City of Saint Paul Budget Overview

Office of Financial Services

November 28, 2012

Total Spending Remains Flat

Composite Summary - Total Budget

City of Saint Paul: All Funds

Composite Plan	**2012 Adopted Budget**	**2013 Proposed Budget**	
City/Library General Fund	229,477,496	237,294,208	
City/Library Special Fund	273,931,426	265,653,614	
Operating Subtotal:	503,408,922	502,947,822	
City/Library Debt Service	60,751,698	60,999,359	
Grand Total:	564,160,620	563,947,181	
Less Transfers	(47,320,521)	(50,059,988)	
Less Subsequent Year Debt	(15,834,893)	(13,616,500)	
Adjusted Operating Spending	**501,005,206**	**500,270,693**	
Change between 2012-2013		**(734,513)**	**-0.15%**
Capital Improvement Budget	**37,396,000**	**37,772,000**	

2013 Budget Highlights

- No net growth in city government
- Prioritizes public safety
- Maintains structural balance and is based on sound financial management principles
- Strategic investments and reprioritizations
- Modest levy and fee increases

Property Tax Levy Distribution

Property Tax Levy and State Aid: City, Library Agency and Port Authority Combined
2012 Adopted vs. 2013 Proposed

Property Tax Levy

	2012 Adopted	2013 Proposed	Amount Change	Pct. Change	Pct of City 12 Total	Pct of City 13 Total
City of Saint Paul						
General Fund	71,078,611	72,077,597	998,986	1.4%	72.7%	72.5%
General Debt Service	9,671,043	10,050,902	379,859	3.9%	9.9%	10.1%
Saint Paul Public Library Agency	17,059,404	17,267,653	208,249	1.2%	17.4%	17.4%
Total (City and Library combined)	**97,809,058**	**99,396,152**	**1,587,094**	**1.6%**	**100.0%**	**100.0%**
Port Authority	1,511,700	1,811,700	300,000	19.8%		
Overall Levy (City, Library & Port)	**99,320,758**	**101,207,852**	**1,887,094**	**1.9%**		

City Fees on a Typical Household

$133,700 home with a 10.4% decrease in value over 2012

City taxes and fees for a typical Saint Paul household, 2012 to 2013:

Home valued at $149,300 in 2012 and $133,700 in 2013
Assumes a 1.9% Levy Increase from 2012 to 2013

Payment to the City:	Adopted 2012	Proposed 2013
City share of property tax	$562	$514
Right of way maintenance assessment	$221	$227
Sanitary sewer charges	$296	$296
Storm sewer charges	$80	$80
Recycling fee	$36	$39
Water charges (SPRWS)	$217	$242
Total direct billing for City services:	**$1,412**	**$1,398**
Net Change		**-$14**

Factors Affecting Payable 2013 St. Paul Property Taxes
For a Median Value Single Family Home
of $133,700 assuming an 10.4% Decrease in Estimated Market Value

Factors	Amount		Change that will appear on Proposed Notice
Final Payable 2012 Total Tax ($149,300 Home)	**$ 2,144**		
Gain of Fiscal Disparities	$ (37)		
Change in Homestead Exclusion Benefit	(22)		
Other Shifts	(149)		
Total Decrease Due to Tax Shifts	**$ (208)**		
County Levy	$ 14		$ (58)
Regional Rail Levy	-		(3)
School District Levy	(169)		(231)
City Levy	12		(48)
Other Special Taxing Districts Levy	4		(7)
Total Increase Due To Changes in Levy	**$ (139)**		**$ (347)**
			Perc Change
Estimated Payable 2013 Total Tax ($133,700 EMV Home; $108,500 TMV)	**$ 1,797**		**-16.2%**

Assumptions:	2012 Levy	Proposed 2013 Levy	Levy Change	% Change
County Levy	$ 271,794,856	$ 276,538,351	$ 4,743,495	1.7%
City Levy	99,320,758	101,207,852	1,887,094	1.9%
ISD 625 Levy	126,072,576	103,912,719	(22,159,857)	-17.6%
Regional Rail Authority Levy	19,938,811	19,938,811	-	0.0%
St. Paul HRA	3,178,148	3,178,148	-	0.0%

