

Watertown City Council

September 17, 2022

Agenda Item: **2023 Budget**

Request for Action: **Discussion and Direction on 2023 Budget**

Employee/Dept.: **Jake Foster, City Administrator**

Background:

City Administrator Foster will be presenting on the 2023 General Fund Budget and provide a few items relating to the budget for discussion.



2023 Budget Workshop #3

2022 Valuation Impacts

- Overall taxable market value increased to \$514,188,500 up 31.94% from \$389,693,700
- For comparison, taxable market value increased 8.88% in 2021 for taxes payable in 2022.
- The median home value in Watertown increased 23.6% to \$306,000 up from \$247,600 last year.
- This large increases in valuation measure will have a *significant* impact on tax rates.



Carver County Tax Rates

| City | 2020 | 2021 | 2022 |
|------------------|---------------|---------------|---------------|
| Chanhassen | 21.18% | 22.11% | 22.42% |
| Victoria | 31.04% | 32.23% | 31.25% |
| Chaska | 28.42% | 30.07% | 31.63% |
| Waconia | 46.71% | 46.14% | 46.16% |
| Carver | 49.45% | 45.28% | 48.40% |
| Mayer | 49.35% | 49.10% | 48.43% |
| Watertown | 54.74% | 56.05% | 53.59% |
| Cologne | 63.71% | 63.39% | 64.57% |
| NYA | 73.75% | 74.22% | 72.20% |
| New Germany | 95.86% | 93.71% | 91.07% |
| Hamburg | 105.10% | 106.23% | 102.16% |



Watertown:
Historical
Tax Rates

| | |
|------|--------|
| 2017 | 60.50% |
| 2018 | 59.55% |
| 2019 | 56.47% |
| 2020 | 54.74% |
| 2021 | 56.05% |
| 2022 | 53.59% |

Levy Comparisons vs. Tax Rate

| | 2022 Tax Levy | 12.18% Increase | 7.14% Increase |
|------------------|---------------|-----------------|----------------|
| Tax Rate: | 53.32% | 47.64% | 44.98% |

Levy Comparisons vs. Tax Impact on Ave. Home

| | 2022 Tax Levy | 12.18% Increase | 7.14% Increase |
|---------------------|----------------------|-----------------|----------------|
| General Levy | \$ 1,320.13 | \$ 1,457.90 | \$ 1,376.37 |
| EDA Levy | \$ 46.45 | \$ 57.41 | \$ 57.41 |
| Total Levy | \$ 1,366.58 | \$ 1,515.31 | \$ 1,433.78 |
| Difference | \$ 13.73 (From 2021) | \$ 148.72 | \$ 67.20 |
| % Difference | 1.01% (From 2021) | 10.88% | 4.92% |





Next Budget Workshop - September 27th