



Truth-in-Taxation

Public Information Hearing

December 6, 2021

6:30 P.M.

BUDGET PROCESS

- ▶ **MONDAY, SEPTEMBER 20:** Council approved a preliminary levy at a 10.60% increase
- ▶ Council has conducted several budget workshops
- ▶ **TONIGHT** - Truth-in-Taxation Hearing- proposed levy of 3.56%
- ▶ **MONDAY, DECEMBER 20:** Final adoption by Resolution by City Council

2022 PROPOSED BUDGET

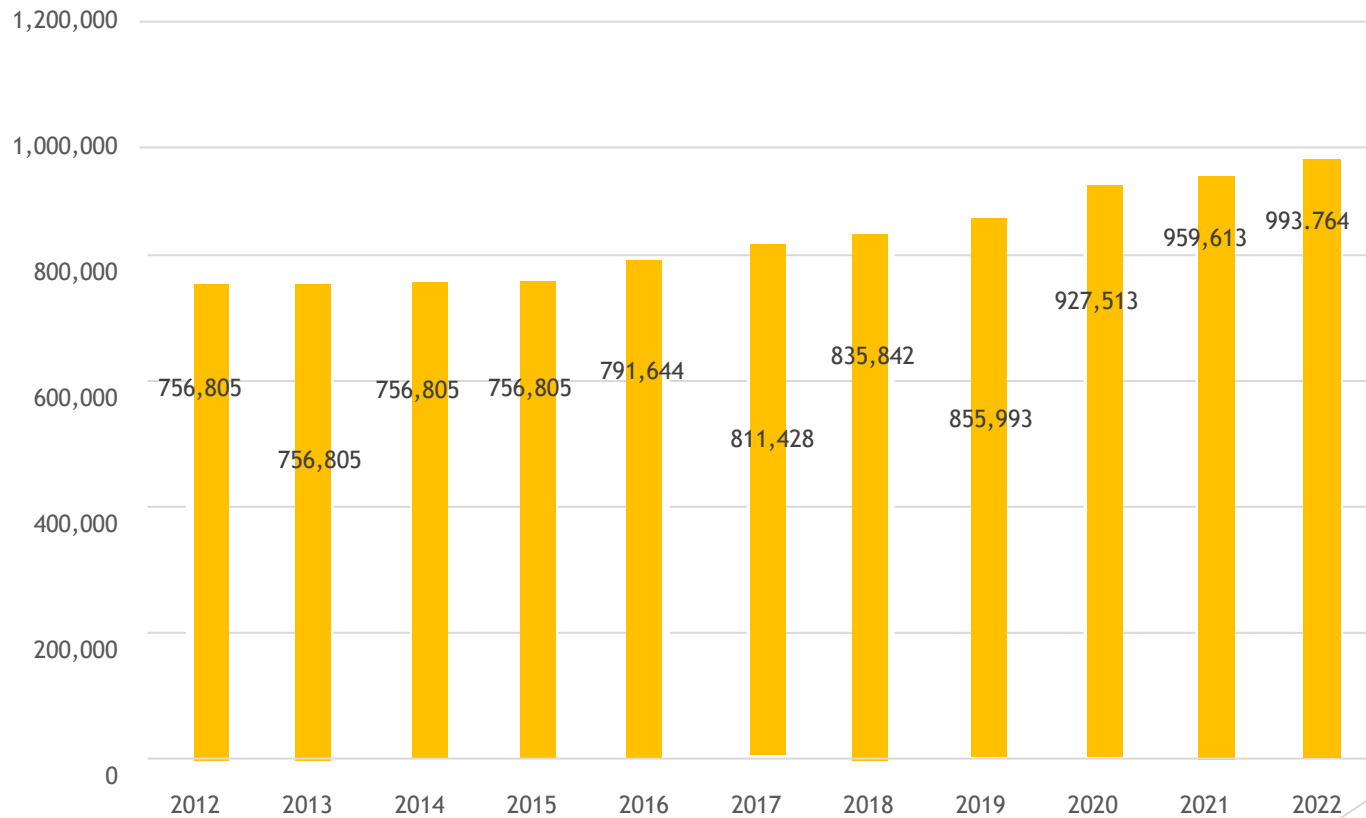
PROPOSED TAX LEVY AND 2022 BUDGET

TAX LEVY

	2021	2022	Increase/Decrease
General Fund Levy	\$723,283	\$284,053	-60.73%
Tax abatement	\$7825	\$7825	0%
Fire		\$74,000	
Ambulance		\$60,000	
Community Center		\$40,000	
Cemetery		\$2,000	
Capital Improvement		\$307,661	
<u>(Debt Service)</u>			
2015 Street & Utility	\$80,900	\$75,000	-7.29%
2012 GO Bond	\$5,000	\$4,000	-20%
2017 GO Bond	\$59,800	\$59,500	-0.50%
2019 GO Bond	\$57,480	\$56,500	-1.70%
2019/20 Tanker	25,325	\$23,225	-0.43%
TOTAL LEVY	959,613	\$ 993,764	3.56%