Explanation of terms:

- **Decrease due to tax shifts:** This amount is how much property taxes would change assuming that none of the taxing authorities increased their levies. As market values of homes decrease, the homestead exclusion increases – which means that taxes are shifted to higher-valued homes, apartments and commercial property. In the current market, as properties change in value, some decrease at a faster rate than others – shifting taxes from properties with a faster rate of decrease in value to those with a slower rate of decrease, no change or an increase in value.
- **Increase due to changes in levy:** Shows the tax impact of levy changes.

Prepared by Ramsey County Property, Records & Revenue

Median Estimated Market Value of Residential Property
By St. Paul Planning District
Taxes Payable Year 2012 to Estimated 2013
Without Affect of St. Paul School Referendum

				Final Payable 2012 Rate	Estimated Payable 2013 Rate		
				153.079%	165.149%		
	Median Estimated Home Market Values			0.14951%	0.00411%	Estimated	
Values as of: For Taxes Payable In:	01/02/11 2012	01/02/12 2013	% Change From '12 - '13	P2012 Final Taxes	P2013 Estimated Taxes	$ Change From '12 - '13	% Change From '12 - '13
Planning District							
1. Sunray/Battlecreek/Highwood	$138,850	$125,200	-9.8%	$1,954	$1,643	-$311	-15.9%
2. Greater East Side	118,600	105,000	-11.5%	1,586	1,279	-307	-19.4%
3. West Side	140,200	124,100	-11.5%	1,979	1,624	-355	-17.9%
4. Dayton's Bluff	101,400	82,900	-18.2%	1,274	880	-394	-30.9%
5. Payne/Phalen	106,700	98,900	-7.3%	1,370	1,170	-200	-14.6%
6. North End	109,600	90,000	-17.9%	1,422	1,009	-413	-29.0%
7. Thomas Dale	90,800	72,700	-19.9%	1,080	723	-357	-33.1%
8. Summit/University	167,400	159,400	-4.8%	2,473	2,261	-212	-8.6%
9. West Seventh	146,750	133,300	-9.2%	2,098	1,791	-307	-14.6%
10. Como	193,350	168,600	-12.8%	2,945	2,426	-519	-17.6%
11. Hamline/Midway	155,800	137,000	-12.1%	2,263	1,857	-406	-17.9%
12. St. Anthony Park	234,300	231,500	-1.2%	3,689	3,562	-127	-3.4%
13. Merriam Park/Snelling/Lexington/Hamline	242,850	228,000	-6.1%	3,846	3,499	-347	-9.0%
14. Macalester/Groveland	251,000	245,000	-2.4%	3,994	3,805	-189	-4.7%
15. Highland	250,050	240,800	-3.7%	3,976	3,729	-247	-6.2%
16. Summit Hill	331,400	290,100	-12.5%	5,455	4,620	-835	-15.3%
17. Downtown	129,800	115,800	-10.8%	1,789	1,475	-314	-17.6%

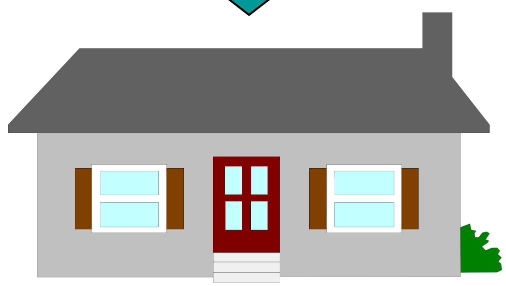
*Notes: Tax rates and taxes will be slightly higher for the small portion of the City located in the Ramsey/Washington Metro Watershed District.

Prepared by Ramsey County Property, Records & Revenue

Who Determines Your Property Tax?

State Legislature

- Sets Property Tax Policy
- Establishes Property Classes & Class Rates
- Determines Levels of State Aid
- Underfunded Mandates to Local Governments
- Levies State Business Tax



Property Tax

Taxing Jurisdictions

- Determines Levy Amount

County Assessor

- Determines Market Value
- Assigns Property Class

How Can My Property Value Go Down And My 2013 Property Tax Go Up?

