

**Summary of Property Taxes Paid by Minnetonka Beach Property Owners**

Property Tax Payable Year		2019	2020	2021	2022	2023	2024 Proposed	Annual change in tax base value				
								19 to 20	20 to 21	21 to 22	22 to 23	23 to 24
Hennepin County Local Net Tax Capacity		1,817,980,868	1,941,694,561	2,080,642,179	2,139,107,659	2,478,633,845	2,659,732,315	6.8%	7.2%	2.8%	15.9%	7.3%
Minnetonka Beach Local Net Tax Capacity		4,099,608	4,303,572	4,679,764	4,774,185	5,714,641	6,696,959	5.0%	8.7%	2.0%	19.7%	17.2%
Minnetonka Beach Referendum Market Value		332,815,200	349,685,800	377,658,100	387,744,200	457,723,100	527,343,400	5.1%	8.0%	2.7%	18.0%	15.2%
<b>Property tax rates applied to Local Net Tax Capacity</b>												
	COUNTY	41.861%	41.084%	38.210%	38.535%	34.542%	34.546%					
	CITY	24.710%	24.179%	22.621%	22.808%	20.771%	21.224%					
	SCHOOL	23.552%	23.109%	22.657%	23.903%	18.934%	18.762%					
	METROPOLITAN SPECIAL TAXING DISTRICTS	2.542%	2.461%	2.268%	2.240%	1.973%	1.844%					
	OTHER SPECIAL TAXING DISTRICTS	7.577%	7.251%	6.967%	6.977%	6.191%	5.992%					
<b>Property tax rates applied to Referendum Market Value</b>												
	SCHOOL	0.22649%	0.22353%	0.20923%	0.19411%	0.18645%	0.17254%					
<b>Property tax paid by Minnetonka Beach taxpayers based on Local Net Tax Capacity</b>												
	COUNTY	1,716,137	1,768,080	1,788,138	1,839,732	1,973,951	2,313,531					
	CITY	1,013,013	1,040,561	1,058,609	1,088,896	1,186,988	1,421,363					
	SCHOOL	965,540	994,512	1,060,294	1,141,173	1,082,010	1,256,483					
	METROPOLITAN SPECIAL TAXING DISTRICTS	104,212	105,911	106,137	106,942	112,750	123,492					
	OTHER SPECIAL TAXING DISTRICTS	310,627	312,052	326,039	333,095	353,793	401,282					
<b>Property tax paid by Minnetonka Beach taxpayers based on Referendum Market Value</b>												
	SCHOOL	753,793	781,653	790,174	752,650	853,425	909,878					

**Total property tax paid by Minnetonka Beach taxpayers**

COUNTY	1,716,137	35%	1,768,080	35%	1,788,138	35%	1,839,732	35%	1,973,951	35%	2,313,531	36%
CITY	1,013,013	21%	1,040,561	21%	1,058,609	21%	1,088,896	21%	1,186,988	21%	1,421,363	22%
SCHOOL	1,719,333	35%	1,776,165	36%	1,850,468	36%	1,893,823	36%	1,935,435	35%	2,166,361	34%
METROPOLITAN SPECIAL TAXING DISTRICTS	104,212	2%	105,911	2%	106,137	2%	106,942	2%	112,750	2%	123,492	2%
OTHER SPECIAL TAXING DISTRICTS	310,627	6%	312,052	6%	326,039	6%	333,095	6%	353,793	6%	401,282	6%
<b>TOTAL PROPERTY TAXES</b>	<b>4,863,322</b>	<b>100%</b>	<b>5,002,769</b>	<b>100%</b>	<b>5,129,391</b>	<b>100%</b>	<b>5,262,488</b>	<b>100%</b>	<b>5,562,917</b>	<b>100%</b>	<b>6,426,029</b>	<b>100%</b>

**Annual change in total property tax paid by Minnetonka Beach taxpayers (expressed as percentage)**

19 to 20	20 to 21	21 to 22	22 to 23	23 to 24
3.0%	1.1%	2.9%	7.3%	17.2%
2.7%	1.7%	2.9%	9.0%	19.7%
3.3%	4.2%	2.3%	2.2%	11.9%
1.6%	0.2%	0.8%	5.4%	9.5%
0.5%	4.5%	2.2%	6.2%	13.4%
2.9%	2.5%	2.6%	5.7%	15.5%

**Question:**  
Hennepin County has stated that their 2024 property tax levy will increase by 6.5% over 2023. How is it that the County tax paid by Minnetonka Beach taxpayers will increase by 17.2%?

**Answer:**  
Part 1 - A portion of the Hennepin County levy (\$73M in 2024) will be extended on the fiscal disparities "area-wide" pool of contributed value. This happens each year, but the amount will change. The remainder (\$991M in 2024) is extended "locally". The result of this apportionment of the total levy is that, this year, while the total levy is rising by 6.5%, the portion extended "locally" (the local spread levy) will be increasing by 7.3%.

Part 2 - There are two factors that determine the change in County tax: the change in the local spread levy and the change in the "share" of that levy paid by taxpayers in Minnetonka Beach. This is the "share" of the County local net tax capacity in Minnetonka Beach and, it is calculated by dividing the local net tax capacity of Minnetonka Beach by the local net tax capacity of Hennepin County. The product of the change in the "share" (expressed as a factor) and the change in the local spread levy (expressed as a factor) is equal to the change in tax (expressed as a factor).

The 17.2% increase in County tax paid by Minnetonka Beach taxpayers is the product of a 9.2% increase in the "share" of the County local net tax capacity in Minnetonka Beach and a 7.3% County local spread levy increase (1.092 \* 1.073 = 1.172; 17.2%).

**Hennepin County local spread levy and the Minnetonka Beach "share" of the Hennepin County local spread levy**

	2019	2020	2021	2022	2023	2024 Proposed
Hennepin County local spread levy	\$ 760,025,081.68	\$ 796,774,363.12	\$ 794,576,441.74	\$ 823,834,532.71	\$ 856,169,702.73	\$ 918,831,125.54
Minnetonka Beach "share" of the Hennepin County local spread levy	0.22550%	0.22164%	0.22492%	0.22319%	0.23056%	0.25179%

**Annual change in Hennepin County local spread levy and the Minnetonka Beach "share" of the Hennepin County local spread levy (expressed as a factor)**

19 to 20	20 to 21	21 to 22	22 to 23	23 to 24
104.8%	99.7%	103.7%	103.9%	107.3%
98.3%	101.5%	99.2%	103.3%	109.2%

**Annual change in total property tax paid by Minnetonka Beach taxpayers (expressed as percentage)**

3.0%	1.2%	2.9%	7.4%	17.2%
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