



# NORTH BRANCH

## —Minnesota—

Kevin Schieber  
Mayor

Robert Canada  
Councilmember/Acting Mayor

Jeff Goulet  
Councilmember

Jim Ibinger  
Councilmember

Patrick Meacham  
Councilmember

**CITY COUNCIL  
REGULAR AGENDA  
WEDNESDAY, DECEMBER 3, 2025 @ 6:30 PM  
CITY HALL, 6408 ELM STREET, NORTH  
BRANCH, MN 55056**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. PUBLIC HEARINGS
  - a. Truth in Taxation Hearing
5. ADJOURNMENT

INFO

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*Since we do not have time to discuss every point presented, it may seem that decisions are preconceived. However, background information is provided to the City Council on each Agenda item in advance from Staff and appointed Commissions; and decisions are based on this information and past experiences. In addition some items may also have been discussed preliminarily at Council Work Sessions. If you are aware of information that has not been discussed, please raise your hand to be recognized. Comments that are pertinent are appreciated. Items requiring excessive time may be continued to another meeting.*

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**Prepared By: Sharon Wright, Finance Director**

**Presenter: Sharon Wright, Finance Director**

**Date: 10/20/2025**

**Board & Commission: City Council**

**Subject: Truth in Taxation Hearing**

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**Voting Requirements:**

**Voting Options      Simple Majority**

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# 2026 TRUTH IN TAXATION

DECEMBER 3, 2025



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# TRUTH IN TAXATION – PURPOSE OF MEETING

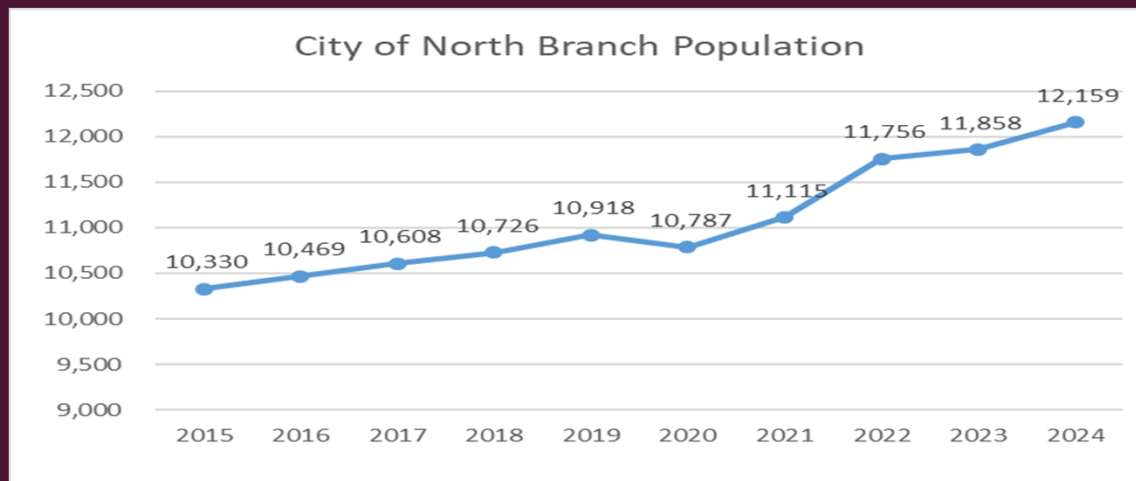
- OVERVIEW OF CITY'S BUDGET DEVELOPMENT PROCESS
- PROVIDE MORE DETAIL ON THE PROPOSED 2026 LEVY
- ESTIMATED CITY PROPERTY TAX IMPACT
- ANSWER QUESTIONS



