Steele County
2022 Truth In Taxation
Public Hearing

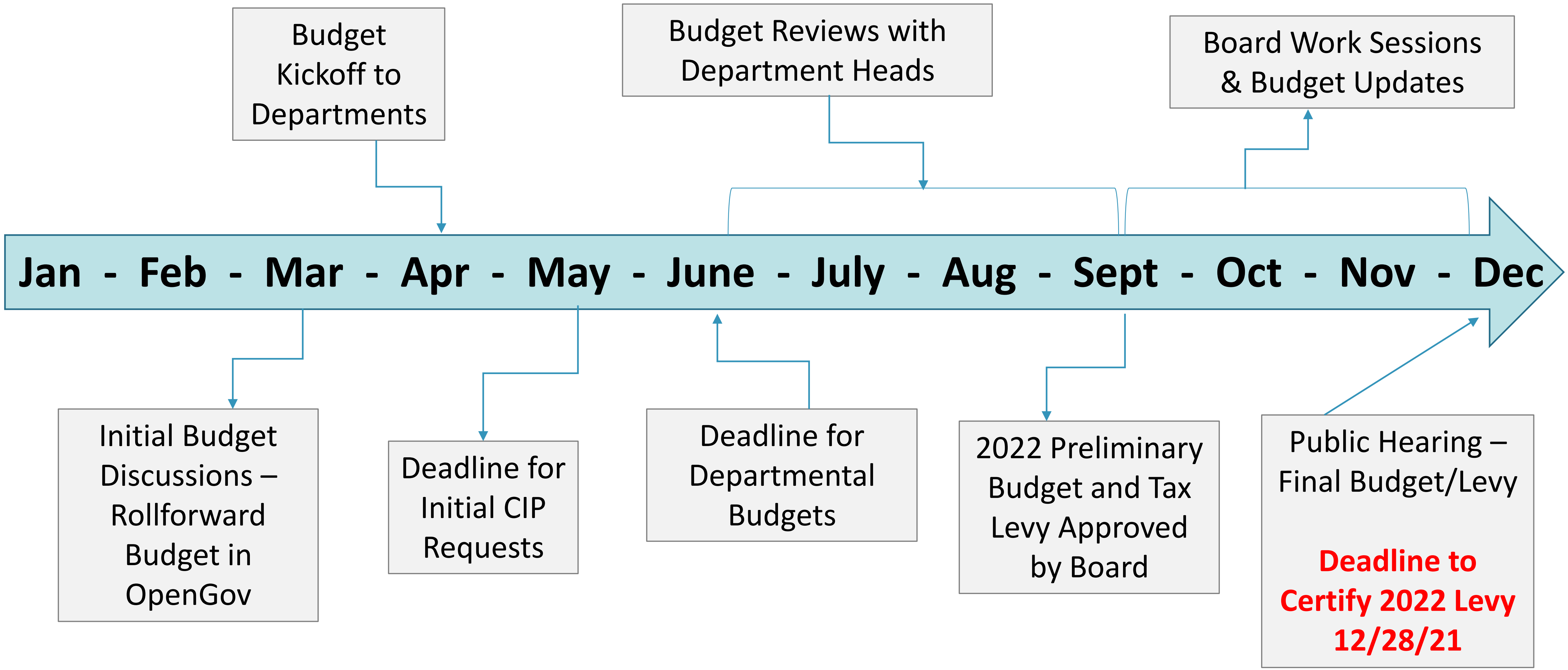
Scott Golberg and Cathy Piepho
Administrator and County Treasurer
December 22, 2021
6:00 PM

Meeting Purpose

- **The purpose of this meeting is to present budget and levy information and conduct a public hearing for the 2022 budget per Minnesota State Statute 275.065.**

- *If anyone has questions or concerns regarding your property valuation, that specific matter needs to be discussed with the County Assessor's Office.*

