Adoption of 2027 Certified Dakota County Maximum Proposed Property Tax Levy

September 22, 2026

Agenda

- Budget Process Recap
- Levy Scenarios
- Recommended 2027 Maximum Levy
- General Fund Balance and Forecast
- Levy Forecast
- County Comparison
- Property Tax Impacts
- Recommended Action
- Board Discussion

Budget Process Recap

- **February 10** – Levy and General Fund Forecast
- **March 10** – Levy Forecast Update
- **May 12** – Transportation CIP Update
- **June 16** – Levy Forecast and Fund Balance Forecast Update
- **June 23** – Fund Balance Policy Update and Wheelage Tax
- **July 13** – Budget Workshop
- **August 4** – Budget Workshop
- **August 6** – Budget and Property Tax Open House
- **August 18** – 2027–2031 CIP and CEP
- **September 10** – Budget and Property Tax Open House
- **September 15** – Budget Workshop
- **September 22 – Recommended 2027 Maximum Levy (today)**

Levy Scenarios

County Manager Recommendation

Scenario 1 24.3%	Scenario 1a 21.2%	Scenario 2 18.7%	Scenario 3a 16.3%	Scenario 3 13.9%
Impact on Median Home **+$200/yr**	Impact on Median Home **+$167/yr**	Impact on Median Home **+$143/yr**	Impact on Median Home **+$123/yr**	Impact on Median Home **+$111/yr**
Expenditure Reductions **None**	Expenditure Reductions **$5.4 M**	Expenditure Reductions **$10.0 M**	Expenditure Reductions **$14.5 M**	Expenditure Reductions **$19.2 M**
Net FTE Reductions **None**	Net FTE Reductions **~10**	Net FTE Reductions **~23**	Net FTE Reductions **~56**	Net FTE Reductions **~94**

Recommendation for 2027 Levy

2026 Adopted Levy

$184,246,066

+

Recommended Maximum Levy Change

+18.70%

+$34,454,014 from 2026

=

2027 Recommended Maximum Levy

$218,700,080

Levy and Reserve Replenishment

- Recommended levy increase of 18.7% does not include a direct allocation of levy to replenish reserves
- If the Board chooses to allocate levy directly to reserves, the recommendation would be to increase the levy above 18.7%

$1.84M

in revenue raised by each **1% levy increase**

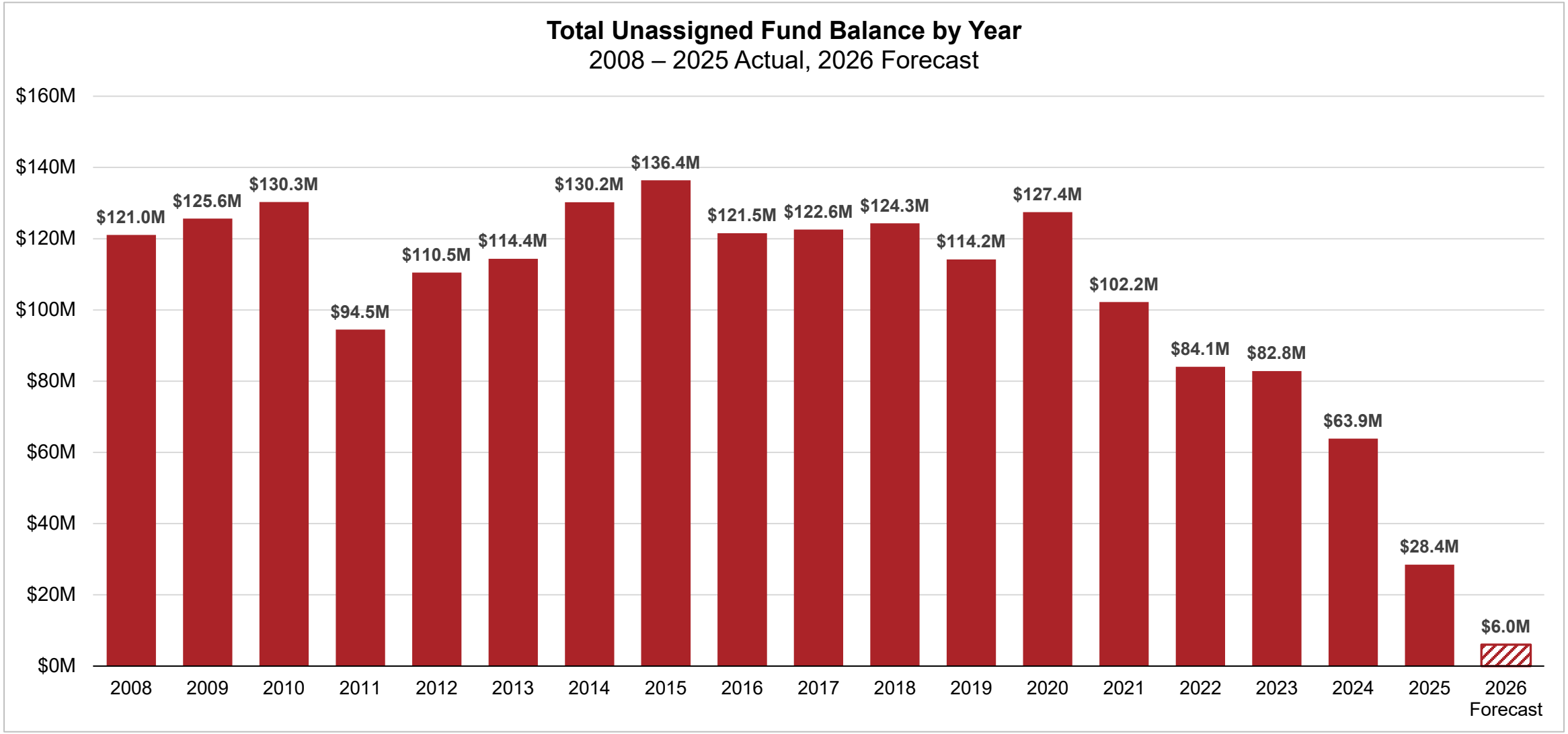
What's included in this levy increase?

