



CITY COUNCIL MEETING
Tuesday, December 2, 2025 at 6:00 PM
Council Chambers, Charles S. Crandall Center at City
Hall, 540 West Hills Circle.

TRUTH-IN-TAXATION (TNT) MEETING

1. **CALL TO ORDER:** Council President Raney
2. **PRESENTATION**
 - 2.1. TNT - 2026 Budget Presentation
3. **PUBLIC COMMENTS:** Please limit comments to two (2) minutes. Please approach the microphone, sign-in and state your name and address for the record after being acknowledged by the Council President. Speakers will be limited to two minutes to deliver their comments. Those speaking are asked to conduct themselves in a respectful manner as they deliver their comments. Audience members are asked to refrain from reacting to comments. The City Council will not respond directly to comments in this venue or take immediate action in response to them.
4. **ADJOURN**



Truth-in- Taxation 2026 Budget Meeting

December 2, 2025



Agenda

- Understanding Property Tax System
- Foundation for Budget
- Review of Budget Process
- Tax Levy and Budget Highlights
- Impact to Property Owners

Property Taxes

Sometimes difficult to understand

Each November, all property owners receive a statement showing preliminary taxes for next year

STEELE COUNTY ADMINISTRATOR
630 FLORENCE AVE
OWATONNA, MN 55060
WWW.STEELECOUNTYMN.GOV
(507) 444-7406

CITY OF OWATONNA
540 WEST HILLS CIRCLE
OWATONNA, MN 55060

Legal Description:
ORIGINAL TOWN
BLK.3 LOT 20 ORIGINAL TOWN

Property Address: 129 VINE ST W

Your Proposed Property Tax for 2025
- THIS IS NOT A BILL - DO NOT PAY -

IMPORTANT INFORMATION IS PRINTED ON THE BACK OF THIS FORM

Property ID: 17-100-0319 Taxpayer# 00489

VALUES AND CLASSIFICATION

Step	Taxes Payable Year	2024	2025
1	Estimated Market Value:	111,700	111,700
	Homestead Exclusion:		
	Other exclusions/deferrals:		
	Taxable Market Value:	111,700	111,700
	Property Classification:	COMM NON-HSTD	COMM NON-HSTD

PROPOSED TAX

2	Property Taxes before credits:	3,722.00
	School building bond credit:	.00
	Agricultural market value credit:	.00
	Other credits:	.00
	Property Taxes after credit:	3,722.00

PROPERTY TAX STATEMENT
Will be mailed to you in Spring of 2025

Proposed Property Taxes and Meetings by Jurisdiction for Your Property

Contact Information	Meeting Information	Actual 2024	Proposed 2025
STEELE COUNTY ADMINISTRATOR STEELE COUNTY ADMINISTRATOR 630 FLORENCE AVE 444-7406 OWATONNA MN 55060	6:00 PM DEC 4, 2024 COUNTY BOARDROOM OWATONNA, MN 55060	1,000.35	979.55
OWATONNA CITY KRIS BUSSE, CITY ADMINISTRATOR 540 W HILLS CIR, OWATONNA, MN (507) 774-7350	6:00 PM DEC 3, 2024 COUNCIL CHAMBERS-CRANDALL CNTR OWATONNA, MN 55060 WWW.OWATONNA.GOV	1,287.30	1,298.22
STATE GENERAL TAX		654.43	647.86
OWATONNA SCHOOL SUPERINTENDENT 515 W BRIDGE ST, OWATONNA, MN (507) 444-8605	761 6:00 PM DEC 9, 2024 540 W HILLS CIRC-CRANDALL CNTR OWATONNA, MN 55060 WWW.ISD761.ORG		
VOTER APPROVED LEVIES OTHER LOCAL LEVIES		540.52 263.54	513.38 282.99
SPECIAL TAXING DISTRICTS			
TAX INCREMENT		.00	.00
TOTAL		.00	.00
Excluding Special Assessments	Percent Change 6- %	3,746.14	3,722.00