2022 Budget Timeline – CY 2021



Reconciliation of Levy Changes

2022 Adopted Preliminary Levy	$ 27,964,121	6.50%
Levy Changes		
Personnel changes - net	(197,307)	
Removal of capital projects	(158,800)	
MNPrairie levy reduction	(99,289)	
Operating budget changes - net	(44,042)	
Total Levy Change	(499,438)	(1.90%)
Proposed 2022 Final Tax Levy (12/14)	27,464,683	4.60%
Potential savings from turnovers	(417,000)	(1.60%)
Proposed 2022 Final Tax Levy (12/22)	$ 27,047,683	3.00%

Comparative Summary of Budgets and Tax Levies (4.6%)

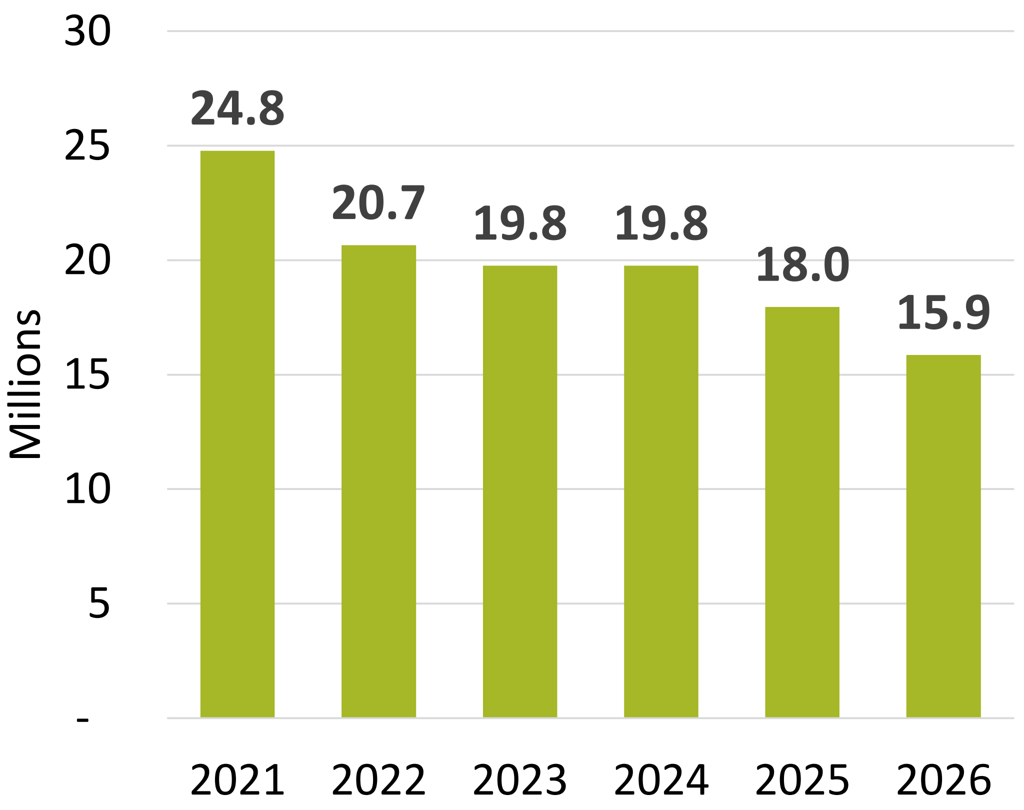
Description	2022 Final Levy	2021 Final Levy	$ Increase	% Change From 2021
Total Budget (Expenditures)	$ 60,318,858	$ 56,725,561	$ 3,593,297	6.3%
Less: Operating Revenues	27,242,316	25,845,560	1,396,756	5.4%
Less: Transfers In* (Reserves)	5,611,859	4,623,134	988,725	21.4%
Total Tax Levy	$ 27,464,683	$ 26,256,867	$ 1,207,816	4.6%

