

Olmsted County Truth In Taxation **2026 Levy and Budget**

December 4, 2025

Government Center Boardroom

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Property Tax Refund Programs 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. The maximum refund is \$1,000.

For more information or to determine if you are eligible for either of these refunds, read and fill out Form M1PR from the Minnesota Department of Revenue.

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

Other Property Tax Relief Programs from State of MN

Two other significant property tax relief programs are available to homestead property owners. Both are through the State of Minnesota:

- **Property Tax Deferral for Seniors:** Older than 65 and have a household income of \$96,000 a year or less could qualify. Property owner pay property taxes up to 3% of their total household income, anything above that is paid for by the state as a loan.
- **Market Value Exclusion for Veterans with a Disability:** This market value exclusion program reduces the market value of the home for tax purposes, which may reduce your property tax. There are two exclusion levels, \$150,000 and \$300,000, depending on status. The program is administered by the counties. To qualify, a homeowner must apply to their county assessors office by Dec. 31. Veterans need to work with their veterans service officer to get their disability rating.

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

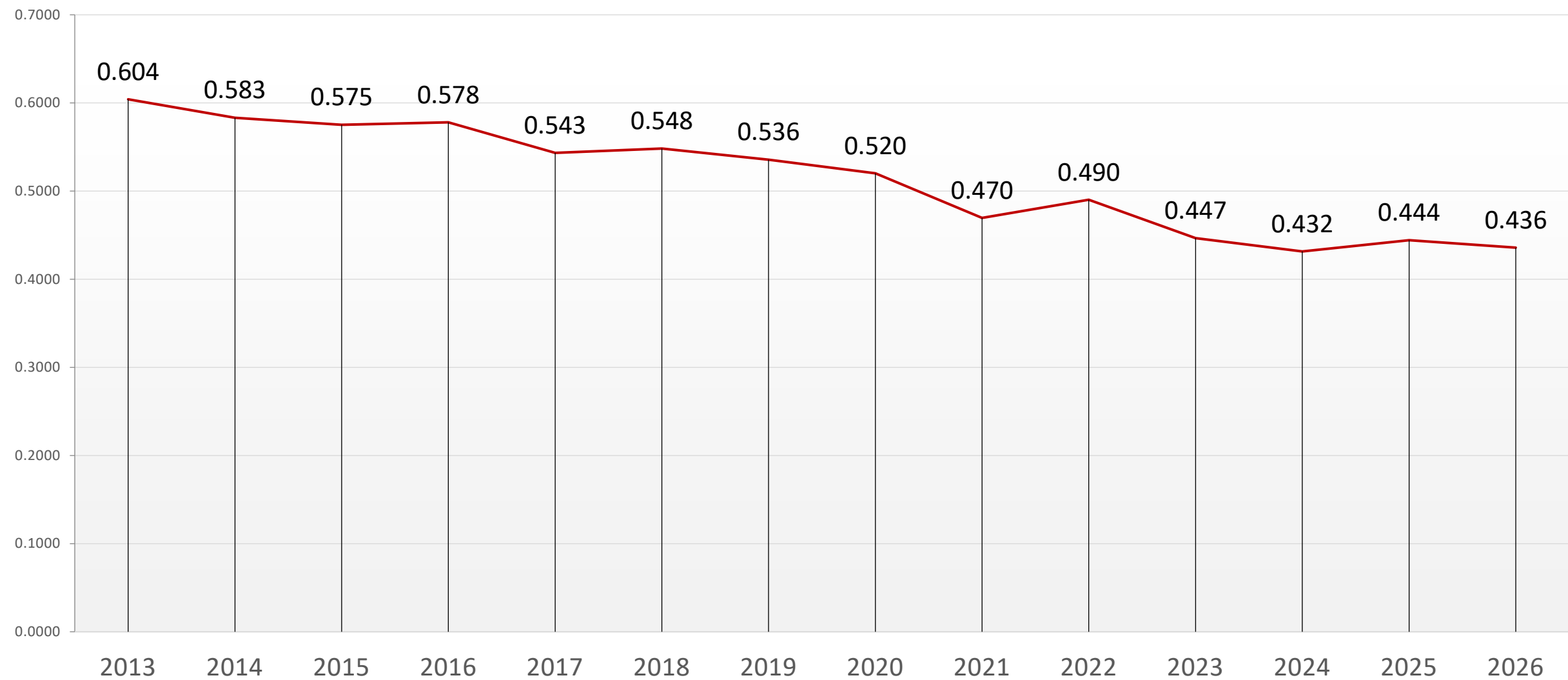
New taxes approved by referendum

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 & 2026 Proposed



2026 Tax Rate 0.436 = $0.420 \frac{\$ 140,187,710}{\$ 334,158,028} \text{ County Funds Levy Needs Tax Capacity}$ **+** $0.016 \frac{\$ 1,523,101}{\$ 92,767,192} \text{ Library Fund Levy Needs Tax Capacity}$

