City of Hanover

2015 Truth in Taxation Public Meeting

December 1, 2015

Truth in Taxation – Public Meeting

Purpose

Held prior to approval of the final budget and levy for the upcoming tax year.

Provide the public with information about the proposed levy and budget.

Give the public an opportunity to ask questions.

Nine Factors that Influence the Total Tax Levy

- Property Market Value
- Tax Capacity
- Property Class Rates
- State Aid
- County Budget/Tax Levy
- School Operating Levy
- School District Voter Approved Debt Obligations
- City Budget/Tax Levy
- Special State Laws; *for example, homestead credits*

How Property Tax System Works

- Assessor sets proposed property values as of January 1 for the following year taxes. Values are based on comparable sales.
- These values are sent to the County Auditor. Auditor then sends property-specific notices to property owners notifying of the value change. Included in the notice is the information about the Board of Review meeting.
- City Council conducts Board of Review meeting in April of each year; this is when residents can question their proposed values.
- Values are then finalized and set for calculating the taxes.
- City and other jurisdictions adopt levy and budgets in December. Tax rates are calculated by County based on the levies adopted by each jurisdiction.

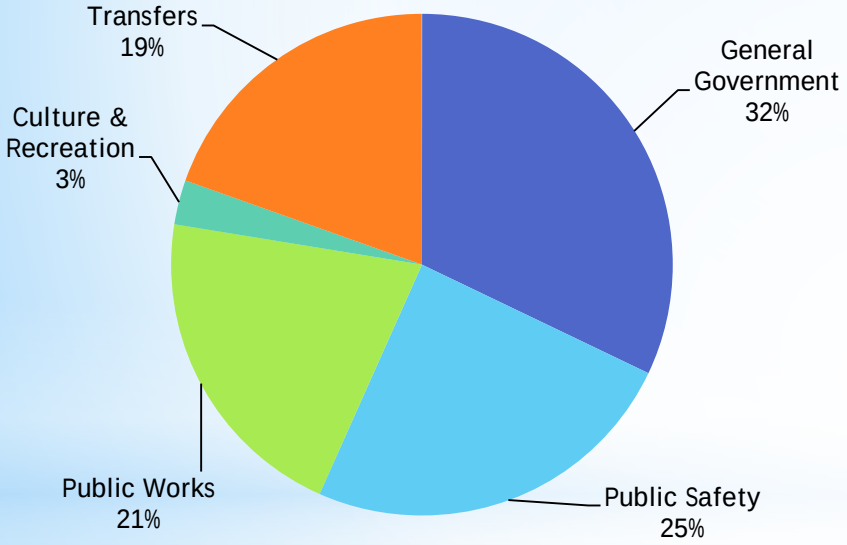
Breakdown of Proposed 2016 Property Tax Levy

	2015	2016
General Fund Levy	$995,728	$1,081,273
Fire Protection	$95,624	$112,579
Bond Levies	$217,602	$217,120
Tax Abatement	$0	$0
Total General Fund	$1,308,954	$1,410,972
EDA	$49,000	$49,000
Total Hanover Property Tax Levy	$1,357,954	$1,459,972