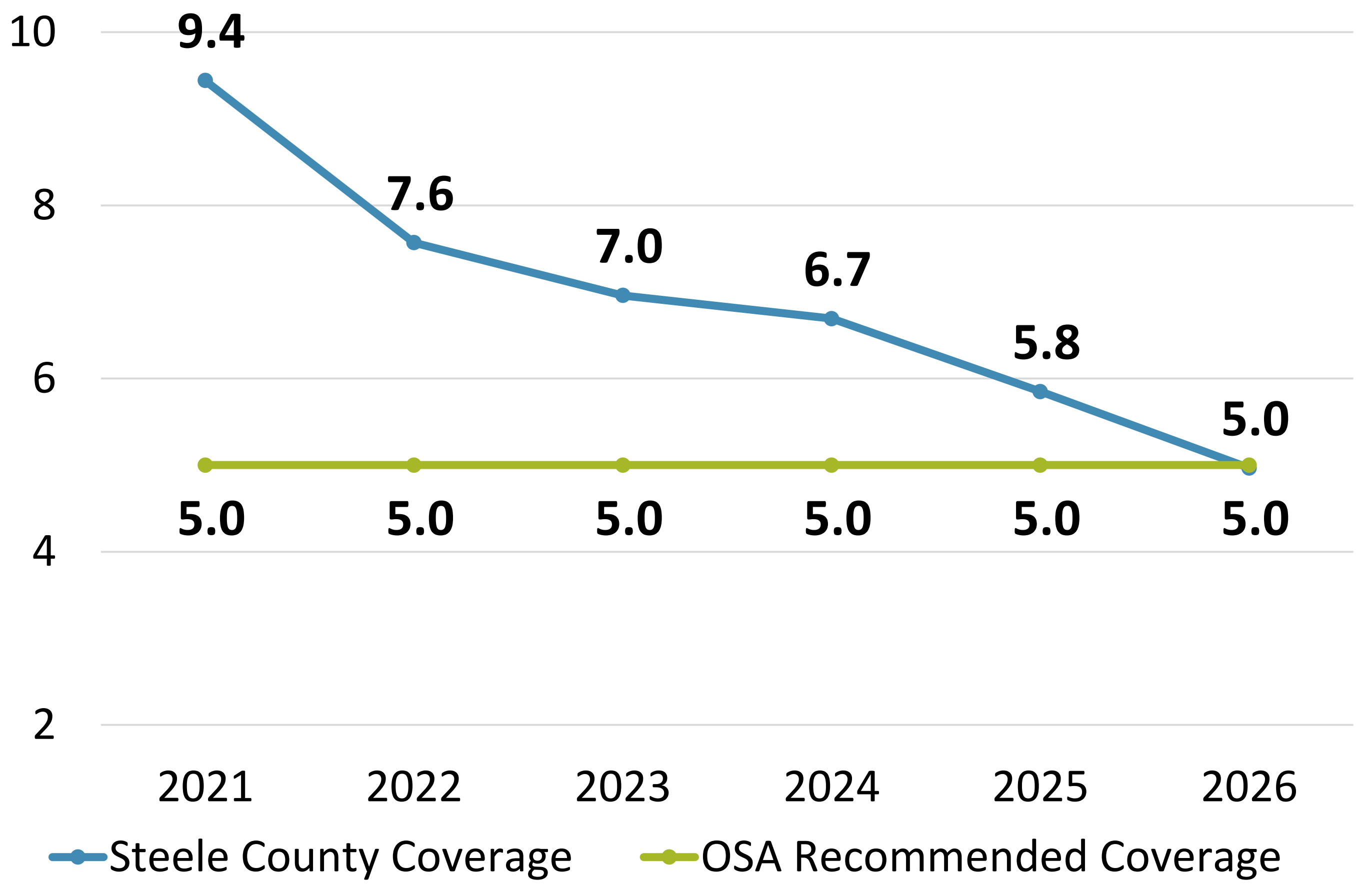
*Includes Highway construction revenues carried over from prior year, use of reserves for capital outlay, and use of Landfill reserves.

