



# 2025 Budget & Tax Levy

December 2, 2024

Julie Stahl, Finance Director



Lakeville, Minnesota—*Positioned to Thrive*

# 2025 Tax Levy

- Thank You
- Budget/CIP Process
  - May - December



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# 2025 Tax Levy

- \$48,850,050 (All Funds)
- 12% Increase
- \$5,253,250 Increase
- Provides funding for operations, capital, maintenance & debt service



# 2025 Tax Levy

Fund	Proposed Levy	Change from 2024	% of 2025 Levy Incrs
General Fund	\$32,977,000	\$3,467,350	7.95%
Pavement Management	1,800,000	-0-	0%
Park Improvement Fund	450,000	100,000	.23%
Trail Improvement Fund	550,000	150,000	.34%
Technology Fund	300,000	300,000	.69%
Debt Service Funds	9,939,153	183,379	.42%
Debt Svc Funds-Park Ref	2,833,897	1,052,521	2.42%
<b>Total</b>	<b>\$48,850,050</b>	<b>\$5,253,250</b>	<b>12.05%</b>



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# 2025 Tax Levy

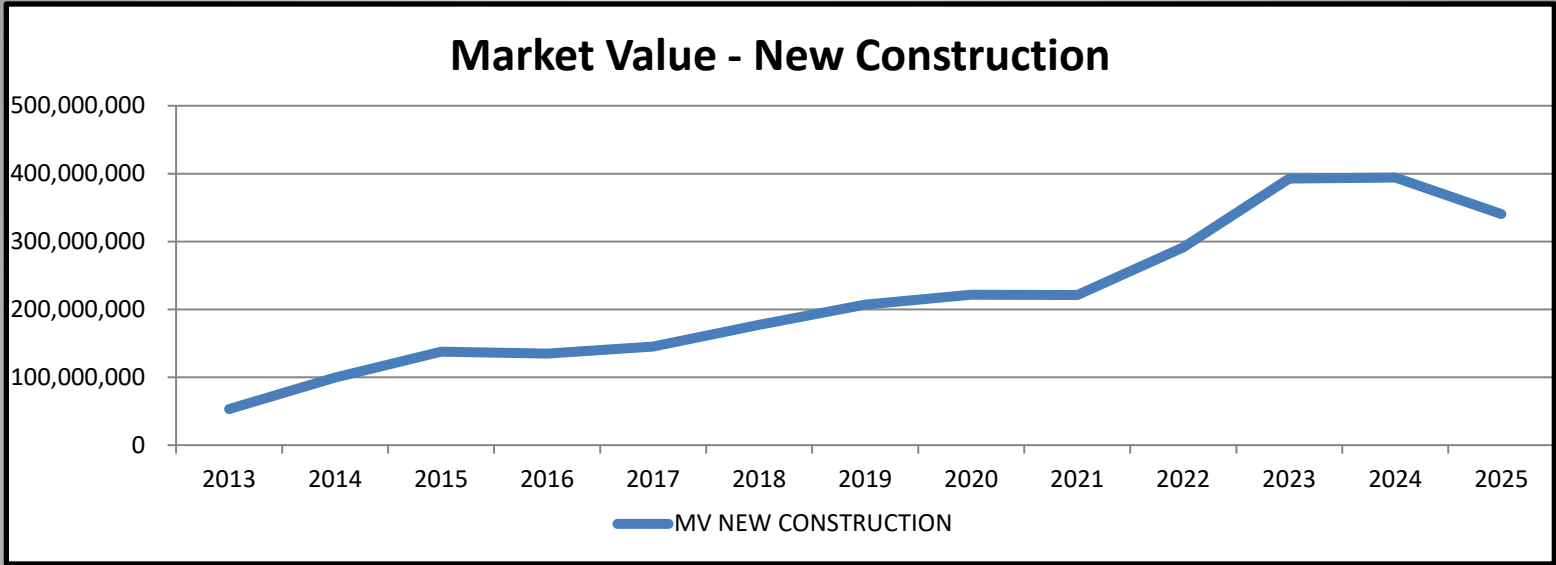
- Community Growth – New Construction
  - \$341 million or 2.8%
  - Generates ~\$1,041,600 in property taxes\*

