

# Truth-in-Taxation Public Hearing

Thursday, December 11, 2008

City of Saint Paul  
Ramsey County  
Saint Paul Public Schools, District 625

6:00 p.m.

# Truth-in-Taxation Public Hearing

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# THE JOINT PROPERTY TAX ADVISORY COMMITTEE

## TAX INFORMATION

CITY OF SAINT PAUL  
651-266-8797

RAMSEY COUNTY  
651-266-8040

SAINT PAUL PUBLIC SCHOOLS  
651-767-8250

As the elected and appointed leaders of the City of Saint Paul, Ramsey County, and Saint Paul Public Schools, we warmly welcome you to the 15th annual Joint Truth-in-Taxation Hearing. Statewide, similar hearings are being conducted separately by counties, cities, and school districts. Our hearing is unique because all three major taxing jurisdictions are assembled to hear from residential and business taxpayers in the City of Saint Paul and Ramsey County.

This evening each taxing unit will present a brief explanation of its spending and financing plan for 2009. At the conclusion of the statements by the elected officials, a representative of Ramsey County will explain what taxpayers in Saint Paul can expect for 2009. The estimates are based on the budgets of the taxing jurisdictions and action by the state legislature regarding class rates and state aids.

Then, you, the taxpayers in the audience, will have a chance to make a statement regarding the plans presented and their impact on you. The hearing is not meant to be a question-and-answer period or a debate. The elected officials are here to listen to your opinions before they make their final budget decisions in the next two weeks. In the audience are staff from each jurisdiction who will be available after the hearing to try to answer any specific questions you may have; or, if you prefer, you may call the numbers listed above.

Again, welcome. Thank you for coming.

Chris Coleman, Mayor  
City of Saint Paul

Pat O'Connor, Interim County Manager  
Ramsey County

Meria Carstarphen, Superintendent  
Saint Paul Public Schools

Kathy Lantry, President  
Saint Paul City Council

Jan Parker, Chair  
Ramsey County Board of Commissioners

Kazoua Kong-Thao, Board Chair  
Saint Paul Public Schools



# Summary of Proposed Tax Levies & Their Estimated Impact on 2009 St. Paul Property Taxes

## 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



### Taxing Jurisdictions

- Determines Levy Amount

### County Assessor

- Determines Market Value
- Assigns Property Class

**Factors Affecting Payable 2009 St. Paul Property Taxes  
For a Median Taxable Value Single Family Home  
of \$183,000 assuming a 4.6% Decrease in Taxable Market Value**

Factors	Amount
<b>Final Payable 2008 Total Tax (\$191,900 Home)</b>	<b>\$ 2,023</b>
Gain of Homestead Credit	\$ (8)
Gain of Fiscal Disparities	\$ (53)
Other Shifts	\$ (70)
<b>Total Decrease Due to Tax Shifts</b>	<b>\$ (131)</b>
County Levy	\$ 37
Regional Rail Levy	\$ -
School District Levy	\$ 33
City Levy	\$ 53
Other Special Taxing Districts Levy	\$ 14
<b>Total Increase Due To Changes in Levy</b>	<b>\$ 137</b>
<b>Estimated Payable 2009 Total Tax (\$183,000 Home)</b>	<b>\$ 2,029</b>

Change that will appear on TNT Notice
\$ (4)
(3)
(2)
4
11
<b>6</b>

<b>Assumptions:</b>	2008 Levy	Proposed 2009 Levy	Levy Change	% Change
County Levy	\$ 242,063,050	\$ 253,013,187	\$ 10,950,137	4.5%
City Levy	82,642,837	89,254,264	6,611,427	8.0%
ISD 625 Levy	102,927,399	106,979,305	4,051,906	3.9%
Regional Rail Authority Levy	19,938,811	19,938,811	-	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 credit increases – which means that taxes paid last year by local taxpayers are shifted to the state this year. 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.
- **What is a levy?:** A property tax levy is the amount of money requested by a governmental agency to be raised from property taxes in support of a given year's budget.

**City of St. Paul - Ramsey County - St. Paul School District – Regional Rail**  
**St. Paul Property Tax Revenue**

	<b>Final Change 2006 – 2007</b>	<b>Final Change 2007 – 2008</b>	<b>Payable 2009 Estimated Tax Levy</b>	<b>Estimated Change 2008 to 2009</b>
Certified Levy – Combined St. Paul Share	\$30.6 Million -or- 11.9%	\$22.0 Million -or- 7.7%	\$325,137,158	\$16.3 Million -or- 5.3%
Levy After Fiscal Disparity Distribution – Combined St. Paul Share	\$25.9 Million -or- 12.0%	\$16.0 Million -or- 6.6%	\$267,468,384	\$9.9 Million -or- 3.9%

**Dates for Final Levy Adoption:**

Ramsey County: December 16, 2008  
 Council Chambers 9:00 a.m.

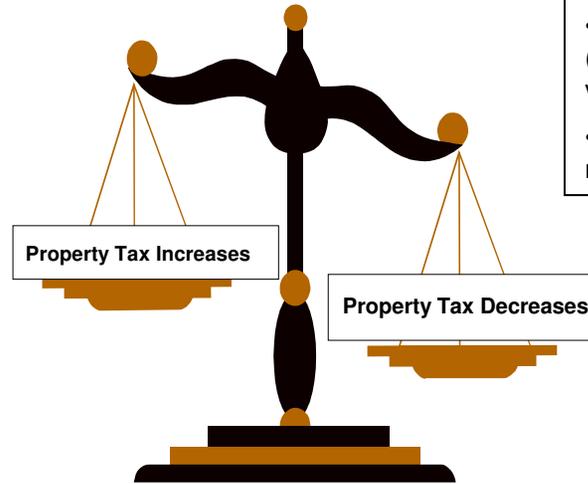
St. Paul School District: December 16, 2008  
 360 Colborne St. 5:45 p.m.