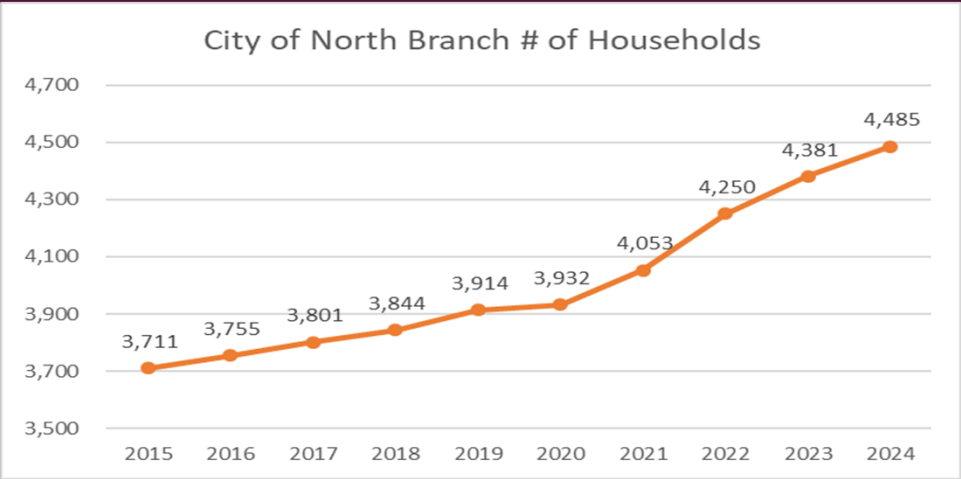
## STRATEGIES OF LONG-TERM FOCUS

- DELIVER EXCEPTIONAL PUBLIC SERVICE
- FOSTER ENGAGED, INFORMED AND INVOLVED CITIZENS AND COMMUNITY
- REVITALIZE AND RESTORE A VIBRANT DOWNTOWN
- COMPLY WITH BOND REQUIREMENTS – APPROXIMATELY 3.8% OF TAX LEVY IS USED TO MAKE BOND PAYMENTS
- PROMOTE COMMERCIAL AND INDUSTRIAL SECTORS
- BE RESPONSIBLE AND FLEXIBLE IN MANAGING THE CITY'S ADMINISTRATIVE FUNCTIONS

# 10 YEAR TREND OF POPULATION GROWTH



# 10 YEAR TREND OF NUMBER OF HOUSEHOLDS





# PROPOSED USE OF 2026 TAXES

- KEEP THE PUBLIC SAFE
- KEEP THE PUBLIC MOVING
- ENCOURAGE CULTURE AND RECREATION
- ENCOURAGE JOB CREATION AND IMPROVED TAX BASE
- KEEP THE CITY COMPLIANT WITH LAWS AND BE FISCALLY RESPONSIBLE

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# KEEP THE PUBLIC SAFE

## CURRENT STAFFING:

- 15 SWORN OFFICERS – ONE OFFICER ON LEAVE
- 2 SUPPORT STAFF
- 4 VOLUNTEER RESERVE OFFICERS
- 21 PAID ON-CALL FIREFIGHTERS
- BUILDING DEPARTMENT IS MADE UP OF 3 PEOPLE ASSISTED BY CONTRACTED STAFF

## 2026 BUDGET ADDS:

- 2 POLICE PROMOTIONS
- 1 POLICE OFFICER
- FIRE STATION ROOF REPAIR
- 4 POLICE VEHICLES
- EQUIPMENT PURCHASES UTILIZING MUNICIPAL BONDS



# KEEP THE PUBLIC MOVING

## FOR 2025 THE CITY MAINTAINED:

- 110.7 MILES OF STREETS
- 16.3 MILES OF TRAILS (PLOW 12.1 MILES)
- 19.9 MILES OF SIDEWALK (PLOW 5.3 MILES)
- 14 PUBLIC WORKS EMPLOYEES PLUS ONE SUPPORT STAFF
  
- 2026 BUDGET INCLUDES TWO SEASONAL PUBLIC WORKS EMPLOYEES



# ENCOURAGE CULTURE AND RECREATION

- THE CITY HAS 7 PARK SHELTERS ALONG WITH BALLFIELDS, TENNIS COURTS AND OTHER FACILITIES AVAILABLE FOR RESERVATION
- SPONSOR SUMMER CONCERT SERIES, FALL FESTIVAL, MIDSUMMER PARADE, AND FIREWORKS DISPLAY
- SUPPORT OF LOCAL LIBRARY