Challenges and Opportunities

- Mission Statement: Driven to deliver quality services in a respectful and fiscally responsible way
  - Meeting public expectations about service delivery in the most cost-effective manner
- Challenges
  - Significant capital needs over the next five years
  - Rising cost of building materials & shortage in the workforce
  - Decrease in inmate population
- Opportunities
  - Significant decrease in health insurance premiums
  - American Rescue Plan Act (ARPA) Funding - $7.1 million total
  - Healthy fund balance
    - ✓ Budget-conscientious Board and employees
    - ✓ Coronavirus Relief Fund grant 2020 - $2.3 million

Estimated Fund Balance – General Fund



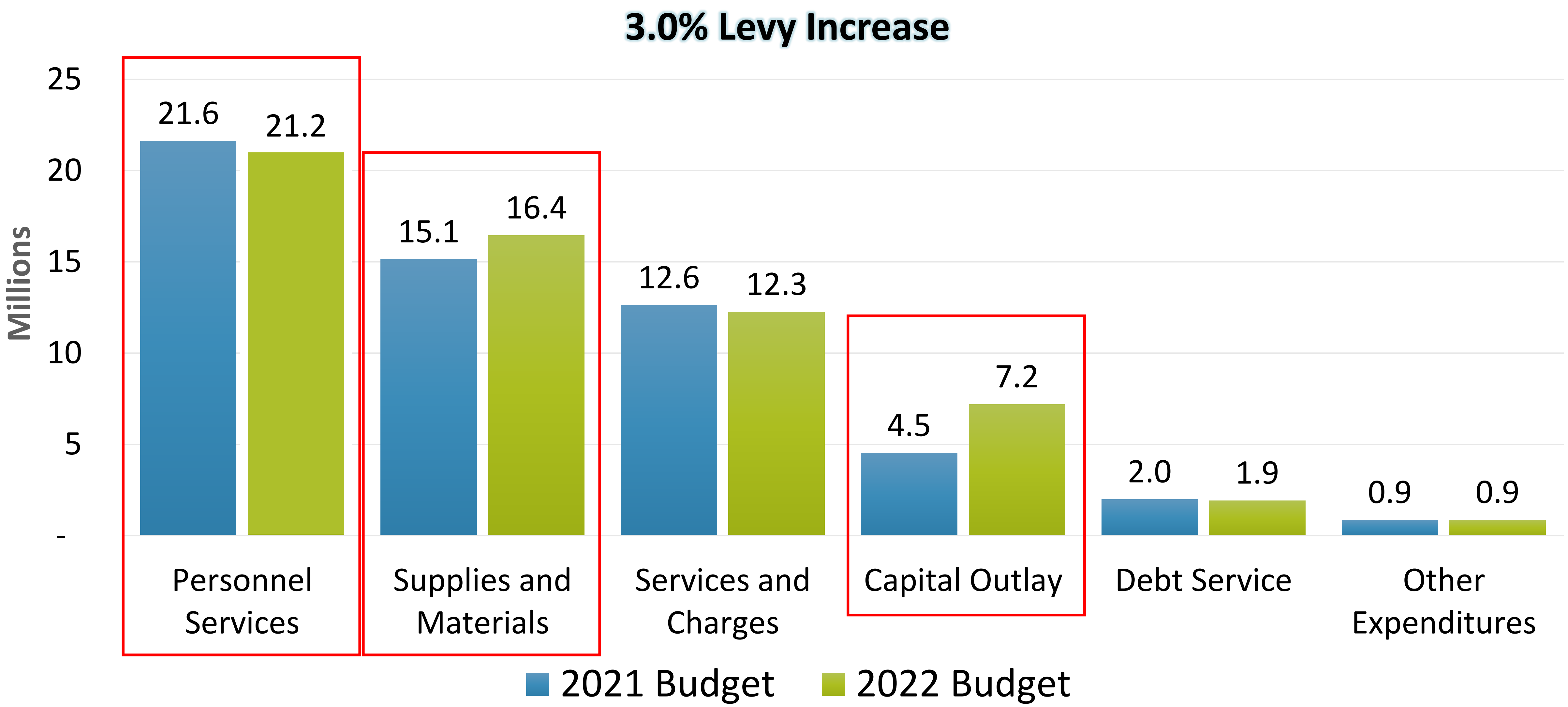


State Auditors office recommends the General Fund maintain a unassigned fund balance of no less than five months of operating expenditures, which should provide the local government with adequate funds until the next property tax revenue collection cycle.