Category	Increase ($)	Increase (%)
Operational inflation • Personnel costs • Existing mandated service increases • Contractual increases	$22,154,413	12.02%
Structural deficit elimination • Eliminating vacancy savings assumption • Operating deficit elimination • ARPA-funded programs	$14,956,647	8.12%
State and federal cost shifts and new mandates	$7,342,954	3.99%
Expenditure reductions	($10,000,000)	(5.43%)
Total increase	**$34,454,014**	**18.70%**

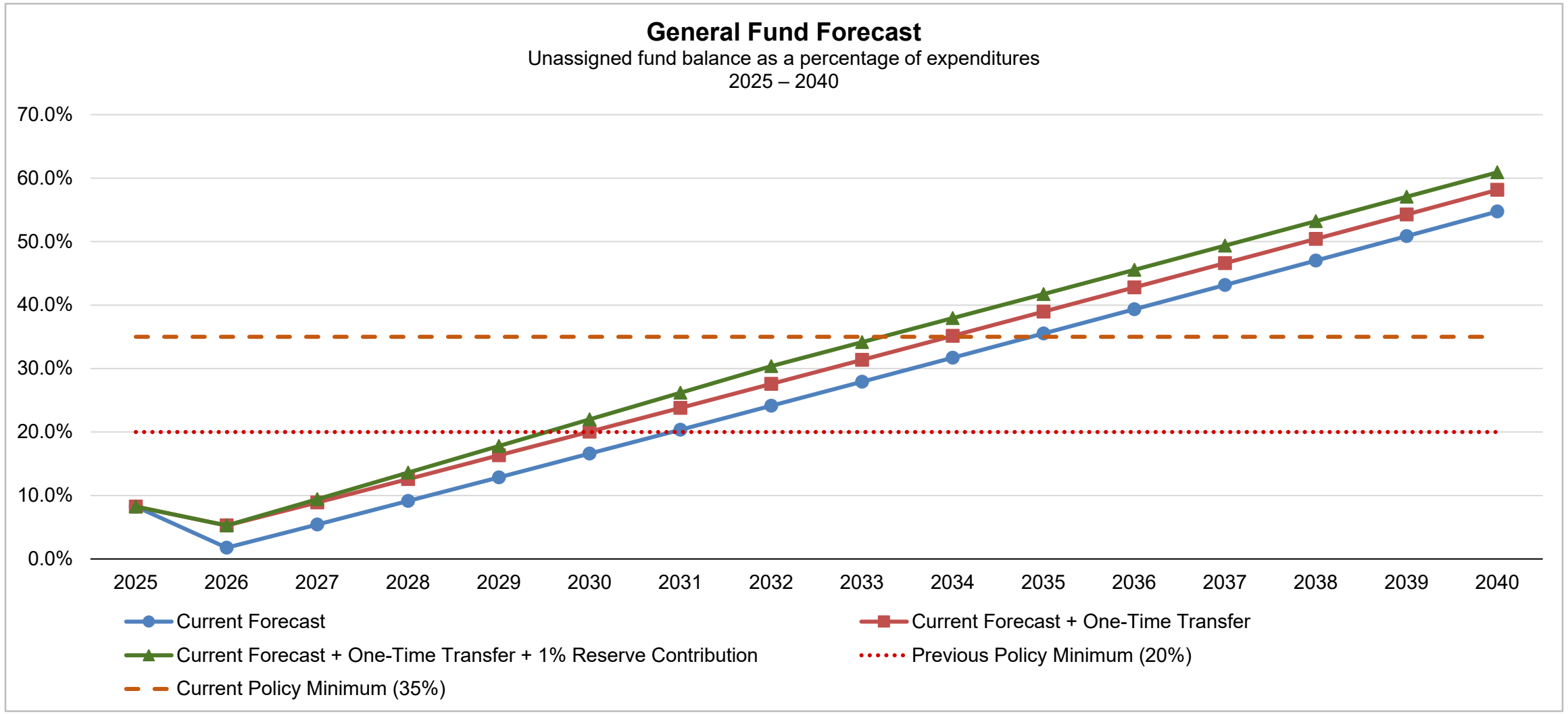
State/Federal Mandates and Cost Shifts

Mandate / Cost Shift	2026	2027	2028	2029
African American Family Preservation and Child Welfare Act	$2,984,686	$653,368	$0	$0
Medical Assistance: Return to 6-month recertification	$0	$717,803	$775,227	$837,245
Supplemental Nutrition Assistance Program (SNAP) Admin Cost	$615,947	$1,605,710	$281,000	$295,050
SNAP Benefit Share	$0	$1,470,000	$4,704,000	$308,700
Medical Assistance Benefit Share	$0	$0	$0	$1,875,000
Long-Term Services and Supports (LTSS) Shift	$0	$2,600,000	$2,600,000	$0
Community Corrections Act Funding Reductions	$0	$296,073	$0	$0
Total	**$3,600,633**	**$7,342,954**	**$8,360,227**	**$3,315,995**