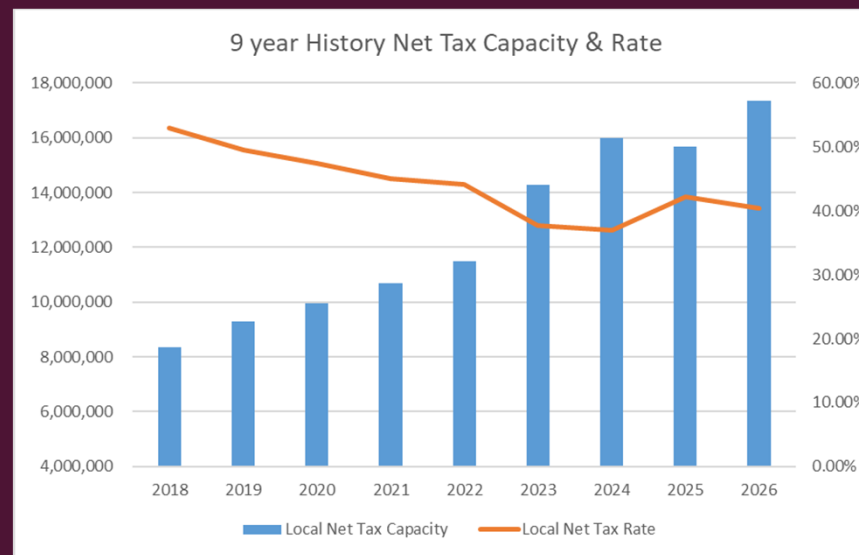
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## ENCOURAGE JOB CREATION AND IMPROVED TAX BASE

- WORKING WITH DEVELOPERS TO EXPAND THE BUSINESSES IN THE BUSINESS PARK
- ENCOURAGING AND SUPPORTING DOWNTOWN BUSINESSES THROUGH PROJECTS SIMILAR TO THE DOWNTOWN FAÇADE PROJECT
- WORKING WITH DEVELOPERS TO FILL COMMUNITY HOUSING NEEDS

# KEEP THE CITY COMPLIANT WITH LAWS AND BE FISCALLY RESPONSIBLE

- CONTINUE TO UTILIZE THE EXPERT-KNOWLEDGE BASE BOTH INTERNAL AND EXTERNAL
- ANNUAL AUDIT OF FINANCIALS TO MAINTAIN COMPLIANCE WITH LAWS



