



**Saint Paul** Minnesota  
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# Mayor Carter's 2021 Proposed Budget for the City of Saint Paul

# 2021 Budget Overview

- ☐ Staff introductions
- ☐ Proposed budget context
- ☐ Budget highlights
- ☐ Property taxes and fees
- ☐ Budget and property tax resources



# Budget Team

Susan Earle, Interim Budget Manager	Mary Guerra, Senior Budget Analyst
Public Works	City Council, Fire, General Government Accounts, OFS/Debt, Water
Laura Logsdon, Budget Analyst	Madeline Mitchell, Senior Budget Analyst
Police, COVID Tracking, CARES Lead	Capital Improvement Budget, Mayor's Office, Parks
Mark Strom, Budget Analyst	Bryan George, Budget Analyst
City Attorney, DSI, Library, PED, RCVA	Emergency Management, OTC, HR, HREEO, Public Health
Mandelina Li, Right Track Intern	

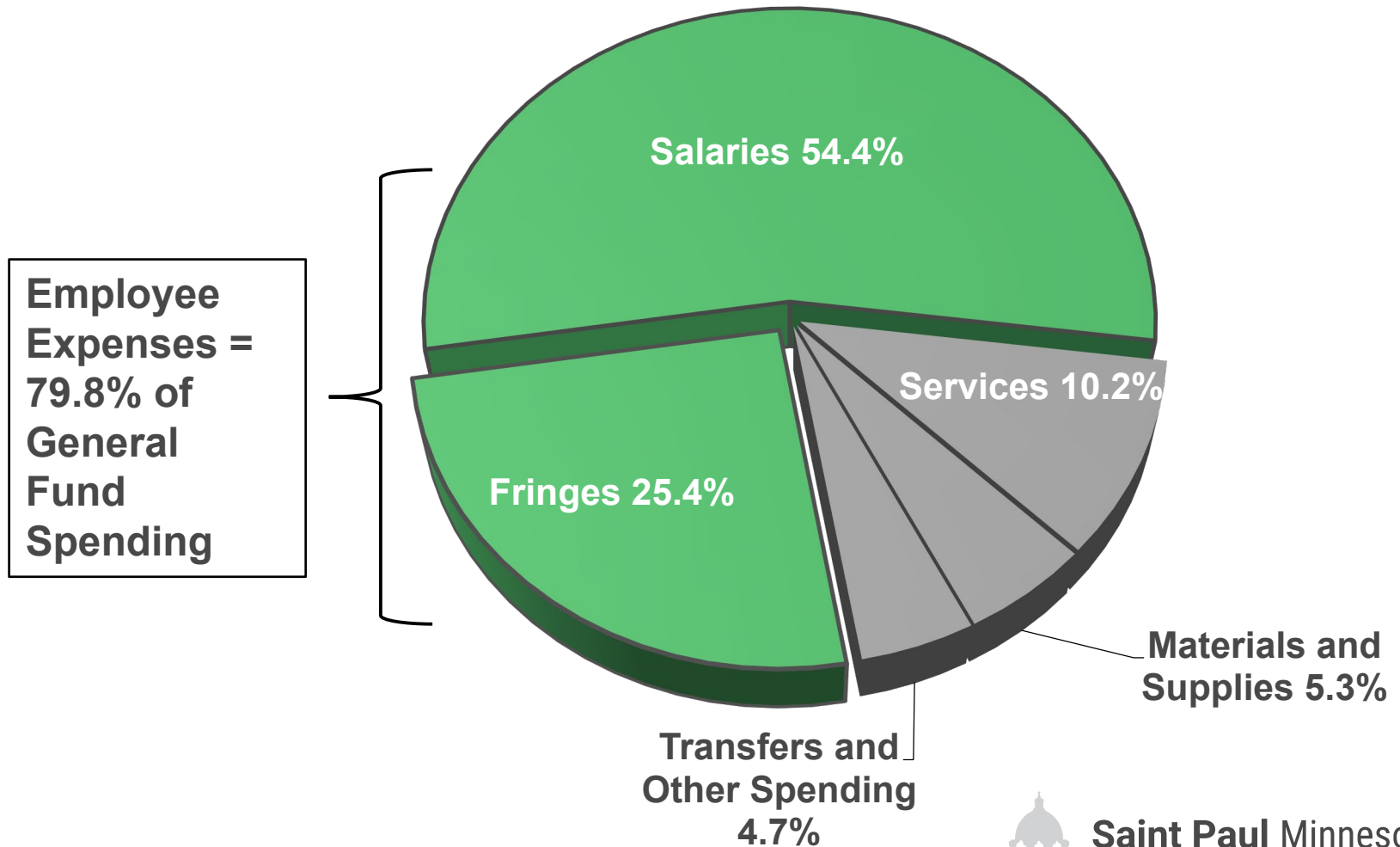


# 2021 Proposed Budget Context



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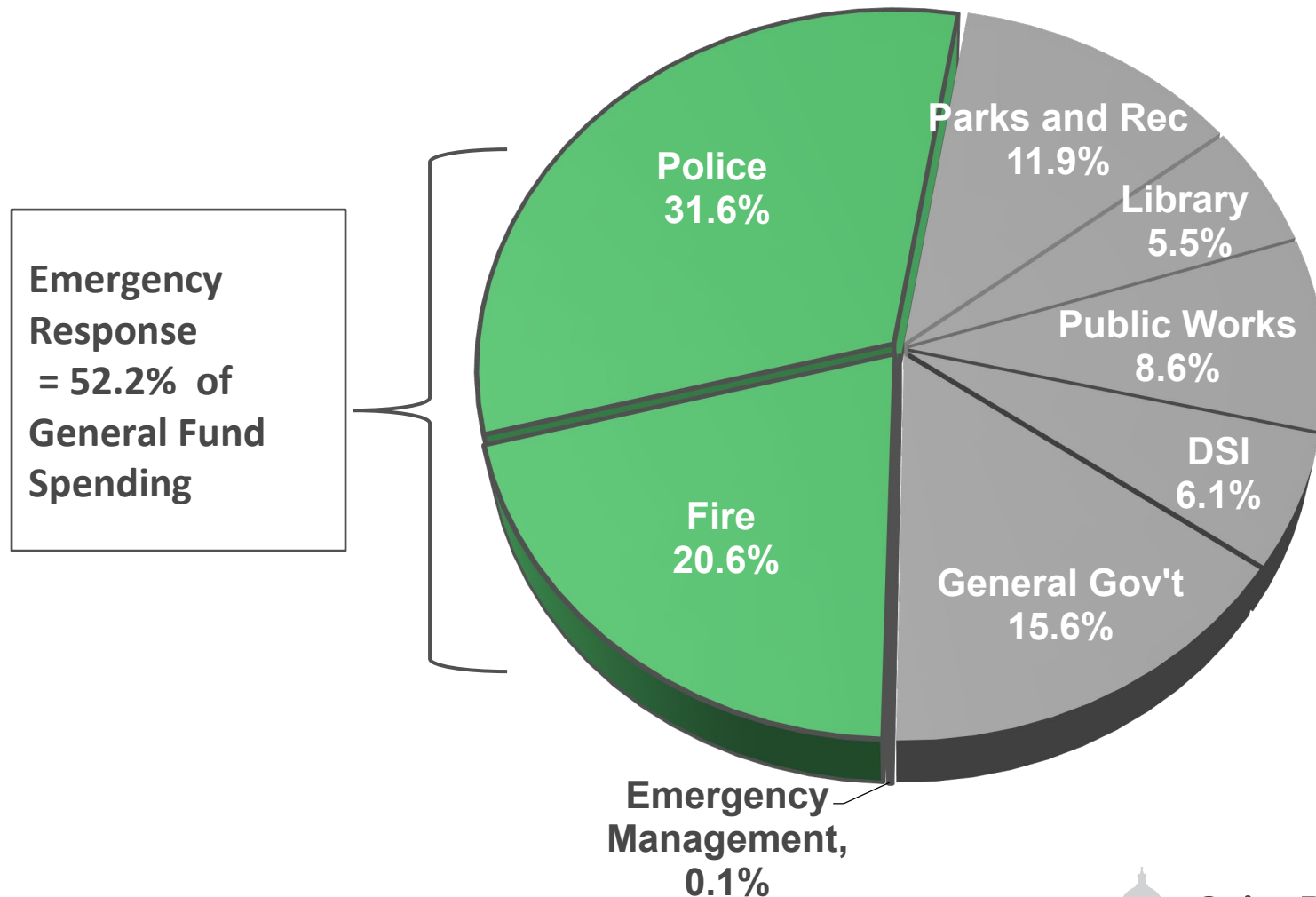
# General Fund Budget 2021 Proposed Spending by Category