*\*2.4% of the 2024 property tax levy*

Valuation growth on existing properties

- \$60.3 million or 0.5%

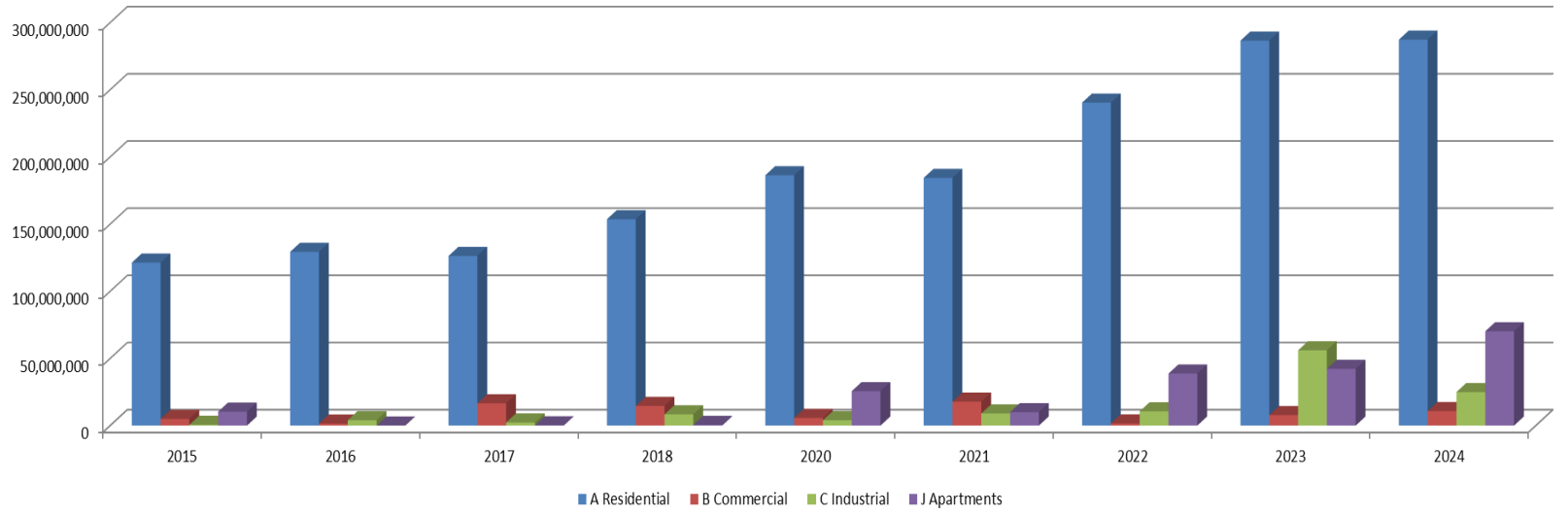




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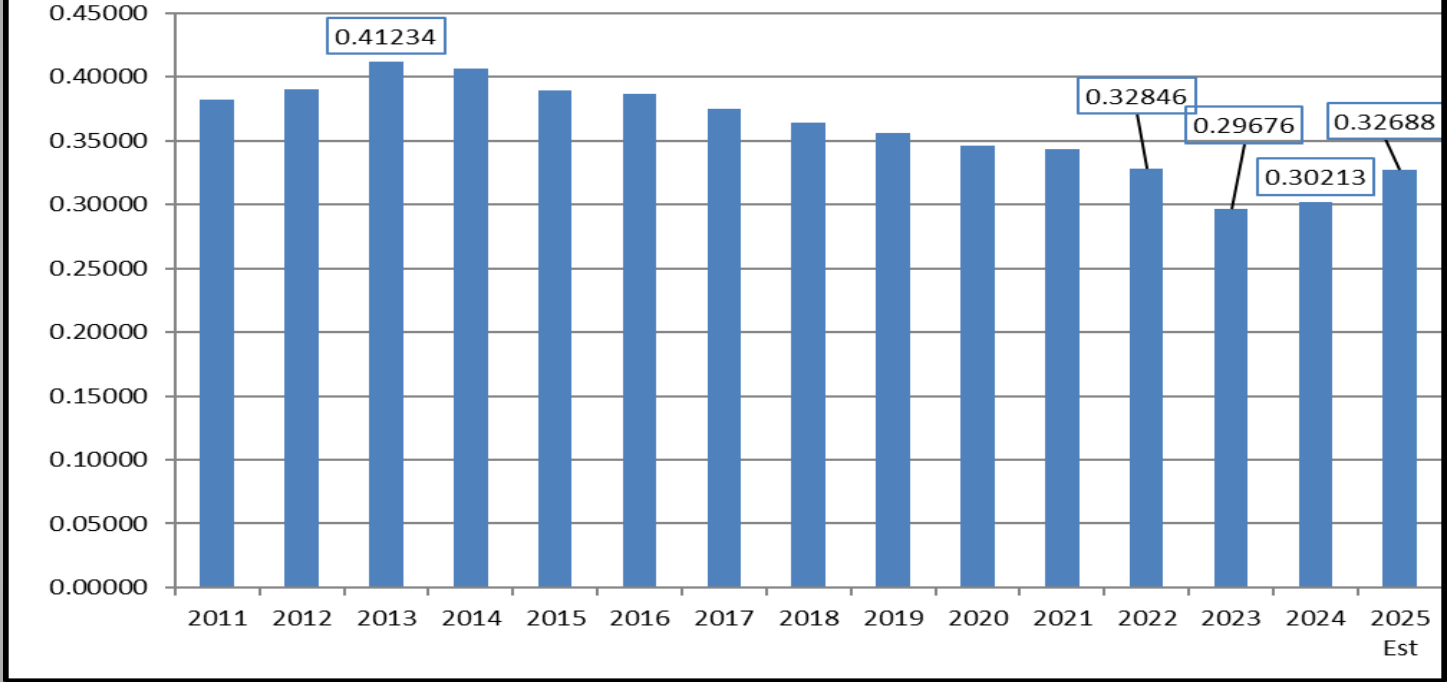