Residential Parcels - Comparison Example

Residential Homestead Example #1	2025 Amount	2026 Amount	Change \$	Change %
TAXABLE MARKET VALUES	\$ 777,900	\$ 788,600	\$ 10,700.00	1.4%
OLMSTED COUNTY	\$ 3,612	\$ 3,611	\$ (0.74)	-0.02%
OLMSTED COUNTY HRA	\$ 146	\$ 147	\$ 1.04	0.71%
CITY OF ROCHESTER (Scenic Oaks - SW)	\$ 4,426	\$ 4,425	\$ (0.76)	-0.02%
ROCHESTER ISD 535				
<i>VOTER APPROVED LEVIES</i>	\$ 1,798	\$ 1,773	\$ (25.46)	-1.42%
<i>OTHER LOCAL LEVIES</i>	\$ 1,685	\$ 1,705	\$ 19.04	1.13%
TOTALS (EXCLUDING SPECIAL ASSESSMENTS)	\$ 11,667	\$ 11,660	\$ (6.88)	-0.06%

Residential Homestead Example #2	2025 Amount	2026 Amount	Change \$	Change %
TAXABLE MARKET VALUES	\$ 615,800	\$ 645,500	\$ 29,700.00	4.8%
OLMSTED COUNTY	\$ 2,749	\$ 2,866	\$ 117.24	4.27%
OLMSTED COUNTY HRA	\$ 111	\$ 117	\$ 5.60	5.04%
CITY OF ROCHESTER (Century Hills - NE)	\$ 3,370	\$ 3,514	\$ 143.94	4.27%
ROCHESTER ISD 535				
<i>VOTER APPROVED LEVIES</i>	\$ 1,411	\$ 1,443	\$ 32.24	2.29%
<i>OTHER LOCAL LEVIES</i>	\$ 1,300	\$ 1,367	\$ 66.98	5.15%
TOTALS (EXCLUDING SPECIAL ASSESSMENTS)	\$ 8,940	\$ 9,306	\$ 366.00	4.09%

County + HRA Property Taxes (Levies)

	2025 Combined Levies	+	2026 Recommended increases	=	2026 Recommended Combined Levies	Percent Change
County	\$132,690,673	+	\$9,020,138	=	\$141,710,811	6.80%
HRA	\$5,172,068	+	\$396,476	=	\$5,568,544	7.67%
Total	\$137,862,741	+	\$9,416,614	=	\$147,279,355	6.83%

**\$147 million
rounded**

County + HRA Property Tax Distribution

County + HRA Property Taxes = \$147.2 Million



Residential and Apartments represent about 72% of market value and pay about 64% or \$93.6 M of County + HRA property taxes

Estimated Market Value = \$30.8 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>
2026	\$147 M	\$857	\$71
2025	\$138 M	\$814	\$68
	\$9 M	\$43	\$3

Estimated population used for 2025 and 2026 respectively are: 169,448 and 171,783.

County + HRA Property Tax Per Household

Tax Payable Year	Property Tax <u>Residential & Apartments</u> <u>Only</u>	Average Property Tax per household <u>per year</u>	Average Property Tax per household <u>per month</u>
2026	\$93.6 M	\$1,321	\$110
2025	\$88.5 M	\$1,269	\$106
	\$5.1 M	\$52	\$4

Estimated number of households used for 2025 and 2026 respectively are: 69,722 and 70,837.

