



Attachment A

Truth-in-Taxation Presentation

2026 Proposed Budget & Preliminary Tax Levy

CITY OF ARDEN HILLS
PUBLIC HEARING
DECEMBER 8, 2025, 7:00PM

Agenda

- Why Tax Bills Change
- Property Tax in Minnesota
- General Fund Budget Summary
- Proposed 2026 Tax Levy
- City-Wide Budget
- Capital Improvement Plan
- Resources for Property Tax Relief
- Public Comment

Why Tax Bills Change

- Market Value Changes
- Budgets & Levies of various jurisdictions
- Special Assessments
- Voter Approved Referendums
- Changes in Federal & State Mandates
- Changes in Aid and Revenue from State and Federal governments
- State Legislative Changes

Property Tax in Minnesota

- Property Value Assessments – Ramsey County
- Preliminary Levies set by taxing districts – Cities, Counties, School Districts
- Proposed Property Tax Notices – Ramsey County
- City Truth-in-Taxation Public Hearing by December
- Property Taxes Finalized for Following Year

Property Tax in Minnesota Cont'd

- Projected Changes in 2026:
 - Median Value Home increasing to \$496,400 from \$480,900 (3.22% increase)
 - County-wide increase on all property types of 2.85%
 - Residential, commercial, and industrial properties are increasing while apartments are decreasing
- How Property Taxes are Calculated

*Estimated Market Value	\$ 496,400
Less: Homestead Exclusion	-
Taxable Market Value	\$ 496,400
Property's Class Rate	x 1.00%
Tax Capacity	\$ 4,964
**Estimated City Tax Rate	31.95%
Estimated Pay 2025 City Taxes	\$ 1,586

*Estimated Market Value is for a Median Valued Home in Arden Hills

**Estimated City Tax Rate is based on the 18.32% Increase in Levy

General Fund Budget Summary

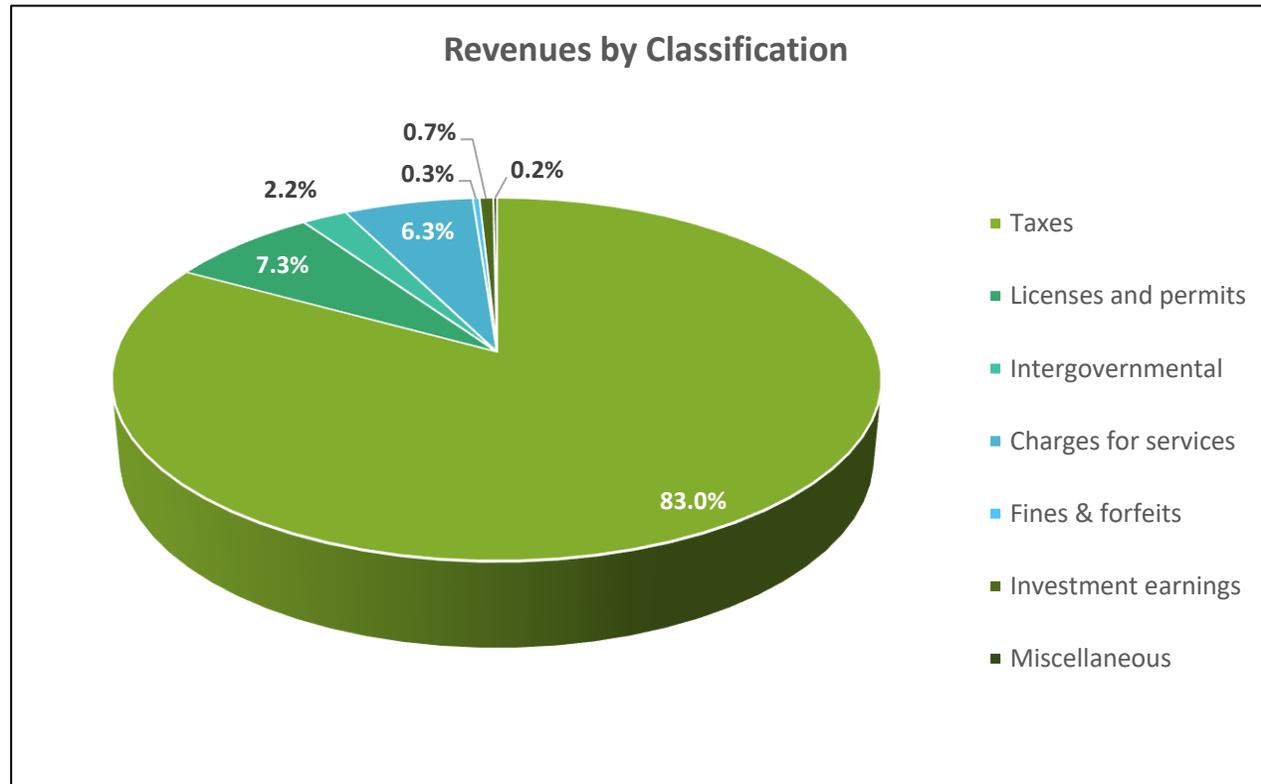
- City Council set a Preliminary Levy increase of 18.32% or \$1,104,258
- Staff is proposing a levy increase of 15.97% or \$962,388
 - Total General Fund Revenues are expected to increase by 12.7% or \$845,388
 - Total General Fund Expenditures are expected to increase by 10.7% or \$723,378
 - No impact to General Fund Reserves