City of St. Paul: December 17, 2008  
 Council Chambers 3:30 p.m.

# Major Factors That Impact a Homeowner's 2009 Property Tax

## Property Tax Increases can be a result of:

- Increases in local government tax levies
- Legislative shifts in tax burden
- Your taxable market value:
  - Decreased at a slower rate than other property in the tax district or
  - Stayed the same as the prior year or
  - Increased.
- Your homestead credit decreases (for homes greater than \$76,000 where your market value increases)



## Property Tax Decreases can be a result of:

- Your homestead credit increases (for homes less than \$76,000 or if your market value decreases)
- Your taxable market value decreases at a faster rate than other property in the tax district.

## General Property Tax Information:

- 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.
- Over 73% of residential properties had a decrease in estimated market value as determined by the County Assessor. Some homes, mostly in St. Paul, have an increase in the taxable market value even though the estimated market value decreased. This increase is the result of “catching up” on value growth deferred by the state limited market value formula in prior years. For homes, the limited market value formula limits the increase in taxable market value to the greater of 15% or 50% of the difference in values from last year to this year.

## The Bottom Line:

- Changes in taxes on homes vary significantly this year. Based on taxes shown on the TNT notice: 42.0% of Ramsey County homeowners are projected to have tax decreases, 43.8% would have moderate increases, and 14.2% would have increases greater than 10%. In St. Paul, tax increases are due largely to increased tax levies for the city, county, school district and special taxing districts and to tax shifts resulting from home taxable values growing at a faster rate than values for commercial/industrial or apartment properties.
- Many commercial/industrial and apartment properties will have moderate property tax increases.

## Estimated Percentage Change in 2009 Property Tax On Median Value Homestead Properties By City

City	School	Payable 2008 City Median Taxable Value	Payable 2009 City Median Taxable Value	% Change In Median Value	On TNT Notice	
					Estimated % Change From 2008 Total Tax	Estimated Change From 2008 Total Tax
Arden Hills	621	\$294,100	\$281,250	-4.4%	0.7%	\$21
	623	"	"	"	1.6%	46
Falcon Heights	623	279,200	268,200	-3.9%	1.6%	42
Gem Lake	624	300,050	286,600	-4.5%	-3.4%	-124
Lauderdale	623	196,650	192,850	-1.9%	4.0%	73
Little Canada	623	238,900	227,900	-4.6%	0.8%	17
	624	"	"	"	-2.2%	-55
Maplewood	622	222,600	209,600	-5.8%	3.3%	81
	623	"	"	"	0.4%	8
	624	"	"	"	-2.4%	-60
Mounds View	621	199,800	196,600	-1.6%	1.6%	39
New Brighton	282	236,500	226,650	-4.2%	9.2%	252
	621	"	"	"	0.2%	4
North Oaks	621	624,200	622,800	-0.2%	5.4%	339
	624	"	"	"	3.3%	200
North St. Paul	622	207,350	195,200	-5.9%	2.2%	48
Roseville	621	237,400	227,700	-4.1%	2.4%	62
	623	"	"	"	3.5%	82
St. Anthony	282	217,550	211,900	-2.6%	14.1%	389
St. Paul	625	191,900	183,000	-4.6%	0.3%	6
Shoreview	621	263,200	253,400	-3.7%	1.6%	47
	623	"	"	"	2.6%	68
Spring Lake Park	621	207,800	212,500	2.3%	4.8%	131
Vadnais Heights	621	239,200	230,000	-3.8%	1.3%	33
	624	"	"	"	-0.6%	-15
White Bear Lake	624	223,700	210,400	-5.9%	-5.4%	-119
White Bear Town	624	262,100	247,400	-5.6%	-1.6%	-41

School Districts: #282 – St. Anthony #621 – Mounds View #622 – Maplewood #623 – Roseville #624 – White Bear Lake #625 – St. Paul

*The TNT Notice amounts do not reflect any levy changes made after notices were mailed.*