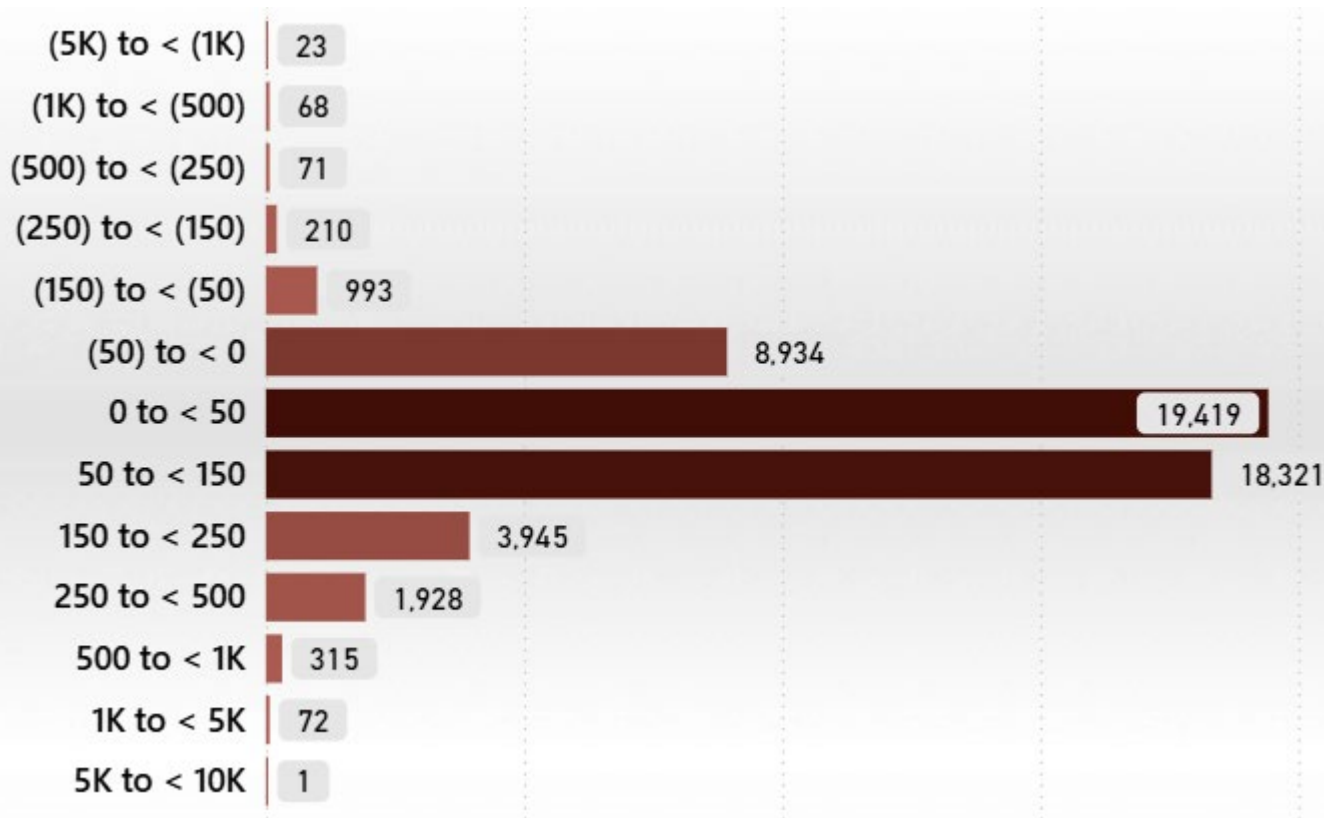
County + HRA Property Tax Per Household – Cont.



Taxes Payable 2026	Per Month	Per Year
Average County + HRA property tax (from previous slide)	\$110	\$1,321

Various online sources	Per Month	Per Year
Cell phone	\$90	\$1,080
Internet	\$70	\$840
Cable/Satellite	\$100	\$1,200
	\$260	\$3,120

Residential Single Unit Parcels Only (County + HRA)



Almost 19% or 10,299, of residential parcels will experience a decrease in County + HRA property taxes in 2026 when compared to 2025

About 36% or 19,419 of residential parcels will have their 2026 County + HRA property taxes remain the same or increase less than \$50 when compared to 2025. The median increase is \$21.

About 34% or 18,321 of residential parcels will experience an increase in County + HRA property taxes between \$50 and \$149. The median increase is \$82.

About 11% or 6,261 of residential parcels will experience an increase in County + HRA property taxes of \$150 or higher.

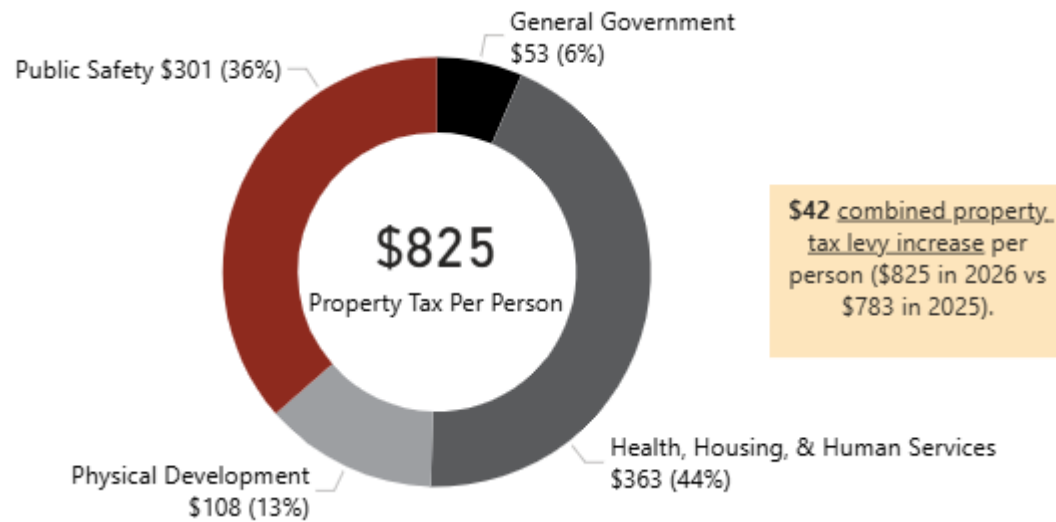
Residential Single Unit Parcels Only (2026 Median Values)