General Fund Budget Summary Cont'd

GENERAL FUND	2023 Actual	2024 Actual	10/31/2025 YTD	2025 Budget	2026 Budget	\$ Increase (Decrease)	% Increase (Decrease)
REVENUES							
Taxes	\$ 3,963,077	\$ 4,622,581	\$ 2,789,604	\$ 5,359,798	\$ 6,213,001	\$ 853,203	15.9%
Special assessments	-	-	-	-	-	-	N/A
Licenses and permits	471,740	448,587	911,243	550,540	548,472	(2,068)	-0.4%
Intergovernmental	166,021	116,870	133,804	176,296	165,379	(10,917)	-6.2%
Charges for services	485,643	504,134	445,843	471,994	470,251	(1,743)	-0.4%
Fines & forfeits	24,681	27,298	20,832	17,360	24,224	6,864	39.5%
Investment earnings	209,901	163,638	80,165	50,000	50,000	-	0.0%
Miscellaneous	31,734	9,247	66,800	13,282	13,330	48	0.4%
TOTAL REVENUES	\$ 5,352,798	\$ 5,892,355	\$ 4,448,291	\$ 6,639,270	\$ 7,484,658	\$ 845,388	12.7%
EXPENDITURES							
Mayor & Council	\$ 71,926	\$ 80,035	\$ 79,275	\$ 93,819	\$ 85,743	\$ (8,076)	-8.6%
Administration	437,233	507,785	382,769	506,835	524,881	18,046	3.6%
Elections	31,056	32,141	34,283	61,750	35,906	(25,844)	-41.9%
Finance	161,040	163,075	203,133	220,756	235,194	14,438	6.5%
TCAAP	77,657	119,702	33,474	121,920	139,170	17,250	14.1%
Planning & Zoning	227,805	307,494	188,987	352,790	447,410	94,620	26.8%
Government Buildings	228,815	224,822	193,741	240,932	250,032	9,100	3.8%
Police	1,491,764	1,583,188	1,465,788	1,761,288	1,994,763	233,475	13.3%
Dispatch	68,737	70,394	42,913	73,570	86,350	12,780	17.4%
Fire	751,177	833,933	892,173	906,321	1,065,552	159,231	17.6%
Emergency Management	8,587	5,134	5,786	9,780	9,270	(510)	-5.2%
Protective Inspections	383,744	331,654	241,538	373,160	428,700	55,540	14.9%
Street Maintenance	682,508	716,138	560,761	960,790	943,854	(16,936)	-1.8%
Recreation	176,655	195,101	232,726	337,508	378,008	40,500	12.0%
Park Maintenance	544,634	556,736	587,279	690,060	759,825	69,765	10.1%
Transfers out	171,140	50,000	-	50,000	100,000	50,000	100.0%
TOTAL EXPENDITURES	\$ 5,514,477	\$ 5,777,329	\$ 5,144,626	\$ 6,761,279	\$ 7,484,657	\$ 723,378	10.7%
NET CHANGE IN FUND BALANCE	\$ (161,679)	\$ 115,025	\$ (696,335)	\$ (122,009)	\$ 0	\$ 122,009	-100.0%