General Fund Balance

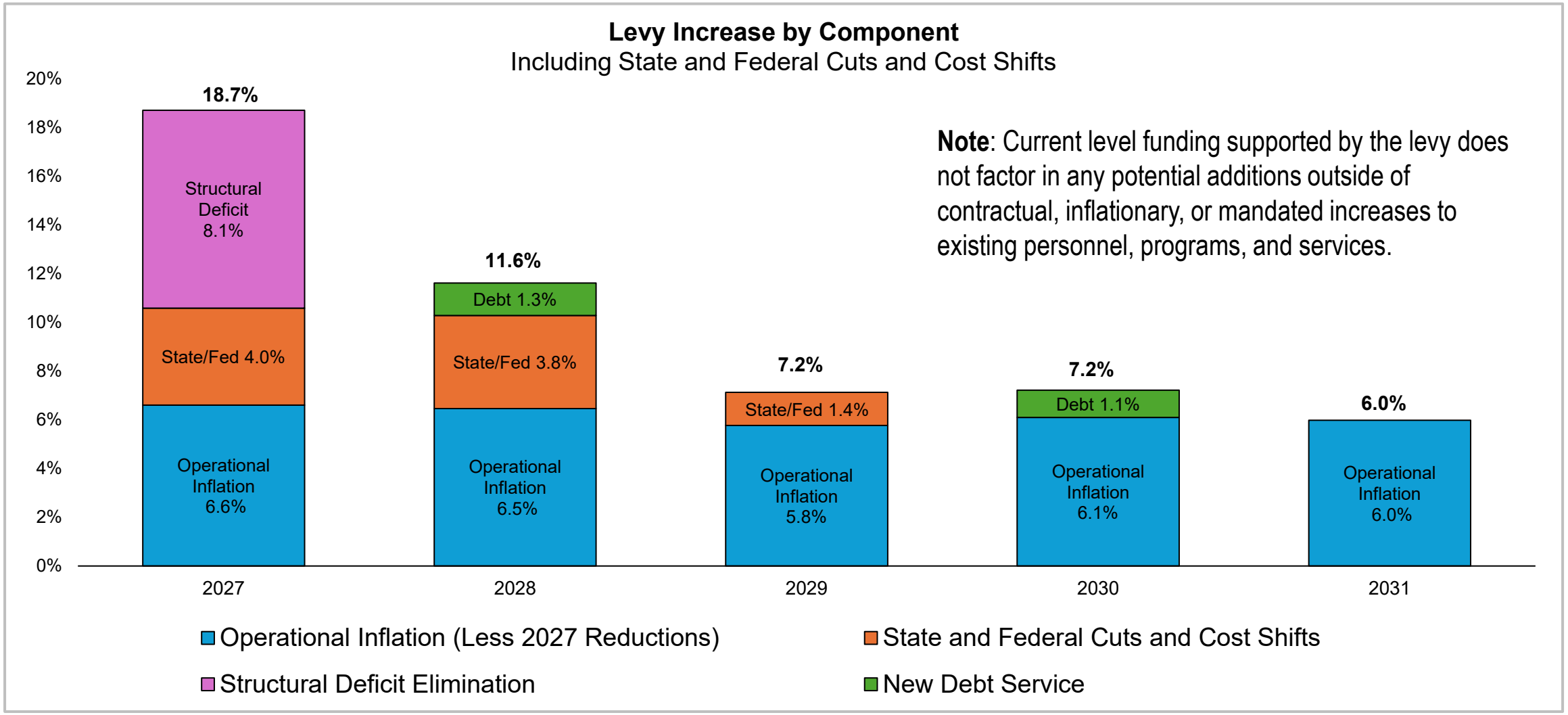


General Fund Forecast



Note: General Fund forecast assumes an 18.7% levy increase for 2027.

Projected Levy Increases, 2027–2031



County Comparison

County	2026 Levy Increase	2027 Preliminary Levy Increase
Anoka County	9.67%	7.95%
Carver County	8.00%	8.50%
Dakota County	**9.90%**	**18.70%**
Hennepin County	7.79%	<8.50% (pending)
Olmsted County	6.80%	4.56%
Ramsey County	8.25%	8.25%
Scott County	8.36%	7.83%
St. Louis County	12.40%	7.14%
Washington County	6.89%	7.90%

Property Tax Impacts

Estimated county tax impact of the recommended 18.70% maximum levy increase

Property Type	2027 Est. Market Value	2027 Market Value Increase	2026 County Tax	2027 Est. County Tax	County Tax Change	% Change
Median residential home	$392,100	2.00%	$783.31	$926.78	**$143.47**	**18.32%**
Agriculture per acre	$10,983	6.40%	$10.85	$13.36	**$2.51**	**23.12%**
Mid-size commercial preferred	$1,000,000	4.10%	$2,507.45	$3,004.38	**$496.94**	**19.82%**
Mid-size apartment	$1,000,000	0.00%	$2,628.84	$3,043.38	**$414.54**	**15.77%**

+$143.47 / year

County tax increase for the median home ($392,100)

≈ +$12 / month

Monthly equivalent for the median home

Property Tax Impacts – Cities

Taxing District	2026 Market Value	2027 Est. Market Value	% Change Value	2026 County Tax	2027 Est. County Tax	County Tax Change	% Change Tax
Apple Valley	$370,800	$378,300	2.02%	$752.11	$890.17	**$138.07**	**18.36%**
Burnsville	$356,400	$366,000	2.69%	$719.10	$857.55	**$138.45**	**19.25%**