### Market Value - New Construction



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## City of Lakeville Tax Capacity Rates



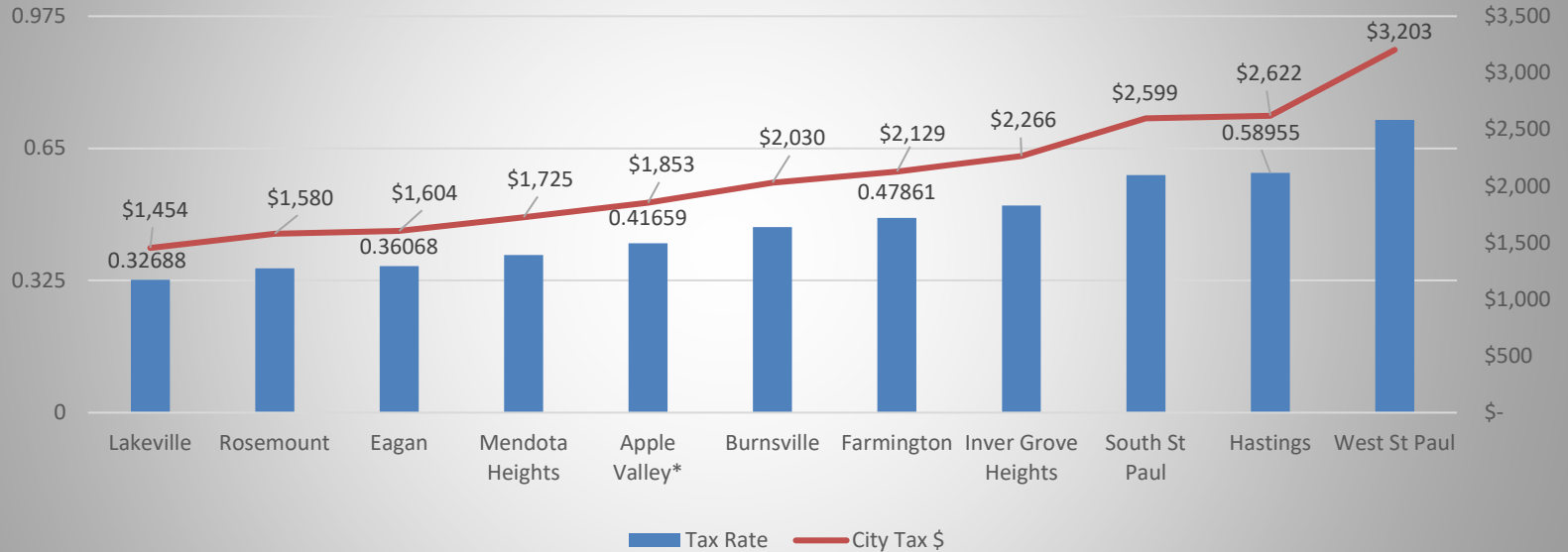
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# 2025 Tax Levy - Impact

