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CITY OF SAINT PAUL

2022 Mayor's Proposed Budget



2022 Budget Overview

1. Staff introductions
2. Proposed budget context
3. Budget highlights
4. Property taxes and fees
5. Budget and property tax resources



Budget Staff

Tara Barenok, Budget Manager	Mary Guerra, Senior Budget Analyst City Council, Fire, General Gov't Accounts, OFS/Debt, Water, Outreach, Budget Build
Laura Logsdon, Senior Budget Analyst Police, Public Works, ARP/Federal Funding, Capital Maintenance, 5 Year Model	Madeline Mitchell, Senior Budget Analyst Capital Improvement Budget, Mayor's Office, Parks, Benefits, Legislative Liaison/Other ARP Funding, Budget Build, Property Taxes
Mark Strom, Budget Analyst City Attorney, DSI, Library, RCVA, PED, CDBG, Revenue Monitoring	Bryan George, Budget Analyst OTC, Emergency Management, Human Resources, HREEO, Public Health, Budget Game
Mandelina Li, Right Track Intern	

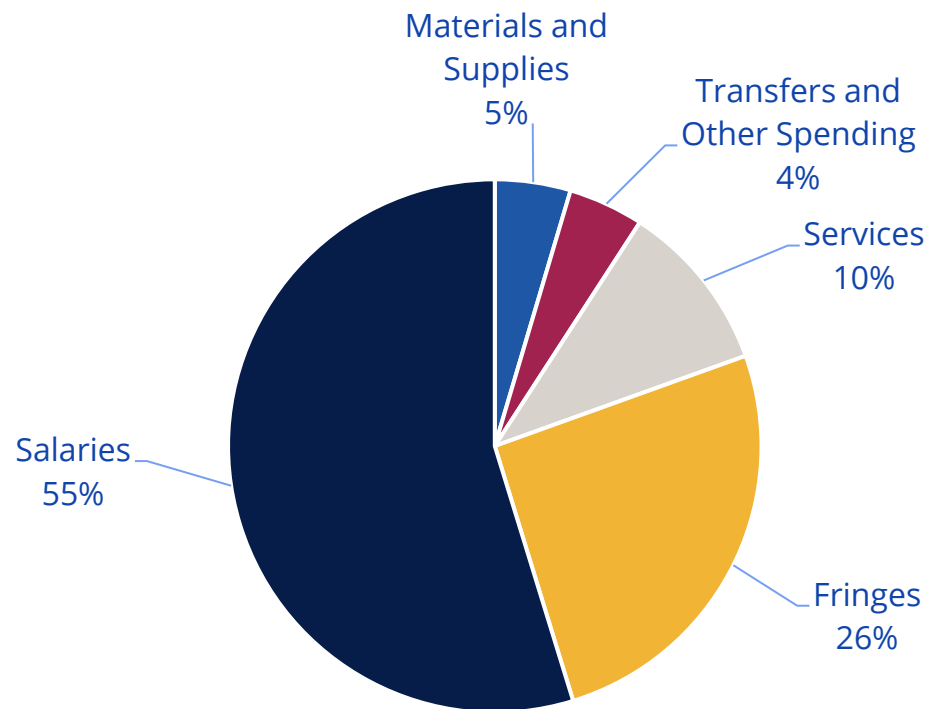


2022 Proposed Budget Context



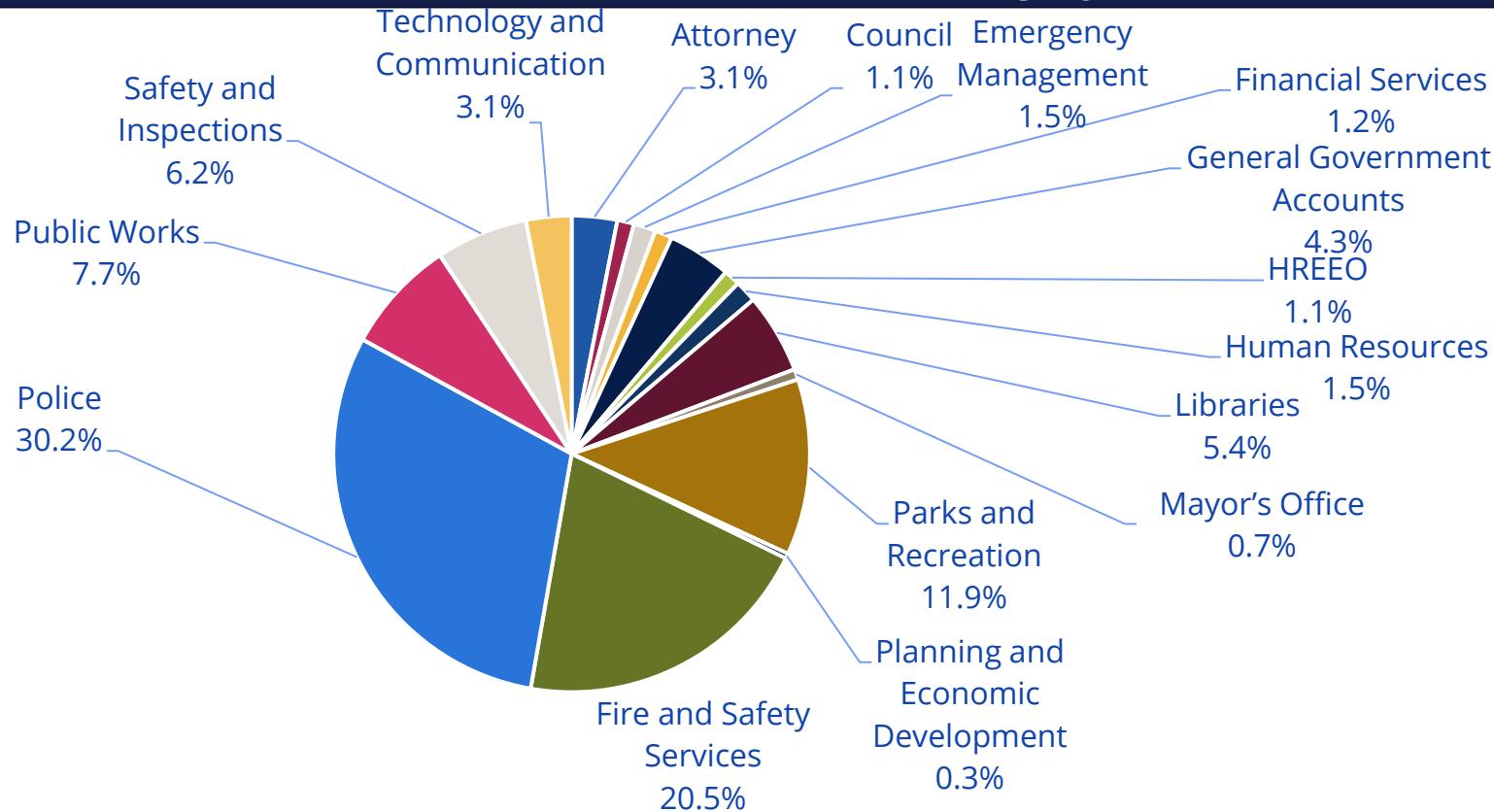
City and Library General Funds Budget 2022 Proposed Spending by Category (\$344.3 Million)

