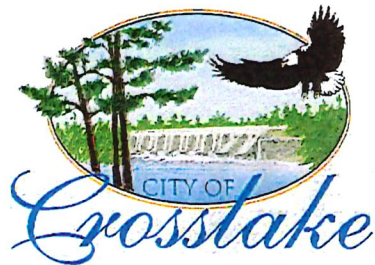


Truth in Taxation (tax notification process)

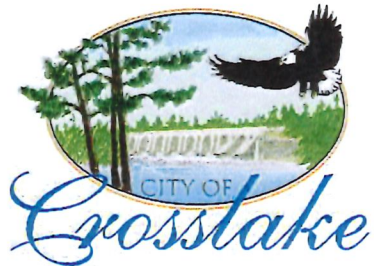
City of Crosslake

December 8, 2025



Truth in Taxation

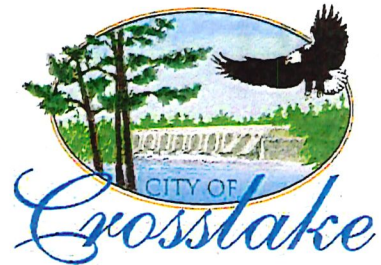
Purpose: to inform the public about local taxes. Cities over 500 in population are required by law to hold a public input meeting before adopting a final budget and certifying a final levy.



Truth in Taxation

How the Property Tax System Works...

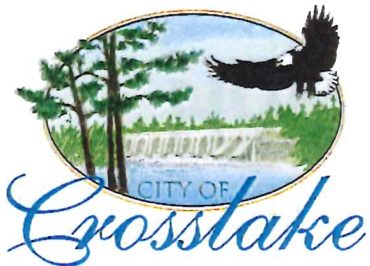
- **County Assessor sets proposed property values based on comparable sales**



Truth in Taxation

How the Property Tax System Works...

- **County Assessor sets proposed property values based on comparable sales**
- **County Auditor-Treasurer sends valuation notices to property owners in March**



Truth in Taxation

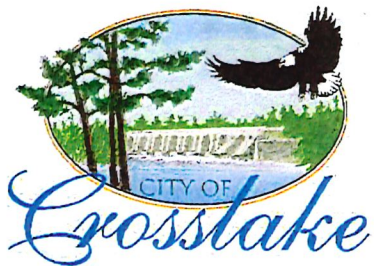
How the Property Tax System Works...

- County Assessor sets proposed property values based on comparable sales
- County Auditor-Treasurer sends valuation notices to property owners
- **County conducts the Local Board of Review meeting in April; residents can question/appeal their proposed values**
- **Values are then finalized and set for calculating taxes**

Option 1 - The Boards of Appeal and Equalization

You may appear before the Boards of Appeal and Equalization in person, through a letter, or through a representative authorized by you. The meeting times and locations are on the other side of this notice.

You must have presented your case to the Local Board of Appeal and Equalization BEFORE appealing to the County Board of Appeal and Equalization.



Truth in Taxation

How the Property Tax System Works...

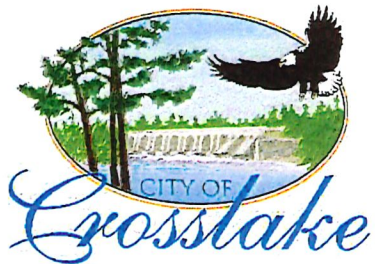
- County Assessor sets proposed property values based on comparable sales
- County Auditor-Treasurer sends valuation notices to property owners
- City Council conducts the Local Board of Review meeting in April; residents can question/appeal their proposed values
- Values are then finalized and set for calculating taxes
- **City and other jurisdictions (county and school) adopt preliminary levies and budgets in September; amounts are included on Proposed Tax Notices sent out by the County in November**



Truth in Taxation

How the Property Tax System Works...