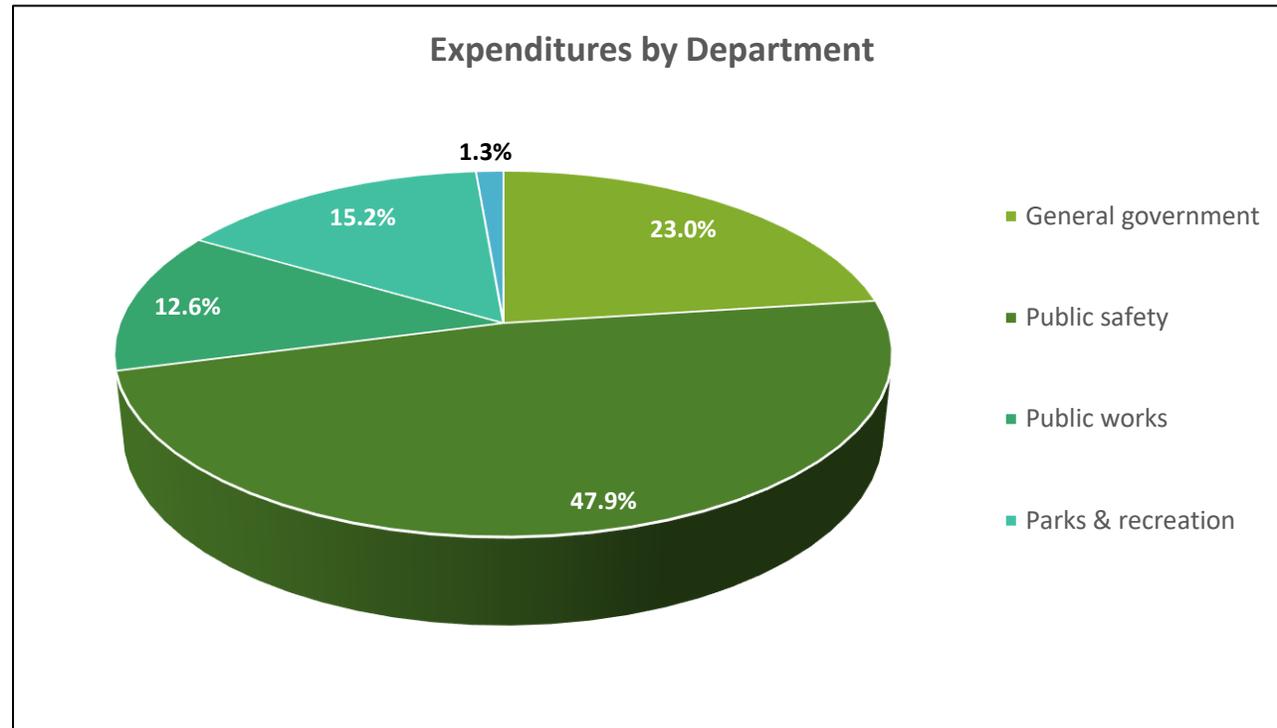
General Fund Budget Summary Cont'd

General Fund Revenues Estimated 2026 Total: \$7,484,658



General Fund Budget Summary Cont'd

General Fund **Expenditures** Estimated 2026 Total: \$7,484,658



Proposed 2026 Tax Levy

City of Arden Hills Past Levies and Tax Rates

YEAR	TAX LEVY	% CHANGE	TAX RATE	% CHANGE
2015	3,359,775	3.1%	27.294%	-2.3%
2016	3,478,775	3.5%	26.539%	-2.8%
2017	3,641,290	4.7%	27.211%	2.5%
2018	3,786,942	4.0%	25.532%	-6.2%
2019	3,938,420	4.0%	25.555%	0.1%
2020	4,135,340	5.0%	25.414%	-0.6%
2021	4,280,080	3.5%	25.089%	-1.3%
2022	4,472,680	4.5%	26.544%	5.8%
2023	4,718,680	5.5%	23.632%	-11.0%
2024	5,310,950	12.55%	24.479%	3.6%
2025	6,028,012	13.50%	27.648%	12.9%