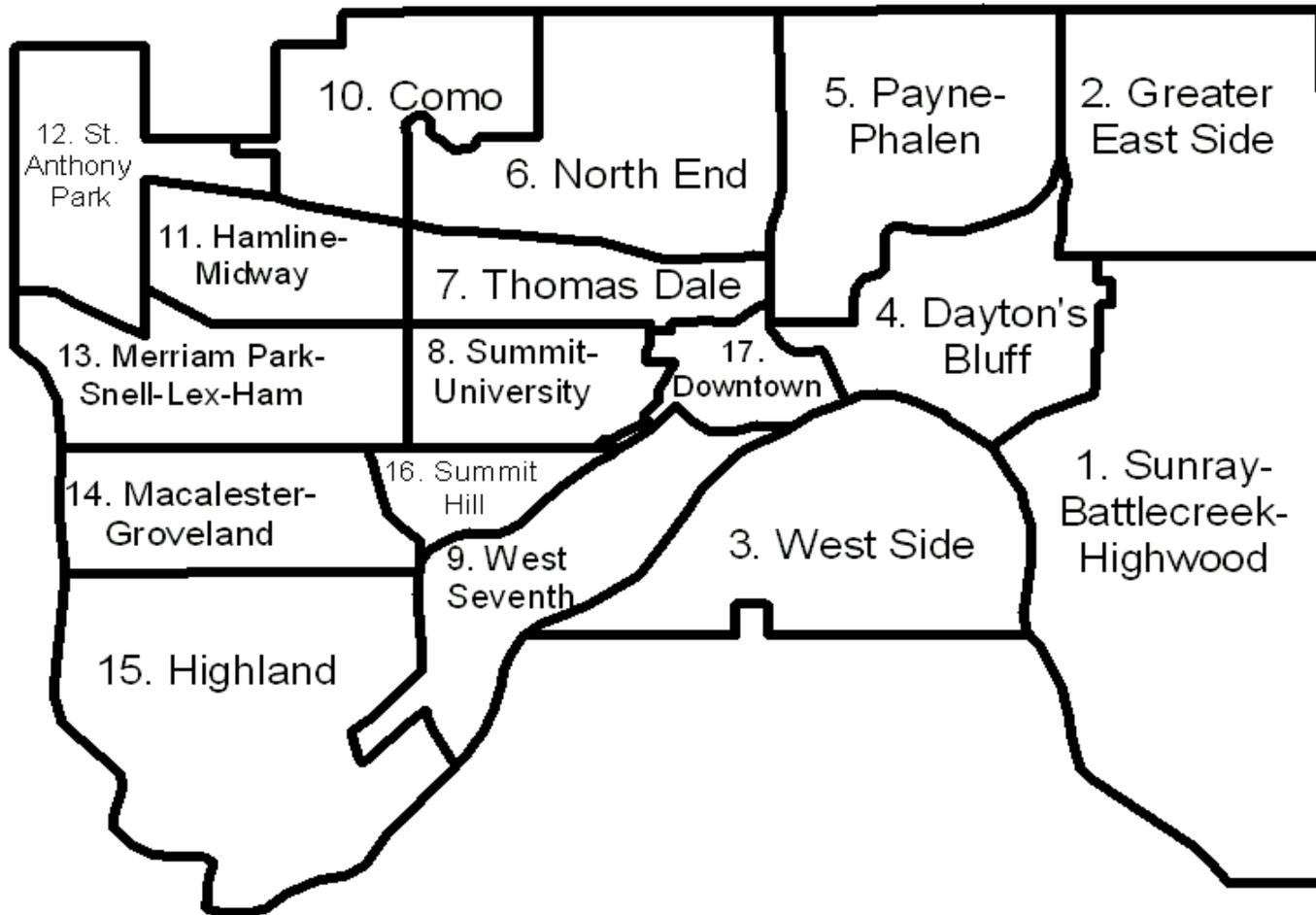
**Median Taxable Market Value of Residential Property  
By St. Paul Planning District  
Taxes Payable Year 2008 to Estimated 2009**

Values as of: For Taxes Payable In:	Median Taxable Home Market Values		
	01/02/07 2008	01/02/08 2009	% Change From '08 - '09
Planning District			
1. Sunray/Battlecreek/Highwood	\$195,800	\$180,600	-7.8%
2. Greater East Side	177,000	161,700	-8.6%
3. West Side	175,900	178,800	1.6%
4. Dayton's Bluff	156,400	136,200	-12.9%
5. Payne/Phalen	169,300	154,500	-8.7%
6. North End	165,600	146,700	-11.4%
7. Thomas Dale	145,800	136,450	-6.4%
8. Summit/University	202,400	200,600	-0.9%
9. West Seventh	172,200	177,400	3.0%
10. Como	228,700	220,200	-3.7%
11. Hamline/Midway	189,400	185,200	-2.2%
12. St. Anthony Park	281,400	280,350	-0.4%
13. Merriam Park/Snelling/Lexington/Hamlin	282,000	281,750	-0.1%
14. Macalester/Groveland	288,350	281,850	-2.3%
15. Highland	280,200	271,700	-3.0%
16. Summit Hill	380,000	378,500	-0.4%
17. Downtown	130,600	152,250	16.6%

Final Payable 2008 Rate	Proposed Payable 2009 Rate	Estimated	
102.306%	106.337%		
0.13505%	0.15864%		
P2008 Final Taxes	P2009 Estimated Taxes	\$ Change From '08 - '09	% Change From '08 - '09
\$2,071	\$1,997	-\$74	-3.6%
1,837	1,749	-88	-4.8%
1,823	1,973	150	8.2%
1,580	1,415	-165	-10.4%
1,741	1,655	-86	-4.9%
1,694	1,552	-142	-8.4%
1,447	1,418	-29	-2.0%
2,154	2,259	105	4.9%
1,777	1,955	178	10.0%
2,482	2,517	35	1.4%
1,992	2,057	65	3.3%
3,140	3,306	166	5.3%
3,147	3,325	178	5.7%
3,227	3,326	99	3.1%
3,125	3,192	67	2.1%
4,370	4,594	224	5.1%
1,258	1,626	368	29.3%

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

# City of St. Paul By Planning District



# Property Tax Refunds

## For Homeowners

**You may qualify for one or both refunds:**

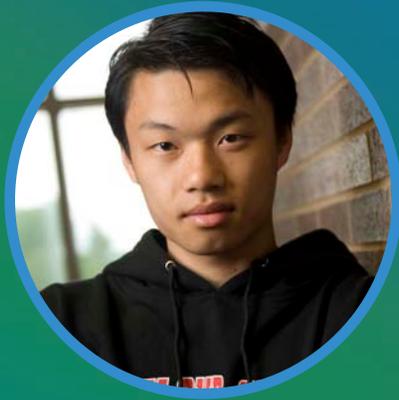
- **Special Refund (Targeting)**
  - No income limitations
  - Net property tax must increase 12% and more than \$100
  - Refund is 60% of the increase in tax over the 12%/\$100 floor up to \$1,000
  - Does not apply to tax increases resulting from new improvements to the property
- **Regular Refund (Circuit Breaker)**
  - Income Limits
    - Households with no dependents - \$96,940
  - Maximum refund is \$2,310
- **Filing Deadline:** August 17, 2009 (Returns can be filed up to a year after the due date)
- **Refunds paid:** By the end of September if you file by August 1, or 60 days after you file, whichever is later

## For Renters

- Income Limits
  - Households with no dependents - \$52,300
- Maximum refund is \$1,490
- **Filing Deadline:** August 17, 2009 (Returns can be filed up to a year after the due date)
- **Refunds paid:** By Mid-August if you file by June 15, or 60 days after you file, whichever is later
- **Certificate of Rent Paid:** You will need to include a completed CRP form (from your landlord) with your refund request. You should receive the CRP by January 31, 2009.