- County Assessor sets proposed property values based on comparable sales
- County Auditor-Treasurer sends valuation notices to property owners
- City Council conducts the Local Board of Review meeting in April; residents can question/appeal their proposed values
- Values are finalized and set for calculating taxes
- Adopt preliminary levies and budgets in September
- **Budgets and levies are finalized in December; amounts are included on Property Tax Statements sent out in March**



Truth in Taxation Property Tax Statement



CROW WING COUNTY
LAND SERVICES
322 LAUREL ST.
SUITE 15
BRainerd, MN 56401
218-824-1010
WWW.CROWWING.US

Property ID Number: [REDACTED]

Taxpayer(s): [REDACTED]

CROSSLAKE MN 56442

Property Description:

CITY OF CROSSLAKE
[REDACTED]

Property Address:
[REDACTED]

Owner(s): [REDACTED]

Tax Detail for Your Property:

Taxes Payable Year:	2023	2024
1. Use this amount on Form M1PR to see if you are eligible for a homestead credit refund. File by August 15, if this box is checked, you owe delinquent taxes and are not eligible.	<input type="checkbox"/>	1,495.00
2. Use these amounts on Form M1PR to see if you are eligible for a special refund.	1,384.00	
Property Tax and Credits		
3. Property taxes before credits	1,383.00	1,497.00
4. Credits that reduce property taxes		
A. Agricultural and rural land credits	0.00	0.00
B. Tacorite tax relief	0.00	0.00
C. Other credits	0.00	0.00
5. Property taxes after credits	1,383.00	1,497.00
Property Tax by Jurisdiction		
6. Crow Wing County	344.72	603.98
7. City or town CITY OF CROSSLAKE	472.86	510.90
8. State general tax	0.00	0.00

TAX STATEMENT 2024

2023 Values for Taxes Payable in

Step	VALUES & CLASSIFICATIONS		
	Taxes Payable Year:	2023	2024
1	Estimated Market Value:	241,900	263,700
	Homestead Exclusion:	15,459	11,707
	Taxable Market Value:	226,431	271,993
	New Improvements:		
	Property Classification:	RES HSTD	RES HSTD
Sent in March 2023			
2	PROPOSED TAX		
	Proposed Tax:		1,495.00
Sent in November 2023			
3	PROPERTY TAX STATEMENT		
	First half Taxes:		761.00
	Second half Taxes:		761.00
	Total Taxes Due in 2024 :		1,522.00

\$\$\$
REFUNDS?

You may be eligible for one or even two refunds to reduce your property tax. Read the back of this statement to find out how to apply.

Taxes Payable Year:	2023	2024
10. Special taxing districts		
A. Other special taxing districts		13.40
B. Tax increment		0.00
C. Fiscal disparity	0.00	0.00
11. Non-school voter-approved referenda levies	0.00	0.00
12. Total property tax before special assessments	1,383.00	1,497.00
Special Assessments		
13. Special assessments		
A. SOLID WASTE/RECYCLING FEE		25.00
14. TOTAL PROPERTY TAX AND SPECIAL ASSESSMENTS	1,409.00	1,522.00



Truth in Taxation

How the Property Tax System Works...

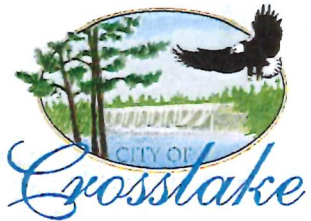
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- City Council conducts the Local Board of Review meeting in April; residents can question/appeal their proposed values
- Values are finalized and set for calculating taxes
- Adopt preliminary levies and budgets in September
- Budgets and levies are finalized in December
- **County collects taxes and distributes money to City (usually in June & December)**