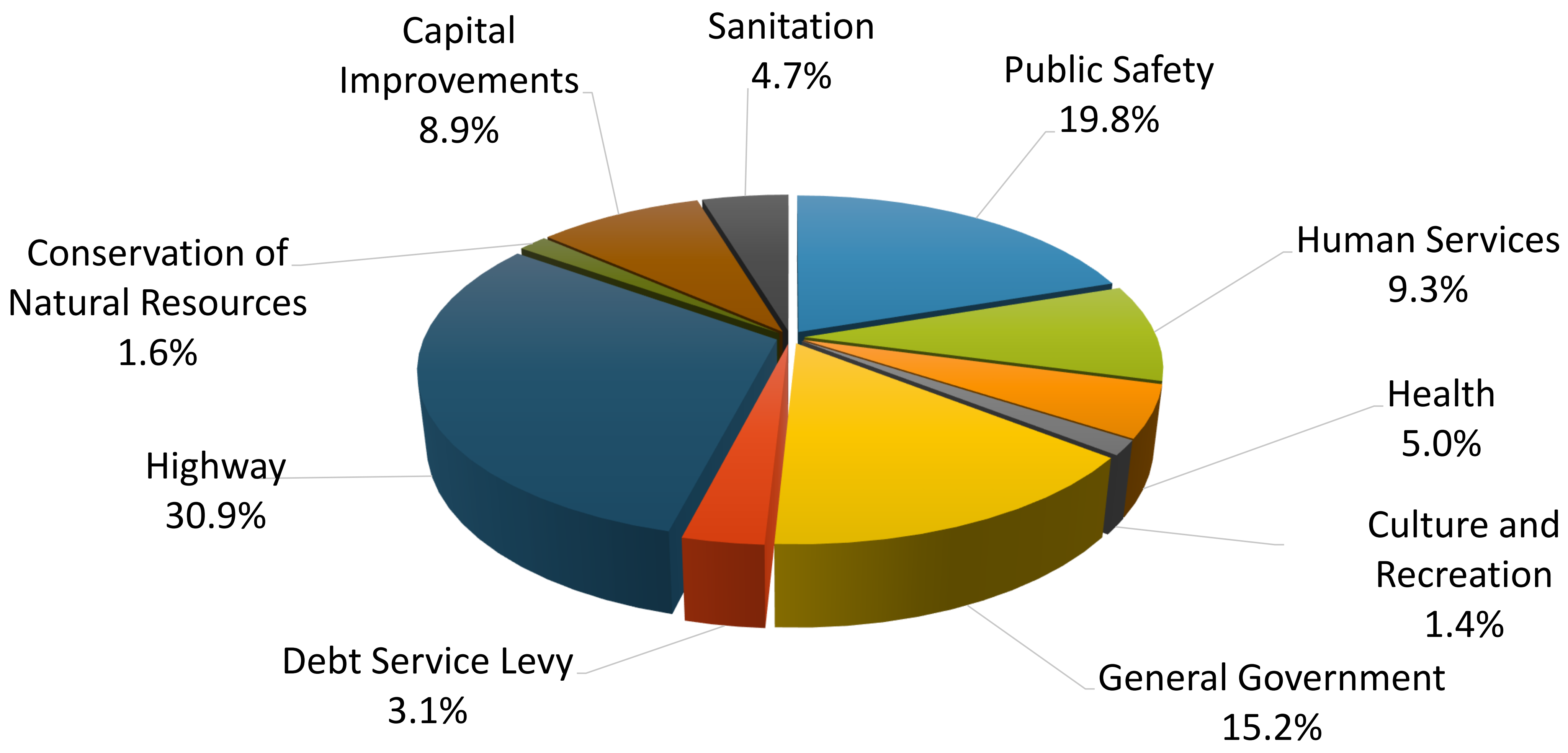
Major Capital Projects

Facility	Description	Amount
Courthouse	Boiler/Chiller/HVAC Upgrades	$ 2,250,000
Detention Center	Wall for Pod Separation	1,000,000
TBD	Maintenance Shop and Evidence Storage Facility	1,000,000
Law Enforcement Center	Replace Generator	500,000
Administration Building	Remodel & Carpet Lower Level & Reconfigure Mail Room	425,000
Attorney's Office	Design Phase - Addition for CCA	212,000