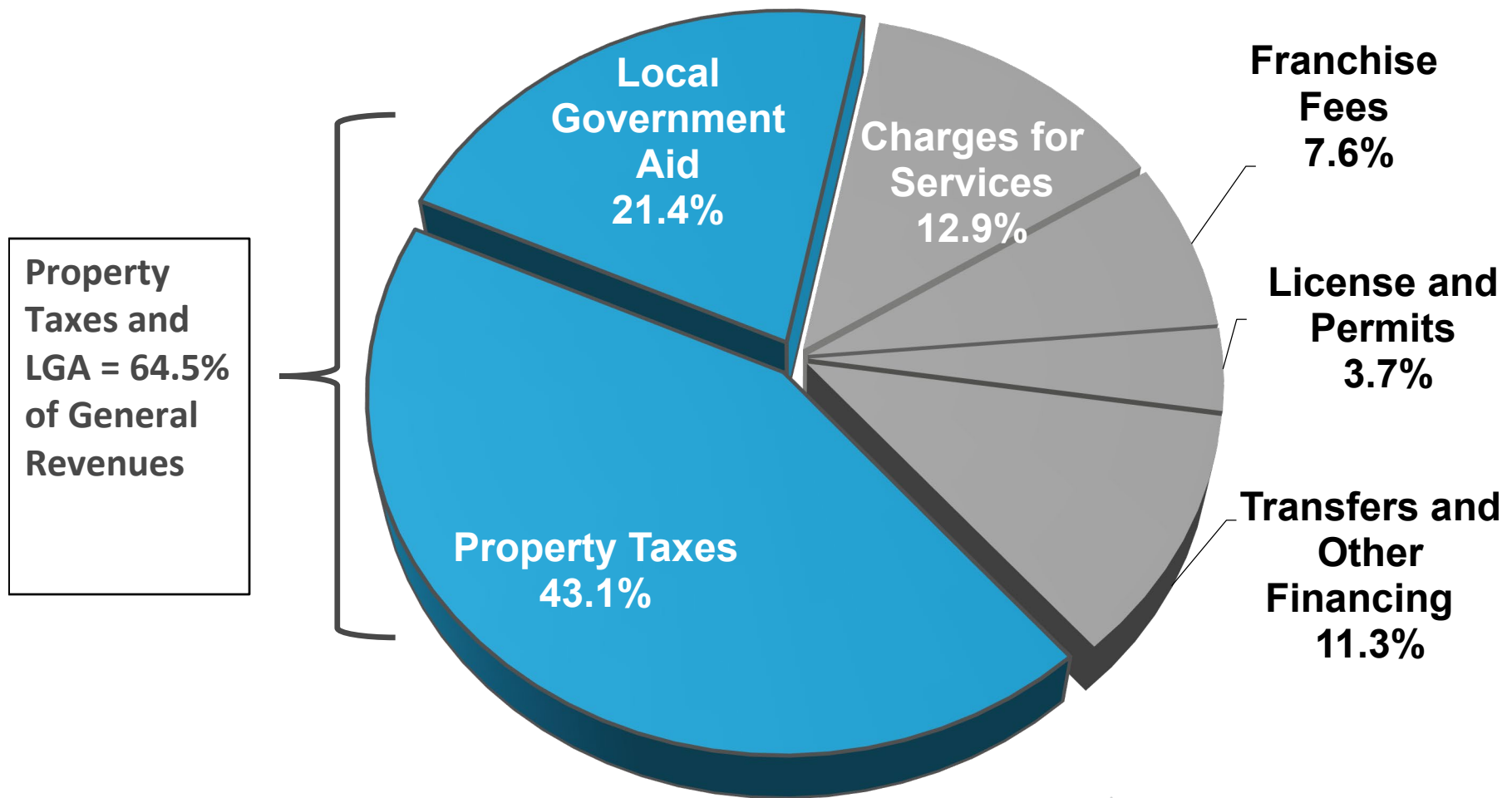
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# General Fund Budget 2021 Proposed Spending by Department