Truth in Taxation

Factors that Influence your Total Taxes

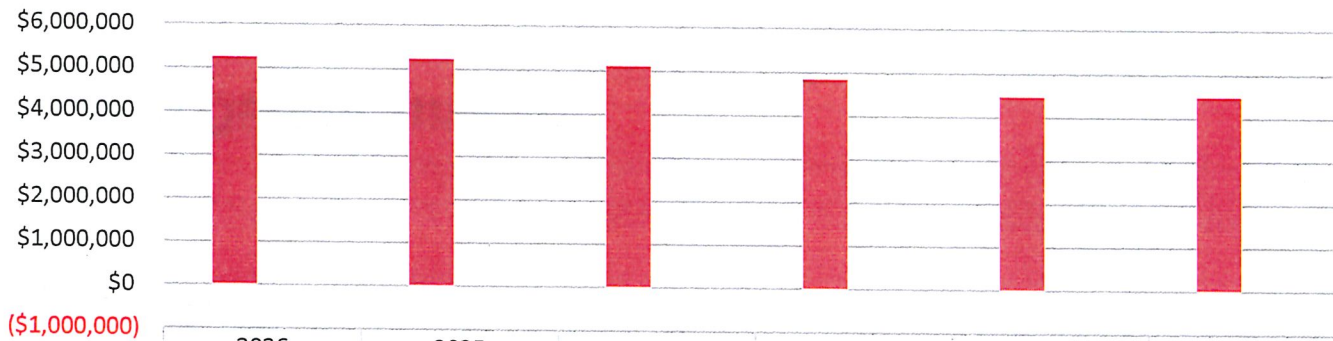
- Property market value
- Tax capacity
- Property class rates
- State aid
- Special state laws
- County budget/tax levy
- School operating levy
- School district voter approved levies
- **City tax levy**



Truth in Taxation

Tax Levy History

5 Year Review



	2026	2025	2024	2023	2022	2021
■ Tax Levy	\$5,238,971	\$5,227,380.00	\$5,098,450.00	\$4,835,459.00	\$4,467,112.00	\$4,485,852.00
■ % Levy Increase (Decrease)	0.22%	2.53%	5.44%	8.25%	-42.00%	4.17%

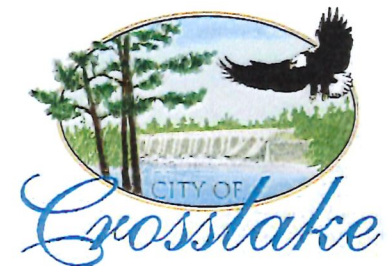
■ Tax Levy ■ % Levy Increase (Decrease)

Overall increase from 2021 to 2026 is \$753,119 or 17% increase, which averages out to 3.4% per year for the last 5 years.

Truth in Taxation

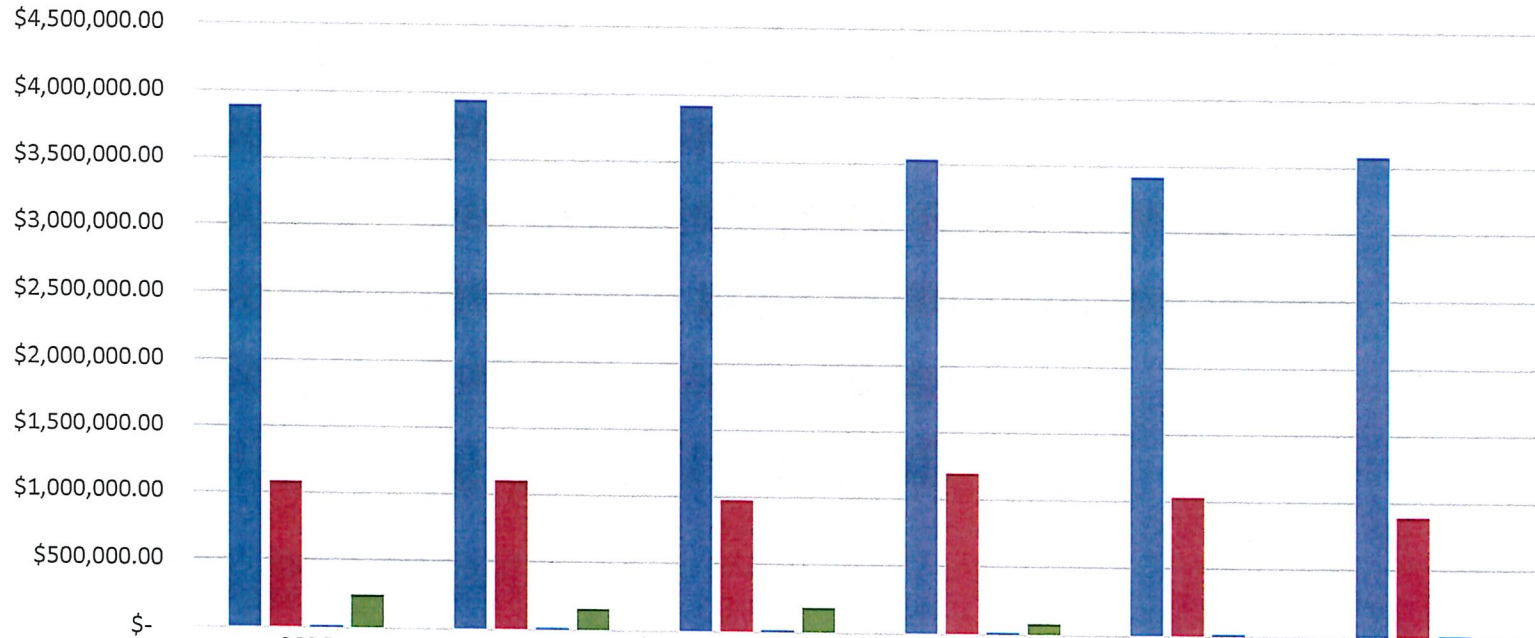
Services funded by the city tax levy (Where do my tax dollars go?):