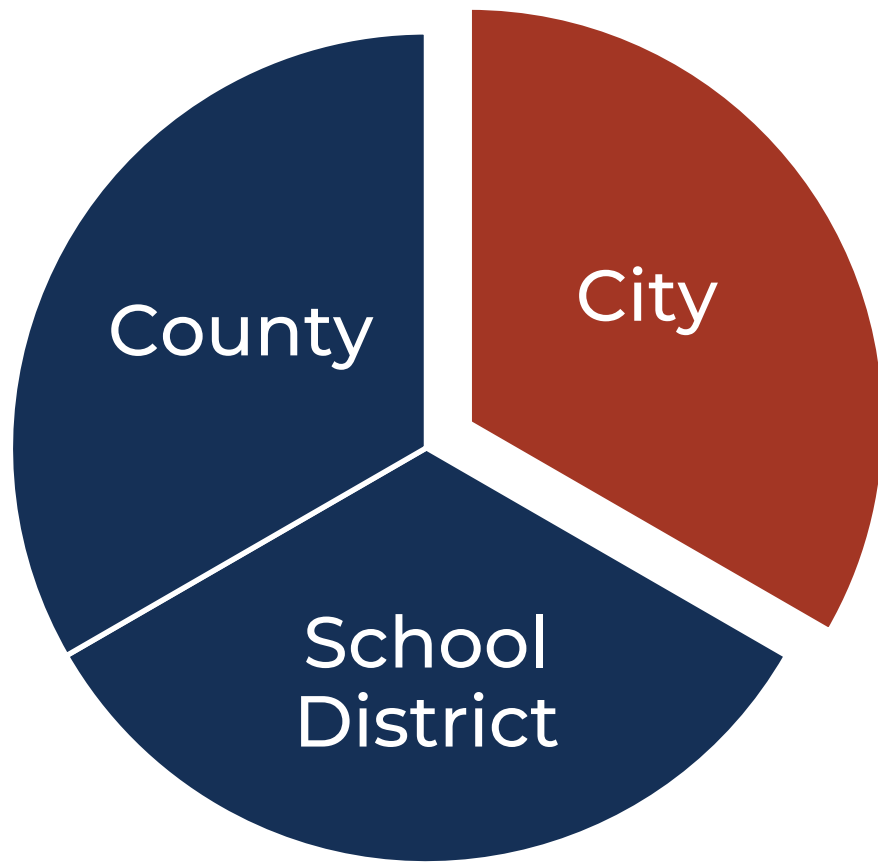
The time to provide feedback on
PROPOSED LEVIES is NOW

It is too late to appeal your value without going to Tax Court.

IMPORTANT INFORMATION IS PRINTED
ON THE BACK OF THIS FORM

18.027

Proposed Property Tax Statement



- Proposed property taxes are calculated based on the preliminary tax levies adopted by each governing body in September
- The final levy may be less than the proposed, but cannot be more