- Median Valued Home (\$450,800)
  - \$110 Annual Increase
- \$1 Million Commercial Property (with 10% valuation increase)
  - \$1,143 Annual Increase



# Lakeville Median Value Home – with neighboring cities' tax rates

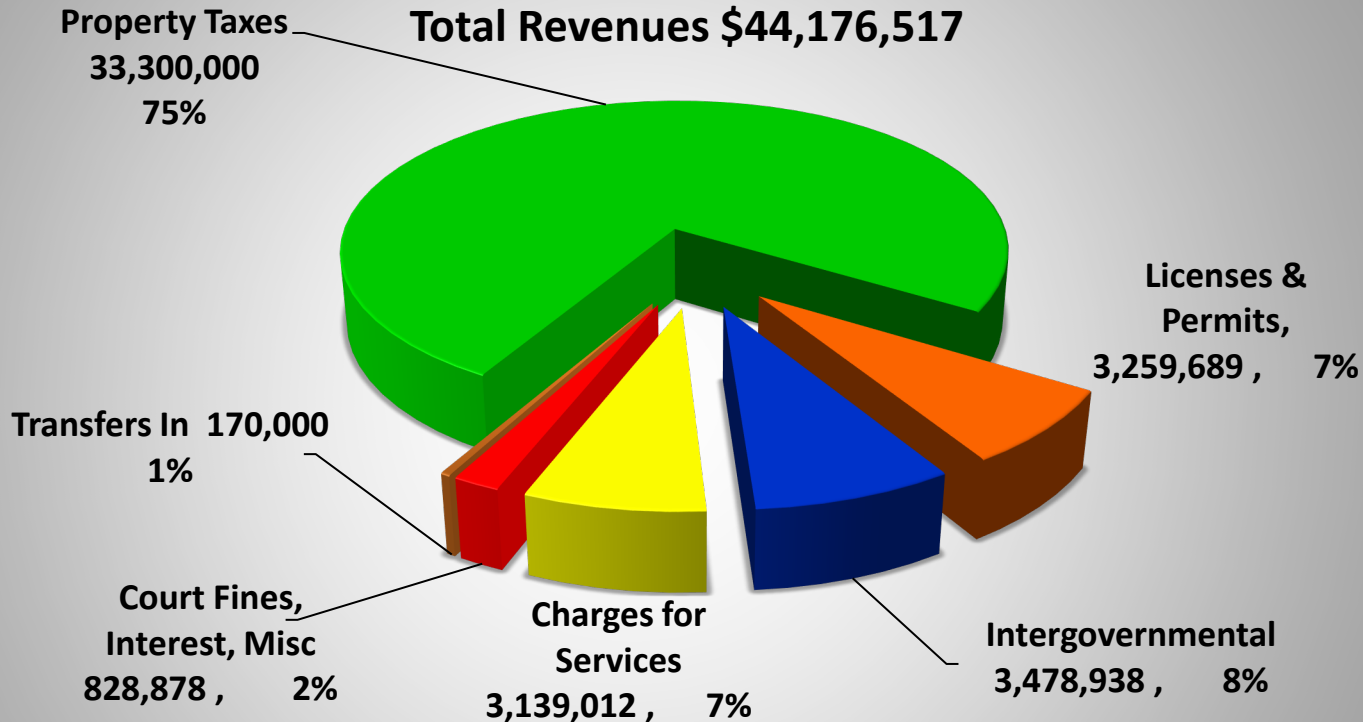


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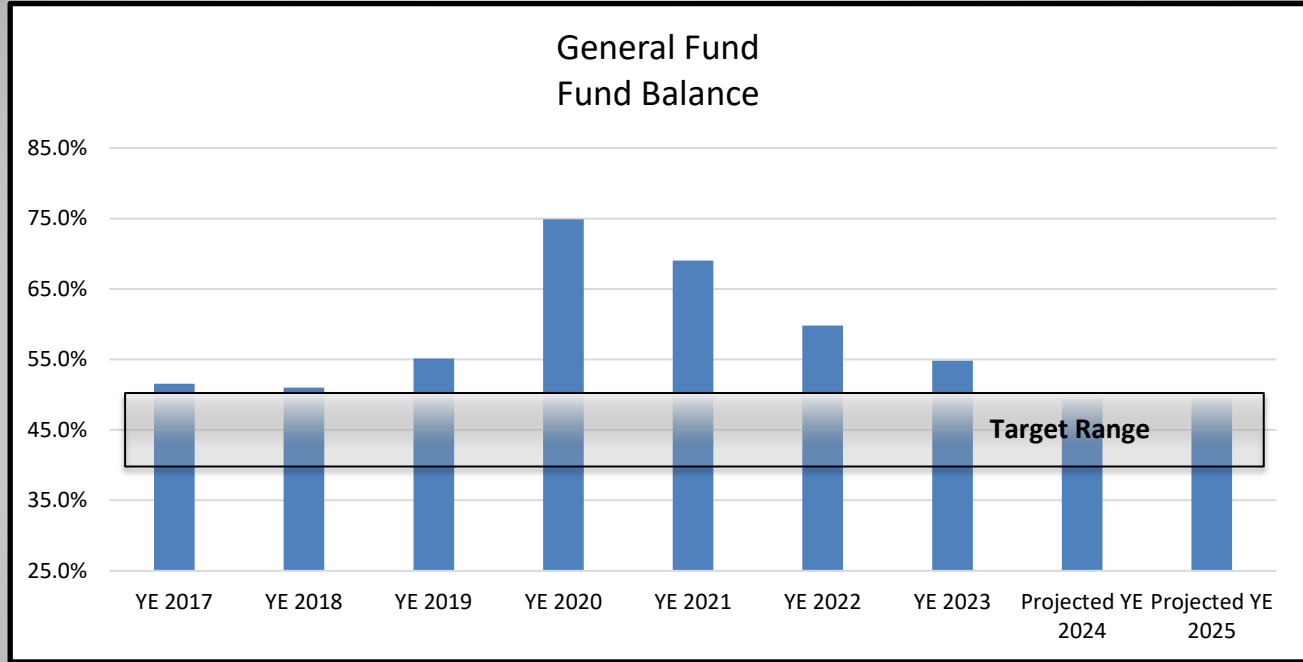