- Debt Service
- Economic Development
- Sewer Operating Levy
- General Fund



Truth in Taxation

Tax Levy Breakdown



	2026	2025	2024	2023	2022	2021
General Fund	\$3,892,715.00	\$3,944,635.00	\$3,918,588.00	\$3,535,240.00	\$3,420,083.00	\$3,582,138.00
Debt Service	\$1,081,103.00	\$1,102,884.00	\$973,735.00	\$1,195,069.00	\$1,027,929.00	\$887,714.00
Economic Development	\$18,100.00	\$18,100.00	\$18,100.00	\$18,100.00	\$19,100.00	\$16,000.00
Sewer Operating Fund	\$247,053.00	\$161,761.00	\$188,027.00	\$87,050.00		

■ General Fund
 ■ Debt Service
 ■ Economic Development
 ■ Sewer Operating Fund



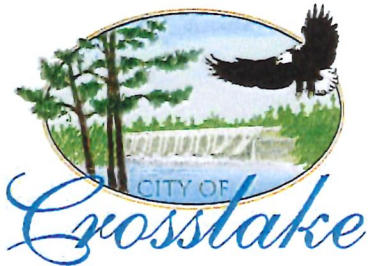
Truth in Taxation

Services funded by the city tax levy:

➤ **1) Debt Service:**

➤ **Bonds – \$6.4M outstanding**

- **2017A – Disposal System Bonds**
- **2018A – Manhattan Point Reconstruction Bonds**
- **2019A – City Hall (Bldg, Land, Road, Sewer)**
- **2021A – Ladder Truck**
- **2022A – Roads, Moonlight Bay Sewer, Fire Truck**
- **2025A – Not included will be a bond in 2026 for Year 2 (2025 Road Improvement – approx. 1.3M)**



Truth in Taxation

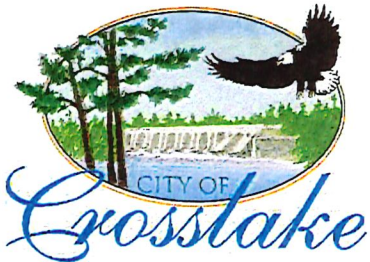
Services funded by the city tax levy:

- **2) Economic Development**

- **\$18,100**

- 3) Sewer Department**

- **\$247,053 - Expenses less depreciation and revenue to determine if there is a shortage for full operation**

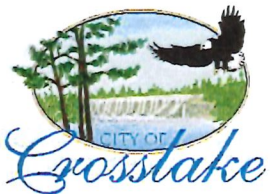


Truth in Taxation

Services funded by the city tax levy:

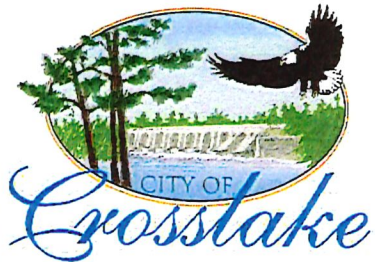
➤ 4) General Fund

- Public Safety – police, fire, criminal prosecution, emergency planning and sirens
- Public Works – snow removal, road maintenance, mowing, street lighting, tree removal, cemetery maintenance, etc.
- General Government – city administration, city council and mayor, planning & zoning, audit, elections, fireworks
- Culture & Recreation - Trails, weight room, shelters, parks & rec programs, community center, library, senior activities, community gardens, pickleball, etc.



Truth in Taxation

- **General Fund Budget**
 - **Revenues**
 - **Expenditures**



Truth in Taxation

General Fund Budget Revenue

	<u>2025 Approved</u>	<u>2026 Proposed</u>	<u>Change</u>
Intergovernmental	\$ 166,750	\$ 164,715	\$(2,035)
Taxes	\$ 3,946,135	\$ 3,894,215	\$(51,920)
Contributions and Donations	\$ 84,700	\$ 23,500	\$(61,200)
Charges for Services	\$ 313,050	\$ 337,335	\$24,285
Misc	\$ 6,000	\$ 7,000	\$1,000
Licenses/Permits	\$ 231,750	\$ 200,975	\$(30,775)
Other (Sp Assessments, Interest, Future Bond & Other)	\$ 195,080	\$ 1,690,163	\$1,495,083
Fines/Forfeitures	<u>\$ 15,300</u>	<u>\$ 16,800</u>	<u>\$1,500</u>
Total Revenue	\$ 4,958,765	\$ 6,334,703	\$1,375,938

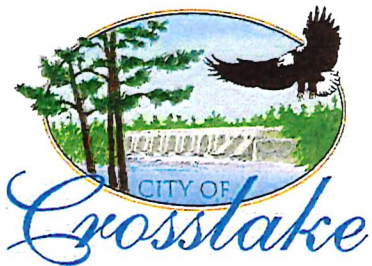
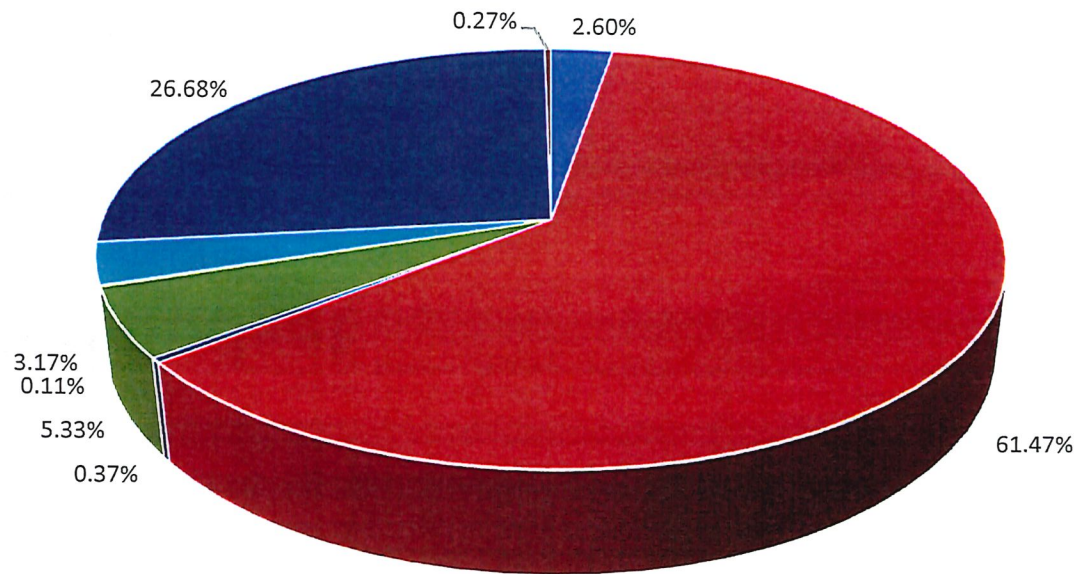