Services



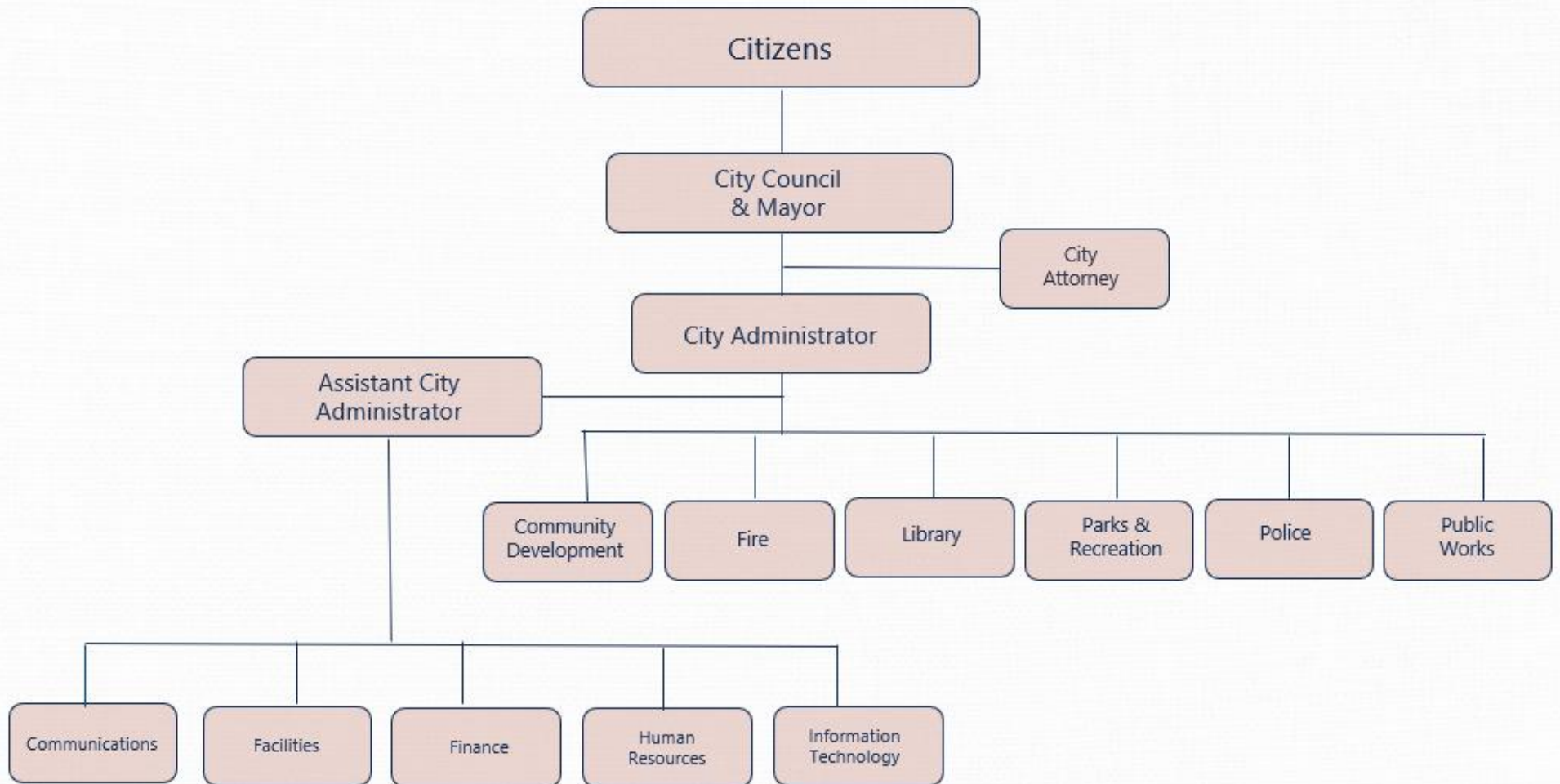
City Levy Provides



What do City taxes help pay for?

- 27,000+ residents served
- 90+ buildings owned & maintained
- 139+ miles of roads maintained
- 43,488 calls for service responded to by police officers in 2024
- 600 calls for service responded to by firefighters
- 900+ acres of parkland owned & maintained
- 31+ miles of paved and natural trails maintained
- 2,000+ building permits expected to be issued in 2025
- 199,296 items circulated last year by the library (digital and physical) to more than 19,000 library card holders
- 97,925 visits and 12,931 program attendees at the library in 2024
- 33,345 guests served in 2025 at River Springs Water Park + swimming lesson participants
- 23,961 golfing rounds in 2025 at Brooktree Golf Course (increased 11.84% from 2024)

City Departments & Organizational Structure



Strategic Planning

- The City Council annually determines the City's priorities for the next year
- Staff then prepares a budget that aligns with those priorities

