Public Meeting on the 2015 Proposed Budget & Levy

December 4 and December 11, 2014

Kevin Z. Gray, County Administrator

A GUIDE TO THE PROPERTY TAX PROCESS

Assessment Cycle

1. APPRAISAL
Assessor visits properties, at minimum every five years, to estimate market value or classification.

2. VALUATION NOTICE
Used as a base for the following year's property taxes, property owners receive this by mail in April each year.

3. OPPORTUNITIES TO APPEAL
Property owners with questions should first contact the county or local assessor. They may then work with Boards of Appeal and Equalization for city/township and county. Hearings are held in late spring/summer.

4. PROPERTY TAX BASE DETERMINED
The Auditor's Office calculates the county's total tax capacity using the assessors' market value and classification.

5. PROPOSED PROPERTY TAX STATEMENT
Based on levies set by taxing districts (county, cities/townships, school districts and any other special taxing districts), this estimate is sent to property owners in November.

6. OPPORTUNITY TO COMMENT
Property owners may speak to commissioners and ask questions about their property tax statement.

7. STATEMENT OF PROPERTY TAXES PAYABLE
In March, property owners receive their amount due based on final budgets/levies set by all taxing districts.

8. TAXES PAID
If not paid through an escrow account, taxes are due on May 15 and October 15. The County Auditor's Office distributes the appropriate share to all taxing districts.

Budget Cycle

1. PRELIMINARY BUDGETING
During early budget discussions, which span spring and summer, the County Board factors in legislative session actions and cost trends in delivery of services.

2. MAXIMUM TAX LEVY SET
By law, this is set by September 15. The levy amount can still decrease as the budget is fine-tuned, but cannot increase. The levy accounts for roughly a third of St. Louis County's total budget. The budget continues to be refined and revised.

3. PUBLIC BUDGET MEETINGS
Citizens have the opportunity to speak with Commissioners. Meetings take place in late November/early December.

4. FINAL BUDGET AND LEVY
This is set by mid-December. Citizens receive property tax statement reflecting levy in March.

5. SERVICES DELIVERED
St. Louis County's budget supports services for its citizens.

School districts, cities/townships and special taxing districts follow a similar process. Their levy amounts are also included on the property tax statement sent by the County.

SAINT LOUIS COUNTY MINNESOTA

2015 Budget Summary

- $6 million budget challenge
- Fund debt service for strategic investments approved in 2013 bond sales
  - Renovations to Government Services Center
  - Necessary upgrades to Northeast Regional Corrections Center (NERCC)
- Absorb increased costs of doing business, including salaries
- Address state and federal revenues below actual program costs, reallocation of Taconite Production Tax proceeds
- Position the county for the future
  - Strategic investments in public safety
  - Continue the strategy to reduce reliance on state aids
  - Permanently fund innovative and prevention program investments
- Minimize reliance on property taxes, maximize alternate revenue sources and targeted use of reserves

St. Louis County's 2015 Proposed Budget

- Spending: the following compares the County's 2014 budget with the County's proposed 2015 budget:

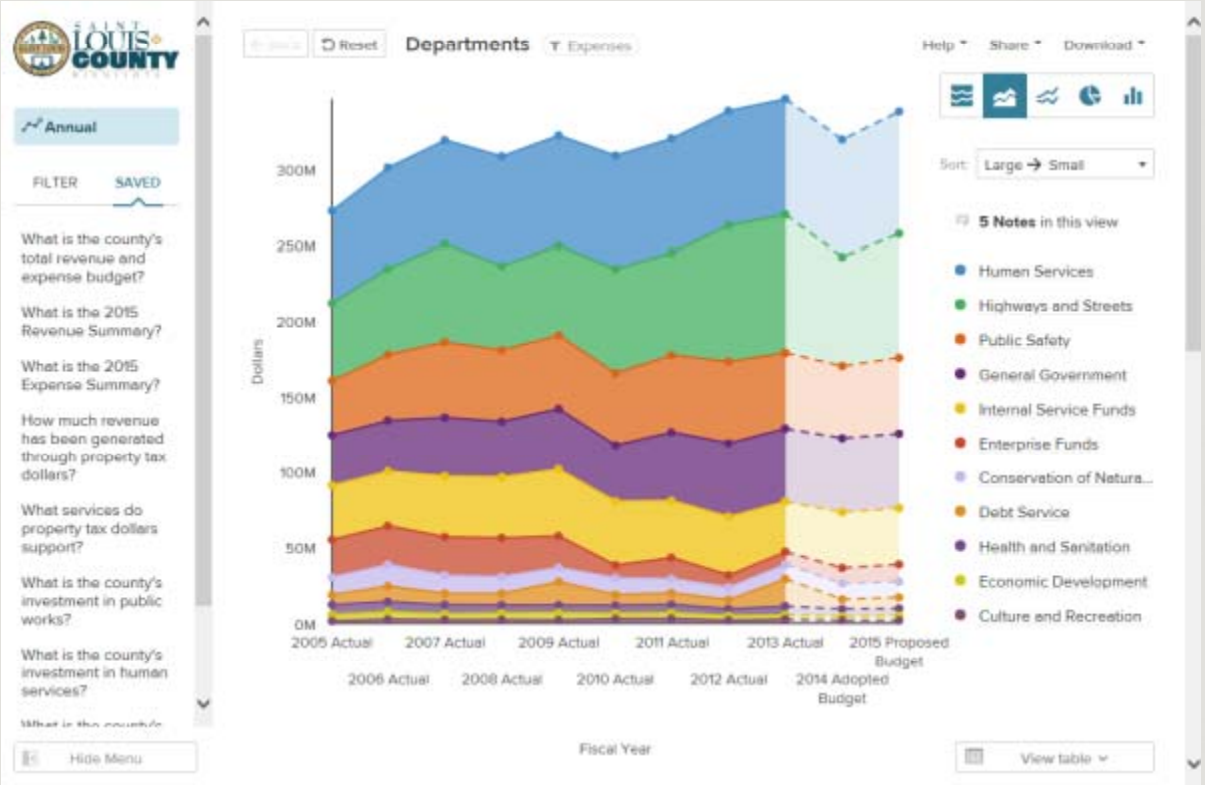
2014 Budget	2015 Proposed Budget	Change 2014-2015
$319,550,337	$338,109,985	$18,559,648

- Taxes: the following compares the portion of the property tax levied in St. Louis County to pay for county services in 2014 with a proposed property tax levy increase of 2.9% for 2015:

2014 Levy	2015 Proposed Levy	Change 2014-2015
$ 113,344,211	$ 116,631,193	$ 3,286,982

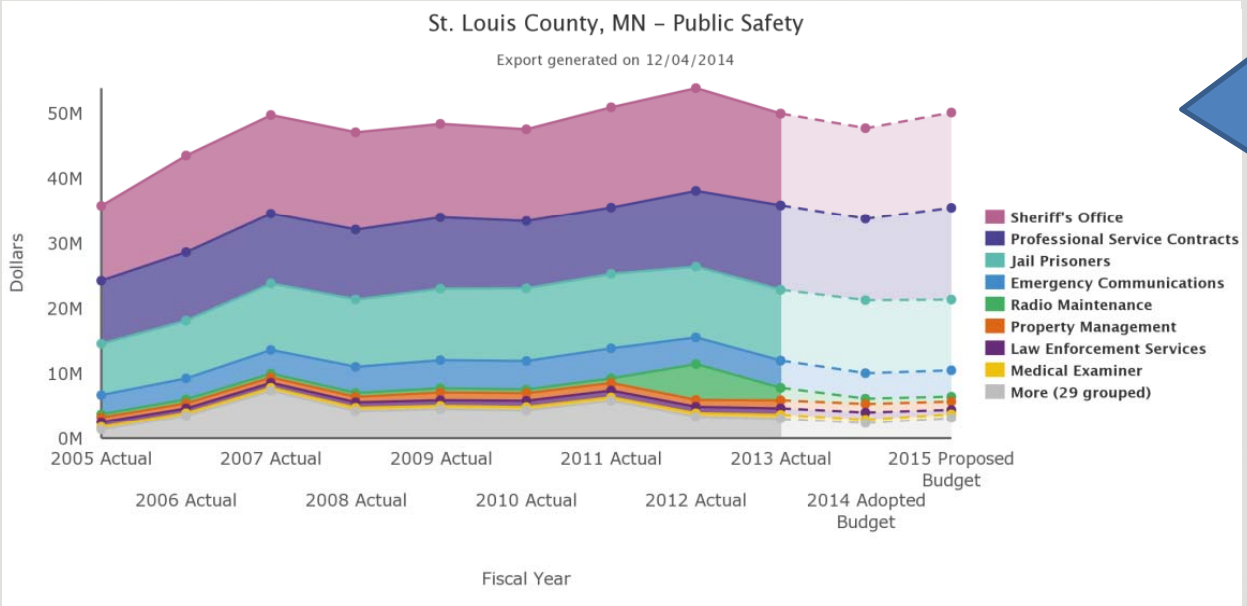
- Individual taxpayer impacts will vary, but an overall increase in property tax base will help offset the impact to taxpayers