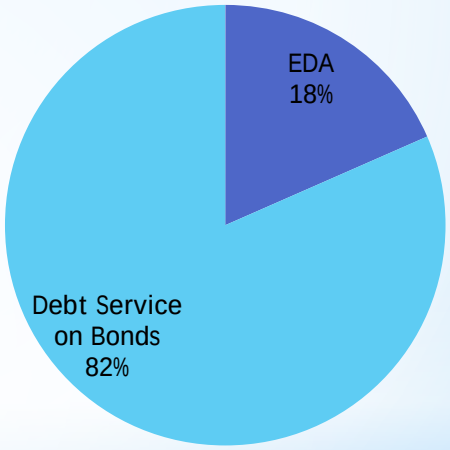
Change 2015 to 2016: $102,018

General Fund Expenditures & Other Property Tax Funded Activities

General Fund Expenditures



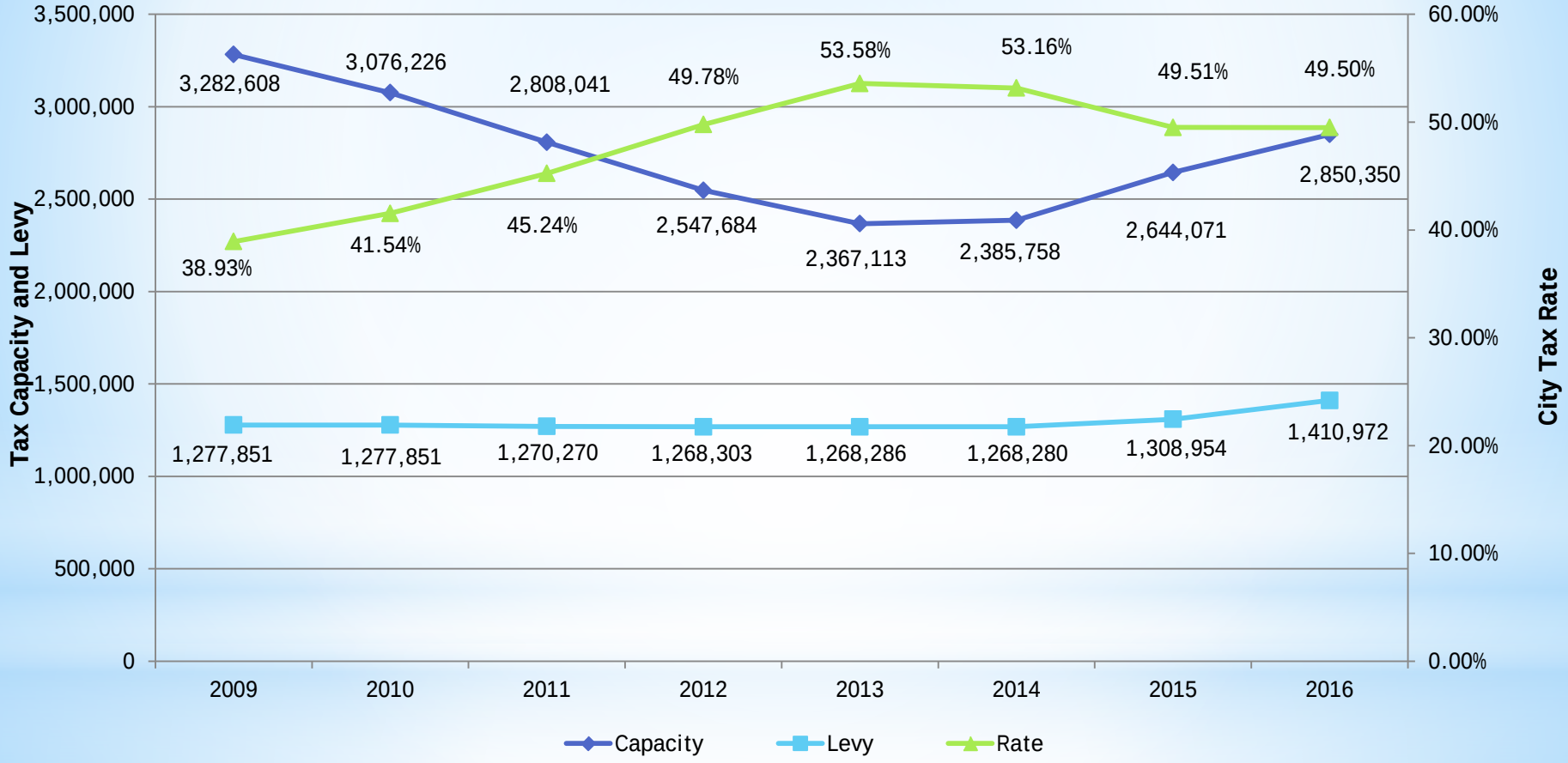
Other Tax - Supported Services



General Fund Budget
$1,584,260

Other Services
$266,120

Tax Capacity, Levy, and



Property Value Tax Statement
Hennepin County

2015 Home Value = $279,000