Refunds are paid by the Minnesota Department of Revenue

- Request refunds on state form M1-PR
- Contact the Department of Revenue
  - By phone at (651) 296-4444
  - On the internet at [www.taxes.state.mn.us](http://www.taxes.state.mn.us)
  - Or by writing: Minnesota Tax Forms  
Mail Station 1421  
St. Paul, MN 55146-1421



# Saint Paul Public Schools 2009 Proposed Property Tax Levy



[www.spps.org](http://www.spps.org)

## Key Dates Upcoming

Jan. 10 – Parent Information Fair,  
St. Paul RiverCentre,  
9:30 a.m. – 2 p.m.

Feb. 27 – Applications due for  
Secondary school enrollment

Mar. 6 – Applications due for  
Pre-kindergarten program &  
elementary enrollment

# Saint Paul Public Schools: Budget for 2008-09 School Year

## Keeping the promise in tough economic times

If you don't feel it in your pocket-book, you hear it in the news – these are tough economic times. The district faced a shortfall of nearly \$10 million in the last budget year due primarily to declining enrollment. The good news is that district is maintaining referendum commitments for early childhood learning and programs that ensure high school students are ready for life after graduation. These “bookends” of education were specifically funded through the referendum in 2006. The goal is to maintain these initiatives at least through the six years of the referendum and longer if possible.

Saint Paul Public Schools is not immune from fluctuating fuel prices and rising health care costs that affect most

individuals. With factors such as these, combined with state funding that has not kept pace with inflation, the district must budget and plan carefully. In addition, Saint Paul Public Schools is in a period of declining enrollment. Nearly all district revenue is based on the number of students enrolled. This adds another level of complexity. It is going to take innovation, bold thinking and diligent planning.

Thankfully, Saint Paul has always been a leader in education. You can look to your public schools to continue to provide the best solutions and a world-class education for all. Saint Paul Public Schools' commitment is to take every student to a higher level of academic achievement.

## Overview of current year budget

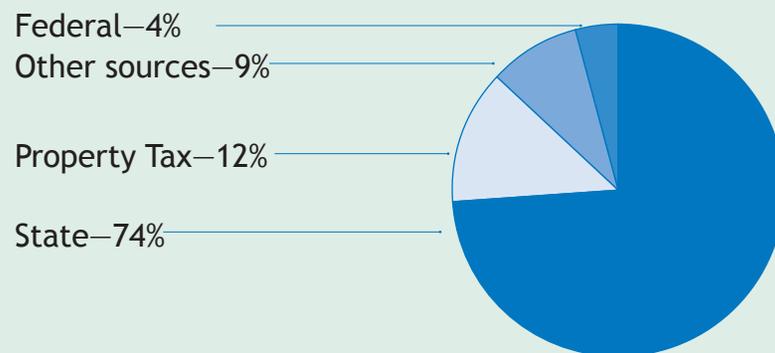
The adopted budget reflects expenditures of \$628.1 million. To balance the budget, Saint Paul Public Schools had to cover an approximate \$10 million shortfall. The deficit was offset partially by one-time revenue from the state Legislature of \$2.3 million. Those funds allowed the district to cover some staff expenses at district schools, and gave schools some flexibility with their budget planning this year. Saint Paul Public Schools use site-based councils, which include teachers and parents, to determine some budget priorities at the school level. It is a practice of Saint Paul Public Schools to work to keep budget reductions from affecting the quality of the classroom education and that was true for the current year's budget.

## 2008-09 BUDGET

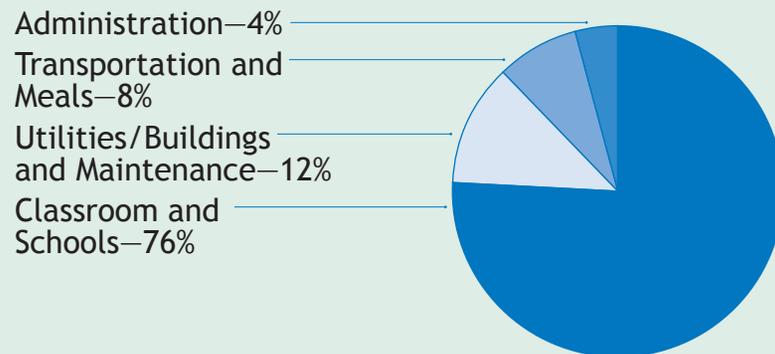
Saint Paul Public Schools will allocate financial resources for the 2008-09 budget as follows (the expenditures below represent total expenditures for the district including capital projects and debt service on those projects).

**Total Budget = \$628,134,588**

### Where the Money Comes From (Revenue):



### Where the Money is Invested (Expenses):



# Saint Paul Public Schools: Proposed Property Tax Levy for 2009-10

Saint Paul Public Schools  
Property Tax Proposed 2009-10



Proposed school district taxes for 2009 are 3.9 percent higher than the levy certified in 2008. Factors affecting the proposed levy are less state aid, inflation on the current referendum levy and principal and interest payments on district bonds.

## School district portion of levy slated to increase 3.9 percent

The state Legislature sets the formulas that provide revenue for the district. The Legislature also sets how much revenue comes from state sources and how much must be raised through property taxes. Approximately 11.3 percent of school district revenue will come from property taxes in 2009-10.

For taxes payable in 2008, the school

district portion of the property tax is proposed to increase 3.9 percent to \$106.9 million. This increase is in line with current inflation rates.

Saint Paul Public Schools kept down the cost of this year's proposed levy getting out of lease space. Lease levy savings go directly to property tax payers.