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, for the range above	\$180,000	\$228,000	\$272,800	\$340,600	\$443,500	\$279,800
# of Parcels:	4,399	9,058	8,700	9,910	5,915	37,982
County	\$764	\$963	\$1,153	\$1,445	\$1,879	\$1,189
HRA	\$31	\$39	\$46	\$58	\$76	\$47
Other jurisdictions*	\$1,751	\$2,207	\$2,625	\$3,230	\$4,108	\$2,618
All Property Taxes	\$2,546	\$3,209	\$3,824	\$4,733	\$6,063	\$3,854

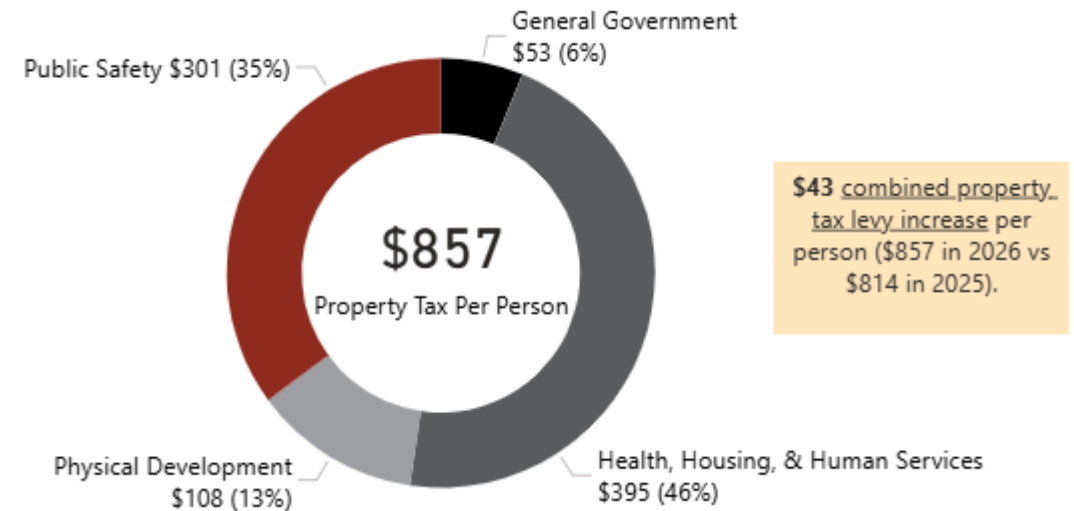
* Does not include new taxes approved by referendum