2016 Home Value = $276,000

2015 Actual Total Tax = $4,048.32
2016 Proposed Total Tax = $3,944.17
Difference = $104.15 Decrease

2015 Actual City Tax = $1,287.70
2016 Proposed City Tax = $1,274.29
Difference = $13.41 Decrease

City's Percent of Total Tax = 32.31%

Property Value Tax Statement
Wright County

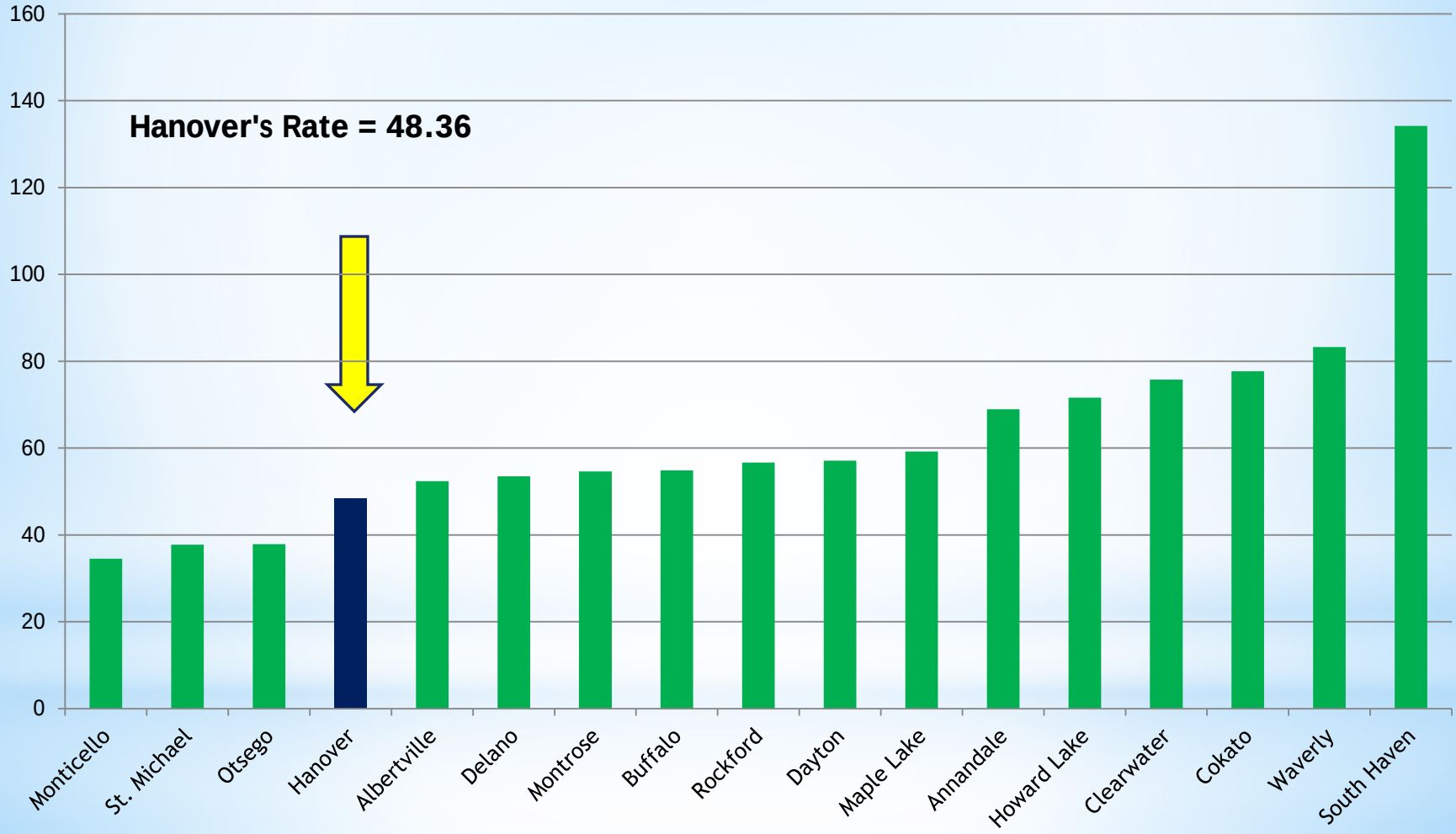
2015 Home Value = $219,400
2016 Home Value = $220,000