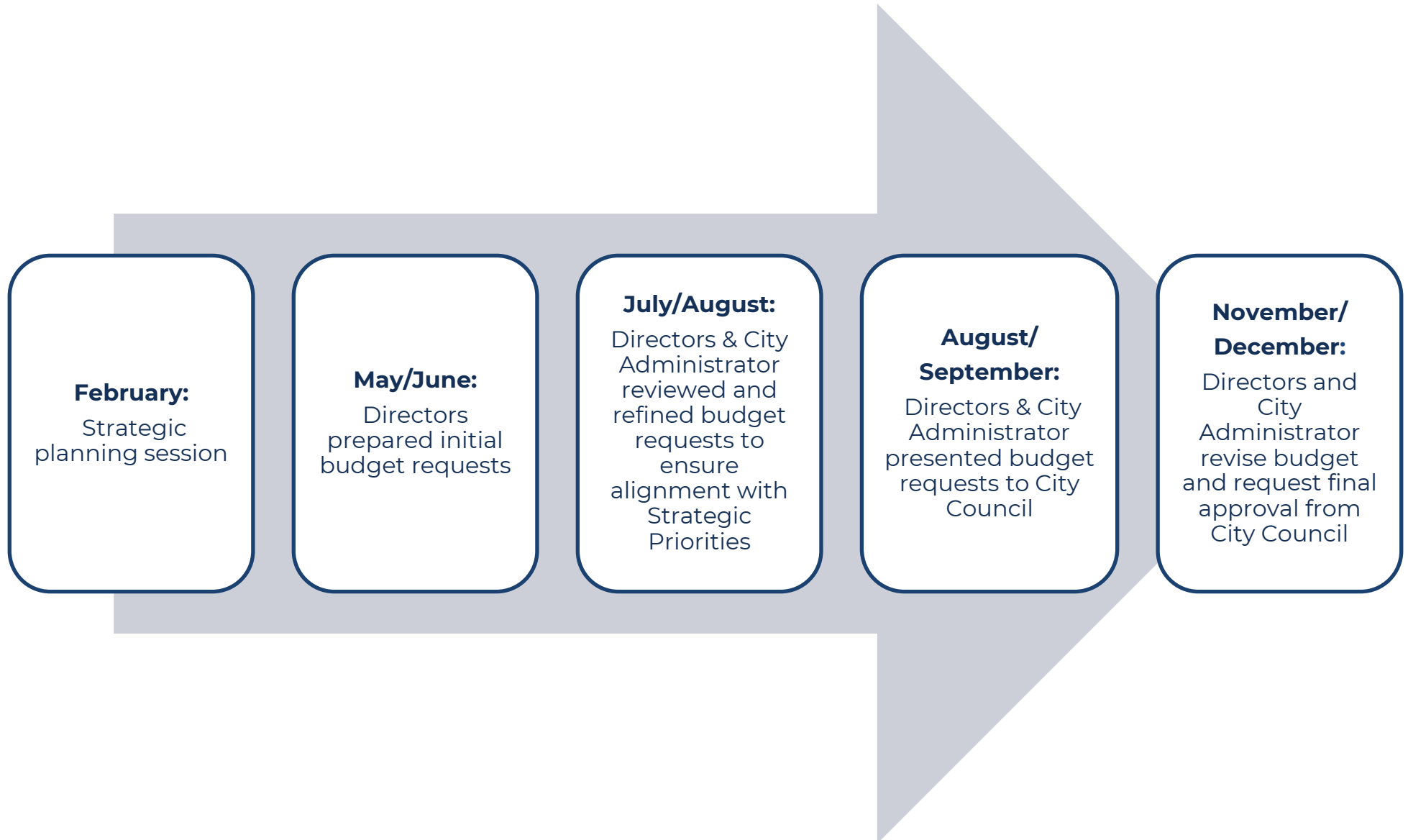


2025-2027 Strategic Plan

Five Strategic Priorities



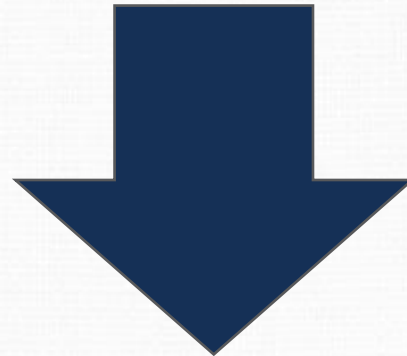
Budget Process *Steps Taken*



Tax Levy Change

Proposed Levy

\$22,170,620 (13% Increase)