2026 Property Tax (Levy) Per Person by Division

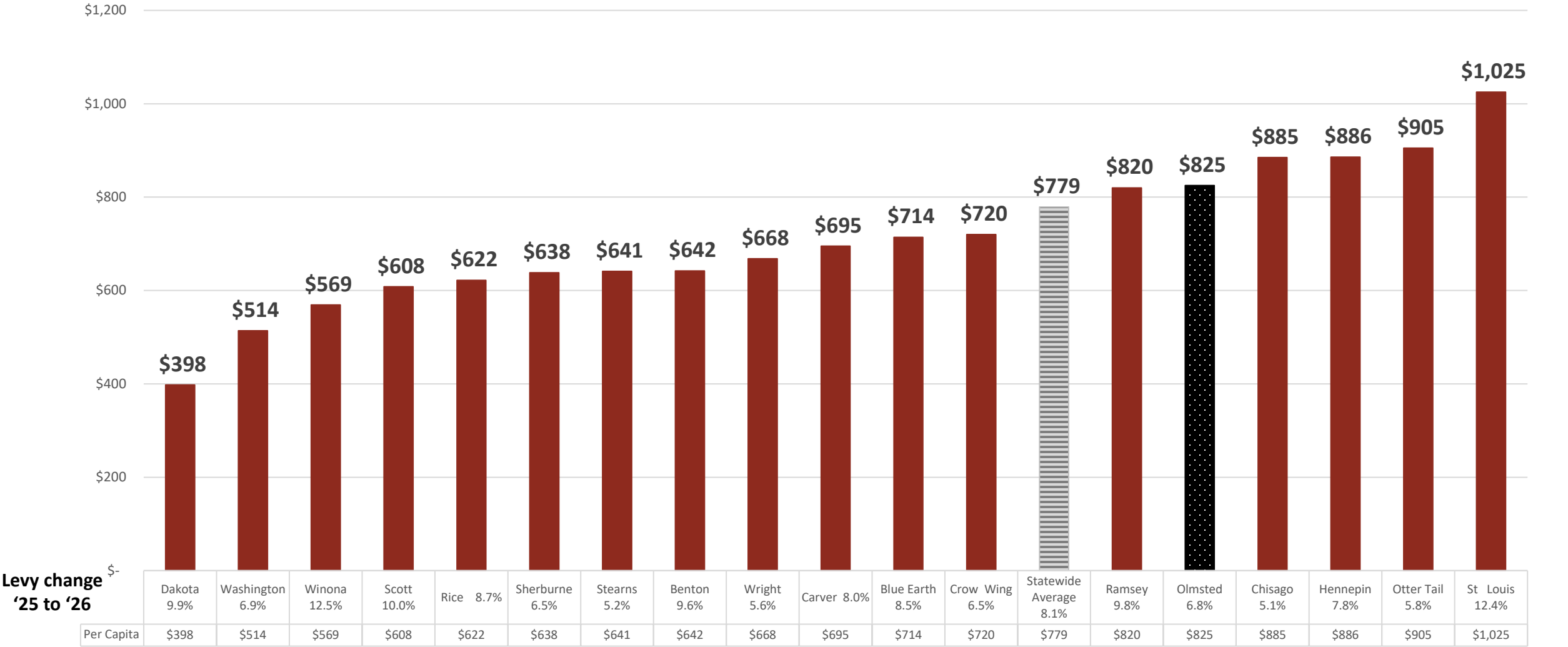
\$142 M – County Only



\$147 M – County + HRA

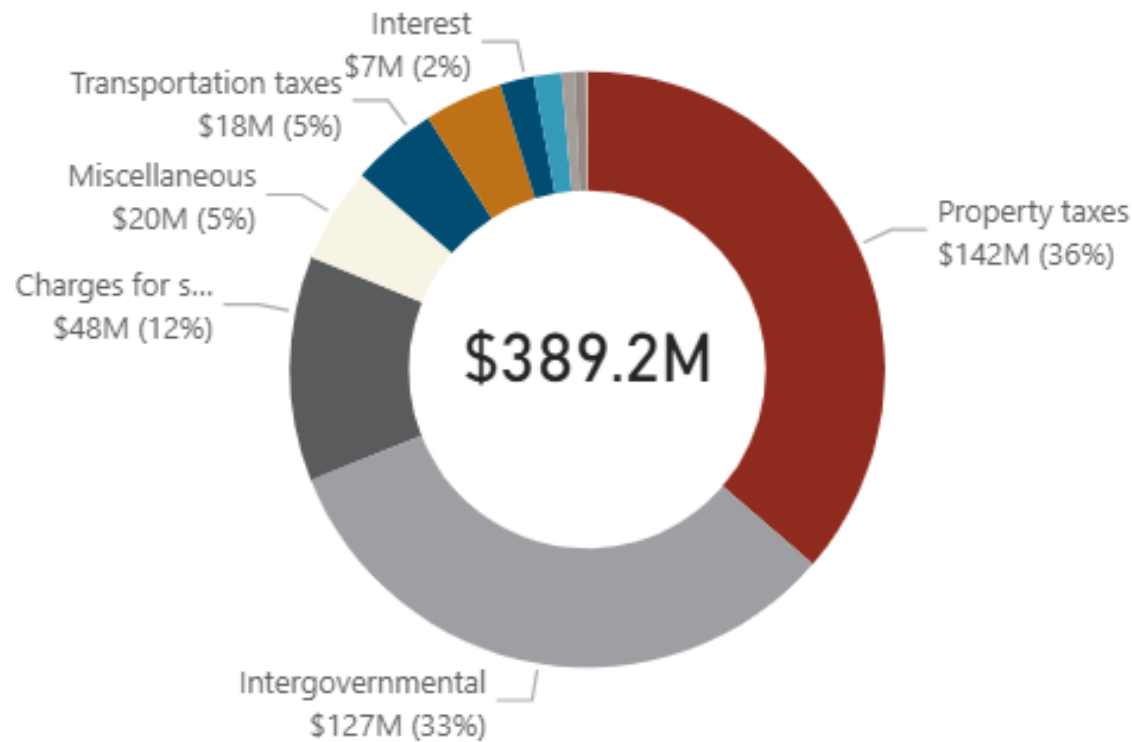


2026 Preliminary Property Tax Per Person Comparison



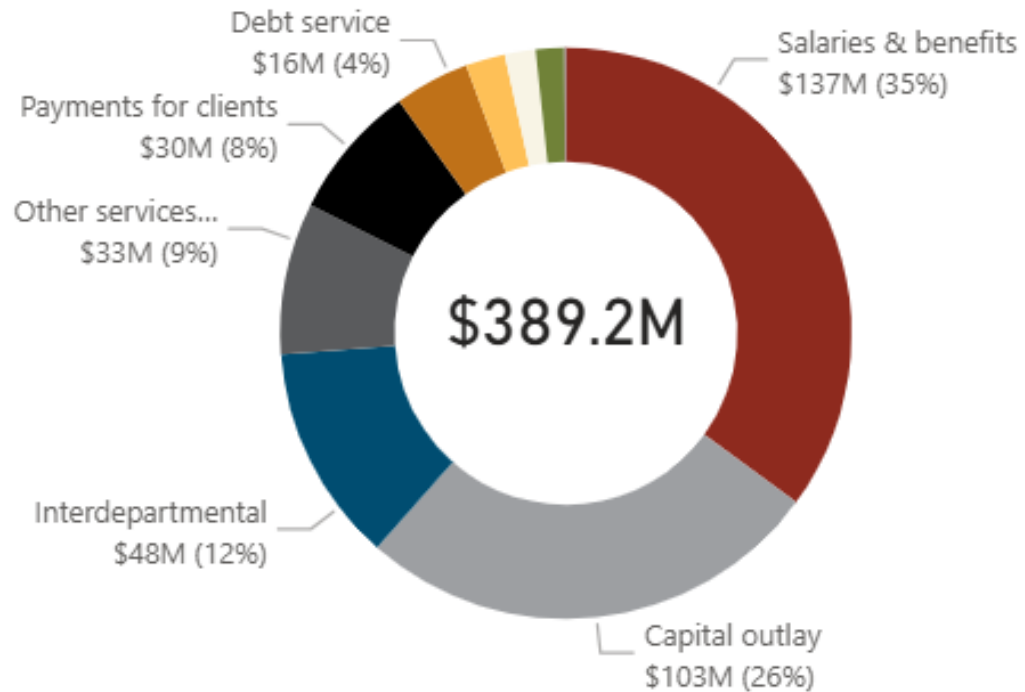
For year 2026, Olmsted County ranks # 30 (out of 87 counties) for county property taxes payable per capita (per person). Lower than about 66% or 57 of the 87 MN counties. Dakota County ranks #1, as the lowest and Traverse ranks #87, as the highest.

2026 Revenue Budget (County Only)