Coates	$265,500	$288,900	8.81%	$510.72	$653.04	**$142.32**	**27.87%**
Eagan	$404,700	$406,200	0.37%	$829.82	$964.18	**$134.36**	**16.19%**
Empire	$428,500	$447,400	4.41%	$884.37	$1,073.47	**$189.09**	**21.38%**
Farmington	$363,800	$375,500	3.22%	$736.06	$882.75	**$146.69**	**19.93%**
Hampton	$320,050	$342,800	7.11%	$635.77	$796.01	**$160.24**	**25.20%**
Hastings	$330,800	$329,600	-0.36%	$660.41	$761.00	**$100.58**	**15.23%**
Inver Grove Heights	$361,700	$376,700	4.15%	$731.25	$885.93	**$154.69**	**21.15%**
Lakeville	$466,200	$476,100	2.12%	$970.80	$1,149.59	**$178.80**	**18.42%**
Lilydale	$397,600	$399,300	0.43%	$813.54	$945.88	**$132.34**	**16.27%**
Mendota	$372,400	$419,800	12.73%	$755.77	$1,000.25	**$244.48**	**32.35%**
Mendota Heights	$553,400	$555,300	0.34%	$1,170.69	$1,359.67	**$188.99**	**16.14%**
Miesville	$355,900	$371,400	4.36%	$717.95	$871.87	**$153.92**	**21.44%**
New Trier	$235,300	$250,800	6.59%	$441.49	$551.98	**$110.48**	**25.03%**
Northfield	$413,500	$426,550	3.16%	$849.99	$1,018.16	**$168.17**	**19.79%**
Randolph	$313,700	$320,900	2.30%	$621.21	$737.92	**$116.71**	**18.79%**
Rosemount	$419,300	$427,600	1.98%	$863.28	$1,020.94	**$157.66**	**18.26%**
South St. Paul	$285,200	$291,000	2.03%	$555.88	$658.61	**$102.73**	**18.48%**
Sunfish Lake	$1,166,100	$1,183,550	1.50%	$2,802.61	$3,296.05	**$493.44**	**17.61%**
Vermillion	$340,500	$351,900	3.35%	$682.65	$820.15	**$137.50**	**20.14%**
West St. Paul	$311,500	$312,100	0.19%	$616.17	$714.58	**$98.41**	**15.97%**