Recommended Final Levy

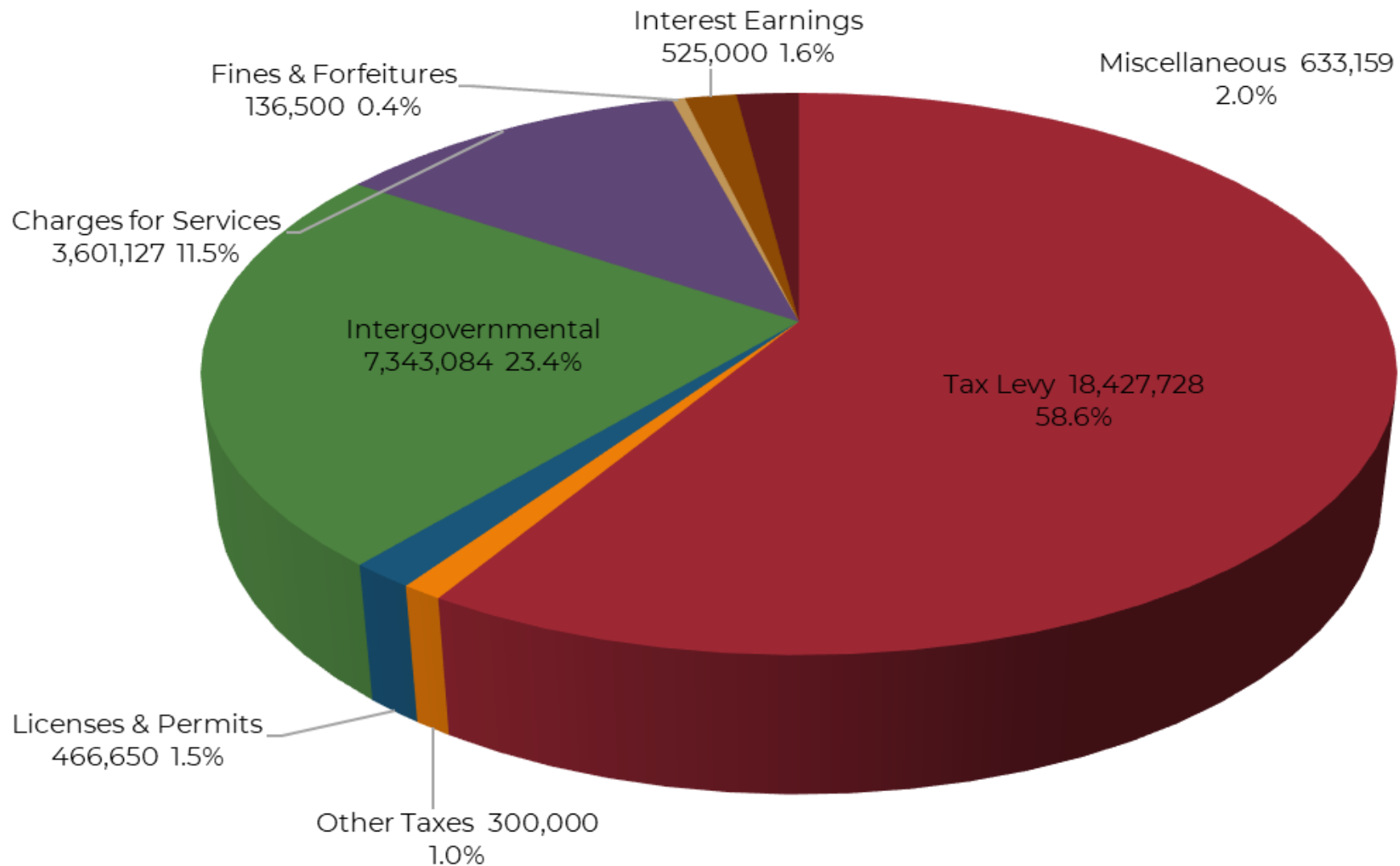
\$ 21,568,556 (9.9% Increase)