## The challenge: Modernize, stabilize funding for education

- Saint Paul Public Schools is in the midst of planning for Large-Scale System Change. The district faces a “structural” deficit, which means that the cost of running the district and delivering current programs will exceed available revenues.
- Enrollment is declining and is expected to level off around 2012 or 2013. All major revenue sources are connected to enrollment, and as a result the district projects a \$109 million deficit by 2014
- No Child Left Behind imposes a number of sanctions if schools and districts do not meet standards, however there is no additional funding for the added state and federal demands.
- Current state law provides no increase in new preK-12 education revenue next year. Meanwhile, demands of NCLB and of educating all students for a successful future have continued to increase.
- A comprehensive funding system is needed to eliminate the readiness gap for all children entering first grade; to provide a base amount so students have a reasonable chance to achieve state and federal academic expectations; to recognize the actual costs of providing special education, English Language Learner Programs, and gifted and talented programs; and to address geographic, market-based labor cost differences in Minnesota.

# OUR STUDENTS

## 2007-08 STUDENT DEMOGRAPHICS

Early Childhood Special Education .....	553
Kindergarten .....	3,040
Elementary (1-6) .....	17,761
Secondary (7-12 and Area Learning Centers) .....	18,196
<b>Official Enrollment Reported to State .....</b>	<b>39,550</b>
Early Kindergarten (4-year-old kindergarten) .....	999
<b>Enrollment Grand Total .....</b>	<b>40,549</b>

African American .....	29.3% or 11,593
Asian .....	30.2% or 11,959
Caucasian .....	25.3% or 10,014
Latino .....	13.3% or 5,277
American Indian .....	1.8% or 707

*Note: Early kindergarten students are not included in the ethnicity percentages because they are not included in the state desegregation rule.*

Home Language Other than English .....	43.9% or 17,586
Eligible for free or reduced price lunch ..	70.4% or 27,854
Mobility Index* .....	23%
Stability Index** .....	90%
Students receiving Special Education Services .....	16.9% or 6,701

\*The mobility index shows the degree to which students left during the school year.

\*\*The stability index shows the percentage of students who were enrolled for the entire year.

Source: Saint Paul Public Schools Data Center, October 2008.



# OUR STAFF

Saint Paul Public Schools employees are the everyday champions who spark the magic of learning with our students. Supporting those who teach are the unsung professionals who work behind-the-scenes to keep schools running efficiently. Research into closing the achievement gap consistently points to the importance of high-quality teaching staff.

Last year, Saint Paul Public Schools undertook a reorganization of central office staff in order to provide more direct support to schools and programs. This reorganization should have long-term benefits by streamlining central administration to operate more closely with schools.

## 2007-08 EMPLOYEE DEMOGRAPHICS

K-12 Teachers .....	3,399
Paraprofessionals .....	1,251
Support Staff .....	1,236
Principals and Other District Leaders .....	185
<b>Total Number of Staff .....</b>	<b>6,035</b>

Asian .....	6.8% or 412
African American .....	8.7% or 525
Caucasian .....	78.6% or 4,741
Latino .....	4.3% or 261
American Indian .....	1.6% or 96

Source: Saint Paul Public Schools Human Resource Department, October 2008.

# SCHOOLS AND PROGRAMS

Saint Paul Public Schools has over 100 facilities where we ensure our students are learning. They are the places where Saint Paul children grow into successful, contributing adults with the support and guidance of our skilled educational staff.

## FALL 2008\*\*

Elementary Schools (K-6)*** .....	44
Elementary/Middle Schools (1-8) .....	1
Dual Campus Sites (preK-8) .....	4
K-12 School .....	1
Junior/Middle Schools (7-8) .....	7
Senior High Schools (9-12) .....	7
Special Education School .....	1
<b>Total School Sites .....</b>	<b>65</b>
Other programs/sites .....	36
<i>(e.g. Special Education, Area Learning Centers, Administration)</i>	
<b>Total Sites .....</b>	<b>101</b>

\*\*\*This list does not include charter schools in Saint Paul.

\*\*Some school buildings include more than one school or program.

Source: Saint Paul Public Schools Office of Accountability, October 2008.



# Ramsey County 2009 Proposed Property Tax Levy

## Joint Property Tax Public Hearing – December 11, 2008

The Ramsey County budget provides public safety and justice services, health and human services, libraries, parks, transit and transportation systems and other community services, especially for those most vulnerable. It supports a strong, healthy, and economically sound community today and in the future; delivers cost-effective, quality services to County taxpayers; and positions the County to maintain the “Triple A” credit rating into the future. The budget responsibly balances the need for essential governmental services with our community’s ability to pay for these services.

Ramsey County officials encourage you to get involved with your county government and help shape our future. For more information on Ramsey County and its budget process, please go to the county website at: [www.co.ramsey.mn.us](http://www.co.ramsey.mn.us)

### Ramsey County Board Goals

- Be a leader in financial and operational management
- Promote multi-modal transit and transportation solutions that effectively serve our citizens
- Prevent crime and improve public safety
- Be a leader in responding to the changing demographics in Ramsey County
- Proactively deliver services that improve the quality of life for children and families, and individuals with special needs
- Protect our natural resources and the quality of our environment

#### **Ramsey County Board of Commissioners 651-266-8350**

Tony Bennett	District 1	Jan Parker	District 2
Toni Carter	District 4	Victoria Reinhardt	District 7
Jim McDonough	District 6	Janice Rettman	District 3
Rafael Ortega	District 5		

#### **Interim Ramsey County Manager 651-266-8000**

Patrick O'Connor

#### **Ramsey County Finance Director 651-266-8040**

Julie Kleinschmidt

#### **Ramsey County Sheriff 651-266-9333**

Bob Fletcher

#### **Ramsey County Attorney 651-266-3222**

Susan Gaertner

#### **Ramsey County Property Tax Information 651-266-2000**



# Ramsey County 2009 Proposed Tax Levy

## FACTORS AFFECTING THE 2009 PROPOSED TAX LEVY

State or Federal costs shifts or revenue reductions for mandated services:

- Federal funding for child support collection and enforcement services cut
  - tax levy increase \$729,000
- State funding cut for county housing of state prisoners
  - tax levy increase \$417,000
- State elimination of funding for legal defense of parents of children in need of protection
  - tax levy increase \$125,000
- State billing increase for housing and treatment of sexual predators in State facilities
  - tax levy increase \$652,000

## RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY



No levy increase is proposed for 2009 consistent with the long range capital and financing plan adopted by the Authority in 2005. The plan extends through 2014 and includes construction of a light rail transit corridor between downtown Saint Paul and downtown Minneapolis, development of a multi-modal transit hub at the historic Union Depot in downtown Saint Paul, and purchase of rights of way to preserve options for rail transit corridors.