Truth in Taxation

Revenue Sources as % of General Fund Budget

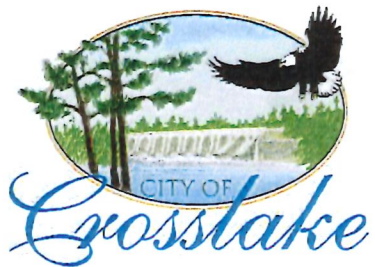
Percentage by Fund

- Intergovernmental -2.6%
- Taxes -61.47%
- Contributions and Donations -.37%
- Charges for Services -5.33%
- Misc -.11%
- Licenses/Permits -3.17%
- Other (Sp Assessments, Interest, Future Bond & Other) -26.68%
- Fines/Forfeitures -.27%



Truth in Taxation

- **General Fund Budget**
 - Revenues
 - Expenditures

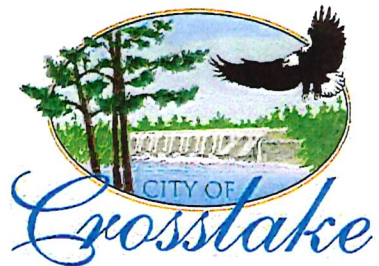


Truth in Taxation

General Fund Budget

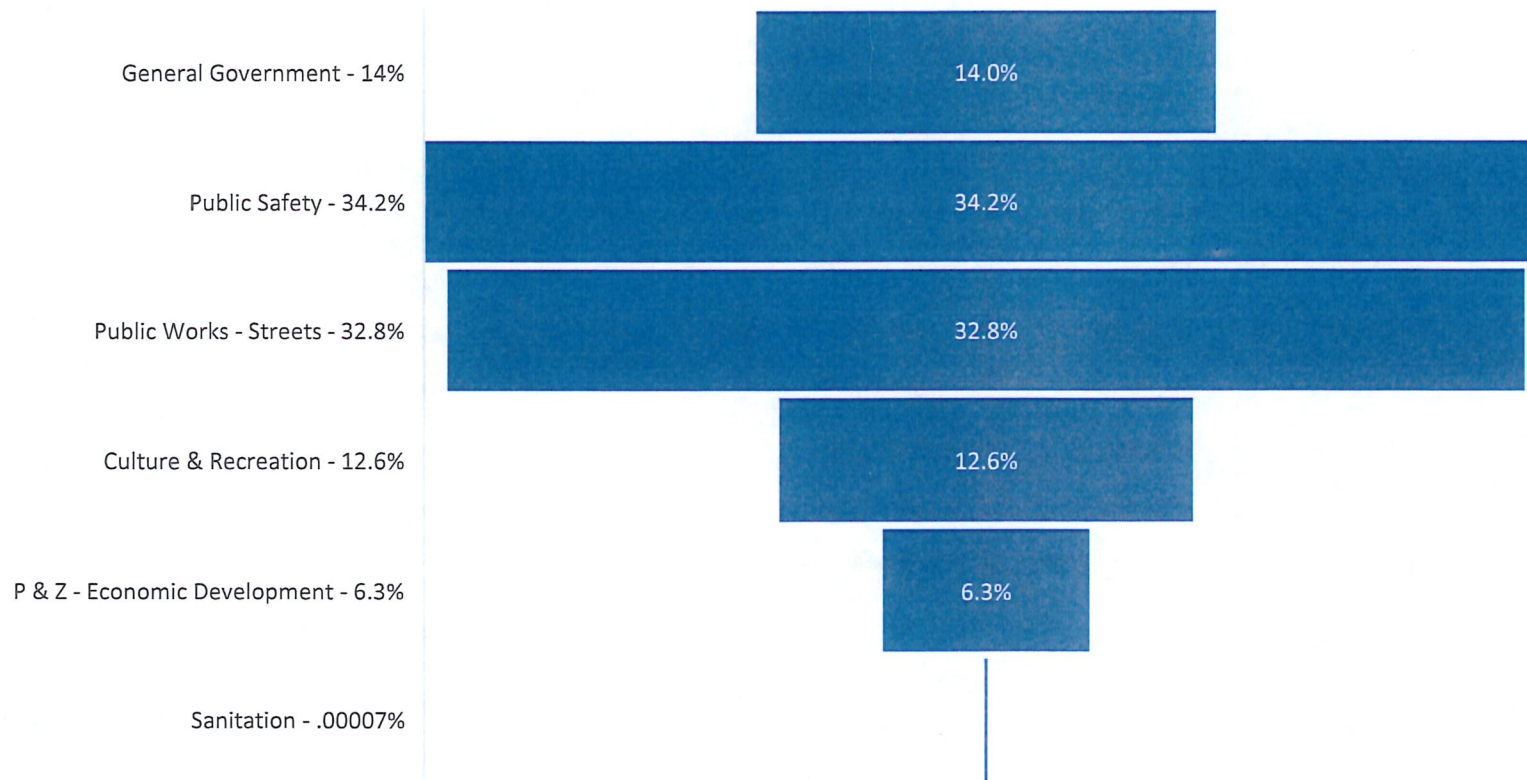
Expenditures by Function to OSA

Expenses by Dept	2025 Adopted	2026 Proposed	Change
General Government	\$ 923,680	\$ 964,280	\$ 40,600
Public Safety	\$ 1,901,206	\$ 2,305,612	\$ 404,406
Public Works – Streets and Highways	\$ 2,930,366	\$ 2,268,312	\$ (662,054)
Culture & Recreation	\$ 1,174,106	\$ 893,625	\$ (280,481)