Category	Amount	%
Property taxes	\$141,713,639	36.41%
Intergovernmental	\$127,463,106	32.75%
Charges for services	\$47,583,955	12.23%
Miscellaneous	\$20,102,410	5.16%
Transportation taxes	\$18,415,000	4.73%
Other financing sources	\$16,597,710	4.26%
Interest	\$7,121,055	1.83%
Transfers in	\$5,877,016	1.51%
Wheelage taxes	\$2,800,000	0.72%
Licenses & permits	\$2,297,000	0.59%
Gifts	\$328,500	0.08%
Fines	\$22,000	0.01%
Reserves	(\$1,097,078)	-0.28%
Total	\$389,224,313	100.00%

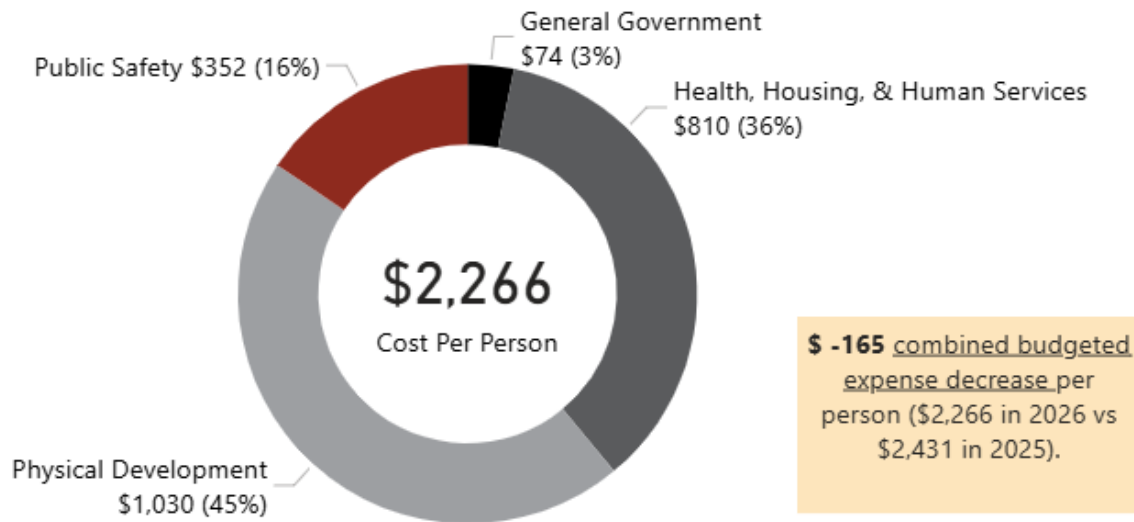
2026 Expense Budget (County Only)