Introducing St. Louis County's Budget Explorer *(through OpenGov)*



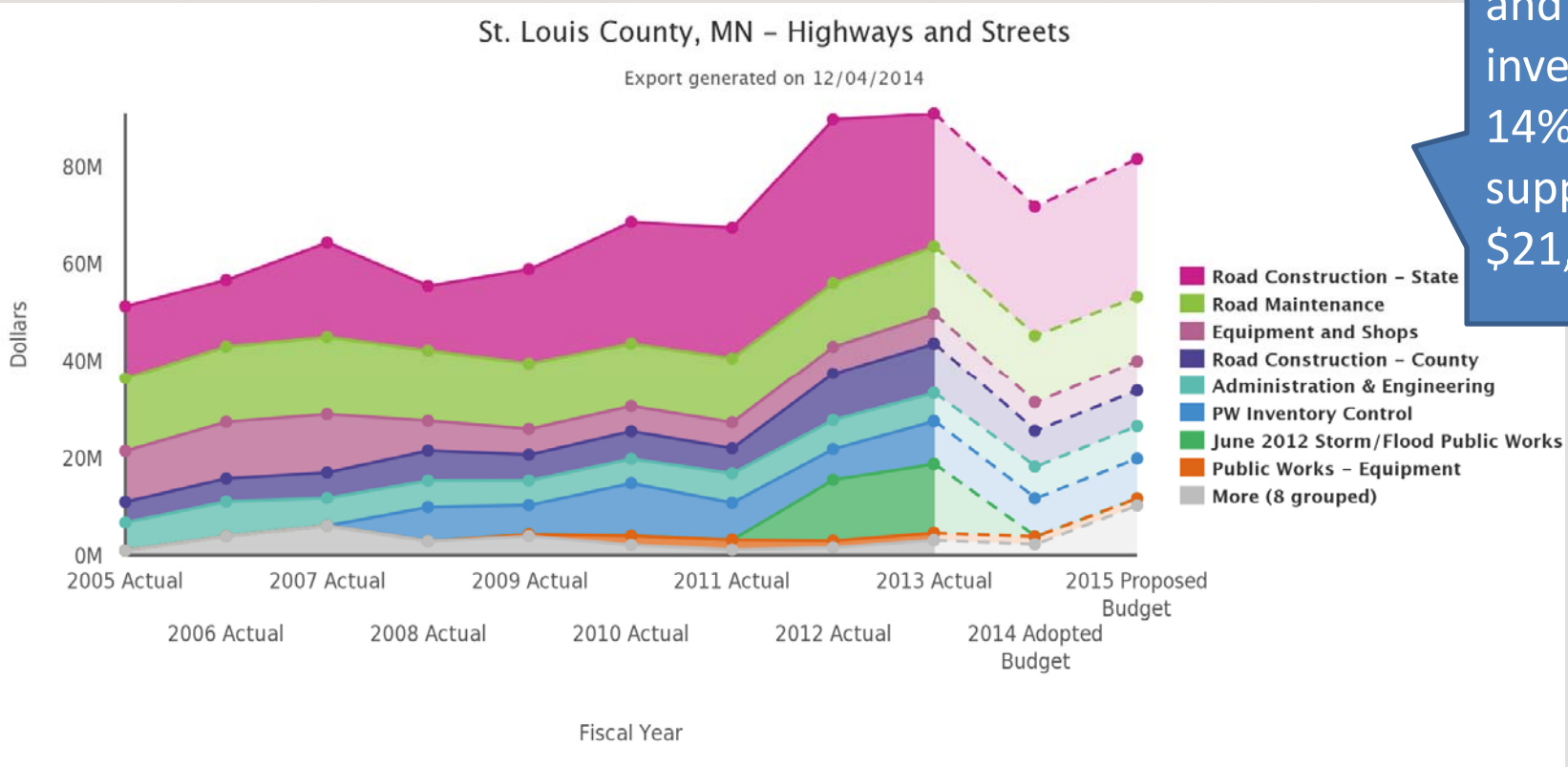
2015 Levy:
Increases investment in public safety