2015 Actual Total Tax = $2,818
2016 Proposed Total Tax = $3,156
Difference = $338 Increase

2015 Actual City Tax = $974.11
2016 Proposed City Tax = $979.90
Difference = $5.79 Increase

City's Percent of Total Tax = 31.05%

Hanover’s 2016 Tax Rate Compared to Other Wright County Cities

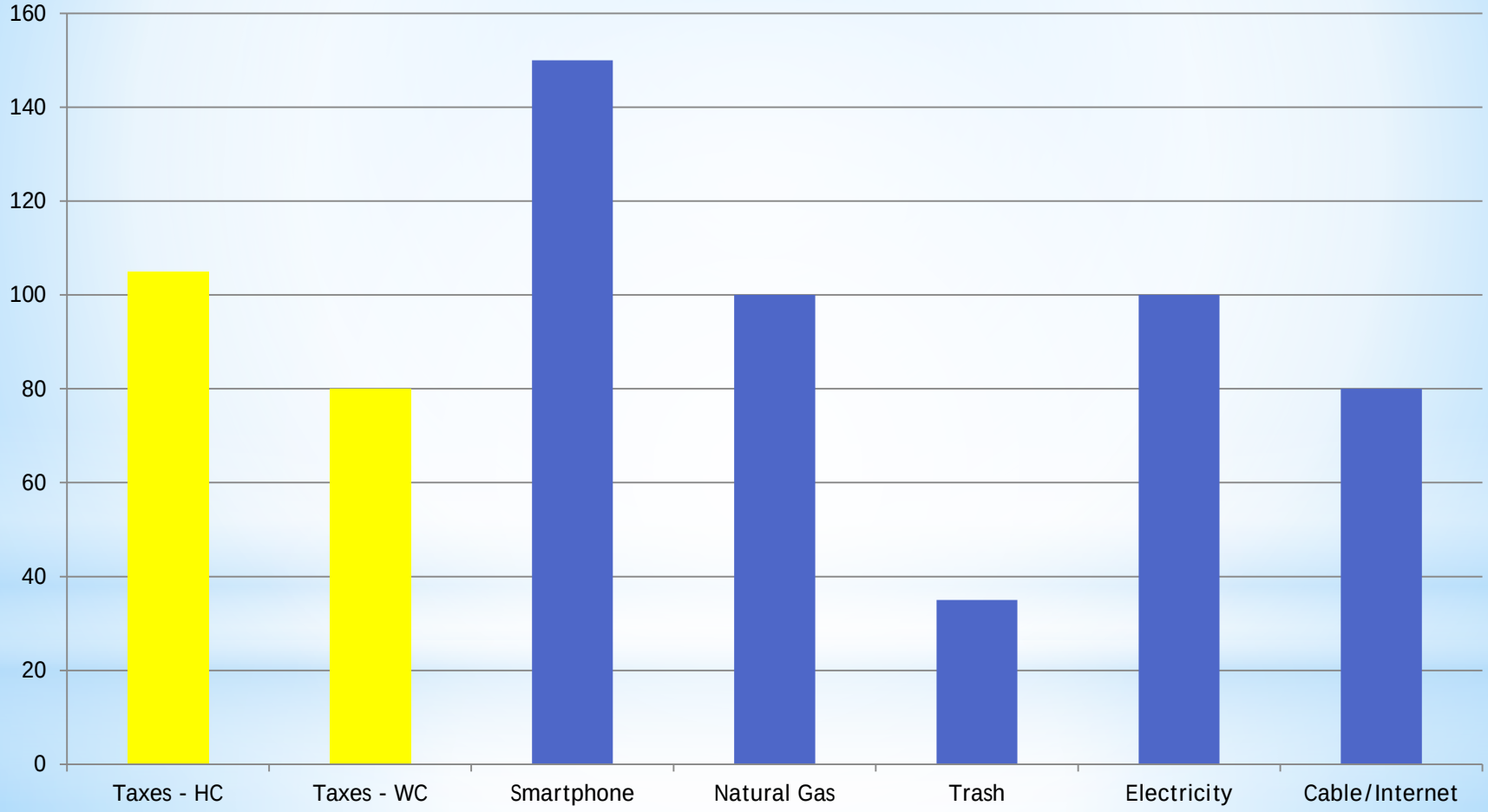


Are City Taxes a Good Value?

Some of the services you get for your City Tax Dollars:

- Police Patrol, Crime Lab, and Other Police Services
- Criminal Prosecution
- Fire and Emergency Medical Response
- Street Maintenance/Improvement and other street services
- Parks, Trails, and Recreation
- Single-sort Curbside Recycling
- Planning & Zoning Administration and Code Enforcement
- City Council, Planning Commission, Park Board, EDA
- Misc. Items – Elections, Assessing, Newsletters, City Buildings, Historical Bridge, Dog Control, Street Lights, Compost, Cemetery, Holiday Decorations, Clean-up Day, Emergency Sirens, Business Incentive Programs, Tax Abatement, Low Interest Business Loans, Emergency Management Services

Monthly Taxes For a Median Value Home Compared to Other Services



Proposed 2016 Property Tax Levy and Budget Adoption:

City Council Meeting December 15, 2015

6:00 p.m.

Hanover City Hall

Questions on the 2016 Proposed Property Tax Levy and Budget?

Thank you.