



2022 BUDGET & LEVY INFORMATION MEETING

**Tuesday, December 7,
2021**

6:30 p.m.



Overall Taxable Market Value increased
8.98% from 2021



Tax capacity increase of 8.88% ; 3% due to
new construction
Tax Rate **decrease** of **(3.90%)**



Average Valued Home in Watertown is
\$247,600



Council has attempted to manage impact to
the average valued home



Property owners will see varying amount of
increase or decrease of tax impact based on
valuation.

TAXABLE MARKET VALUE CHANGES



PRELIMINARY LEVY

- Council Approved Preliminary Levy September 28th
 - Tax statements to residents from Carver County are calculated based on the preliminary levy
 - General Levy: \$2,447,000
 - Special Levy: \$331,880
 - EDA Levy: \$68,500
 - Tax Rate: 53.85%





Proposed Final Levy

- General levy: \$2,159,250
reduced \$21,000
- Special debt levy: \$331,880
- EDA levy: \$68,500
- Total final proposed levy:
\$2,757,880 (general &
debt)
- Tax rate: 53.32% (4.85%
decrease from 2021)

Net Levy Impacts

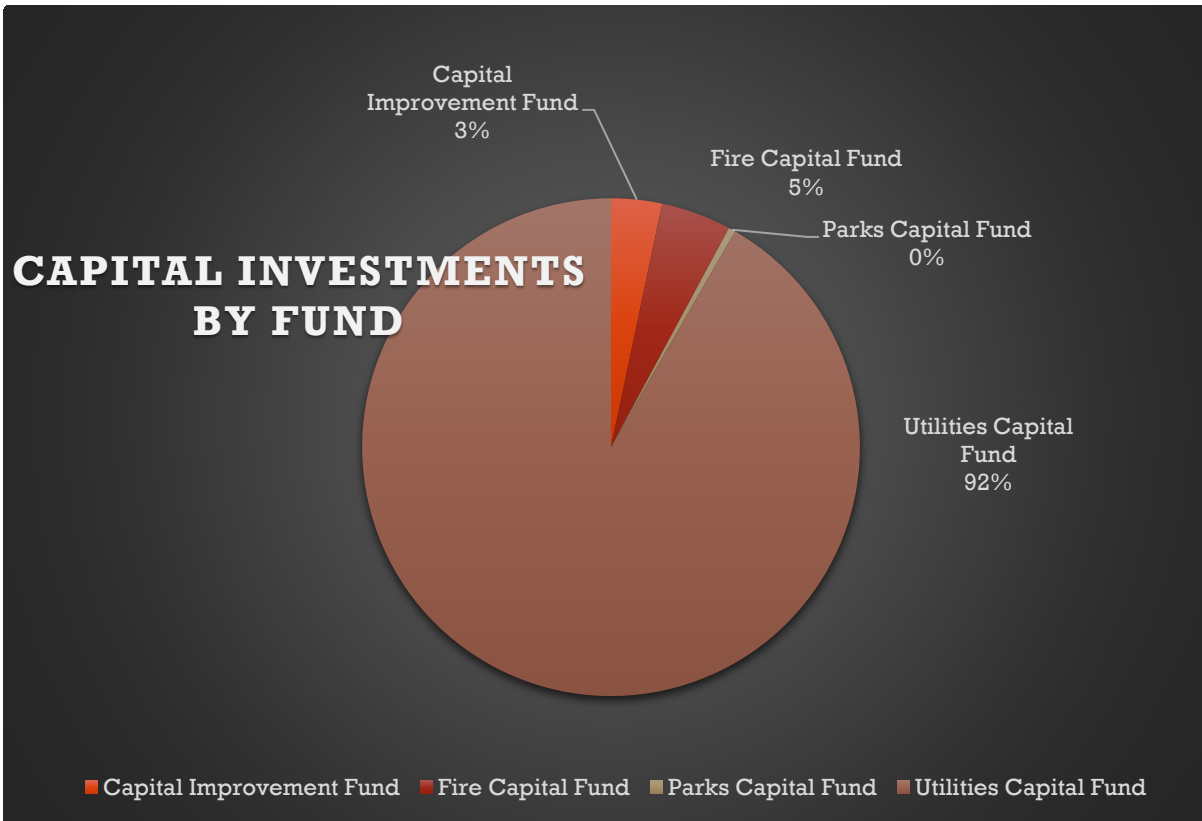
- City is a net gainer in fiscal
disparities calculation
- Levy burden is reduced
\$644,356 to taxpayers
- Impact to the averaged valued
home of 2.00%, \$25 / year

PROPERTY TAX LEVY COMPARISONS

	2021	2022
GENERAL FUND LEVY	\$2,159,250	\$2,426,000
EDA LEVY	\$58,575	\$68,500
SPECIAL DEBT LEVY	\$455,000	\$331,880
FISCAL DISPARITIES	(\$574,106)	(\$644,356)
TIF REDUCTION	(\$8,670)	(\$23,947)
ADJUSTED TAX CAPACITY	\$3,640,867	\$3,964,070
TAX RATE	55.981%	53.317%
IMPACT TO AVERAGE VALUE HOME	\$16.31 1.21%	\$25 2.00%
NET LEVY	\$2,614,250	\$2,757,880



CAPITAL SPENDING INITIATIVES



Total of 24 projects planned for 2022 with a capital investment of \$26M.