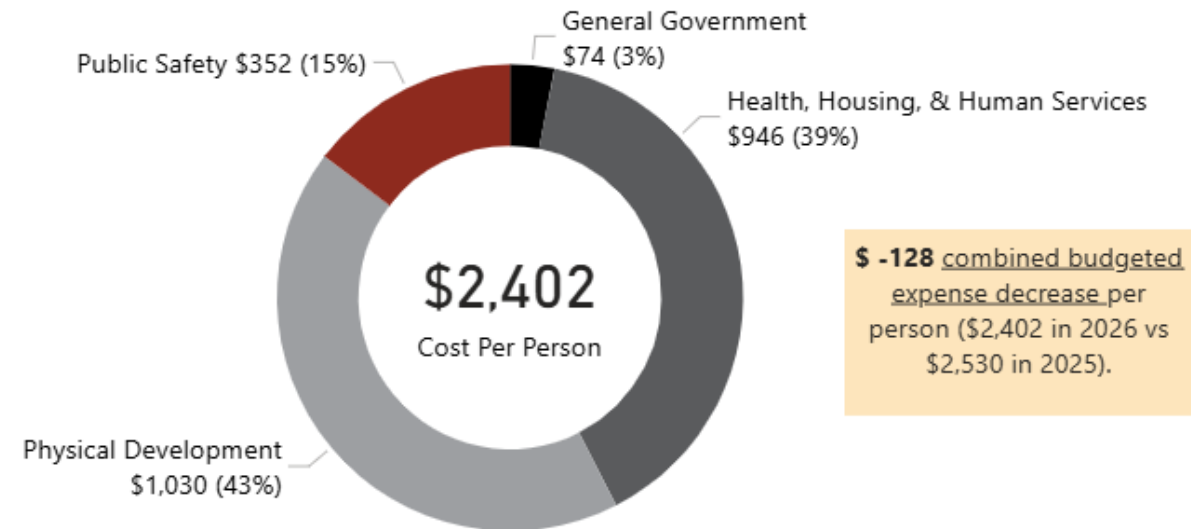
Category	Amount	%
Salaries & benefits	\$136,526,517	35.08%
Capital outlay	\$102,826,880	26.42%
Interdepartmental	\$47,974,313	12.33%
Other services and charges	\$33,490,426	8.60%
Payments for clients	\$29,836,561	7.67%
Debt service	\$16,471,692	4.23%
Supplies	\$8,715,518	2.24%
Miscellaneous	\$6,785,393	1.74%
Transfers out	\$6,197,013	1.59%
Contingency	\$400,000	0.10%
Total	\$389,224,313	100.00%

2026 Budgeted Cost Per Person by Division

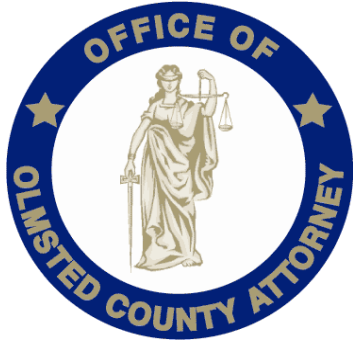
\$389 M – County Only



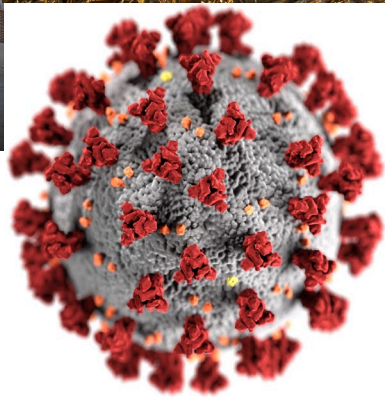
\$412.6 M – County + HRA



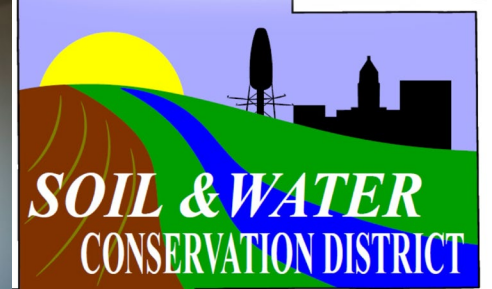
County Tax Dollars – How they are used



**Dodge & Olmsted
Victim Services**



OLMSTED



Olmsted County 2024-2028 Strategic Plan

- Community safety and well-being
- Community trust and engagement
- Environmental sustainability
- Responsible growth and development
- Effective and engaged workforce