City of Arden Hills 2026 Proposed Levy

YEAR	TAX LEVY	% CHANGE	TAX RATE	% CHANGE
2026	6,990,400	15.97%	31.266%	13.1%

Proposed 2026 Tax Levy Cont'd

City of Arden Hills Surrounding Levy Increases and City Tax Rates

City	Preliminary Levy increase	City Tax Rate
St. Anthony*	11.26%	71.94%
St. Paul	5.30%	54.05%
N. St Paul	8.01%	50.89%
Maplewood	8.58%	50.74%
Spring Lake Park*	11.67%	47.55%
Roseville	12.00%	43.56%
New Brighton	8.50%	42.45%
Mounds View	9.54%	40.46%
Blaine*	3.39%	40.22%
Gem Lake	6.85%	39.70%
Falcon Heights	3.88%	37.58%
Lauderdale	7.81%	34.59%
Shoreview	8.82%	34.05%
Vadnais Heights	9.18%	33.05%
White Bear Lake*	9.49%	32.20%
Arden Hills	18.32%	31.95%
Little Canada	11.56%	28.93%
White Bear Township	12.56%	28.88%

*These amounts only represent the Ramsey County portion of their local property taxes.

Proposed 2026 Tax Levy Cont'd

Total Tax Dollar Divided by Taxing Authority



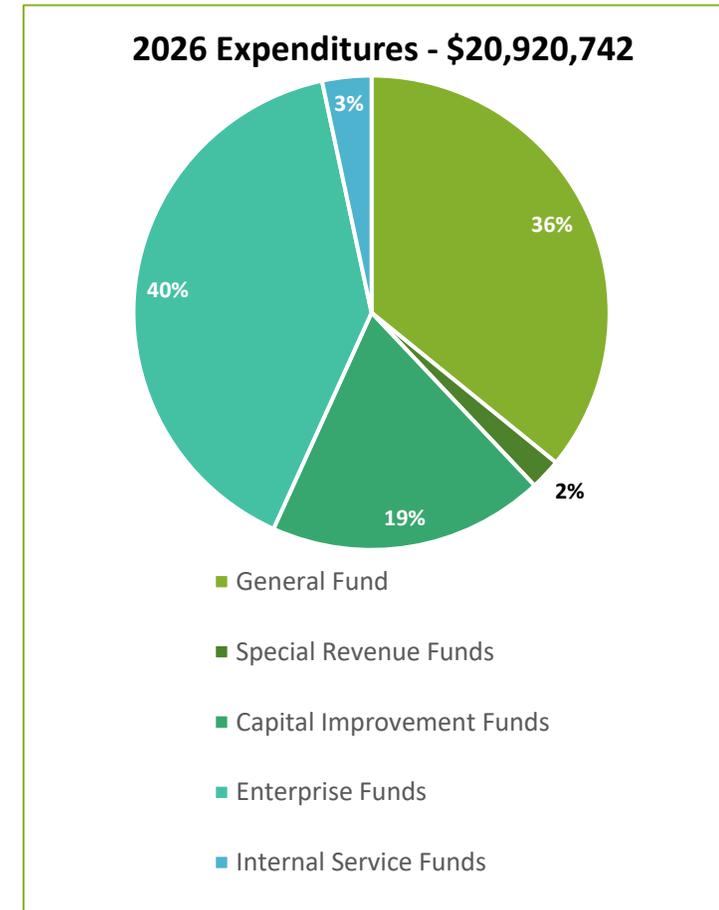
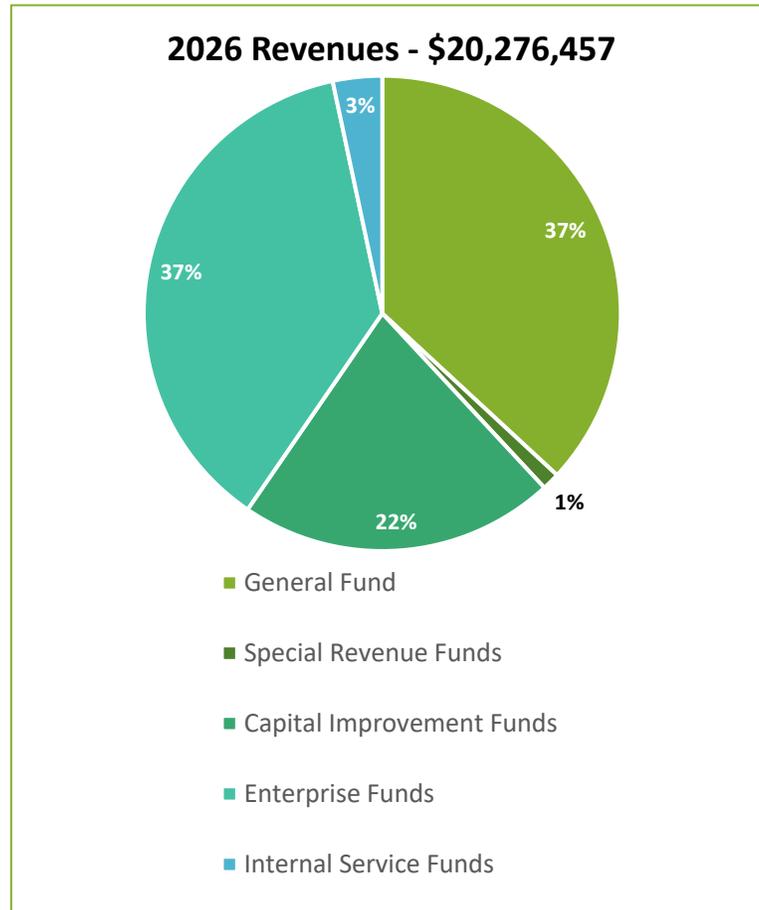
City Tax Portion