- Permanently funds public safety initiatives
- Support new medium security area and renovations at the Northeast Regional Corrections Center (NERCC)



Overall public safety investment up 5% from 2014 to 2015, levy funding up 6% or $1,456,915.

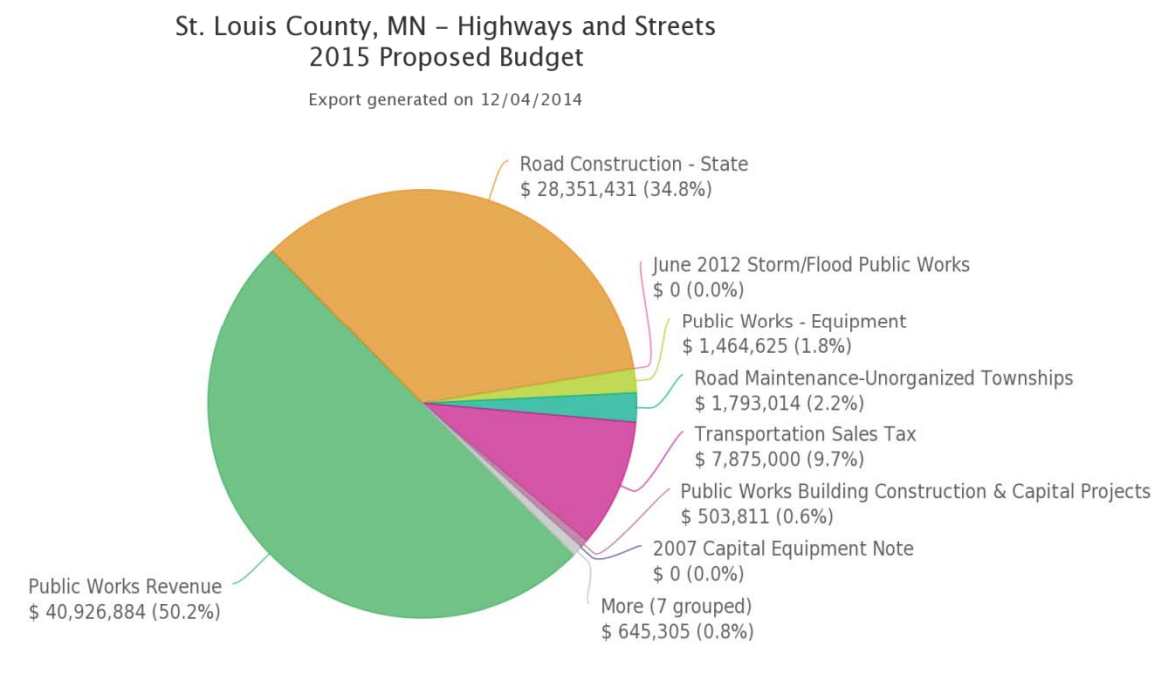
2015 Levy:
Preserves road and bridge investments



Overall road and bridge investment up 14%; levy support flat at $21,688,495.