*Employee
Expenses
are 81% of
general
fund
spending*





City and Library General Funds Budget 2022 Proposed Spending by Department (\$344.3 Million)

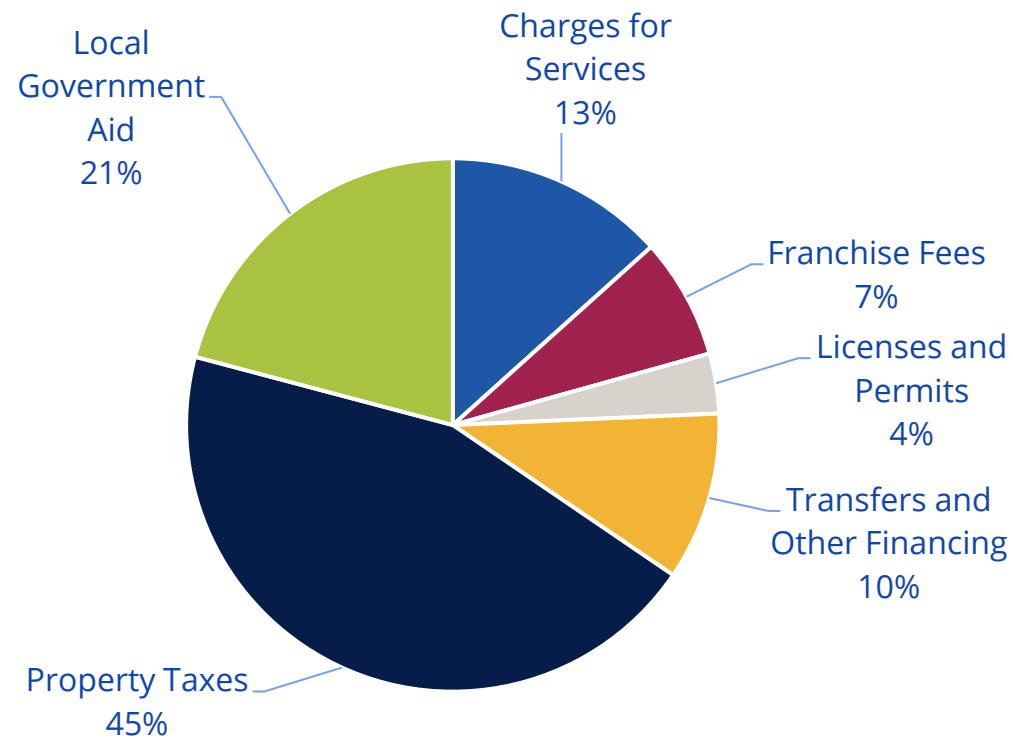


Emergency Response comprises 51% of General Fund Spending



City and Library General Funds Budget 2022 Proposed Revenues by Source (\$344.3 Million)

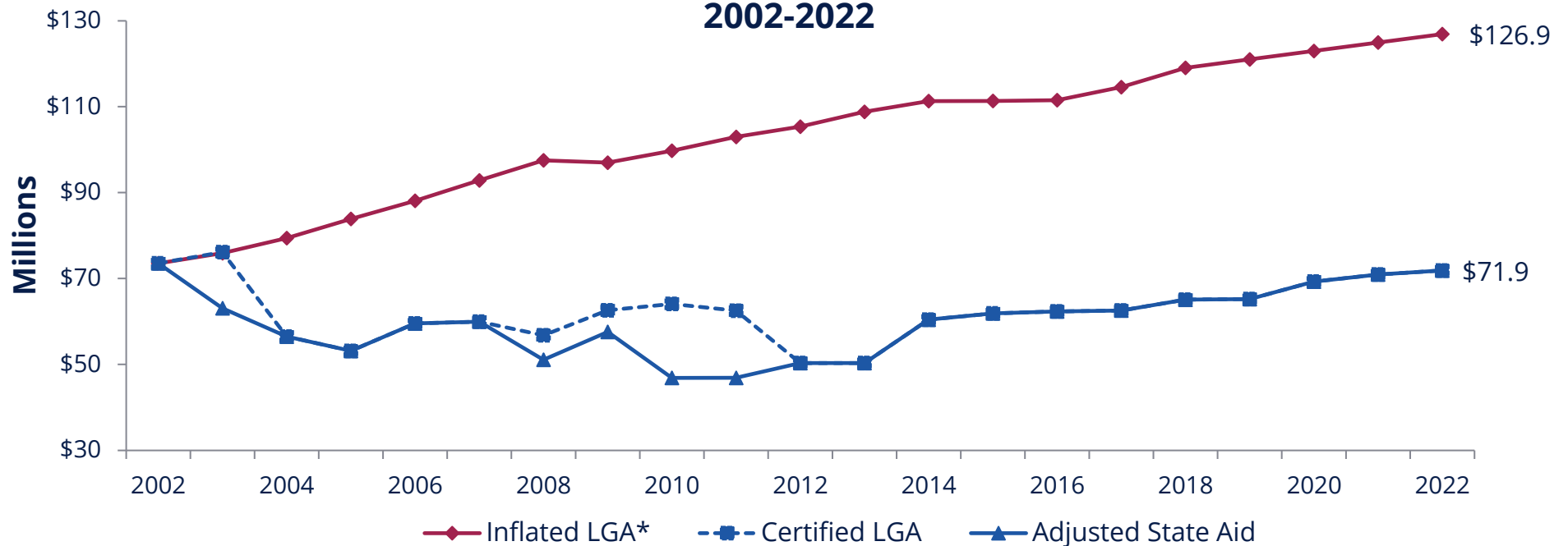
*Property
Taxes and
LGA are
66% of
General
Fund
Revenues*