County Budget by Category

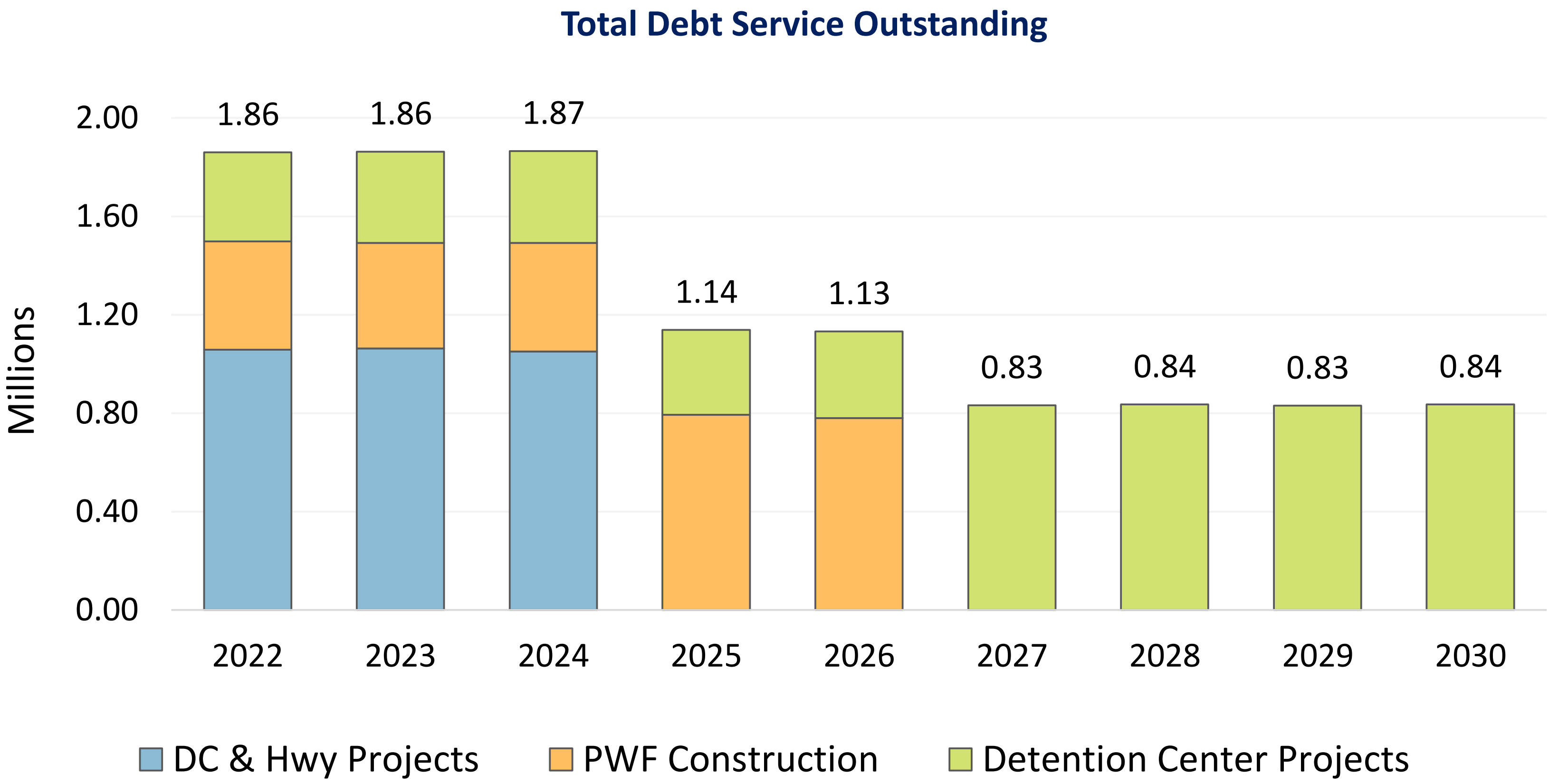


2022 Budget (Expenditures) - $59,861,858 (3%)



Outstanding Debt Service Levy

- Debt service levy includes the bonded debt to be paid by property taxes.
- The County's outstanding bond payments stay consistent through 2024 with the payoff of the Detention Center and Highway project bond.
- The chart on the right illustrates the outstanding debt service levy structure.



Comparative Summary of Budgets and Tax Levies (3.0%)

Description	2022 Final Levy	2021 Final Levy	$ Increase	% Change From 2021