## BUDGET HIGHLIGHTS

### Public Safety & Justice

- Largest 2009 levy increase
- New Emergency Communications Center operations
  - \$977,000 budget increase
- Adult Corrections Facility renovation and expansion completed fall 2008; first full year of operations
  - \$930,000 budget increase
- Boys Totem Town correctional facility renovation capital project
  - \$900,000 budget increase for pre-design study

### Health & Human Services

- Smallest 2009 levy increase
- Loss of 9 positions in Community Human Services
- First full year of operations of Ramsey County Care Center's new transitional care unit; additional staffing of 6.6 positions
- Modest increase for community partners/vendors delivering human services
- Reduction of County subsidy to Resource Recovery facility
  - \$1.8 million budget decrease

### Transportation, Recreation, & Culture

- State revenue for roads and bridges
  - \$480,000 budget increase for maintenance
- Modest increases for Parks, Public Works, and Libraries
- Roseville Library renovation and expansion
  - \$9.5 million capital improvement project budget

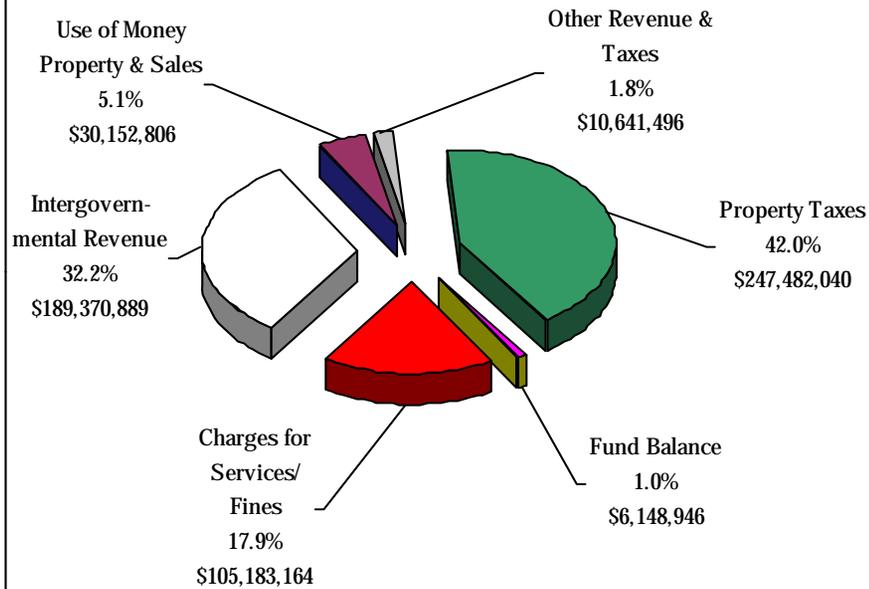
### County Administration, General Purpose, & Taxpayer Services

- Preservation and maintenance of existing infrastructure
- Retiree health insurance liability funding



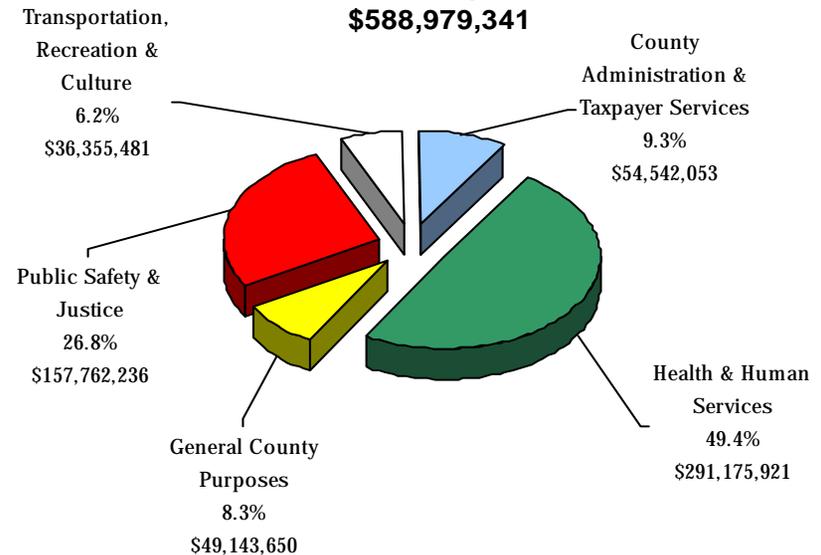
# Ramsey County 2009 Proposed Property Tax Levy

## Where The County Dollar Comes From \$588,979,341



The majority -85%- of services provided by the county are required by federal and/or state laws and rules. In recent years, aid to the County has not kept up with costs, driving the reliance on property taxes higher.