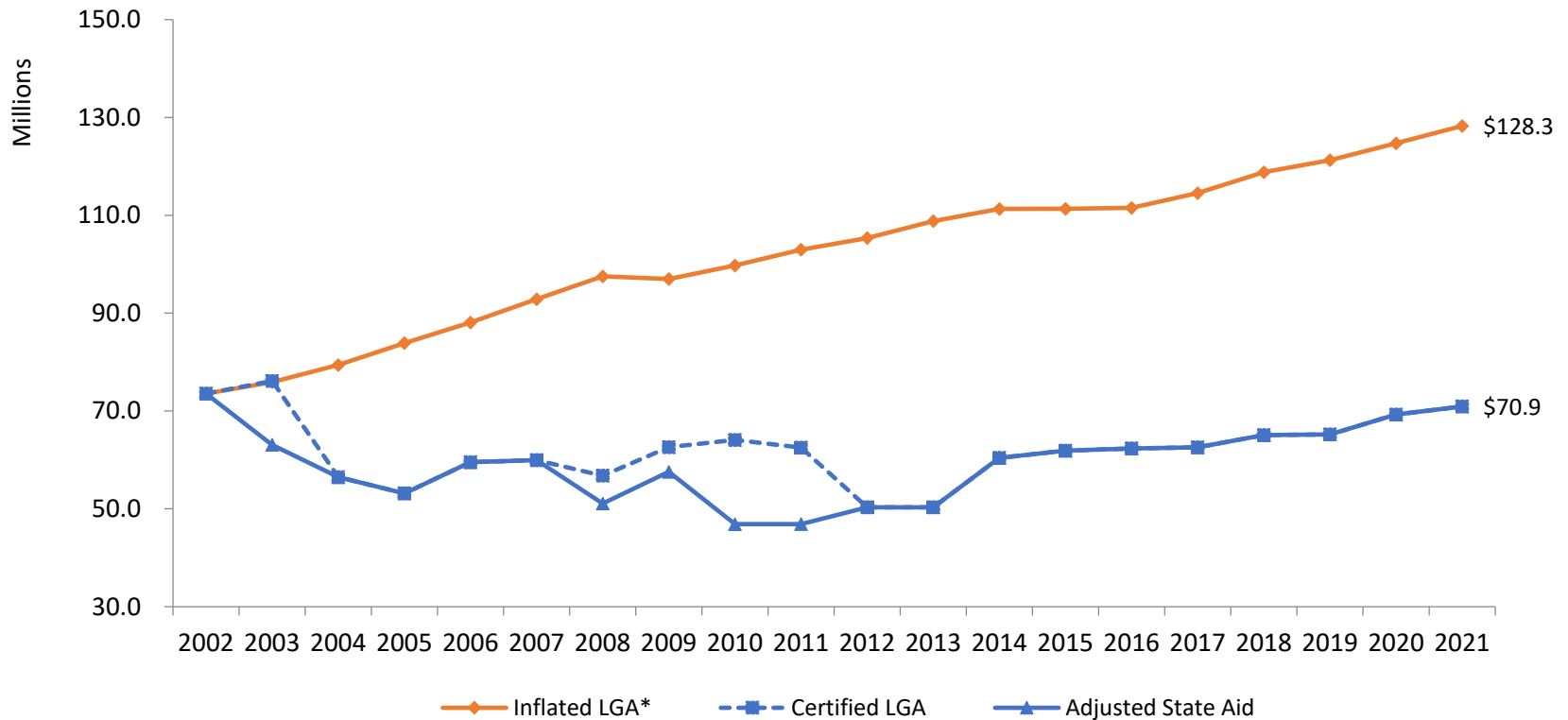


# General Fund Budget 2021 Proposed Revenue by Source



# Saint Paul LGA

**Saint Paul State Aid  
2002-2021**

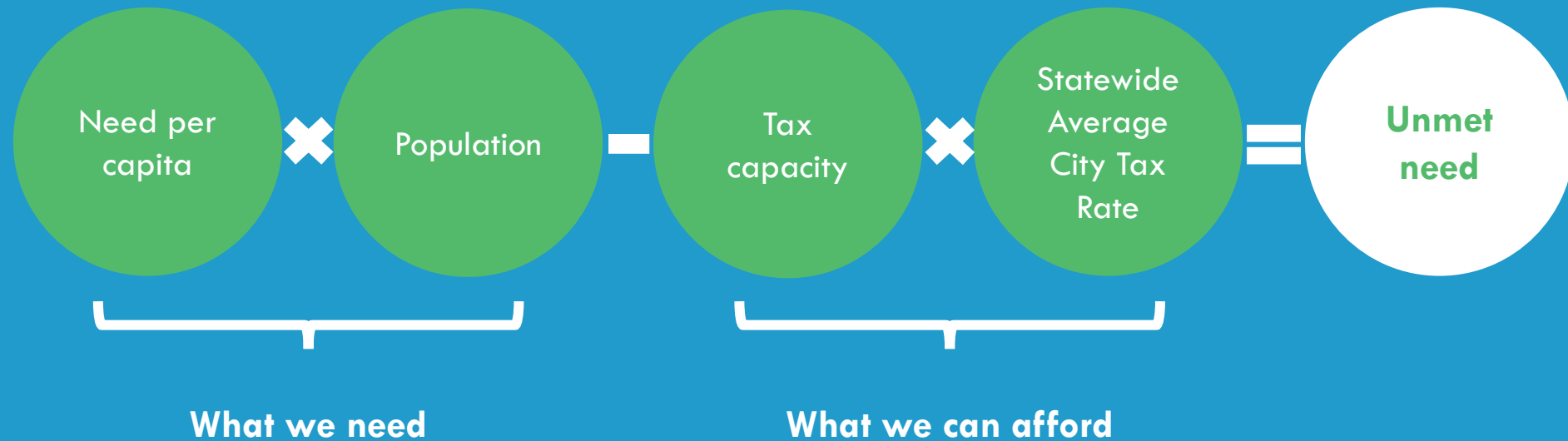


\*Inflated using the Implicit Price Deflator for State and Local Governments





# Local Government Aid

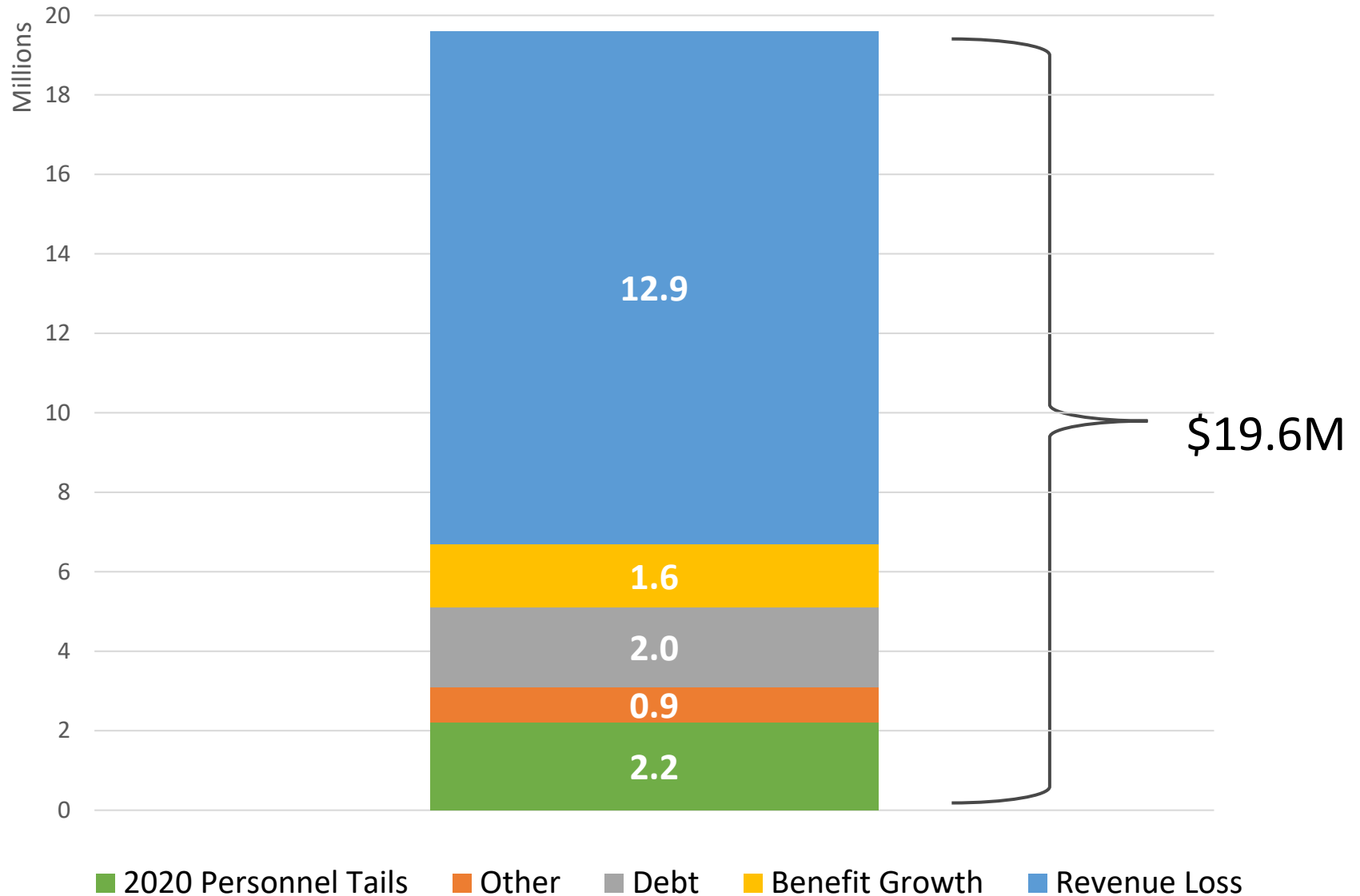


# 2021 Proposed Budget Gap and Solution

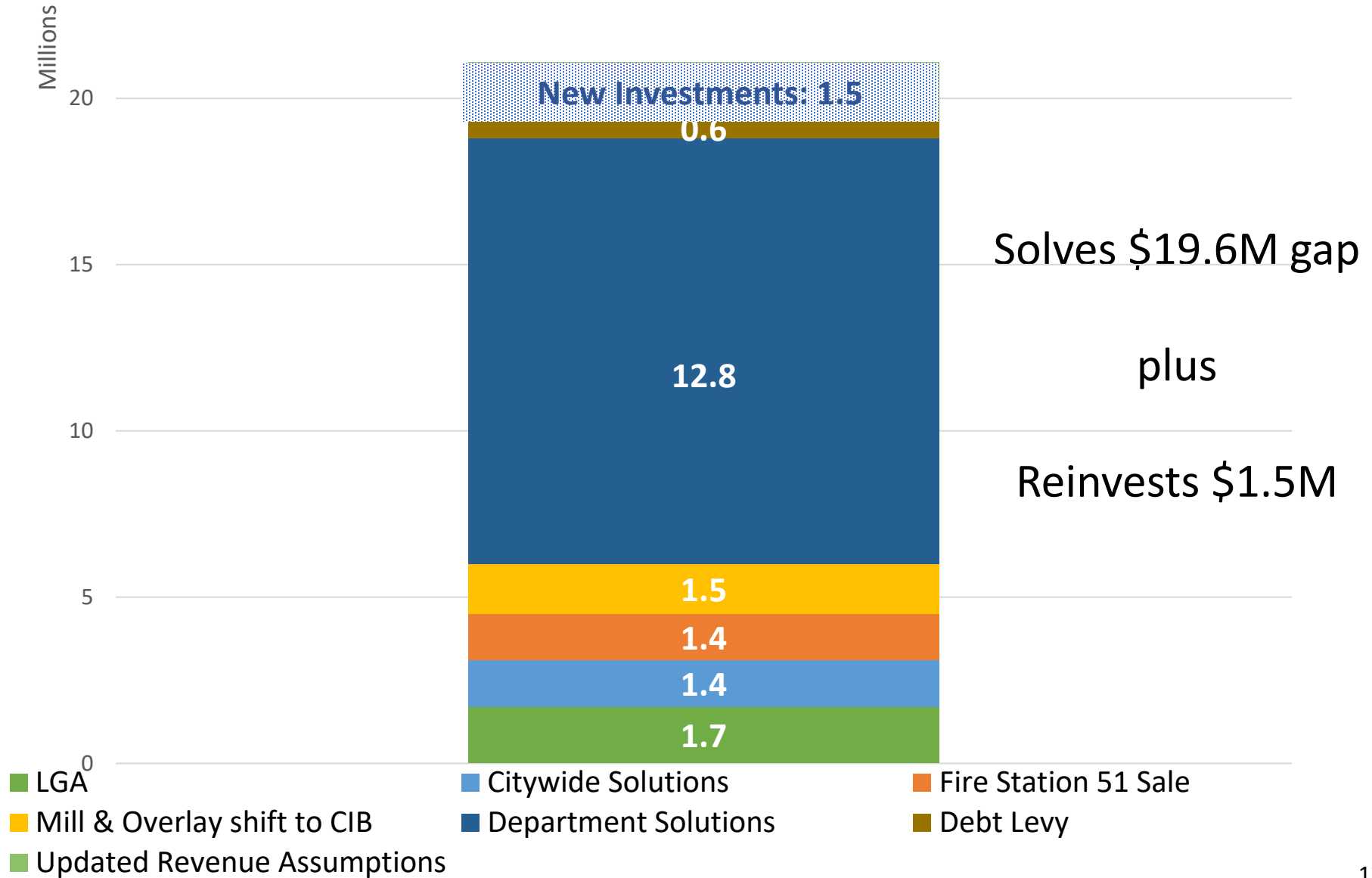


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# 2021 Budget Gap



# 2021 Budget Solution



# 2021 Budget Highlights



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# 2020 Adopted vs 2021 Proposed

	2020 Adopted	2021 Proposed	Change from 2020	% Change from 2020
<b>General Fund</b>	327,561,076	319,528,911	(8,032,165)	(2.5%)
<b>Special Funds</b>	260,857,952	249,497,385	(11,360,567)	(4.4%)
<b>Debt Fund</b>	47,985,974	57,967,218	9,981,244	20.8%
<b>Total Budget</b>	<b>636,405,002</b>	<b>626,993,514</b>	<b>(9,411,488)</b>	<b>-1.5%</b>