- CREATE FUNDS NECESSARY FOR FUTURE CITY NEEDS
- WORKING TOWARDS A SUSTAINABLE TAX LEVY RATE TO AVOID HIGHS AND LOWS

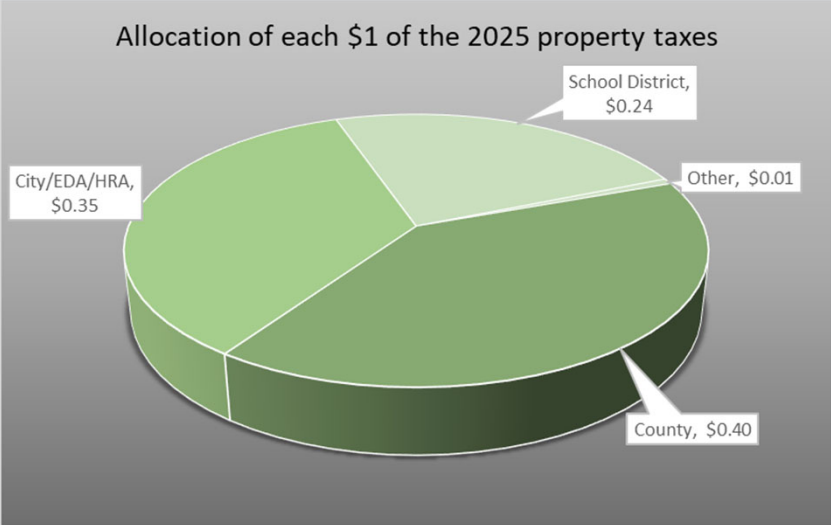


# KEY FACTORS

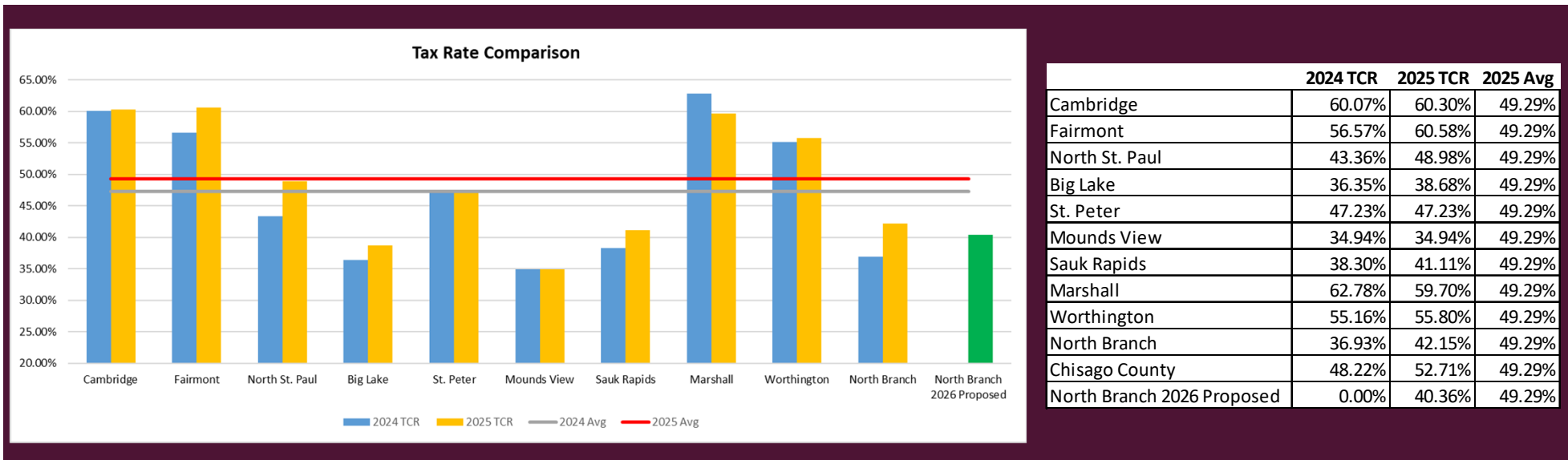
- NEW CONSTRUCTION ACCOUNTED FOR \$37.7M
- INCREASE TO CURRENT REAL PROPERTY OF \$111.6M  
THIS CATEGORY INCLUDES:  
IMPROVEMENTS BY OWNER,  
RE-ASSESSED VALUE BY COUNTY, AND  
INFLATIONARY ADJUSTMENTS

# INDIVIDUAL TAX IMPACT

## PROPERTY TAXES – ALL ENTITIES



# 2025 TAX RATE COMPARISON



	2024 TCR	2025 TCR	2025 Avg
Cambridge	60.07%	60.30%	49.29%
Fairmont	56.57%	60.58%	49.29%
North St. Paul	43.36%	48.98%	49.29%
Big Lake	36.35%	38.68%	49.29%
St. Peter	47.23%	47.23%	49.29%
Mounds View	34.94%	34.94%	49.29%
Sauk Rapids	38.30%	41.11%	49.29%
Marshall	62.78%	59.70%	49.29%
Worthington	55.16%	55.80%	49.29%
North Branch	36.93%	42.15%	49.29%
Chisago County	48.22%	52.71%	49.29%
North Branch 2026 Proposed	0.00%	40.36%	49.29%