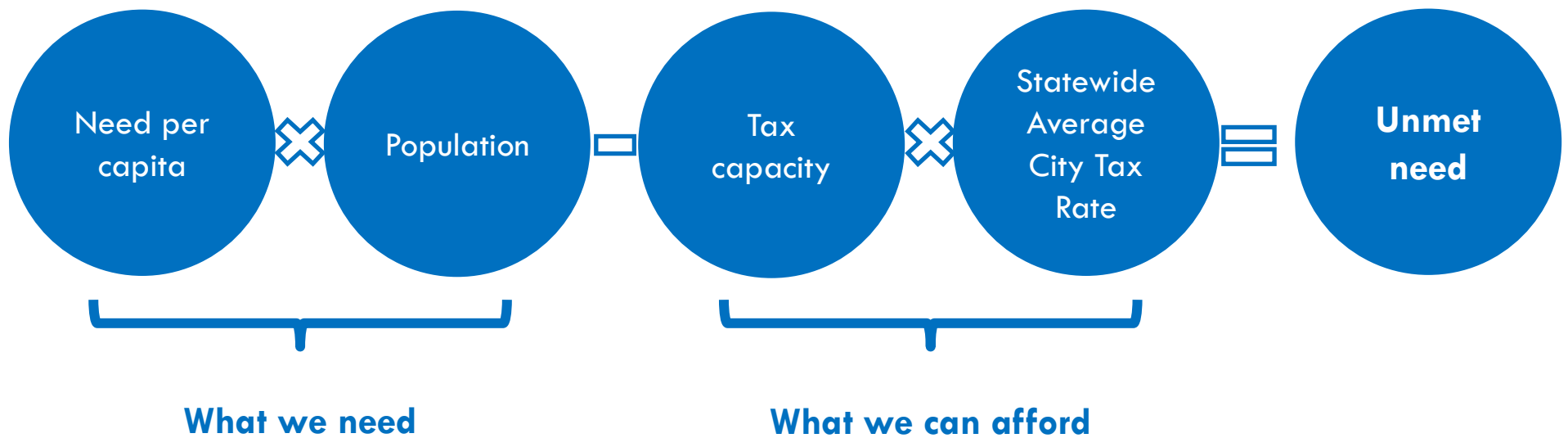
General Fund Budget Local Government Aid 2002-2022