# FTE Growth

Composite Summary - Workforce			
City of Saint Paul and Saint Paul Public Library Agency Full Time Equivalents (FTEs)			
Department	2020 Adopted	2021 Proposed	FTE Change
City FTE (All Funds)	2,836.20	2,758.28	(77.92)
Library Agency	177.09	161.75	(15.34)
<b>Total</b>	<b>3,013.29</b>	<b>2,920.03</b>	<b>(93.26)</b>



# 2021 Proposed Budget



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## Key Aspects of the 2021 Budget Proposal

- No property tax levy increase.
- No city staff layoffs. Personnel savings achieved through hiring freezes, leaving vacant positions open, and attrition.
- No use of emergency reserves.



# Revenue Changes



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# Revenue Summary

**\$8.6 million**  
net General Fund  
revenue reduction



# Revenue Reductions



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**(\$1.6m)**  
**Property  
Taxes**

Max levy the same as 2020 but projecting revenue decreases due to increased delinquencies.

**(\$1.9m)**  
**Franchise  
Fees**

Revenue decreases projected in 2021 as electricity sales are assumed to continue to be negatively impacted by the pandemic.

**(\$895k)**  
**Paramedic  
Fees**

Projected 2021 revenue losses based on decreased paramedic run volume.

**(\$639k)**  
**Hotel Tax**

Hotel occupancy decreased dramatically in 2020 due to the COVID pandemic. Impacts anticipated to linger into 2021.



**(\$1.7m)**  
Interest  
Earnings

Earnings reductions assumed in 2021 due to COVID related economic and market impacts.

**(\$1m)**  
Parking  
Meters

Reduced parking meter revenue assumptions due to lower performance due to social distancing and event cancellations.

**(\$500k)**  
Traffic  
Fines

Projected revenue loss in 2021 due to continued COVID- related impacts.

**(\$192k)**  
CFDs

Projected 2021 revenue loss based on reduction of continuance for dismissal fees.



