



City of Saint Paul

2014 Budget and Property Tax Overview

Office of Financial Services

December 4, 2013



Total Spending Remains Nearly Flat

Composite Summary - Total Budget

City of Saint Paul: All Funds

Composite Plan	2013 Adopted Budget	2014 Proposed Budget	
City General Fund	221,987,242	230,348,994	
Library General Fund (a)	15,802,962	15,989,837	
General Fund Subtotal:	<u>237,790,204</u>	<u>246,338,831</u>	
General Fund Total Change 2013 - 2014:		8,548,627	3.6%
City Special Funds	272,006,626	267,582,772	
Library Special Funds (a)	1,931,902	1,280,622	
Special Fund Subtotal:	<u>273,938,529</u>	<u>268,863,395</u>	
City Debt Service Funds	58,054,638	56,125,541	
Library Debt Service Funds (a)	1,350,800	0	
Debt Service Subtotal:	<u>59,405,438</u>	<u>56,125,541</u>	
Total:	<u>571,134,171</u>	<u>571,327,766</u>	
Less Transfers	(49,009,901)	(45,269,674)	
Less Subsequent Year Debt	(13,616,500)	(15,185,950)	
Net Spending Total:	<u>508,507,770</u>	<u>510,872,142</u>	
Net Spending Total Change 2013-2014:		2,364,372	0.46%



Property Tax Levy Distribution

	<u>2013 Adopted</u>	<u>2014 Proposed</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct of City 13 Total</u>	<u>Pct of City 14 Total</u>
City of Saint Paul						
General Fund	72,077,597	71,329,211	(748,386)	-1.0%	72.5%	71.8%
General Debt Service	10,050,902	11,949,160	1,898,258	18.9%	10.1%	12.0%
Saint Paul Public Library Agency	17,267,653	16,117,781	(1,149,872)	-6.7%	17.4%	16.2%
Total (City and Library combined)	99,396,152	99,396,152	-	0.0%	100.0%	100.0%
Port Authority	1,811,700	1,811,700	-	0.0%		
Overall Levy (City, Library & Port)	101,207,852	101,207,852	-	0.0%		



Sales Tax Estimates by Fund*

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 635,878
Special Funds	\$ 1,035,196
Water	\$ 758,105
Total	<u><u>\$ 2,429,179</u></u>

*Based on estimated sales tax paid in Fiscal Year 2012



City Fees on a Typical Household

\$130,500 home with a 2.4% decrease in value over 2013

City taxes and fees for a typical Saint Paul household, 2013 to 2014:

*Home valued at \$133,700 in 2013 and \$130,500 in 2014
Assumes a 0.0% levy increase from 2013 to 2014*

Payment to the City:	Adopted 2013	Proposed 2014
City share of property tax	\$515	\$485
Right of way maintenance assessment	\$227	\$234
Sanitary sewer charges	\$297	\$305
Storm sewer charges	\$80	\$82
Recycling fee	\$39	\$52
Water Charges (SPRWS)	\$242	\$247
Total direct billing for city services	\$1,400	\$1,405
Net Change		\$5



Factors Affecting Payable 2014 St. Paul Property Taxes For a Median Value Single Family Home of \$130,500 assuming an 2.4% Decrease in Estimated Market Value

Factors	Amount
Final Payable 2013 Total Tax (\$133,700 Home)	\$ 2,023
Gain of Fiscal Disparities	\$ (46)
Change in Homestead Exclusion Benefit	(5)
Other Shifts	(74)
Total Decrease Due to Tax Shifts	\$ (125)
County Levy	\$ (1)
Regional Rail Levy	(3)
School District Levy	-
City Levy	-
Other Special Taxing Districts Levy	3
Total Increase Due To Changes in Levy	\$ (1)
Estimated Payable 2014 Total Tax (\$130,500 EMV Home)	\$ 1,897

Change that will appear on Proposed
\$ (37)
(5)
(50)
(30)
(4)
\$ (126)
Perc Change -6.2%

<u>Assumptions:</u>	2013 Levy	Proposed 2014 Levy	Levy Change	\$ Change
County Levy	276,538,351	276,538,351	-	0%
City Levy	101,207,852	101,207,852	-	0%
ISD 625 Levy	133,719,340	135,056,533	1,337,193	1%
Regional Rail Authority Levy	19,938,811	19,053,307	(885,504)	-4%
St. Paul HRA	3,178,148	3,178,148	-	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.



Median Estimated Market Value of Residential Property By St. Paul Planning District Taxes Payable Year 2013 to Estimated 2014

Values as of: For Taxes Payable In: Planning District	Median Estimated Home Market Values		
	01/02/12 2013	01/02/13 2014	% Change From 13 - '14
1. Sunray/Battlecreek/Highwood	\$ 125,200	\$ 125,200	0.0%
2. Greater East Side	105,000	99,400	-5.3%
3. West Side	124,100	115,000	-7.3%
4. Dayton's Bluff	82,900	81,200	-2.1%
5. Payne/Phalen	98,900	94,200	-4.8%
6. North End	90,000	89,050	-1.1%
7. Thomas Dale	72,700	74,600	2.6%
8. Summit/University	159,400	161,700	1.4%
9. West Seventh	133,300	127,450	-4.4%
10. Como	168,600	172,600	2.4%
11. Hamline/Midway	137,000	132,100	-3.6%
12. St. Anthony Park	231,500	229,850	-0.7%
13. Merriam Park/Snelling/Lexington/Hamline	228,000	229,900	0.8%
14. Macalester/Groveland	245,000	243,600	-0.6%
15. Highland	240,800	235,200	-2.3%
16. Summit Hill	290,100	298,300	2.8%
17. Downtown	115,800	117,700	1.6%