Tax Levy Detailed Comparison

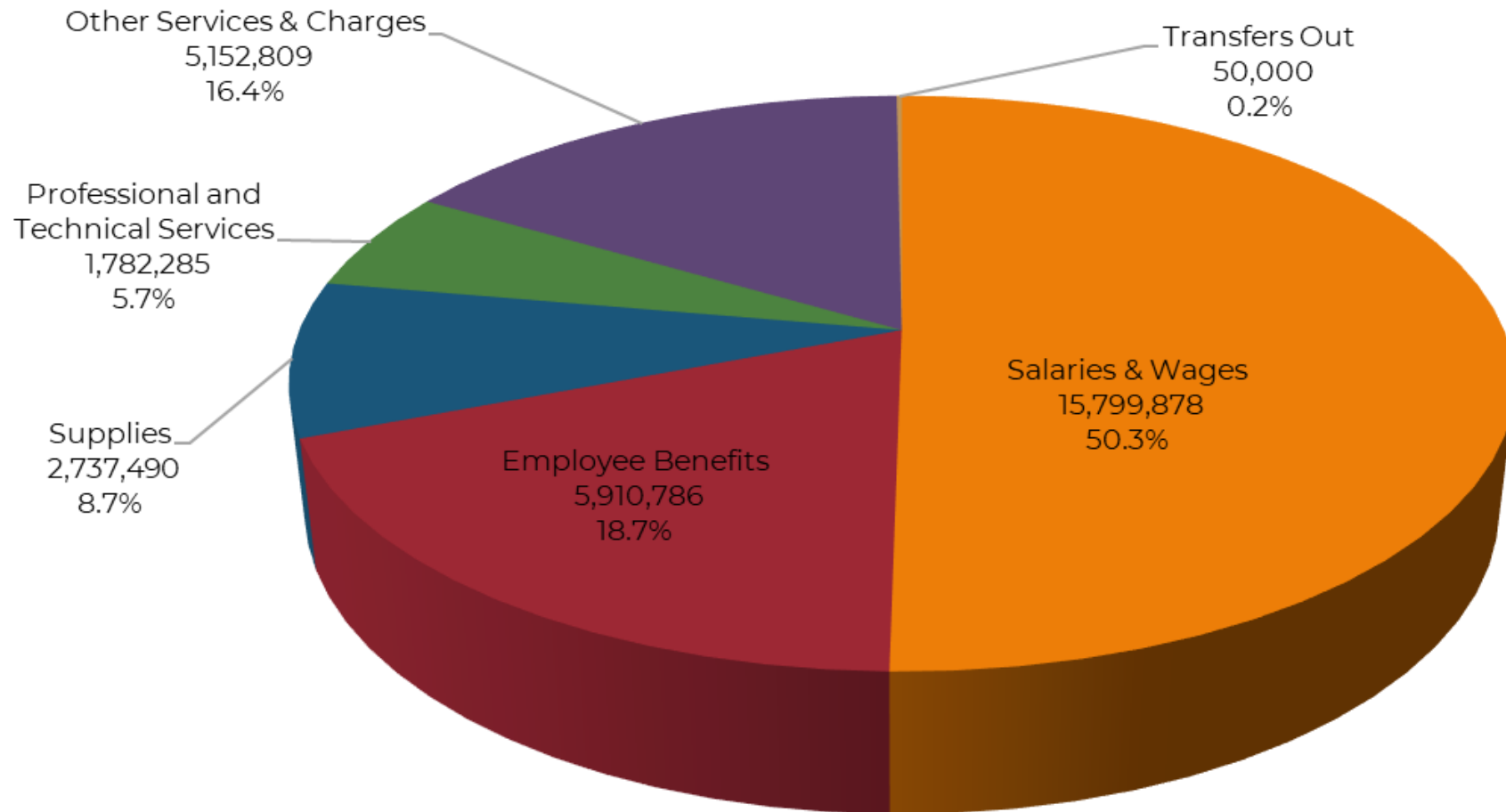
9.9% increase

	2025	2026
General Fund operating levy	\$15,686,595	\$18,427,728
Infrastructure:		
Pay-as-you-go capital projects	820,000	249,000
Debt Service Levy	2,404,025	2,421,828
Subtotal – Infrastructure	3,224,025	2,670,828
Economic Development Authority	200,000	240,000
Housing & Redevelopment Authority	215,000	230,000
Total	\$19,625,620	\$21,568,556

2026 General Fund Revenues



2026 General Fund Expenditures



Cost to maintain and enhance City services

\$7.2 million: General (Council, Administration, Finance, Human Resources, Technology)

\$11.3 million: Public Safety (Police, Fire & Building Inspections)

\$6.4 million: Public Works (Engineering, Streets, Airport)

\$1.5 million: Library

\$5.0 million: Parks & Recreation

2026 Capital Improvement Projects

Fund Levy \$249,000

- City-Wide LED lighting updating
- Maintenance Facility tube heat replacement
- Key Cutter and Setup
- Brooktree GC Pergola replacement
- Airport and Parks pavement replacement
- Annual technology replacements