Total Budget (Expenditures)	$ 59,861,858	$ 56,725,561	$ 3,136,297	5.5%
Less: Operating Revenues	27,242,316	25,845,560	1,396,756	5.4%
Less: Transfers In* (Reserves)	5,571,859	4,623,134	948,725	20.5%
Total Tax Levy	$ 27,047,683	$ 26,256,867	$ 790,816	3.0%

*Includes Highway construction revenues carried over from prior year, use of reserves for capital outlay, and use of Landfill reserves.

Steele County's 2022 Property Tax Levy

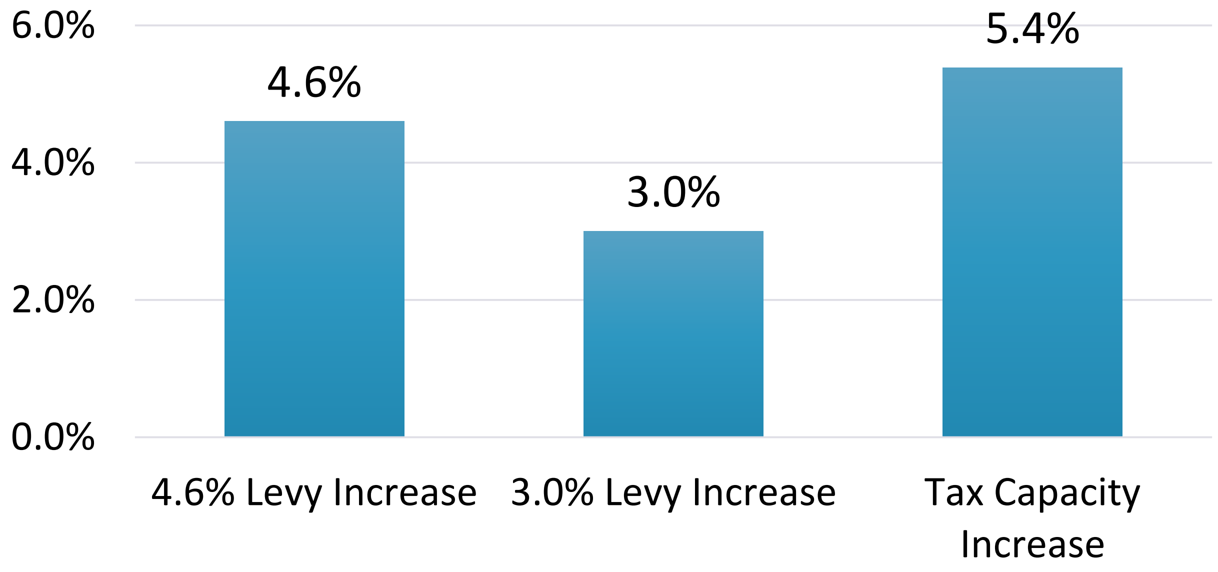
$ 27.04 Million

How does the County plan to spend each tax dollar received?