Planning & Zoning – Economic Development	\$ 326,299	\$ 435,037	\$ 108,738
Sanitation	\$ 500	\$ 500	\$ -
Conservation of Natural Resources	\$ -	\$ -	\$ -
Total	\$ 7,256,157	\$ 6,867,366	\$ (388,791)



Truth in Taxation

General Fund Expenditures as % of Total

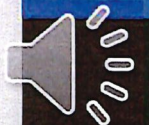
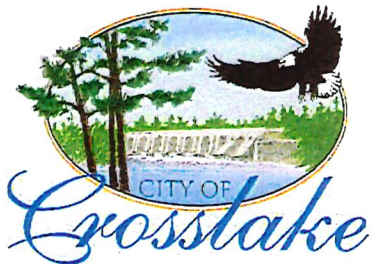


Truth in Taxation

General Fund Budget

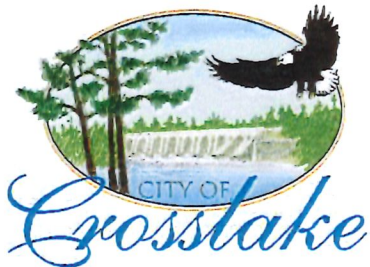
Revenue Less Expenditures

	<u>2025 Adopted</u>	<u>2026 Proposed</u>
Revenue	\$ 4,958,765	\$ 6,334,703
Expenditures	<u>\$ 5,814,329</u>	<u>\$ 6,867,365</u>
Revenue less expenditures:	\$ (855,564)	\$ (532,662)



Truth in Taxation Summary

- Levy: \$5,238,971 (0.22%)
- Next steps:
 - Revise budget if needed
 - Adopt final budget and tax levy
 - Certify tax levy to County Auditor



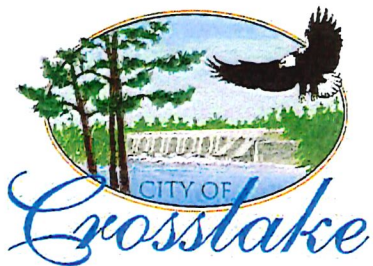
Truth in Taxation

Final Steps

Motion

Resolution

Questions?



Truth in Taxation

Thank you!