- Over 86% of residential properties had a decrease in estimated market value as determined by the County Assessor. The estimated market value of 45% of commercial/industrial and 23% of apartment properties also decreased.

- Market value increases do not generate additional revenue for local governments – only increases in tax levies and local assessments provide more money. Conversely, market value decreases do not reduce revenue for local governments.

- Based on taxes shown on the proposed tax notices: 76.9% of Ramsey County homeowners are projected to have tax decreases, 19.3% have increases between 0% and 10%, and 3.8% have increases greater than 10%. Most commercial and industrial properties have increases between 0% and 10%. 75% of apartment properties will have property tax increases greater than 10%.

- If your property's value is going down and property taxes are going up, it is likely due to a combination of the following two factors:
    - Taxes are shifting to your property from properties that have greater reductions in value. Correspondingly, taxes from your property are shifting to properties that have lesser reductions in value, values that stayed the same or increases in value.
    - Tax levies for the county, city, school district and/or special taxing districts are increasing.

- Some of the larger tax increases this year are occurring on properties that have the same value for 2012 and 2013.

Process to Appeal your Estimated Market Value in Ramsey County

Spring 2012 (Past)

March-June, 2012
Appeal 2012 values
For
Taxes Payable 2013

April 30, 2012
Last day to submit a Pay '12 appeal to MN Tax Court

End of June 2012
Board of Appeal & Equalization met. Last chance for a formal appeal for 2012 value (payable 2013)
other than MN Tax Court

Present

Proposed Budget Meeting
November 26, 2012
The proposed budget meeting is a Public Forum to allow taxpayers to voice opinions about local government budgets as they impact 2013 taxes

The time has passed to discuss individual valuations for taxes payable 2013 with the property tax appraiser for your area.**

Your only option to appeal your value for taxes payable in 2013 is by filing a formal appeal with the MN Tax Court by April 30, 2013.

If you've purchased your home in the past year, and the sale meets strict Abatement Policy standards, you may be eligible for an administrative adjustment.

***At this time you may start discussions with our property appraiser to review existing data on your property which affects the 2013 assessment (payable 2014). Contact us for an interior review of your property at:*
651-266-2131

We Are Here

Jan 2013 (Future)

2013 Assessment (payable 2014)
*The assessor calculates your **2013 Estimated Market Value** through analysis of recent market data.*

Spring 2013 (Future)

3/13/2013
Pay 2013 tax Statements and 2013 (pay 2014) Value Notices sent to taxpayers

3/13 to 6/7 – Informal Appeals
Begins with mailing of value notices 3/13.
An appraiser may schedule a time to visit your property to verify data characteristics. Within this informal appeal window, we hold Open Book Meetings. These meetings will be scheduled 4/3/2013 to 4/4/2013.

Property owners wishing further appeal can submit written application to the **Board of Appeal and Equalization.**
The BOE appeal application must be submitted by 5/3/2013.

6/17 to 6/20 - BOE Meets
Board of Appeals and Equalization (BOE)
At this time the homeowner is responsible to support their opinion of value.

A neutral board consisting of realtors, appraisers and homeowners will review the supporting information provided by the County and the Homeowner. Their final estimate of market value can only be challenged in MN Tax Court.

5/6 to 6/7
Administrative Open Books
If you miss the date to file with the **Board of Appeals and Equalization**, an *Administrative Open Book* appeal can still be performed, but MN Tax Court is the only outlet to appeal the assessor's final estimate of market value.

AFTER THE BOE CLOSES ON JUNE 20, 2013
THE ONLY OPTION TO APPEAL IS MN TAX COURT
(Deadline for filing is April 30, 2014)

Budget and Property Tax Resources

- Saint Paul Budget Information
  www.stpaul.gov/budget
- Local Property Tax Information
  www.co.ramsey.mn.us/prr
- Property Tax Petition Process
  www.co.ramsey.mn.us/prr/assessor/index.htm
- State Property Tax Refund Program
  www.taxes.state.mn.us