Saint Paul State Aid 2002-2022



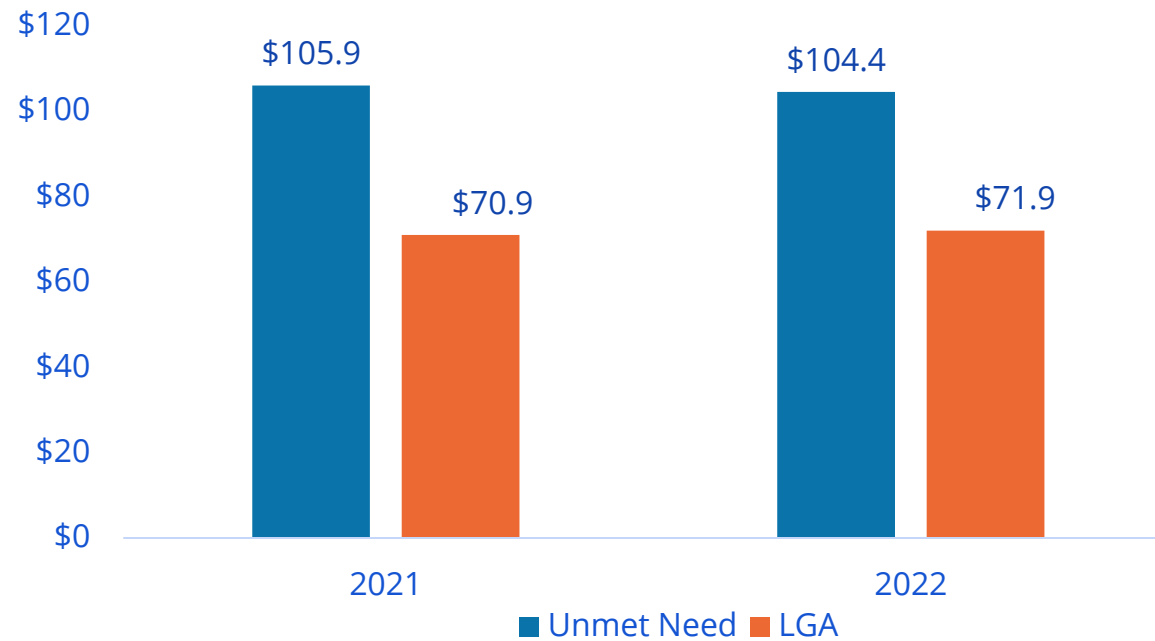


General Fund Budget Local Government Aid Formula





General Fund Budget Local Government Aid – Unmet Need



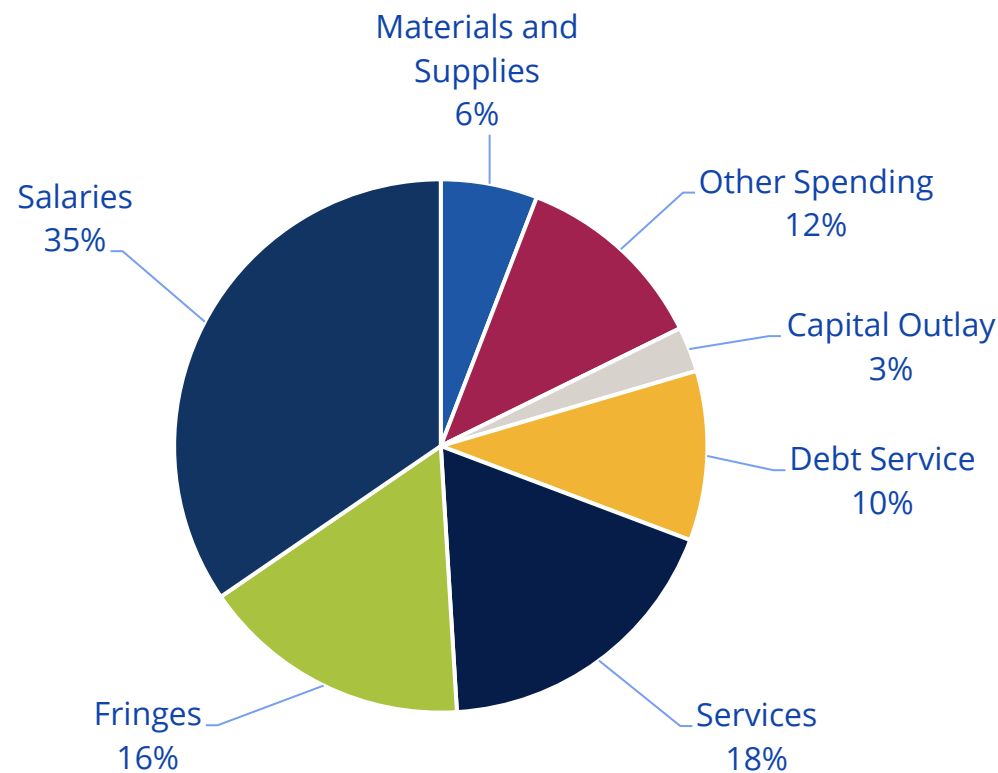
Saint Paul has the biggest gap (\$32.5M) between unmet need and certified LGA



General and Special Funds Budget 2022 Proposed Spending by Category (\$713.2 Million)

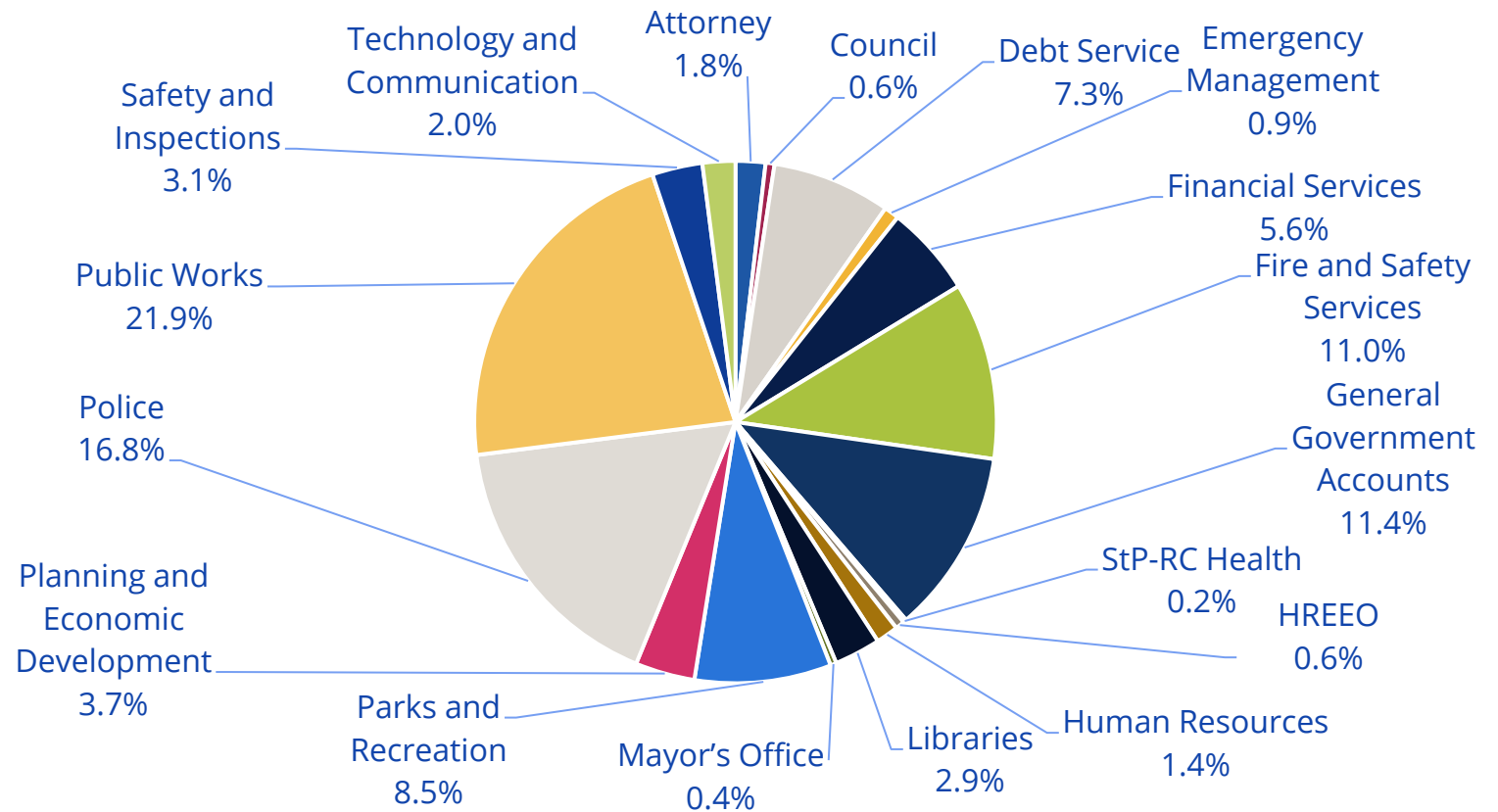
*Employee Expenses
are 51% of general
fund and special
fund spending.*