# PROPOSED CITY TAX LEVY

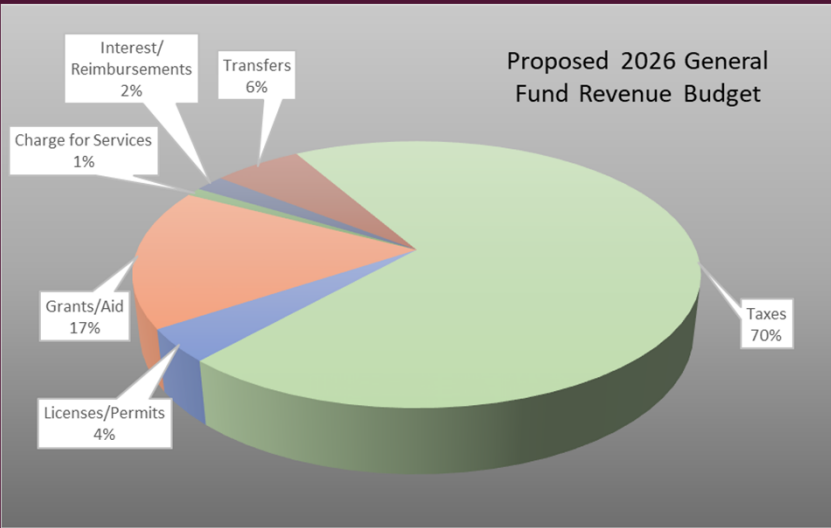
Levy Increments				
	2026 Tax Capacity From Chisago County	\$ 17,343,823	10.63%	
	2025 Tax Capacity From Chisago County	\$ 15,677,768		
		2026 Proposed Levy	2025 Final Levy	Increase to Tax Revenue %
<b>General Fund Operating Levy</b>				
	Salaries & Benefits	5,371,848		
	Operating Supplies	1,230,870		
	Professional Services	1,172,025		
	Repairs & Maintenance	1,103,400		
	Capital Outlay	-		
	GF Debt Pmts	118,312		
	Less: Other General Fund Revenue	(2,702,795)		
	<b>Total General Fund Operating Levy</b>	<b>6,293,660</b>	<b>6,037,315</b>	
	EDA Operating Levy	185,000	185,000	
	Debt Service Levy	268,800	385,685	
	<b>Total Levy</b>	<b>6,747,460</b>	<b>6,608,000</b>	<b>2.11%</b>
<b>Additional Needs</b>				
	Fire Dept additional repair & maintenance needs (roof, doors, hvac)	17,237		
	Police Officer Promotion (salary & benefits) - hire in Sept	12,812		
	Police Officer Promotion (salary & benefits) - hire in June	22,122		
	New Police Officer (salary & benefits) - hire in Sept	42,869		
	GIS Equipment - replace outdated equipment	7,500		
	Capital Equipment Fund	150,000	7,000,000	5.93%

# INDIVIDUAL TAX IMPACT

## CITY OF NORTH BRANCH TAXES

<b>Based upon a levy of \$7,000,000 (preliminary levy)</b>				
<b>Valuation</b>	<b>2025 Taxes</b>	<b>Estimate 2026 Taxes</b>	<b>Annual Difference</b>	<b>Per Month</b>
<b>Homestead Residential</b>				
\$200,000.00	\$723.00	\$667.00	-\$56.00	-\$4.67
\$250,000.00	\$952.00	\$887.00	-\$65.00	-\$5.42
\$300,000.00	\$1,182.00	\$1,107.00	-\$75.00	-\$6.25
\$350,000.00	\$1,412.00	\$1,327.00	-\$85.00	-\$7.08
\$400,000.00	\$1,641.00	\$1,547.00	-\$94.00	-\$7.83
\$500,000.00	\$2,101.00	\$1,987.00	-\$114.00	-\$9.50
\$600,000.00	\$2,634.00	\$2,094.00	-\$540.00	-45.00
<b>Commercial</b>				
\$300,000.00	\$2,213.00	\$2,119.00	-\$94.00	-\$7.83
\$500,000.00	\$3,899.00	\$3,733.00	-\$166.00	-\$13.83
\$750,000.00	\$6,006.00	\$5,751.00	-\$255.00	-\$21.25
\$1,000,000.00	\$8,114.00	\$7,769.00	-\$345.00	-\$28.75

