

2024 Budgeted Cost Per Person by Division

\$357.7 M – County Only



\$371.8 M – County + HRA



2024 Levy and Cost Per Person

	Per Person Levy		Per Person Expenses	
	2023	2024	2023	2024
Criminal Justice / Public Safety	\$ 232	\$ 275	\$ 319	\$ 379
Courts	15	16	16	18
Attorney	37	48	45	55
Sheriff / Emergency Management	84	104	109	141
Adult Detention Center	88	108	92	112
Community Corrections	8	-	56	53
Highways	\$ 35	\$ 45	\$ 340	\$ 364
Construction	12	22	280	306
Maintenance	23	23	60	58
Health, Housing and Human Services	\$ 271	\$ 360	\$ 666	\$ 783
Public Health	39	55	79	93
Olmsted County Housing and Redevelopment Authority	28	29	92	109
Family Support and Assistance (Eligibility Screening)	27	44	104	125
Protection Social Services - Children	117	144	187	217
Protection Social Services - Adult	60	89	204	238
Other	\$ 218	\$ 97	\$ 715	\$ 686
Environmental Resources	-	-	201	314
Land Management	42	15	61	72
Elections	4	7	4	15
Graham Park	3	4	8	10
Graham Capital	4	-	115	111
Parks	11	14	14	17
Parks Capital	0.5	-	10	37
Debt Service	19	26	78	34
All Other	134	30	223	76
Total	\$ 755	\$ 777	\$ 2,039	\$ 2,213

Appropriation Libraries and Agencies

Name	2024 Recommended Budget
Rochester Public Library	\$1,242,985
Chatfield Public Library	33,118
Pine Island Public Library	64,560
St. Charles Library	21,903
Stewartville Library	59,202
History Center	200,000
Channel One	150,000
Legal Assistance of Olmsted County	145,000
RAEDI (Rochester Area Economic Development, Inc)	40,000
Southern MN Initiative Foundation	20,000
Bridges to Careers	20,000
SEMN Emergency Medical Services	15,000
Township Cooperative Planning Association (TCPA)	15,000
SEMCAC	10,000
White Water Joint Powers Board	8,112
Total Recommended 2024 Budget	\$ 2,044,880

In Summary

- 2024 County Levy per capita = **\$748** (ranks lower than 61% of all MN counties)
- 2024 County Property Taxes (Levy) increased by **5.20%**
- The median County and HRA tax change for all residential parcels in 2024 is **\$39**.
- In 2024, residential parcels will experience the following decrease or increases in County + HRA property tax, when compared to 2023:
 - **23%** (12,561 parcels) will experience a **decrease**
 - **34%** (18,672 parcels) will experience no change or an increase **less than \$50**
 - **30%** (16,460 parcels) will experience an increase between **\$50 and \$149**
 - **13%** (7,584 parcels) will experience an increase of **\$150 or more**.

2024 Budget Adoption

The 2024 Levy and Budgets will be adopted at the regular Board meeting which begins at **6:00 pm Tuesday, December 19, 2023**,

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:
Lucas.Ferrian@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.