*This view includes
debt service and
capital outlay –
spending which is
not seen in the
general fund.*



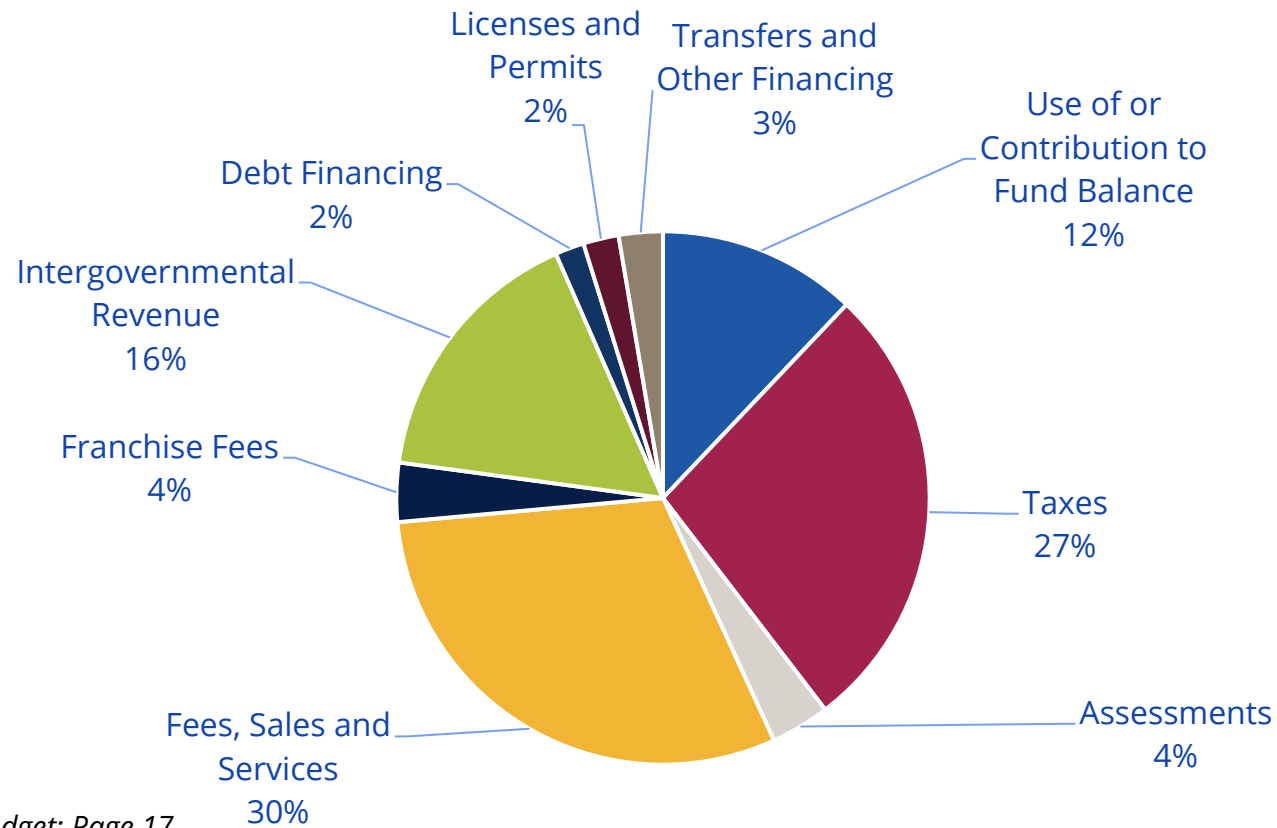


General and Special Funds Budget 2022 Proposed Spending by Department (\$713.2 Million)





General and Special Funds Budget 2022 Proposed Revenues by Source (\$704.5 Million)