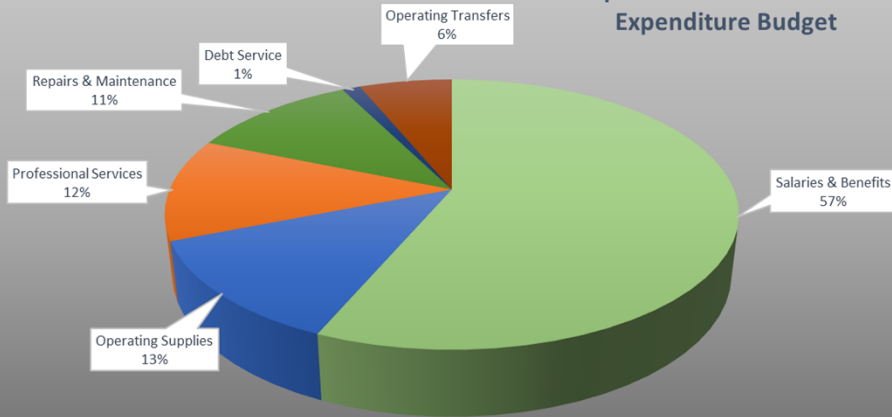
# GENERAL FUND REVENUE SUMMARY



Revenue Type	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Oct Actual	2026 Proposed
Property Taxes	\$4,479,919	\$5,348,768	\$6,222,315	\$3,306,839	\$6,731,200
Other Taxes	98,460	70,558	24,000	110,432	24,000
Licenses & Permits	408,798	437,683	347,800	331,462	377,050
Government Grants	1,906,606	1,676,625	1,570,822	1,167,648	1,670,112
Charges for Services	82,854	122,081	104,300	110,691	101,800
Fines & Forfeitures	17,669	24,796	17,000	22,821	17,000
Special Assessments	2,270	-	-	-	-
Other Revenue	333,170	235,450	150,400	292,053	154,000
Other Financing	204,245	-	-	14,701	-
Transfers	398,704	121,800	315,300	-	588,833
<b>Total</b>	<b>\$7,932,695</b>	<b>\$8,037,761</b>	<b>\$8,751,937</b>	<b>\$5,356,647</b>	<b>\$9,663,995</b>

# GENERAL FUND EXPENDITURE SUMMARY

Proposed 2025 General Fund Expenditure Budget



Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept Actual	2026 Proposed
Salaries & Benefits	\$ 4,512,395	\$ 4,458,884	\$ 4,933,736	\$ 3,558,893	\$ 5,451,353
Operating Supplies	\$ 755,021	\$ 818,213	\$ 1,417,278	\$ 950,072	\$ 1,207,700
Professional Services	\$ 1,118,017	\$ 1,204,829	\$ 1,109,110	\$ 696,642	\$ 1,185,745
Repairs & Maintenance	\$ 398,296	\$ 747,746	\$ 1,005,100	\$ 1,683,365	\$ 1,088,915
Capital Outlay	\$ 484,644	\$ 250,988	\$ 50,000	\$ 117,972	\$ -
Debt Service	\$ 65,499	\$ 65,499	\$ 66,250	\$ 65,499	\$ 118,312
Operating Transfers	\$ -	\$ 663,580	\$ 210,000	\$ 101,415	\$ 603,000
<b>Total General Fund Expenditures</b>	<b>\$ 7,333,872</b>	<b>\$ 8,209,738</b>	<b>\$ 8,791,474</b>	<b>\$ 7,173,858</b>	<b>\$ 9,655,025</b>

## PROPERTY VALUE IS TOO HIGH?

- For taxes payable in 2026, your value is already set
- For taxes payable in 2027:
  - Contact the Chisago County Assessor's Office at 651-213-8550, be prepared to schedule an onsite visit at your property
  - If you still disagree with your property's value, you may appear before the local Board of Appeal and Equalization in the Spring of 2026
  - You must appeal to the local board (City of North Branch) in April 2026 before appealing to the County Board of Appeal and Equalization
- Property Tax Programs available from State of Minnesota
  - <https://www.revenue.state.mn.us/property-tax-programs>