2027 estimated median residential homestead | 18.7% levy increase

Property Tax Impacts – Townships

Taxing District	2026 Market Value	2027 Est. Market Value	% Change Value	2026 County Tax	2027 Est. County Tax	County Tax Change	% Change Tax
Castle Rock Township	$451,400	$517,200	14.58%	$936.87	$1,258.61	**$321.74**	**34.34%**
Douglas Township	$460,500	$458,200	-0.50%	$957.73	$1,102.11	**$144.38**	**15.08%**
Eureka Township	$476,000	$544,800	14.45%	$993.26	$1,331.82	**$338.56**	**34.09%**
Greenvale Township	$514,900	$532,250	3.37%	$1,082.43	$1,298.53	**$216.10**	**19.96%**
Hampton Township	$521,850	$561,800	7.66%	$1,098.37	$1,376.92	**$278.55**	**25.36%**
Marshan Township	$530,000	$565,450	6.69%	$1,117.05	$1,386.60	**$269.55**	**24.13%**
Nininger Township	$485,700	$523,800	7.84%	$1,015.50	$1,276.12	**$260.62**	**25.66%**
Randolph Township	$590,300	$585,500	-0.81%	$1,255.28	$1,439.78	**$184.50**	**14.70%**
Ravenna Township	$457,900	$492,750	7.61%	$951.77	$1,193.76	**$241.99**	**25.43%**
Sciota Township	$446,300	$471,600	5.67%	$925.18	$1,137.66	**$212.48**	**22.97%**
Vermillion Township	$481,500	$516,350	7.24%	$1,005.87	$1,256.36	**$250.49**	**24.90%**
Waterford Township	$347,500	$403,750	16.19%	$698.69	$957.68	**$258.99**	**37.07%**

2027 estimated median residential homestead | 18.7% levy increase

Property Tax Impacts by Value

Residential Home

Property Value	2026 County Tax	2027 Est. County Tax	Tax Change	% Change
$200,000	$351.58	$417.43	**$65.85**	**18.73%**
$250,000	$463.95	$550.12	**$86.17**	**18.57%**
$300,000	$576.32	$682.81	**$106.49**	**18.48%**
$350,000	$688.69	$815.50	**$126.81**	**18.41%**
$400,000	$824.73	$973.88	**$149.15**	**18.08%**
$450,000	$927.83	$1,095.62	**$167.79**	**18.08%**
$500,000	$1,030.92	$1,217.35	**$186.43**	**18.08%**
$550,000	$1,154.63	$1,369.52	**$214.89**	**18.61%**
$600,000	$1,283.49	$1,521.69	**$238.20**	**18.56%**
$650,000	$1,362.91	$1,611.65	**$248.74**	**18.25%**
$700,000	$1,475.28	$1,744.34	**$269.06**	**18.24%**
$750,000	$1,587.65	$1,877.03	**$289.38**	**18.23%**
$800,000	$1,700.02	$2,009.73	**$309.70**	**18.22%**
$850,000	$1,812.39	$2,142.42	**$330.02**	**18.21%**
$900,000	$1,924.76	$2,275.11	**$350.34**	**18.20%**
$950,000	$2,037.13	$2,407.80	**$370.67**	**18.20%**
$1,000,000	$2,149.50	$2,540.49	**$390.99**	**18.19%**