About the Transportation Sales Tax

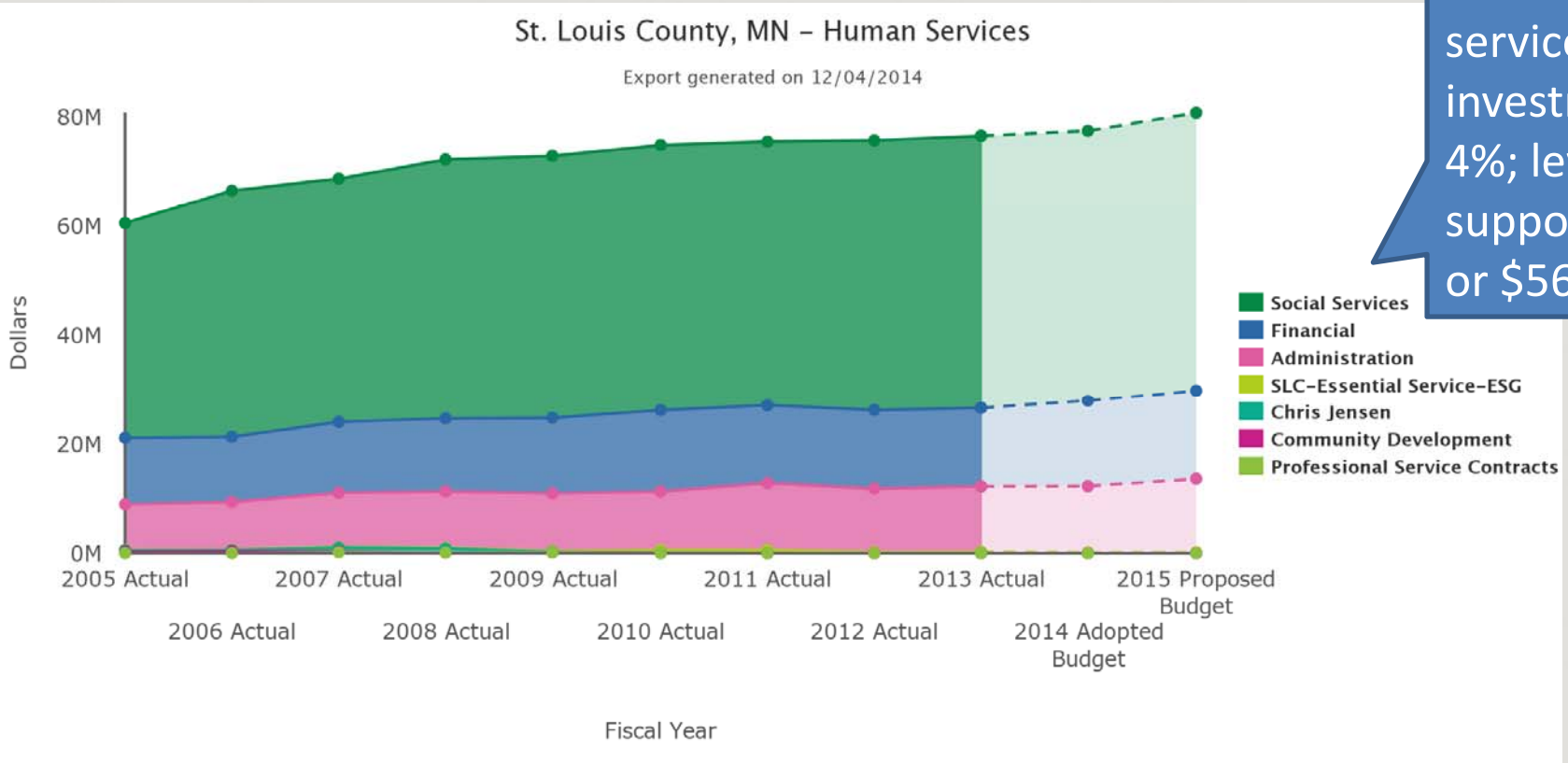
TST dollars are dedicated to county transportation needs, addressing needs across the entire county. **This will mean new and additional projects.**