Highway	Health	Public Safety	Debt Service	Human Services	General Government	GF Capital Projects	All Other Functions
9.3¢	4.0¢	34.3¢	6.3¢	20.6¢	17.7¢	4.4¢	3.4¢

Estimated Taxpayer Impact

- When the property tax base grows, the levy is divided among more taxpayers, so individual property owners pay less (assuming no significant change in the assessed valuation of property).
- For 2022 taxes payable, the 2021 property tax base growth is approximately 5.4% which offsets the levy increase and effectively reduces impacts to taxpayers.



Residential Homestead Tax Levy Impact (County Share Only)

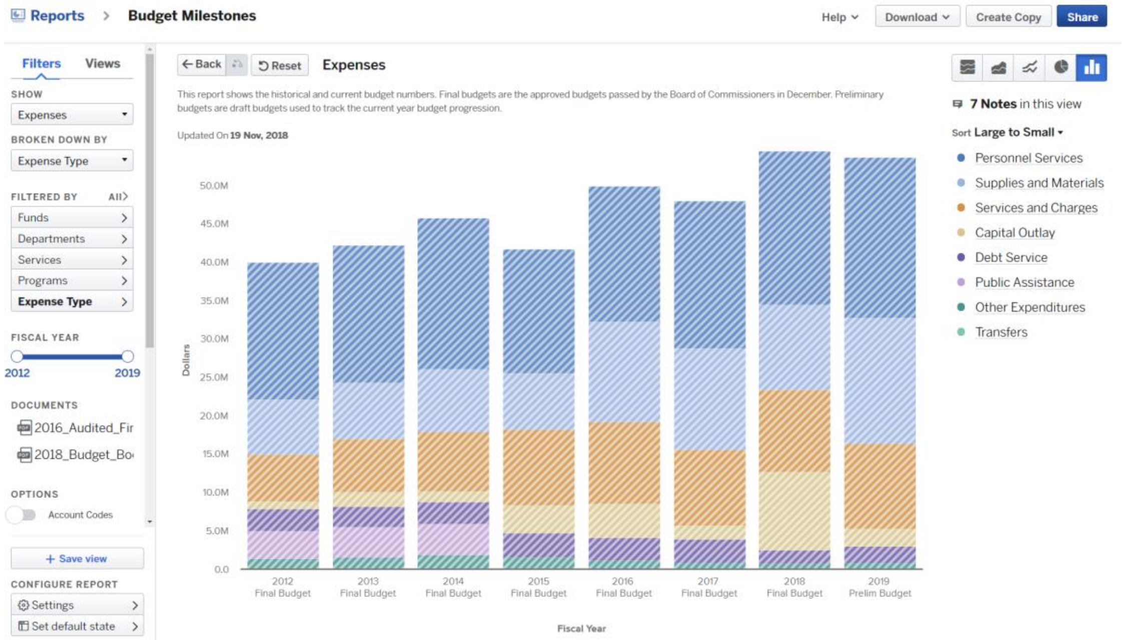
Home Value	2021 Tax	2022 Tax	Change 4.6%
150,000	$ 735	$ 730	$ (5)
200,000	$ 1,053	$ 1,045	$ (8)
250,000	$ 1,370	$ 1,360	$ (10)

Home Value	2021 Tax	2022 Tax	Change 3.0%
150,000	$ 735	$ 719	$ (16)
200,000	$ 1,053	$ 1,029	$ (24)
250,000	$ 1,370	$ 1,339	$ (31)

Additional Budget Information

Additional budget information can be accessed anytime

On the website	On OpenGov
www.co.steele.mn.us	https://costeelemn.opengov.com/



Public Comments/Questions?