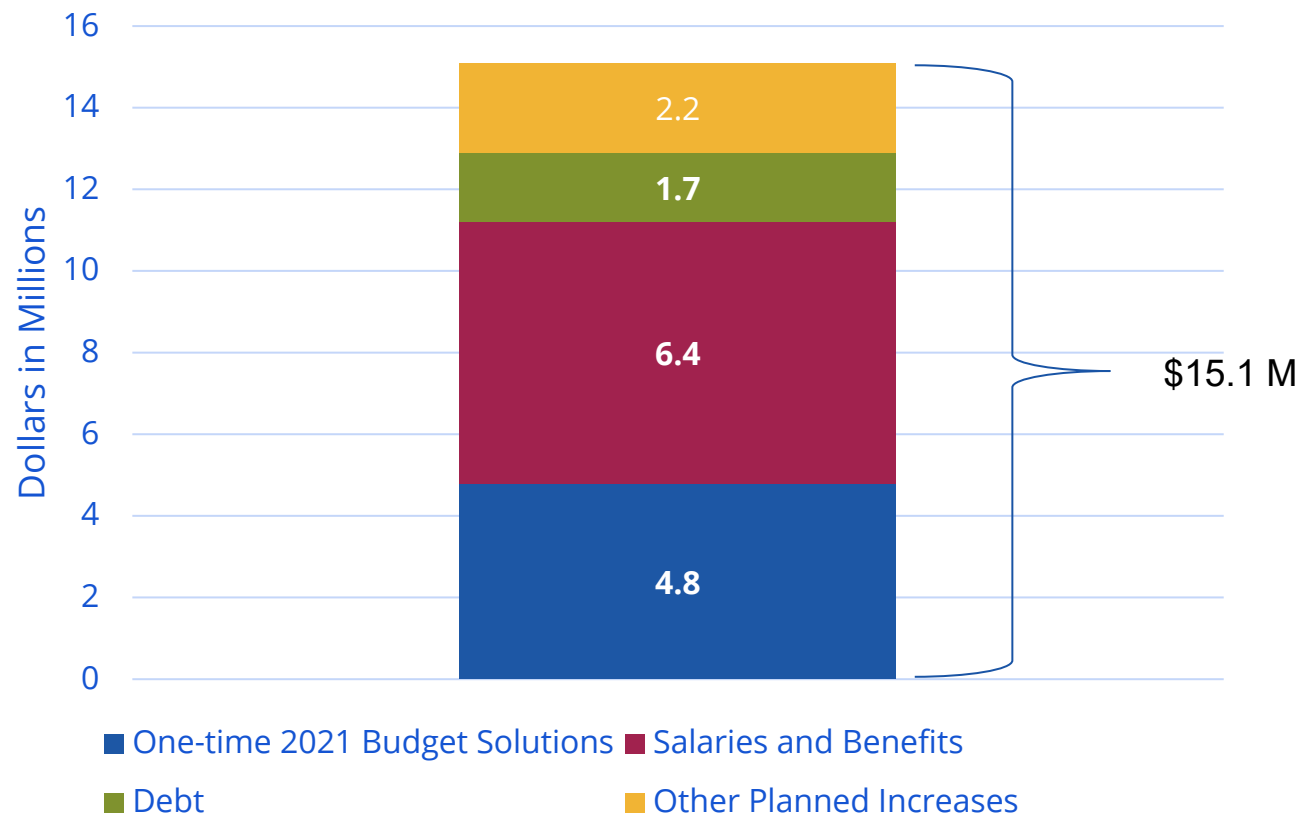




2022 Proposed Budget Gap and Solution

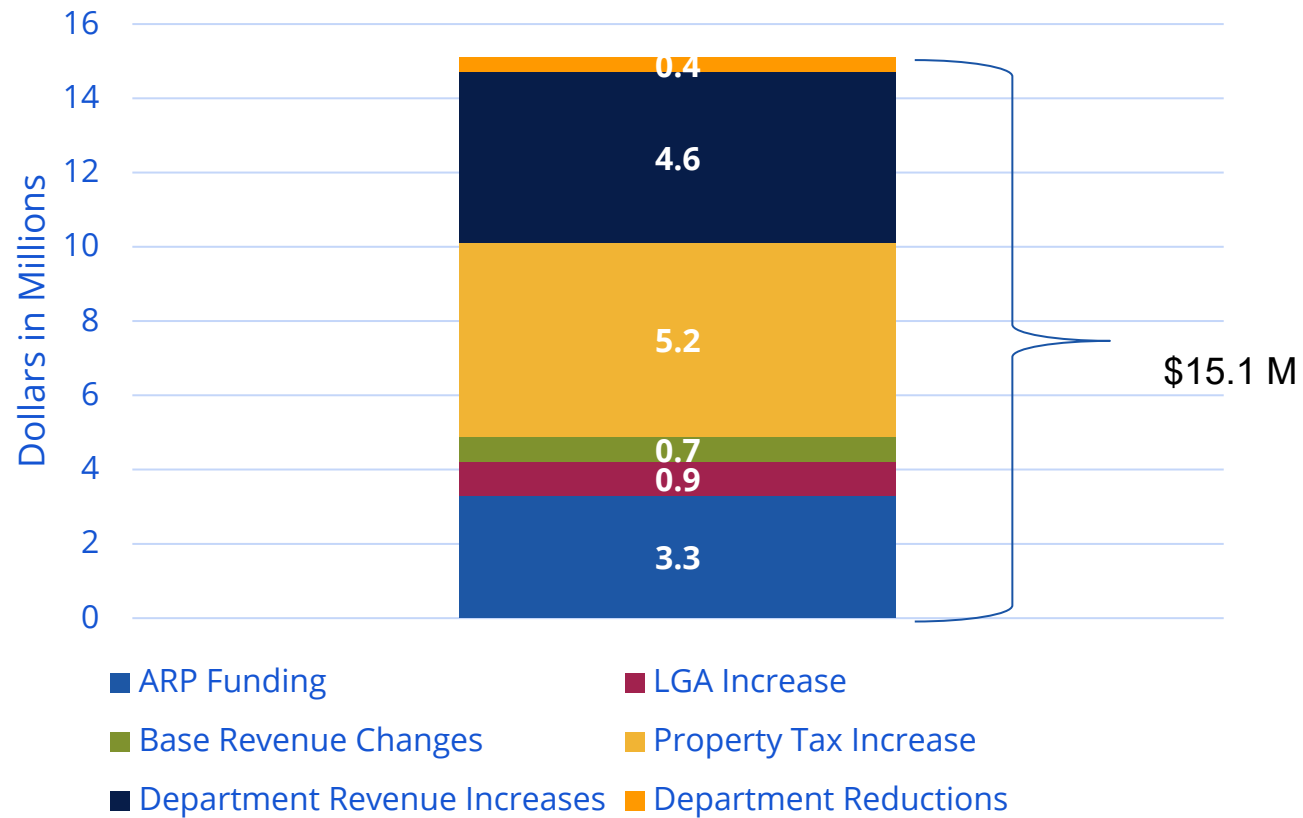


2022 Budget Gap





2022 Budget Solutions





Investments

**\$6 Million in
General Fund
Investments**

- Restoration of 2021 Reductions: \$1.8M
- Office of Neighborhood Safety: \$1.25M
- Service Changes: \$1.1M
- Housing and Economic Development: \$1.1M
- Law Enforcement Career Path Academy: \$820K