- These new funds will:
  - keep our good roads good through preventative maintenance
  - fix our worst pavement surfaces
  - replace aging bridge structures that currently impede industry
  - provide improved safety for all users of the system
  - improve transportation for all modes of travel

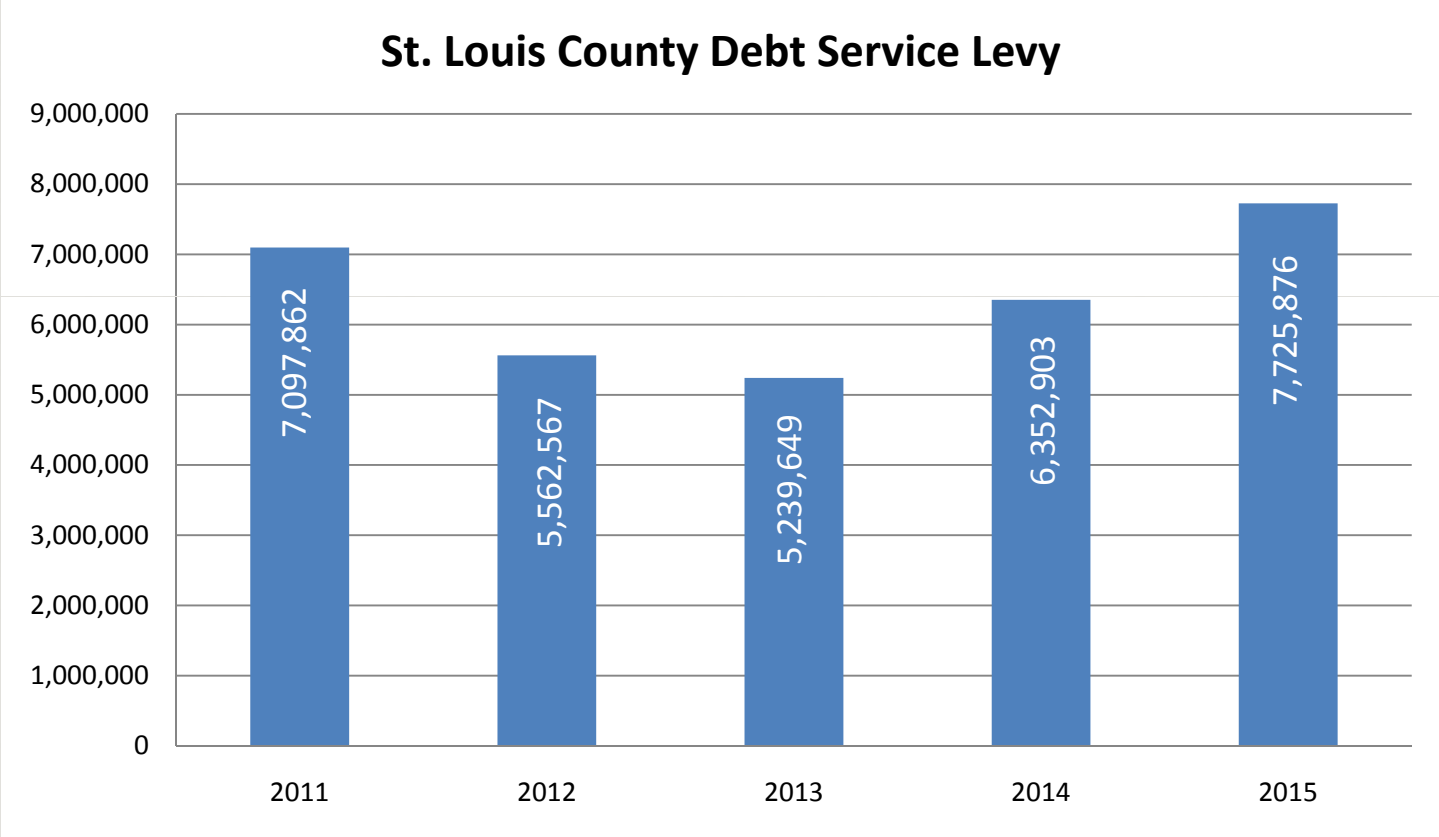
As a regional destination, it is estimated that 30% of this revenue will be generated by non-county residents, thereby reducing the burden on property tax payers

2015 Levy:
Preserves human services programming



Overall human services investment up 4%; levy support up 2% or $568,058.