**(\$614k)**  
Business  
Licenses

Projected revenue loss due to COVID and economic impacts on local businesses.

**(\$409k)**  
Fire C of O

Projected revenue loss due to staffing vacancies.

**\$308k**  
Building  
Permits/  
Plan  
Review

Overall revenue gain projected. Some decreases in general demand but increase in work related to the Ford site.



# Department Budget Solutions



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# Public Safety Reductions

**\$1.2 million**  
spending  
reductions in  
Police and Fire



**(\$801k)**  
Police  
Department

- Reduce 17 vacant FTEs: 7 Officers, 3 Sergeants, 3 PEOs, 4 civilian support positions
- Increase attrition budget by \$1.74M
- Increase spending \$1.8M for annual cost of 2020 pay increases

**(\$431k)**  
Fire  
Department

- The 2021 budget includes reduction of 5 FTEs:
  - 1 vacant Health & Wellness Coordinator
  - 2 Fire Arson Investigators
  - 1 EMS Coordinator
  - 1 Community Relations Chief
- Removal of community mental health contracts.
- Increased spending \$875,000 for base budget employee expense growth



# Parks and Libraries Solutions

**\$2.7 million**  
budget solutions in  
Parks and Libraries



**(\$1.4m)**  
Saint Paul  
Public  
Libraries

- Reduce 16.7 vacant FTEs including 6.7 Library Associates, 6.59 Library Customer Service Assistants, 1 Librarian, 1 Public Information Officer, and 1 Facilities Manager
- Reduce collections budget by \$17k

**(\$1.3m)**  
Parks and  
Recreation

- Reduce business hours at aquatics facilities including the closure of indoor facilities during the summer and contractt out concession services (-17.2 FTEs)
- Reduce hours at rec centers, focus youth sports programming on ages 8 and under, and reduce ice rink and weekend rec center facility maintenance (-9.93 FTEs)
- Increase voluntary donation ask at Como Park Zoo and Conservatory (\$200k revenue)
- Increase operating support from Como Friends (\$100k revenue increase)



# Internal Services Reductions

**\$2.3 million**  
spending reductions  
in internal service  
departments



**(\$395k)**  
**OFS**

- Reduction of 4 vacant FTEs: 1 Deputy Director, 1 Cash Analyst, 2 Innovation positions. Reduction in 0.15 FTE hours in accounting.
- Reductions in non-salary spending and database expenses for OFE
- Increased spending of \$312K for base budget employee expense growth, including position shifts from special fund

**(\$159k)**  
**HR**

- Reduction of 3 vacant FTEs: Human Resources Consultant I, Office Assistant II, and Payroll Specialist.
- Increased spending \$38k for base budget employee expense growth



**(\$300k)**  
**HREEO**

- Reduction of 4 vacant FTE: Labor Standards II, Compliance Specialist, Buyer I, and Human Rights Specialist.
- Increased spending \$38k for base budget employee expense growth

**(\$891k)**  
**OTC**

- Reduction of 8 vacant FTEs: 5 in the solution development and design area, 2 in the customer service area, and 1 in the security area.
- Increased spending \$261k for base budget employee expense growth

**(\$538k)**  
**CAO**

- Moving 1.25 FTE of Senior Attorney time to the special fund and billed to PED for work on PED and HRA grants
- Underfilled senior attorney vacancies leading to salary savings



# Other Department Solutions

**\$3.0 million**  
in solutions from  
Public Works and  
DSI





**(\$1.9m)**  
Public  
Works

- Reduction of 5.7 FTEs
- Reductions across various general fund divisions
- Smaller Mill and Overlay program in 2021
- Reduction of one time spending items in the base

**(\$1.1m)**  
DSI

- Reduction of 8 vacant FTEs: 1 Customer Service Representative, 1 Customer Service Specialist, 1 Custodian Engineer, 3 DSI Inspectors, and 2 Fire Safety Inspectors
- Removing the budget line for merchant service fees – shifted to customers
- Increase in elevator inspection fees



# Investments

**\$1.5 million**  
investments in key  
priorities



**\$878k**  
OTC

- A \$668k investment will be made in front line, customer-facing technology solutions with a focus on: constituent services, economic opportunity, public engagement, and lifelong learning.
- Additional investments in technology physical infrastructure, an anticipated increase in Microsoft contract costs, and anticipated PC replacement late fees

**\$270k**  
Libraries

- 1.95 FTEs of Cultural Liaisons into the General Fund, new Library Program Coordinator position
- mobile hotspot investment made permanent.