2022 Budget Highlights



2021 Adopted compared to 2022 Proposed

(dollars in millions, less transfers)

	2021 Adopted	2022 Proposed	Change from 2021	% Change from 2021
General Fund	319.7	332.5	12.8	4.0%
Special Funds	255.6	328.4	72.8*	28.5%
Debt Fund	57.9	52.3	(5.6)	(9.7%)
Total Budget	633.2	713.2	80.0*	12.6%



FTE's: 2021 Adopted compared to 2022 Proposed

	2021 Adopted	2022 Proposed	Change from 2021	% Change from 2021
City - All Funds	2,760	2,856	96	3.5%
Library – All Funds*	162	181	19	11.7%
Total Budget	2,922	3,037	115**	3.9%

*Includes ARP funded FTE's **Includes 66 positions funded through the ARP, including 37 restored positions in library and parks and 20 positions for ARP Administration



2022 Proposed Budget



Key Aspects of the 2022 Budget Proposal

- Service restoration: \$4.7 million in total
 - \$1.8 million in the general fund
 - \$2.8 million ARP and other grants
- Property Tax Levy Increase: 6.9% increase
 - \$10.58 per month for the median value home
- Office of Neighborhood Safety: \$1.25 million
- Capital Improvement Budget: funding for Hamline Midway Library, North End Community Center, and Fire Station 7 (\$32.2 million over 2 years)
- ARP vision: \$40 million each for neighborhood safety, housing strategies, jobs and career readiness



Revenue Summary

**\$12.2 Million
General Fund
Revenue
Increase**

- Property Tax increase at 6.9%, including adjustment for shrinkage: \$10.4 M
- Fire department revenue increase: \$3.9 M
- Safety and Inspections revenue increase: \$700K
- Inflationary increase to LGA: \$1 M
- One-time revenue solutions (\$2.9 M)
- Reduced hotel taxes: (\$320K)
- Reduced Excel franchise fees: (\$265K)
- All other changes: declined by (\$346K)



Department Budget Solutions

\$372K
General Fund
Department
Reductions

- Attorney – increased attrition: \$100K
- Public Works – reduced debt: \$215K
- Financial Services – position changes: \$55K



Office of Neighborhood Safety

**\$1.25 Million
in new
funding**

- \$650K in the City Attorney's Office: 4 FTE's for the administrative functions and the commission
- \$600K in the Fire Department for social worker contracts
- Existing funding of \$456K for Community Ambassadors moved from the police department to CAO



Restorations of 2021 Reductions

**\$1.8 Million in
new funding
to restore
2021
Reductions**

- \$311K in the Fire Department for 1 EMS Supervisor and 1 Health and Wellness Coordinator
- \$204K in Human Resources for 2 FTES: one each for consulting services and payroll
- \$275K in Human Rights and Equal Economic Opportunity for 3 FTE's in human rights, labor standards investigations, and procurement
- \$155K in Planning and Economic Development for 1 Loan Servicing Supervisor*
- \$790K in Public Works for 4.5 FTE's in planning, electrical, electrical inspection, and painting
- \$78K for 1 FTE in Safety and Inspections for customer service

Mayor's Proposed Budget: Pages 107, 182, 129, 136, 182, 210, 238

*PED's budget also includes \$149K and 1 FTE for restoration of a Grants Manager, funded by HUD grant funds



**\$820K for
LECPA in the
Police
department**

Law Enforcement Career Path Academy (LECPA), which was previously funded with Federal AmeriCorps and private philanthropic funding



Housing and Economic Development

**\$1.1 Million of
new funding
in Housing
and Economic
Development**

- \$600K in support for Low-income Homeowners
- \$251K for capacity in multi- and single-family housing and loan processing, including 2 FTE's
- \$115K for 1 FTE in the City Attorney's Office to work on PED matters
- \$94K in general fund support for HRA structural balance
 - An additional \$643K of an increase to the HRA levy is also included for this purpose



**\$1.1 Million
of new
funding in
various
departments**

- Fire department: EMS supervisor for billing quality control and Medic cadets providing BLS transport (\$209K and 1 FTE)
- Human Rights and Equal Economic Opportunity: capacity in compliance and research (\$75K and 0.6 FTE)
- Mayor's office: capacity in citywide communications and coordination (\$238K and 2FTE's)
- Safety and Inspections: Plan Review, Building and mechanical inspections (\$461K and 3 FTE's)
- Ongoing maintenance for COVID-Related HVAC upgrades (\$120K citywide)



ARP Planning Strategy, 2021-2026

(Dollars in Millions)

Priority Areas	Spending
Neighborhood Safety	40.0
Housing	40.0
Jobs	40.0
Modernization of City Services	18.0
Financial Stabilization	15.0
Vaccine Engagement	3.6
Administration	10.0
Total	166.6

First of Two ARP Allocations	Amount
2021 Expenses	11.3
2022 Proposed Budget	11.7
2021-2022 Proposed Carry Forward	60.3
Total	83.3