## General Fund - Revenue by Source

Total Revenues \$44,176,517



# General Fund Ratio



1% change in FB = 1% of NY Exp = \$450,000

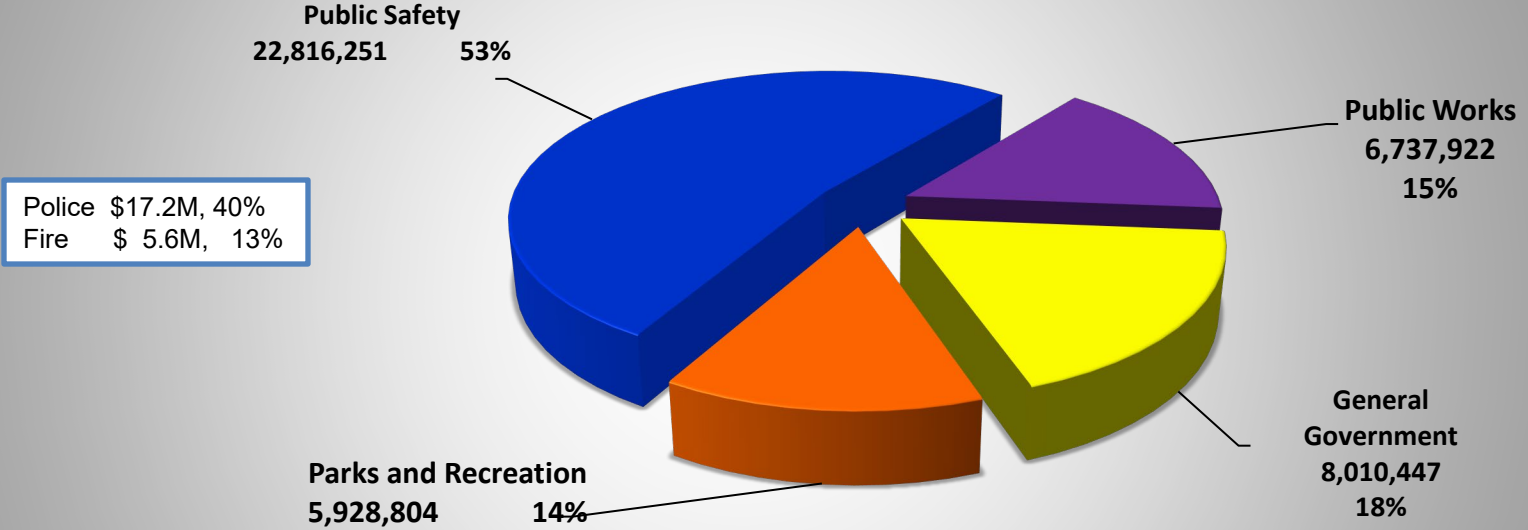


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# General Fund - Expenses by Function

## Total Expenses \$43,493,424



# General Fund

- New Positions

- Fire – Full-time Firefighters (15) – SAFER grant
- Police – 4 Officers – 2 are Cadets partially offset with grant

- Other Personnel

- 6 Full-time Firefighters hired Mar'24 (realizing full year of exp)
- Police -2 officers hired Nov'24 (realizing full year in 2025)
- 3% COLA & step increases



# Utility Funds

- 2025 Street Reconstruction Project
- Ongoing major maintenance
- No new debt
- Rate increase due to low 2024 revenues (wet year)



# Liquor Fund

- Keokuk – 4<sup>th</sup> full year
- Sales – Conservative for 2025
- Debt for Keokuk & Galaxie
- \$1.74M transfers to support other City endeavors



# Liquor Fund – Tax Support - \$1.74M

FUND	PURPOSE	AMOUNT
Debt Service Fund	Police Station (ends 2032)	\$400,000
Debt Service Fund	Keokuk Liquor Store	\$346,800
Equipment Fund	Equipment Replacement	\$900,000
Technology Fund	Technology Equipment	\$67,605
General Fund	Fireworks	\$30,000



# Factors Impacting Property Taxes

- Changes to the tax levy
  - (City, County, School, Other)
- Changes to market value of your property
  - Value as of January 2, 2024
  - Sales period- Oct 2022-Sep 2023
  - Median valued home + 1.28%



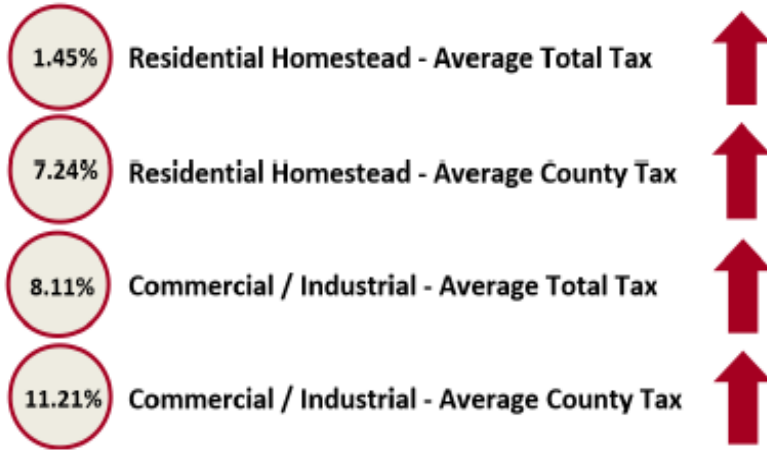
# Factors Impacting Property Taxes

- Changes to City's Taxable Market Value
  - 0.48% Valuation Increased
  - 2.82% New Construction
  - 3.2% Total
- State formula change to residential Homestead Market Value Credit – more taxpayers receive an exclusion



# Homestead Market Value Exclusion Changed

## Change in Tax from 2024 to 2025



- 2024 Taxes: Homesteads valued at \$76K or less, exclusion was 40% of market value (maximum exclusion \$30,400)-exclusion phases out at \$413,800 value.
- 2025 Taxes: Homesteads valued at \$95K or less, exclusion is 40% of market value (maximum exclusion \$38,000)-exclusion phases out at \$517,200 value.



# Public Budget Meeting

*Questions?*



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