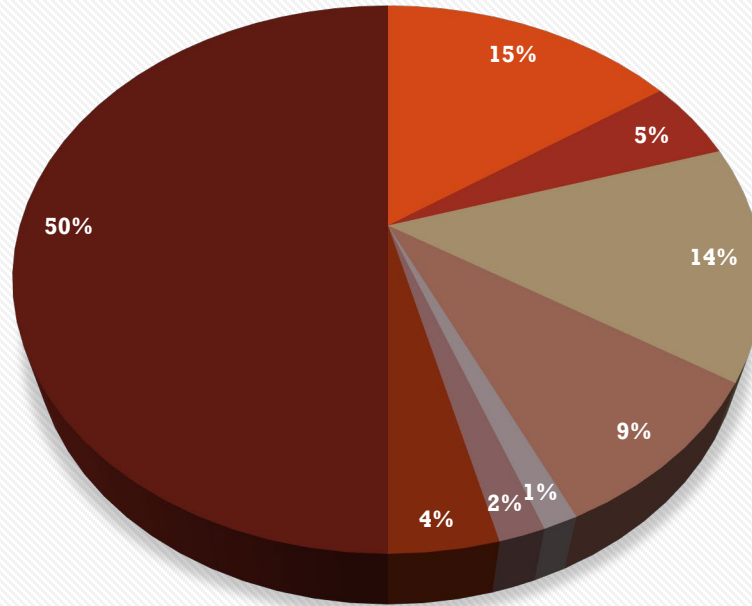
Notable Projects:

- Wastewater treatment facility \$20M
- Water tower \$4M
- Fire ladder truck \$1.1M
- Year 6 of the street maintenance project
- Wildflower Playground



USE OF TAX DOLLAR BY FUNCTION

Use of Tax \$ by Function



- Admin & Facilities
- Public Safety
- Community Services
- Capital Investment Support
- Parks
- Pulic Services
- Debt Support
- Public Services

Admin & Facilities
\$846,694

Capital Investment
\$217,000

Community Services
\$70,289

Parks
\$264,076

Public Safety
\$374,241

Fire
\$387,005

Debt Support
\$93,085

Public Services
\$501,683



MONTHLY BILL FOR CITY SERVICES

Administration & Facilities	\$33
<i>-City Hall staffing, City Council & Commissions wages, building inspections, facility maintenance, legal & consultant services</i>	
Public Services	\$19
<i>-staffing, street maintenance, plowing</i>	
Public Safety	\$29
<i>-law enforcement and fire protection</i>	
Parks	\$10
<i>-staffing, mowing, facility, field, and trail maintenance</i>	
Community Services.....	\$3
<i>-Street Lights, Animal Control, Warning Sirens</i>	
Capital Savings	\$8
<i>-investment in future projects, equipment, heavy maintenance</i>	
Loans	\$4
<i>-payment for outstanding debt</i>	

Total \$106

**Amounts are rounded*

- The averaged valued home with a Market Value of \$247,600 will pay an estimated \$1,272 a year in City property taxes, or \$106 per month.
- The City Council attempts to manage the impact to the averaged valued home. This includes the effect of market value increases, tax rate, and levy amounts.
- When combining all factors, the increase to the averaged valued home of \$247,600 is 2.00% annually, or \$25.



2022 REVENUE SUMMARY

<u>Revenue Source</u>	<u>2021</u>	<u>2022</u>	<u>% Change</u>
General Property Tax Levy	\$2,164,500	\$2,426,000	12%
Administration/Finance/Tech	\$245,096	\$223,211	-9%
Planning & Inspections	\$72,770	\$75,870	4%
Law Enforcement	\$20,000	\$20,000	0%
Recreation	\$2,000	\$2,000	0%
Total Revenue:	\$2,504,366	\$2,747,081	10%



2022 EXPENDITURE SUMMARY

<u>Expenditure Source</u>	<u>2021</u>	<u>2022</u>	<u>% Change</u>
Administration/Finance/Technology	\$754,426	\$779,843	3.37%
Central Facilities	\$63,640	\$66,851	1.91%
Community Services	\$70,789	\$70,289	-0.71%
Fire	\$374,348	\$387,005	3.20%
Law Enforcement	\$379,838	\$374,241	-1.47%
Public Services	\$475,181	\$501,683	5.58%
Parks	\$215,450	\$264,076	22.57%
Transfers to Capital Funds	\$155,000	\$217,000	68.89%
Transfers to Debt Funds	\$93,517	\$93,085	-0.24%
Total Expenditures:	\$2,584,592	\$2,754,073	6.56%



EFFECT ON FUND BALANCE

	2022
<u>Proposed Ending Fund Balance</u>	
Fund Balance – January 1	\$1,370,345
Increase (Decrease)	(\$6,992)
Fund Balance – December 31	\$1,363,353
Percentage of Operating Budget	50%



UTILITY RATES

Water Rates

Basic Charge	\$19.15
Testing Fee	\$.81
1-2,000 gal.	\$2.05
2,001-8,000 gal.	\$3.98
8,001-15,000 gal.	\$4.84
15,001-50,000 gal.	\$5.13
50,000+ gal.	\$5.68
Water Trunk	\$4,287.29

Sewer & Storm Rates

Basic Charge	\$21.53
1-2,000 gal.	\$2.97
2,001+ gal.	\$6.25
Non-Meter Sewer	\$13.02
Sewer Trunk	\$4,819.82
Storm Water	
Basic Charge	\$4.13
Storm Trunk	\$1,877.96



2022 BUDGET & LEVY

Questions?