## Where The County Dollar Goes \$588,979,341





## Ramsey County Budget Summary

### Budget, Revenue, and County Tax Levy Comparison 2008 to 2009

	<b>2008 Approved</b>	<b>2009 Proposed</b>	<b>Increase (Decrease)</b>	<b>% Inc./.(Dec.)</b>
<b>County</b>				
<b>Budget (Spending)</b>	\$570,945,720	\$588,979,341	\$18,033,621	3.2%
<b>Revenue</b>	327,104,593	335,348,355	8,243,762	2.5%
<b>Used from Fund Balance</b>	7,026,719	6,148,946	(877,773)	-12.5%
<b>County Tax Levy *</b>	242,063,050	253,013,187	10,950,137	<b>4.5%</b>
<hr/>				
<b>Regional Railroad Authority</b>				
<b>Budget (Spending)</b>	\$41,540,979	\$32,708,558	(\$8,832,421)	-21.3%
<b>Revenue</b>	17,475,400	16,475,400	(1,000,000)	-5.7%
<b>Used from (Added to) Fund Balance</b>	4,517,725	3,314,695	(1,203,030)	-26.6%
<b>Regional Railroad Authority Tax levy*</b>	19,938,811	19,938,811	0	<b>0.0%</b>
<hr/>				
<b>Combined County and Regional Railroad Authority Tax levy*</b>				
	<b>\$ 262,001,861</b>	<b>\$ 272,951,998</b>	<b>\$ 10,950,137</b>	<b>4.2%</b>

\*This is the total property tax levy used to determine tax rates. Actual financing available to support the budget is less, due to a 2% "shrinkage" allowance for uncollectible taxes. The State pays a portion of the tax levy through the Market Value homestead Credit, which is included in these numbers.



**City of Saint Paul**

**Office of Financial Services**

Telephone: (651) 266-8797

Website: [www.stpaul.gov](http://www.stpaul.gov)

(Includes detailed budget information)

# City of Saint Paul

## 2009 Recommended Tax Levy Information

Tax information: <http://www.stpaul.gov/taxes/>

Joint Property Tax Hearing  
December 11, 2008 6:00 pm  
Saint Paul Arlington High School

**Mayor Christopher B. Coleman**

***City Councilmembers:***

Melvin Carter	Ward 1
Dave Thune	Ward 2
Pat Harris	Ward 3
Russ Stark	Ward 4
Lee Helgen	Ward 5
Dan Bostrom	Ward 6
Kathy Lantry, Council President	Ward 7

## Facts about the City of Saint Paul's 2009 Budget and Property Taxes

The proposed 2009 budgets for the City of Saint Paul and the Saint Paul Public Library Agency total \$633 million, including operations, debt service, and capital expenditures. The overall proposed budget for 2009 is \$46.2 million more than the 2008 budget of \$587 million.<sup>1</sup> The combined operating budgets for the City and Library are recommended to increase by 5.9%.

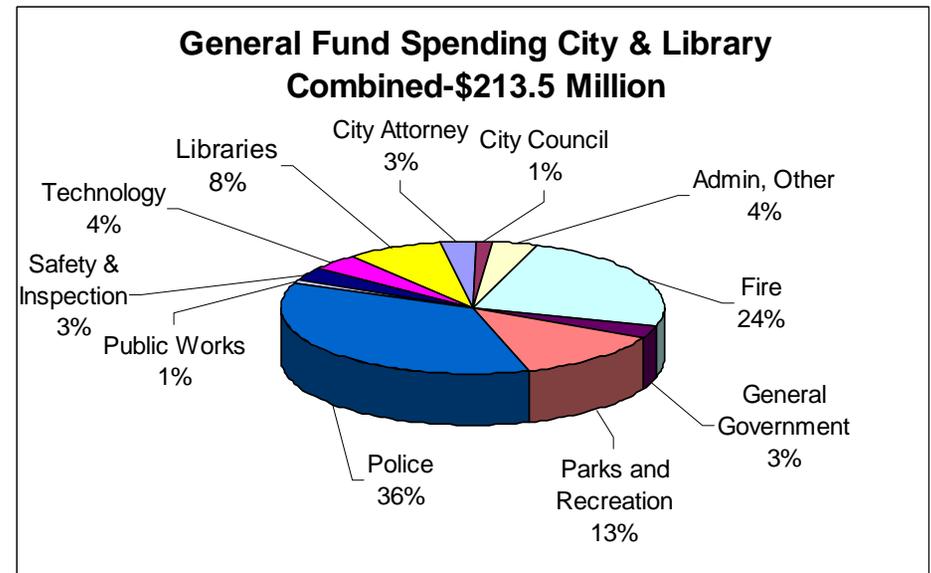
The City of Saint Paul is proposing an **8.0%** increase in the property tax levy collected for 2009 City operations. The City expects to collect \$87.14 million in property taxes in 2009 to fund its operations, about **\$6.6** million more than in 2008. **\$2.1** million will also be levied on behalf of the Saint Paul Port Authority to support economic development activities.

Property taxes go to the City's General Fund and help the City operate and maintain City services and infrastructure including 6 Police stations, 16 Fire stations, and 33 recreation centers.

In 2009, property taxes are proposed to finance 30.4% of the General Fund. The remainder is non-property tax financing from a variety of resources, including parking revenues, franchise fees, local government aid from the state, and available fund balances from outside the General Fund.

The proposed 2009 budget makes strategic investments in the City's services to:

- Improve public safety by adding 14 officers to our Police Department and a *super medic* team to our Fire Department
- Increase library services by providing morning library hours at our branch libraries
- Improve the way the City does its business with technology improvements that will save money long-term



<sup>1</sup> In order to provide an accurate comparison, 2008 budget figures are reported here after removing \$50 million in spending for the RNC, which was offset by a federal grant for the same amount.