2026 Vehicle Replacement Fund

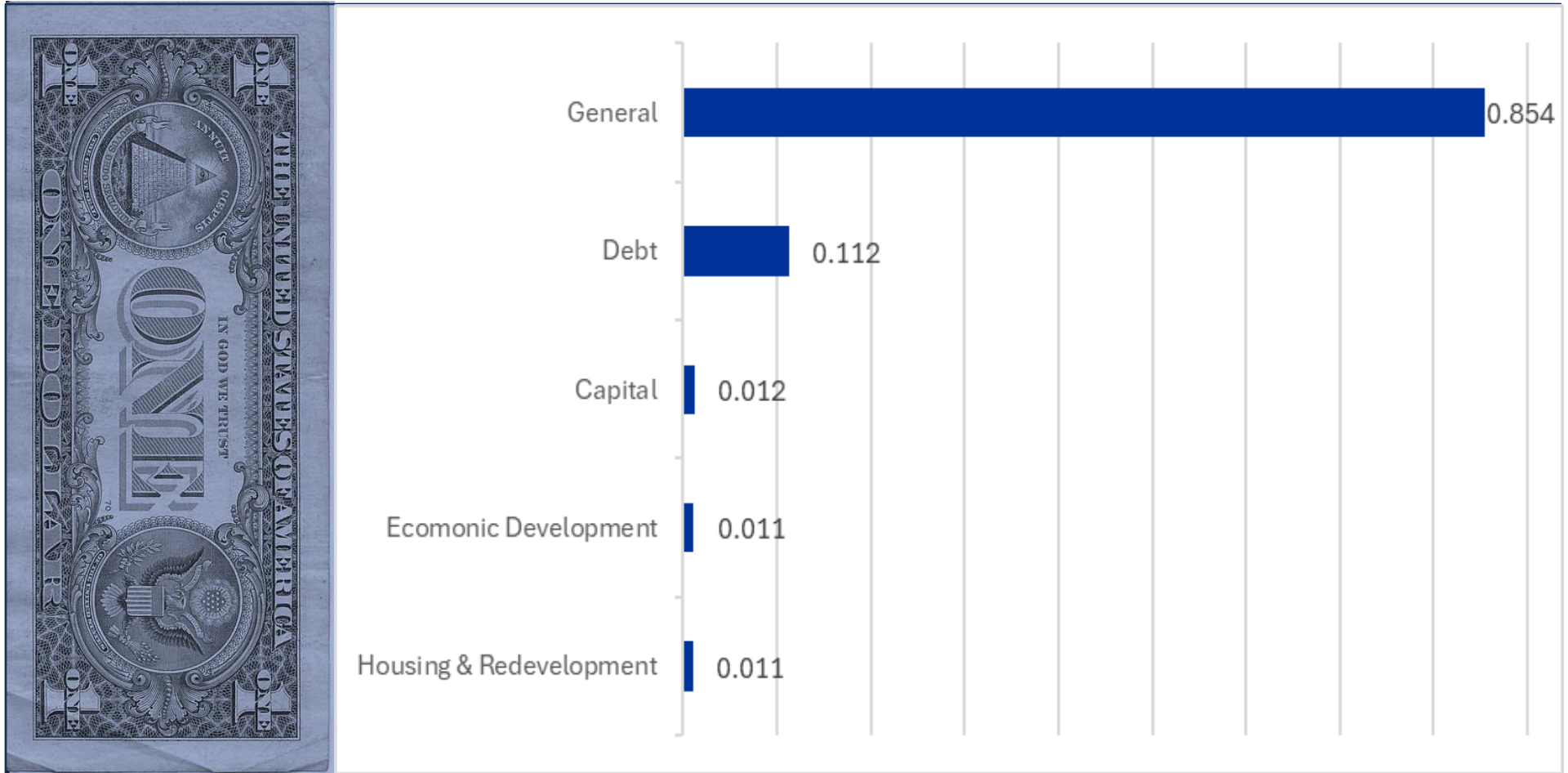
- Police Vehicles
- Facilities Truck
- IT SUV
- Specialty Equipment:
Sprayer, Kromer, Ventrac,
Others
- Mowers: Facilities and Golf
- Asphalt zipper
- Skid Steer



Operating Levy Increases

- Increased costs for supplies/materials (bituminous, concrete, road oils, chloride, chemicals, fuel, etc.)
- Replace and upgrade portable recording systems for Police Department
- Support for information technology transition from hybrid environment to cloud solutions for increased efficiency and security
- Comply with State-mandated Minnesota Paid Leave
- Implement City Council-approved 2025-2027 employee compensation

A tax levy dollar is spent on...



Components of Tax Capacity Changes

New Construction



Existing Homes
& Businesses



Changes in Valuation



Annual Tax on Average Home (\$275,000)

2026 Market Value Exclusion Limits

2025 - \$1,472 City taxes

2026 - \$1,523 City taxes

\$51 increase or \$4.26 per month





Thank you

**For additional information, visit
Owatonna.gov/finance**