- City** - 30 cents per tax dollar
- County** - 47 cents per tax dollar
- Schools** - 15 cents per tax dollar
- Misc.** - 8 cents per tax dollar

Estimated Monthly Cost of City Services for 2026	
Description of Transaction	Monthly Cost
Public Safety	\$55.14
General Government	\$27.97
Parks and Recreation	\$17.50
Street Maintenance	\$14.52
Capital	\$12.95
<u>EDA</u>	<u>\$0.77</u>
Total per Month	\$128.84

For a Median Valued Home, \$128.84 a month in property taxes funds police and fire services, street maintenance, park and recreation amenities, code enforcement, and a variety of other City services.

City Wide Budget Summary



Capital Improvement Plan

Summary of Expenditures

CIP Expenditures by Year						
Department	2026	2027	2028	2029	2030	Total
Economic Development	180,000	130,000	0	0	0	310,000
Government Buildings	0	140,855	0	59,781	520,822	721,458
Parks Department	996,725	5,949,225	305,225	2,650,225	240,000	10,141,400
Public Safety Department	399,674	892,163	812,716	678,283	760,702	3,543,538
Sewer Department	190,000	720,000	0	743,000	24,000	1,677,000
Street Department	3,300,000	0	6,345,000	0	5,770,000	15,415,000
Surface Water Department	0	0	0	0	0	0
Water Department	624,750	1,475,000	520,000	0	0	2,619,750
Equipment	410,000	1,207,120	531,120	430,905	431,000	3,010,145
Total	6,101,149	10,514,363	8,514,061	4,562,194	7,746,524	37,438,291

This table shows the City of Arden Hill’s estimated costs for capital projects and equipment for the next five years broken down by department.

City-Wide Budget Summary

Driving Factors in 2026 Budget

- **Proposed Tax Levy Increase**
 - 15.97% or \$962,388
- **Capital Improvement Program CIP (projects are scheduled out 5-10 years)**
- **Increase in Public Safety Costs**
 - Fire Contract (\$159,231), Police Contract (\$233,475), and Dispatch Contract (\$12,780)
- **Personnel Costs**
 - Cost of Living Adjustments, Step, Health Insurance Increases, and MN Paid Leave Program
- **Utility rate increases based on projections and results from study**

Resources for Property Tax Relief

State of Minnesota Property Tax Refund

- Qualified homeowners and renters when taxes are high relative to their incomes
- Download a M1PR form at:
www.revenue.state.mn.us/property-tax-refund
- Call the Minnesota Department of Revenue at **651-296-3781**

State of Minnesota Senior Citizen Property Tax Deferral Program

- Helps senior citizens who are having difficulty paying their property taxes
- Information can be found at:
www.revenue.state.mn.us/property-tax-deferral-senior-citizens
- Call Tax Operations Division at MN Department of Revenue **651-556-6091**

Public Comment

Questions?