Tax Levy Trend Since 2012

2012 - 2022 Total Levy



PROPOSED GENERAL FUND EXPENSES

Department	2021	2022
Council	43,199	41,299
Administration	266,928	229,428
Elections	0	3,864
Assessing	10,940	10,940
Law/Legal Serv.	13,716	11,438
Planning/Zoning	96,300	126,483
Buildings/Plant	15,140	17,359
Police Department	441,744	378,446
Fire Stations	30,343	32,470
Civil Defense	1,077	1,077
Animal Control	600	600

PROPOSED GENERAL FUND EXPENSES

<u>Department</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Public Works	280,332	276,853	308,234
Street Lighting	10,000	11,500	9,500
Parks & Recreation	73,254	63,836	64,368
Libraries	30,778	41,895	47,860
Econ. Develop.	32,025	30,620	30,635
Transfers	313,000	367,155	0
Total General Fund	1,640,010	1,711,810	1,313,981

FACTS ON 2022 Budget

- This is the first year that the City of Arlington will be levying special funds separately. In the past special funds were levied under the general fund, then transferred. Levying special funds separately allows more transparency.

GENERAL	\$	284,053
FIRE PUMPER CERT	\$	-
PUB PROJ LEASE REV	\$	-
2009 G.O. RF BONDS	\$	-
2012 G.O. BONDS	\$	4,000
2015 G.O. Bond	\$	75,000
2017 G.O BONDS	\$	59,500
2019 G.O. IMP. BOND	\$	56,500
201 Fire	\$	74,000
202 Ambulance	\$	60,000
203 Community Center	\$	40,000
207 Cemetery	\$	2,000
401 Capital Improvements	\$	307,661
2019/2020 TANKER TRUCK	\$	23,225
OTHER LEVIES (TAX ABATEMENT)	\$	7,825
	\$	993,764

FACTS ON 2022 Budget

- \$5,965 increase in library costs due to wage costs billed from Sibley County
- -\$37,500 decrease in Administration due to not rehiring and administrative assistant
- \$3,864 increase in Elections, 2022 is an election year.
- \$30,163 increase in P&Z due to increased permits/cost of building inspector/FT P&Z position
- -\$65,298 decrease in police administration due to cutting 4th police officer
- \$31,381 increase to department cuts in Public Works Department due to increased repairs and staffing costs

2022 Capital Improvement Plan

New plan to put money away for large capital purchases –
public hearing on 5-year plan held August 17, 2020

Fire Department	2022
Glove/particulate hoods (every 10 years)	
Helmets (every 10 years)	\$12,000
Boots (every 10 years)	\$3,750
Engine No. 2 (purchase 2032)	\$46,666
extraction tools (purchase 2021 and 2040)	\$2,500
mobile and handheld radios (purchase 2030)	\$10,000
SCBA Replacement (replace 22 SCBA's and 44 tanks) 2021 and 2030	\$15,000
turnout gear (purchase 2035)	\$8,300
Tanker 2 set aside	
Fire Subtotal	98,216

Public Works	2022
Bottom Auger for Snow Blower	
City shop repairs	\$0
Concrete apron around shop garage doors	\$0
Downtown Christmas Lights & Candle Wreaths 40	\$0
MVEC payments for lights - 10 years through 2029	\$10,000
Replace 1999 payloader (2029)	
Salt Truck	
146" wing angle plow	
Sealcoating, crack filling (1/5 city/yr)	\$120,000
Sidewalk construction/replacement	\$25,000

What will be spent from Capital Equipment Fund 401 in 2022?

- \$65,000 Ambulance - heart monitor
- \$12,000 Fire Department - helmets
- \$145,000 Public Works - streets and sidewalks
- \$23,350 CC paint and LED lights - outside
- \$10,000 MVEC loan payment

\$255,350

EXPLANATION OF PROPERTY TAX RATE

Arlington's Property Tax Rate is set by taking the city's tax levy and dividing it by its total tax capacity.

$\$993,764 / \$1,359,723$ [Total Tax Capacity] = 73.09% (2022)

$\$959,613 / \$1,223,305$ [Total Tax Capacity] = 78.44% (2021)

$\$927,513 / \$1,156,873$ [Total Tax Capacity] = 80.17% (2020)

$\$885,993 / \$989,549$ [Total Tax Capacity] = 89.5% (2019)

Total Tax Capacity = Tax capacity is determined by multiplying a property's market value by its classification rate. Each property rate is assigned a classification rate depending on its use by the State Legislature. Properties associated with income production (commercial & industrial) have a higher classification weight than other properties. The City's total tax capacity is an accumulation of all parcels within the city, minus adjustments.

Questions?

- ▶ City Administrator
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- ▶ 507-964-2378 ext. 4 or
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