Commercial/Industrial

Property Value	2026 County Tax	2027 Est. County Tax	Tax Change	% Change
$500,000	$1,202.79	$1,443.66	**$240.87**	**20.03%**
$1,000,000	$2,507.45	$3,004.38	**$496.94**	**19.82%**
$1,500,000	$3,812.10	$4,565.10	**$753.00**	**19.75%**
$2,000,000	$5,116.75	$6,125.82	**$1,009.07**	**19.72%**
$2,500,000	$6,421.41	$7,686.54	**$1,265.13**	**19.70%**
$3,000,000	$7,726.06	$9,247.25	**$1,521.20**	**19.69%**
$3,500,000	$9,030.71	$10,807.97	**$1,777.26**	**19.68%**
$4,000,000	$10,335.37	$12,368.69	**$2,033.33**	**19.67%**
$4,500,000	$11,640.02	$13,929.41	**$2,289.39**	**19.67%**
$5,000,000	$12,944.67	$15,490.13	**$2,545.45**	**19.66%**
$5,500,000	$14,249.33	$17,050.85	**$2,801.52**	**19.66%**
$6,000,000	$15,553.98	$18,611.56	**$3,057.58**	**19.66%**
$6,500,000	$16,858.63	$20,172.28	**$3,313.65**	**19.66%**
$7,000,000	$18,163.29	$21,733.00	**$3,569.71**	**19.65%**
$7,500,000	$19,467.94	$23,293.72	**$3,825.78**	**19.65%**
$8,000,000	$20,772.59	$24,854.44	**$4,081.84**	**19.65%**
$8,500,000	$22,077.25	$26,415.15	**$4,337.91**	**19.65%**
$9,000,000	$23,381.90	$27,975.87	**$4,593.97**	**19.65%**
$9,500,000	$24,686.55	$29,536.59	**$4,850.04**	**19.65%**
$10,000,000	$25,991.21	$31,097.31	**$5,106.10**	**19.65%**

Apartment

Property Value	2026 County Tax	2027 Est. County Tax	Tax Change	% Change
$500,000	$1,314.42	$1,521.69	**$207.27**	**15.77%**
$1,000,000	$2,628.84	$3,043.38	**$414.54**	**15.77%**
$1,500,000	$3,943.26	$4,565.07	**$621.81**	**15.77%**
$2,000,000	$5,257.69	$6,086.76	**$829.07**	**15.77%**
$2,500,000	$6,572.11	$7,608.45	**$1,036.34**	**15.77%**
$3,000,000	$7,886.53	$9,130.14	**$1,243.61**	**15.77%**
$3,500,000	$9,200.95	$10,651.83	**$1,450.88**	**15.77%**
$4,000,000	$10,515.37	$12,173.52	**$1,658.15**	**15.77%**
$4,500,000	$11,829.79	$13,695.21	**$1,865.42**	**15.77%**
$5,000,000	$13,144.21	$15,216.90	**$2,072.69**	**15.77%**
$5,500,000	$14,458.63	$16,738.58	**$2,279.95**	**15.77%**
$6,000,000	$15,773.06	$18,260.28	**$2,487.22**	**15.77%**
$6,500,000	$17,087.48	$19,781.97	**$2,694.49**	**15.77%**
$7,000,000	$18,401.90	$21,303.66	**$2,901.76**	**15.77%**
$7,500,000	$19,716.32	$22,825.35	**$3,109.03**	**15.77%**
$8,000,000	$21,030.74	$24,347.04	**$3,316.30**	**15.77%**
$8,500,000	$22,345.16	$25,868.73	**$3,523.57**	**15.77%**
$9,000,000	$23,659.58	$27,390.42	**$3,730.83**	**15.77%**
$9,500,000	$24,974.00	$28,912.11	**$3,938.10**	**15.77%**
$10,000,000	$26,288.43	$30,433.80	**$4,145.37**	**15.77%**

Scenario 2 | 18.7% levy increase | estimated county tax at each property value

Recommended Action

Adoption of 2027 Certified Dakota County Maximum Proposed Property Tax Levy of

$218,700,080

Upcoming Board Budget Dates

October 6

Release Draft Capital Improvement Program (CIP)

December 1

Budget and Levy Open House and Public Hearing (Truth in Taxation)

December 15

Adoption of the 2027 Budget and Property Tax Levy

Board Discussion