**Property Tax Levy and State Aid: City, Library Agency and Port Authority Combined  
Property Tax Levy Will Increase By \$6.6 Million**

**Property Tax Levy\***

	<u>2008 Adopted</u>	<u>2009 Proposed</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct of City 08 Total</u>	<u>Pct of City 09 Total</u>
City of Saint Paul						
General Fund	57,398,942	60,962,659	3,563,717	6.2%	71.3%	70.0%
General Debt Service	8,173,446	10,865,320	2,691,874	32.9%	10.1%	12.5%
Saint Paul Public Library Agency	14,958,449	15,314,285	355,836	2.4%	18.6%	17.6%
<b>Total (City and Library combined)</b>	<b>80,530,837</b>	<b>87,142,264</b>	<b>6,611,427</b>	<b>8.2%</b>	<b>100.0%</b>	<b>100.0%</b>
Port Authority	2,112,000	2,112,000	0	0.0%		
<b>Overall Levy (City, Library &amp; Port)</b>	<b>82,642,837</b>	<b>89,254,264</b>	<b>6,611,427</b>	<b>8.0%</b>		

\* This is the total property tax levy used to determine tax rates. Actual financing available to support the budget is less, due to a 2% "shrinkage" allowance for delinquent taxes. The State pays a portion of the tax levy through the Market Value Homestead Credit, which is included in these numbers.

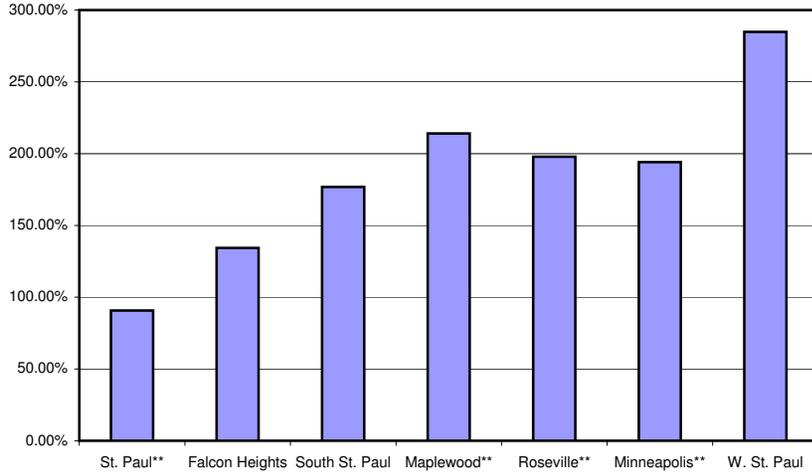
**Local Government Aid Financing**

	<u>2008 Adopted</u>	<u>2009 Proposed</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct. of 08 Total</u>	<u>Pct. of 09 Total</u>
City of Saint Paul						
General Fund	54,261,998	59,845,357	5,583,359	10.3%	95.6%	95.6%
General Debt Service	0	0	0	N.A.	0.0%	0.0%
Saint Paul Public Library Agency	2,519,646	2,754,661	235,015	9.3%	4.4%	4.4%
<b>Total (City and Library combined)</b>	<b>56,781,644</b>	<b>62,600,018</b>	<b>5,818,374</b>	<b>10.2%</b>	<b>100.0%</b>	<b>100.0%</b>

# How do St. Paul's City Property Taxes and Maintenance Assessments Compare with Nearby Cities?

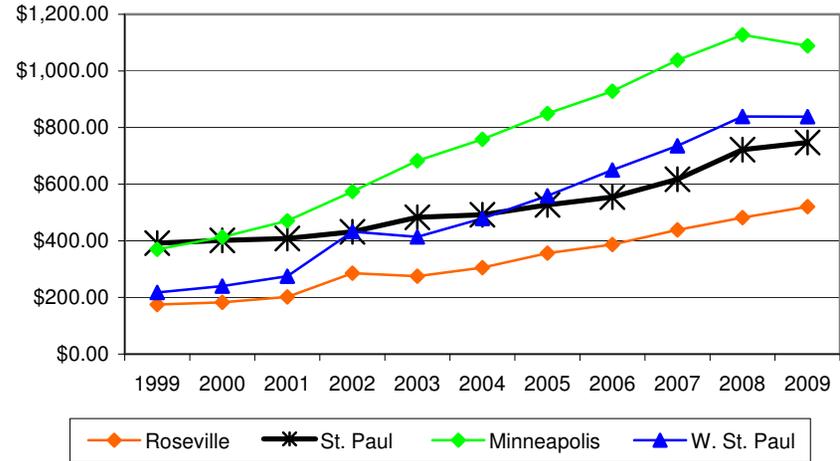
**Percent Increase in Property Taxes/Assessments 1999-2009**

*Based on City Taxes/Assessments Applied to the Taxable Value of a Median St. Paul Home*



**Annual Property Tax/Assessment Trends 1999-2009**

*Based on City Taxes/Assessments Applied to the Taxable Value of a Median Saint Paul Home*



## Property Tax/Assessment Comparison 1999-2009

*Based on City Taxes/Assessments Applied to the Taxable Value of a Median St. Paul Home in the Given Year*

<b>Median Est. Market Value*</b>	<b>\$ 76,100</b>	<b>\$ 183,000</b>	
<b>Median Taxable Value*</b>	<b>\$ 72,315</b>	<b>\$ 183,000</b>	
<b>City</b>	<b>1999</b>	<b>2009</b>	<b>% Change</b>
<b>St. Paul**</b>	<b>\$ 391.80</b>	<b>\$ 747.19</b>	<b>90.71%</b>
Falcon Heights	\$ 149.91	\$ 351.29	134.33%
South St. Paul	\$ 261.85	\$ 724.73	176.77%
Maplewood**	\$ 203.90	\$ 640.28	214.02%
Roseville**	\$ 174.90	\$ 520.87	197.81%
Minneapolis**	\$ 370.05	\$ 1,088.45	194.14%
W. St. Paul	\$ 217.88	\$ 838.49	284.84%

\* Estimated and taxable market values are based on a median St. Paul home. Tax amounts for each municipality are based on the taxable market value listed. Market-Value Homestead credit is not included in the tax calculations.

\*\* Figures for St. Paul include an estimated Right of Way assessment. Figures for Minneapolis, Maplewood and Roseville include voter-approved market value levies for city projects.