2022 ARP Decisions

**\$11.7 Million
in
ARP Decisions**

- Budget Stabilization: \$3.3M
- Library FTE and service restoration: \$1M
- Parks and Recreation service restoration: \$1.1M
- Police Salaries: \$1.8M
- Fire recruitment exam: \$460K
- Criminal Division Backlog: \$748K
- Safety and Inspections Unsheltered response: \$206K
- ARP Administration: \$3.1M

Mayor's Proposed Budget: Pages 66, 210, 89



Capital Program Highlights

**\$55.1 Million
Improvements
to City buildings
and
Infrastructure**

- 5-year plan takes advantage of interest rates to fund:
 - Hamline Midway Library
 - North End Community Center
 - Fire Station 7
- 2022-2023 Capital Improvement and Public Safety Bonds: \$42,390,705
- Full presentation on November 3

*Mayor's Proposed Capital Improvement Budget
and Program: Pages 11, 12, 15*



Capital Budget Accelerated 5-Year Program

	2022	2023	2024	2025	2026	Total
Department Projects	\$ 8,936,700	\$ 25,622,005	\$ 630,000	\$ 231,295	-	\$35,420,000
Annual Programs	\$ 3,916,000	\$ 3,916,000	\$3,916,000	\$ 3,916,000	\$ 3,916,000	\$19,580,000
Total	\$12,852,700	\$ 29,538,005	\$4,546,000	\$ 4,147,295	\$ 3,916,000	\$55,000,000

Proposal	Department	2022	2023	2024	2025	2026	Total Recommended
Bruce Vento Safe Routes to School (local match)	Public Works	\$ 549,405					\$ 549,405
Parks Deferred Maintenance	Parks	\$ 640,000					\$ 640,000
Hamline Midway Library	Library	\$ 1,000,000	\$ 7,169,300				\$ 8,169,300
North End Community Center	Parks	\$ 5,000,000	\$ 11,000,000				\$ 16,000,000
Fire Station 7	Fire	\$ 1,147,295	\$ 6,852,705				\$ 8,000,000
Gold Line BRT and Ped Improvements (local match)	Public Works	\$ 600,000	\$ 600,000				\$ 1,200,000
Burns/Suburban Sidewalk Infill Project (local match)	Public Works			\$ 630,000			\$ 630,000
Available for other projects		\$ -	\$ -	\$ -	\$ 231,295	\$ -	\$ 231,295
	TOTAL	\$ 8,936,700	\$ 25,622,005	\$ 630,000	\$ 231,295	\$ -	\$ 35,420,000



Capital Budget

Major Revenue Sources (Dollars in Millions)

	2021 Adopted	2022 Proposed
G.O. Capital Improvement Bonds*	\$11.2	\$11.7
G.O. Street Reconstruction Bonds*	\$13.8	\$15.0
Municipal State Aid	\$8.7	\$14.4
Community Development Block Grants	\$4.0	\$4.0
Sewer Revenue Bonds**	\$8.0	\$8.0

*Mayor's Proposed Capital Improvement Budget
and Program: Pages 5-6*

*Includes prior year amounts

**Budgeted in Sewer operating budget



2022 Property Taxes and Fees



Property Tax Levy Distribution

	2021 Adopted	2022 Proposed	Amount Change	% Change
City of Saint Paul				
General Fund	126,124,931	135,458,650	9,333,719	7.7%
General Debt Service	18,521,513	20,016,192	1,494,679	8.1%
Saint Paul Public Library Agency	18,423,467	18,774,155	350,688	1.9%
Total (City and Library Combined)	163,069,911	174,248,997	11,179,086	6.9%
Port Authority	2,111,700	2,361,700	250,000	11.8%
Overall Levy (City, Library, & Port)	165,181,611	176,610,697	11,429,086	6.9%



Street Maintenance Rates

(Dollars Per Foot)

	2021 Budget	2022 Proposed	% Change
Alley Sweeping	\$0.16	\$0.17	6.3%
Downtown Sweeping	\$2.92	\$3.02	3.4%
Arterial Sweeping	\$1.08	\$1.11	2.8%
Residential Sweeping	\$0.43	\$0.45	4.7%
Street Lighting	\$0.81	\$0.84	3.7%
Street Seal Coating	\$6.64	\$6.64	0.0%
Alley Seal Coating	\$5.72	\$5.72	0.0%

Total residential change: \$2.40



Sanitary and Storm Sewer Rates

	2021 Budget	2022 Proposed	% Change
Sanitary Sewer Base Fee	\$3.00/month	\$3.00/month	0%
Sanitary Sewer Volume Charge	\$4.63/ccf	\$4.79/ccf	3.5%
Storm Sewer - one and two family residential	\$104.93/year	\$108.60/year	3.5%

Total residential change: \$13



Solid Waste and Recycling Rates

	2021 Budget	2022 Proposed	% Change
Residential Waste Collection	\$27	\$28	3.7%
Single Family Recycling	\$60	\$60	0%
Multi-Family Recycling	\$38	\$38	0%

Total residential change: \$1



Taxes and Fees on a Typical Home

	2021 Budget	2022 Proposed
Property Tax – City share only	\$893	\$1,020
Net Change in Property Tax		\$127
Street Maintenance Service Program	\$101	\$103
Sanitary Sewer Charges	\$314	\$323
Base Fee (no increase)		\$0
Volume Fee (3.5% increase)		\$9
Storm Sewer Charges (3.5% increase)	\$105	\$109
Recycling Fee	\$60	\$60
Residential Waste Collection	\$27	\$28
Total Direct Billing for City Services	\$1,500	\$1,643
Net Change in Direct Billing		\$143
Water Charges (SPRWS)	\$313	\$333
Grand Total for All City Services	\$1,813	\$1,977
Net Change Grand Total		\$163

\$228,700

Median Home Value
in 2022, a 6% increase
over 2021

\$215,800

Median Home Value
in 2021

\$163

Net Change in City
Taxes and Fees



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>