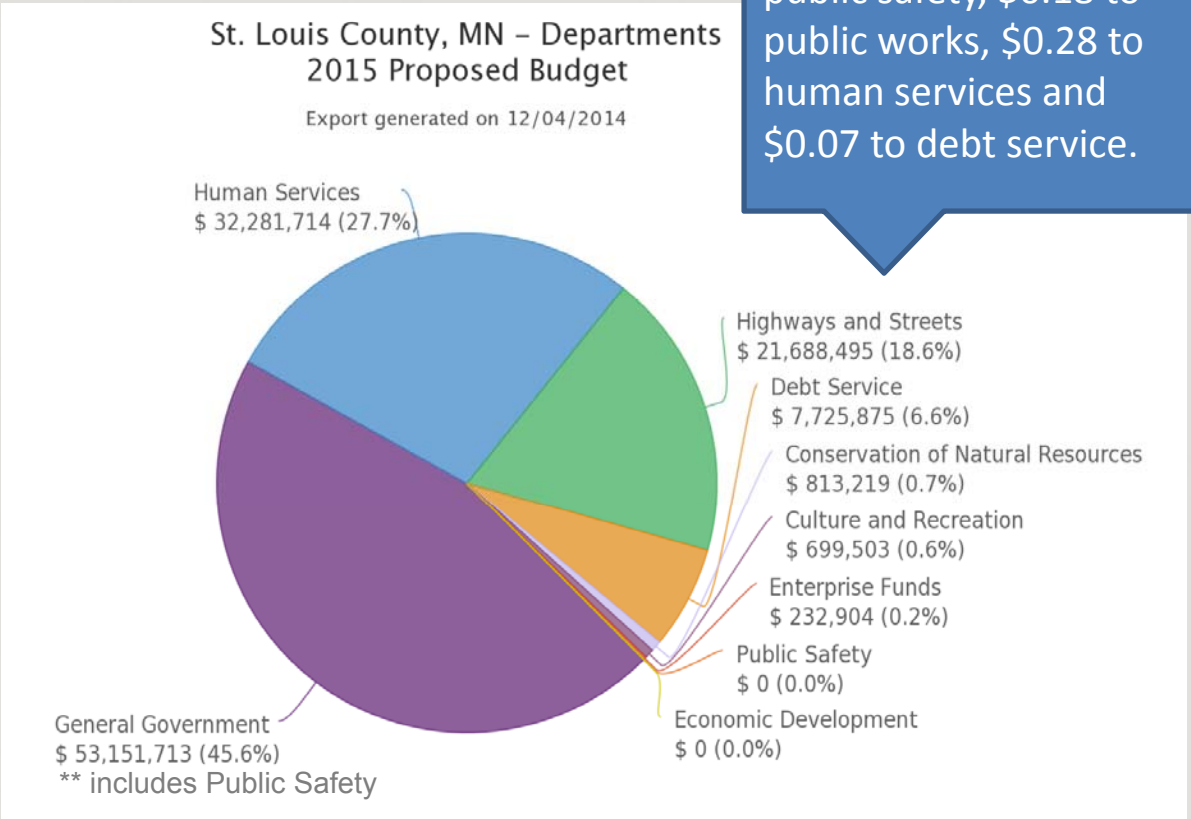
2015 Levy:
Supports financing of capital investments



Conclusion

- 2015 proposed levy increase of 2.9% will invest in debt service, public safety and human services.
- 2015 proposed budget is $338,109,986.

For every $1 in property taxes, $0.15 goes to general government, $0.32 to public safety, $0.18 to public works, $0.28 to human services and $0.07 to debt service.



For more information*:* www.stlouiscountymn.gov/budget

and www.stlouiscountymn.gov/budgetexplorer

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