**\$328k**  
Parks

- Community First Public Safety Awakenings Intervention program to target specific youth in the community for mental health support and intervention with trained staff (5 FTEs)



# Capital Budget

**\$67.35  
million**

in improvements to  
City buildings and  
infrastructure



# 2020-2021 Major CIB Revenue Sources

	2020 Adopted	2021 Proposed
G.O. Capital Improvement Bonds	9,886,000	11,000,000
G.O. Street Bonds	17,770,000	12,500,000
Municipal State Aid	10,066,000	8,700,000
Community Development Block Grants	4,001,000	4,000,000
Sewer Revenue Bonds*	8,000,000	8,000,000

\* Budgeted in Sewer operating budget



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# 2020-2021 CIB Highlights

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	2020 Adopted	2021 Proposed
Saint Paul Streets Program	17,770,000	12,500,000
Citywide Tree Planting Program	447,000	297,000
Community Proposals	500,000	500,000
North End Community Center	500,000	3,000,000
Fire Station 7	2,000,000	
McMurray Field Update	1,500,000	
Payne Phalen Sidewalk Infill	488,000	
Washington Tech Safe Routes to School	305,000	
Speed Limit Signs	323,000	
Downtown Bike Implementation Plan	283,000	
Johnson Parkway Trail	250,000	
Randolph Avenue Bridge		1,000,000
Parks Energy Upgrades		724,000
Parks Deferred Maintenance		500,000
Library Facilities Design		500,000
Mill and Overlay Program		1,500,000



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# Property Taxes and Fees



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# Property Tax Levy Distribution

	2020 Adopted	2021 Proposed	Amount Change	% Change
City of Saint Paul				
General Fund	126,389,708	126,124,931	-264,777	-0.2%
General Debt Service	17,121,513	18,521,513	1,400,000	8.2%
Saint Paul Public Library Agency	19,558,690	18,423,467	-1,135,223	-5.8%
<b>Total (City and Library Combined)</b>	<b>163,069,911</b>	<b>163,069,911</b>	<b>0</b>	<b>0.0%</b>
Port Authority	2,111,700	2,111,700	0	0.0%
<b>Overall Levy (City, Library, &amp; Port)</b>	<b>165,181,611</b>	<b>165,181,611</b>	<b>0</b>	<b>0.0%</b>





# Street Maintenance Rates

	2020 Estimate	2021 Proposed	% Change
Street Lighting	\$0.81/foot	\$0.81/foot	0.0%
Downtown Street Sweeping	\$2.92/foot	\$2.92/foot	0.0%
Arterial Street Sweeping	\$1.08/foot	\$1.08/foot	0.0%
Residential Street Sweeping	\$0.43/foot	\$0.43/foot	0.0%
Alley Sweeping	\$0.16/foot	\$0.16/foot	0.0%
Street Seal Coating	\$5.28/foot	\$5.34/foot	1.1%
Alley Seal Coating	\$3.81/foot	\$3.85/foot	1.0%
Mill and Overlay (Range)	\$16 - \$24		

Total residential change: \$0.50



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# Sewer Rates

	2020 Adopted	2021 Proposed	% Change
Sanitary Base Fee	\$3.00 / month	\$3.00 / month	0%
Sanitary Volume Charge	\$4.48 / ccf	\$4.63 / ccf	3.5%
Storm Sewer (1 & 2 family residential)	\$101.38 / year	\$104.93 / year	3.5%

Total residential change: \$12.55



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# Solid Waste & Recycling Rates

	2020 Adopted	2021 Proposed	% Change
Residential Waste Collection	\$2.05 / month	\$2.26 / month	10.2%
Single Family Recycling	\$4.85 / month	\$5.02 / month	3.4%
Multi-family Recycling	\$3.01 / month	\$3.18 / month	5.4%

Total residential change: \$4.56



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# Taxes & Fees on a Typical Home

	2020 Estimated	2021 Proposed
Property Tax (City only)	\$906	\$888
Net Change Property Tax		-\$19
Street Maintenance Service Program	\$101	\$102
Sanitary Sewer charges	\$305	\$314
<i>Base Fee (no increase for 2020)</i>		\$0
<i>Volume Fee (3.5% increase)</i>		\$9
Storm Sewer Charges (3.5% Increase)	\$101	\$105
Recycling Fee	\$58	\$60
Residential Waste Collection	\$25	\$27
Total Direct Billing for City Services	\$1,497	\$1,496
Net Change Direct Billing		-\$1
Water Charges (SPRWS)	\$306	\$313
Grand Total for All City Services	\$1,803	\$1,809
Net Change Grand Total		\$6

**\$199,800**

Median Home Value  
in 2020

**\$215,800**

Median Home Value  
in 2021

**\$6**

Net Change in City  
Taxes & Fees



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## Future Topic: 2020 Budget Updates

- Continuing with proactive 2020 budget management, including the following strategies:
  - Discretionary spending freeze
  - Hiring freeze
  - Leaving most positions vacant as employees leave or retire
  - Identifying strategic cost savings options across all departments
- Planning for an early October presentation and budget resolution to amend the 2020 budget



# 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>
- Property Tax Estimator
  - Online tool to estimate impact of property taxes and budget changes
  - <http://www.stpaul.gov/taxestimator>