Final Payable 2013 Rate P2013 Final Taxes	Estimated Payable 2014 Rate P2014 Estimated Taxes	Estimated	
		\$ Change From '13 - '14	% Change From '13 - '14
\$ 1,856	\$ 1,795	\$ (61)	-3.3%
1,459	1,300	(159)	-10.9%
1,834	1,599	(235)	-12.8%
1,024	951	(73)	-7.1%
1,340	1,199	(141)	-10.5%
1,165	1,101	(64)	-5.5%
850	835	(15)	-1.8%
2,528	2,496	(32)	-1.3%
2,016	1,839	(177)	-8.8%
2,709	2,706	(3)	-0.1%
2,088	1,927	(161)	-7.7%
3,945	3,806	(139)	-3.5%
3,877	3,808	(69)	-1.8%
4,211	4,070	(141)	-3.3%
4,128	3,908	(220)	-5.3%
5,098	5,121	23	0.5%
1,672	1,652	(20)	-1.2%

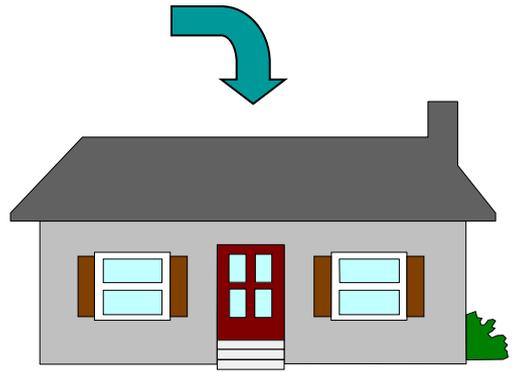
*Notes: Tax rates and taxes will be slightly higher for the small portion of the City located in the Ramsey/Washington Metro Watershed District



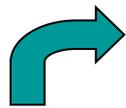
Who Determines Your Property Tax?

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



Factors Impacting 2014 Property Taxes

- 50% of residential properties had a decrease in estimated market value as determined by the County Assessor. The estimated market value of 41% of commercial/industrial and 33% 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.
- Tax levies for all taxing authorities in the County increased by 0.1% in aggregate, the lowest increase in many years. Ramsey County and the City of St. Paul in particular had no increase in their proposed levies. This was due in part to additional state aid provided by the Minnesota legislature.
- Based on taxes shown on the proposed tax notices: 65.0% of Ramsey County homeowners are projected to have tax decreases, 26.7% have increases between 0% and 10%, and 8.3% have increases greater than 10%. Most commercial and industrial properties have increases between 0% and 10%. 64% of apartment properties will have property tax decreases.
- If your property tax is increasing, it is likely because your estimated market value is increasing and property taxes are shifting to your property from properties with reductions in value, values that stayed the same or smaller increases in value.

Process to Appeal your Estimated Market Value in Ramsey County

Spring 2013
(Past)

Present

Jan 2014
(Future)

Spring 2014
(Future)

March-June, 2013

Appeal
2013
values
For
Taxes
Payable
2014

April 30,
2013

Last day to
submit a Pay
'13 appeal to
MN Tax Court

End of
June 2013

Board of
Appeal &
Equalization
met. Last
chance for a
formal appeal
for 2013 value
(payable
2014)
other than MN
Tax Court

(Step 2 opposite page)
Proposed Tax Notices
are mailed

Proposed Budget Meeting

November 25, 2013
The proposed budget
meeting is a Public
Forum to allow
taxpayers to voice
opinions about local
government budgets as
they impact 2014 taxes

The time has passed
to discuss individual
valuations for taxes
payable 2014 with the
property tax appraiser
for your area.**

Your only option to appeal your
value for taxes payable in 2014 is
by filing a formal appeal with the
MN Tax Court by April 30, 2014.

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
2014 assessment (payable 2015).
Contact us for an interior review of
your property at:
651-266-2131

We Are
Here

2014 Assessment (payable 2015)

The assessor
calculates your
2014 Estimated
Market Value
through analysis
of recent market
data.

(Step 3 opposite page)
March 12, 2014
Pay 2014 tax Statements
and
2014 (pay 2015) Value Notices
sent to taxpayers

March 12 - June 6 Informal Appeals

Begins with mailing of value notices
March 12th.

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

April 2, 2014 and April 3, 2014.

Property owners wishing further
appeal can
submit written application to the
Board of Appeal and Equalization.
The BOE appeal application must be
submitted by May 2, 2014.

June 16 - June 18 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.

May 5 - June 6

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 2014 final estimate of market value.

**AFTER THE BOE CLOSSES ON JUNE 18, 2014
THE ONLY OPTION TO APPEAL IS MN TAX COURT
(Deadline for filing is April 30, 2015)**



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