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CITY OF SAINT PAUL

2023 Budget and Property Tax Overview

Truth in Taxation Hearing

December 6, 2022



2023 Budget Overview

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2022 Adopted compared to 2023 Proposed

(dollars in millions, less transfers)

	2022 Adopted	2023 Proposed	Change from 2022	% Change from 2022
General Fund	331.7	362.5	30.8	9.3%
Special Funds	357.3	369.9	12.6	3.5%
Debt Fund	52.3	49.2	(3.1)	(9.7%)
Total Budget	741.3	781.5	40.2	5.4%



Highlights of 2023 Budget Proposal

- Focus on addressing \$34.8 million gap and continued pandemic recovery
 - May court decision resulted in \$13.3 million additional property tax demand
- City and Library Property tax levy increase: 15.34% increase
 - 7.74% for the Street Maintenance Service Program
 - 7.6% for core operating budget
 - \$23 per month for median value home
- SMSP costs moving to the general fund are \$15.3 million, including sweeping costs covered by \$2 million of sewer revenues
- Capital Improvement Budget: \$24 million in deferred capital maintenance
- Continued funding for North End Community Center, Fire Station 7, and Hamline Midway Library: \$34.3 million from 2022-23



SMSP Fees Moved to Property Tax

Property Frontage	2022 Annual Amount
40-foot Residential Lot	\$103
60-foot Residential Lot	\$155
80-foot Residential Lot	\$206
40-foot Arterial Lot	\$70

- All properties will no longer pay these fees
- Assumes 2022 rates would have remained in effect in 2023: there were 4-6% in 2022 – so these bills would have been higher in 2023 if the program continued
- Assumes alley and street linear footage were equal
- 2022 Arterial sweeping rates were \$1.04 per foot, compared to \$0.41 per foot on other types of roads
- Assumes the Residential property had a seal coat
- Based on 2022 estimated rates from Office of Financial Services-Real Estate from April 2022



Proposed Property Tax Levy Distribution

	2022 Adopted	2023 Proposed	Amount Change	% Change
City of Saint Paul				
General Fund	134,291,788	157,244,425	23,024,637	17.2%
General Debt Service	20,016,192	21,648,845	1,632,653	8.2%
Saint Paul Public Library Agency	18,774,155	21,017,604	2,243,449	11.9%
Total (City and Library Combined)	173,010,135	199,910,874	26,900,739	15.5%
Port Authority	2,361,700	2,361,700	-	0.0%
Overall Levy (City, Library, & Port)	175,371,835	202,272,574	26,900,739	15.3%



Proposed Taxes and Fees on a Typical Home (Annual)

	2022 Budget	2023 Proposed
Property tax – City share only	\$1,017	\$1,288
Net change in property tax		\$271
Street Maintenance Service Program	\$103.15	\$0
Sanitary sewer charges	\$323.40	\$333.60
Base fee (no increase)		\$0
Volume fee (3.5% increase)		\$10
Storm sewer charges (3.5% increase)	\$108.60	\$112.40
Recycling fee	\$60.20	\$69.20
Residential waste collection	\$28.70	\$33.00
Total direct billing for City services	\$1,641	\$1,836
Net Change in Direct Billing		\$195
Water charges: Saint Paul Regional Water Services	\$333.44	\$380.88
Grand total for all City services	\$1,974	\$2,217
Net change grand total		\$243

\$266,300

Median home value
in 2023, a 16% increase
over 2022

\$228,700

Median home value
in 2022

\$243

Net change in city
taxes and fees



Why does my property tax bill change?



Market value changes in your property



Market value changes in other properties



Legislative changes



Local taxing jurisdictions levy change

Programs to assist

Homeowner refund program

Senior deferral program



City Council Changes

Reductions \$1.6M

- City Council identified \$1,185,00 savings
- Reduction of City Council Community Organizations Partnership Program \$(105,000)
- Reduction of Office of Neighborhood Safety services \$(350,000)

General Fund Changes \$330,000

- Library safety initiative \$320,000
- Reparations staff, repurpose a vacant city council FTE - budget neutral change
- 500 free swimming sessions \$10,000

One-time Capital expansion \$1.3M

- Anti-theft streetlight initiatives \$355,991
- Vegetation management \$469,684
- Bike and pedestrian improvements \$480,000



New Supplemental Budget Information

- In 2022, a new requirement in state law requires inclusion supplemental budget information from Counties, Cities and School Districts
- This information is included in the parcel-specific TNT notices as a separate page
- The format is set in state law
 - The format follows an existing report the City prepares for the State Auditor
 - As implemented, the supplemental budget information page does not allow for notes



Supplemental Budget Information: Expenditures

Expenditures

General Government	54,970,734	66,149,722	20.34%
Public Safety	228,214,318	241,484,509	5.81%
Streets and Highways	51,018,054	59,731,031	17.08%
Sanitation	11,270,615	12,755,029	13.17%
Human Services	-	-	-
Health	1,487,354	1,398,186	-6.00%
Culture & Recreation	74,351,747	81,840,960	10.07%
Conservation of Natural Resources	-	-	-
Economic Development & Housing	9,750,554	63,025,852	546.38%
All Other Expenditures	96,349,518	106,360,948	10.39%

Note: The increases on this page include American Rescue Plan funding. Note: The increases on this page include American Rescue Plan (ARP) funding. The Economic Development and Housing line includes about \$53 million in ARP funding.



Supplemental Budget information: Expenditures without ARP

	2022 Adopted	2023 Proposed without ARP	2023 % Change without ARP
General Government	54,970,734	54,045,277	-1.68%
Public Safety	228,214,318	231,949,509	1.64%
Streets and Highways	51,018,054	48,826,345	-4.30%
Sanitation	11,270,615	12,755,029	13.17%
Human Services	-	-	-
Health	1,487,354	1,198,186	-19.44%
Culture and Recreation	74,351,747	76,668,767	3.12%
Conservation of Natural Resources	-	-	-
Economic Development and Housing	9,750,554	10,110,534	3.69%
All Other Expenditures	96,349,518	95,860,948	-0.51%



Budget and Property Tax Resources

- City of Saint Paul Budget:
 - Current and previous year budget documents
 - <http://www.stpaul.gov/budget>
- Open Budget Portal:
 - Downloadable budget data and interactive charts, graphs, and tables
 - <http://budget.stpaul.gov>
- City Council Budgeting and Financial Planning
<https://www.stpaul.gov/councilbudgeting>