Parks and Trails – Community Engagement

2025 focus on Parks, 2026 focus on Trails

Engage - surveys and open house events

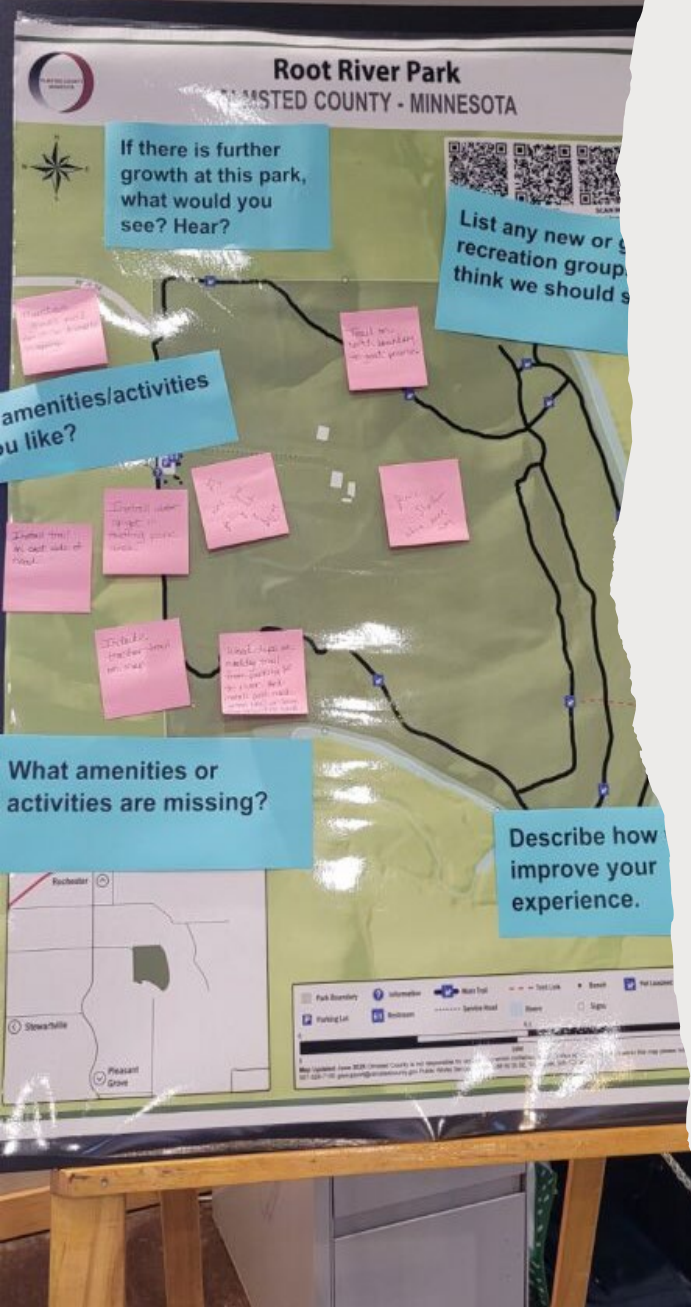
Gather ideas, answer questions, share about future plans

Community input and feedback

Improve park features, nature areas, and enhance experiences.

Build master plans with community input

Community trust and engagement



Public Safety investment

Program Sergeant ADC/jail

Coordinate volunteers who
offer programming

Reduce recidivism

Strengthen families

Improve outcomes for justice
involved individuals

Community safety and well-being



Democracy in action



2026 Elections – state primary and General Election

One of our most important responsibilities

Staff and technology investments

Secure, transparent, and accessible process

Constituent confidence

Community trust and engagement

Protecting our water - nitrates



Olmsted County - Soil and Water
Conservation District and Public
Health

TAP-IN Safe Drinking Water Program

Free water testing

Water treatment systems



Environmental sustainability

Community Connections

Child and Family Services

Meaningful community engagement

- Expanding community voice
- Strengthening partnerships
- Investing in staff engagement



Community trust and engagement

2026 Budget Adoption

The 2026 Levy and Budgets will be adopted at the regular Board meeting which begins at **6:00 pm Tuesday, December 16, 2025**,

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.