

City of Shoreview Budget Hearing Presentation

2021 BUDGET AND TAX LEVY

Presentation Notes/Format

- Handout
 - 2021 Budget Summary (booklet)
 - Page numbers in presentation refer to booklet pages
 - Not all material will be covered in the presentation
- Other information on website
 - Community Benchmarks
 - Five-Year Operating Plan
 - Utility Operations
 - CIP



Budget Objectives

- Balanced General Fund budget
- Maintain existing services and programs
- Recover utility operating costs
- Fund infrastructure replacements
- Continue five-year financial planning for operating funds
- Meet debt obligations
- Maintain AAA bond rating
- Amend biennial budget
- Protect, enhance and expand parks and recreational facilities

Budget Objectives (continued)

- Position the City to address future challenges and opportunities
 - Maintain and revitalize neighborhoods
 - Encourage business expansion and reinvestment
 - Assist with redevelopment opportunities
 - Continue to utilize technology to improve services and communications

Proposed Tax Levy and Estimated Tax Rate

	2020	2021	Change		Impact on Total Levy
	Adopted Levy	Proposed Levy	Amount	Percent	
General Fund	\$ 8,822,826	\$ 9,279,666	\$ 456,840	5.18%	3.56%
EDA Fund	160,000	165,000	5,000	3.13%	0.04%
Debt (all funds combined)	1,180,000	1,178,000	(2,000)	-0.17%	-0.02%
Replacement Funds	2,607,000	2,750,208	143,208	5.49%	1.12%
Capital Acquisition Fund (IT)	50,000	50,000	-	0.00%	0.00%
Edison Tax Abatement	-	43,000	43,000	100.00%	0.34%
Total City Tax Levy	\$ 12,819,826	\$ 13,465,874	\$ 646,048	5.04%	5.04%
Taxable Value (millions)	\$ 35.789	\$ 38.051	\$ 2.262	6.32%	
Tax Rate-City	32.626%	32.321%	-0.305%	-0.93%	
Fiscal Disparities Contribution	\$ 1,143,065	\$ 1,167,262	\$ 24,197	2.12%	

Shoreview receives no local governmental state aid in 2020 or 2021. 2021 HRA levy is \$265,000.

Items Impacting the Tax Levy

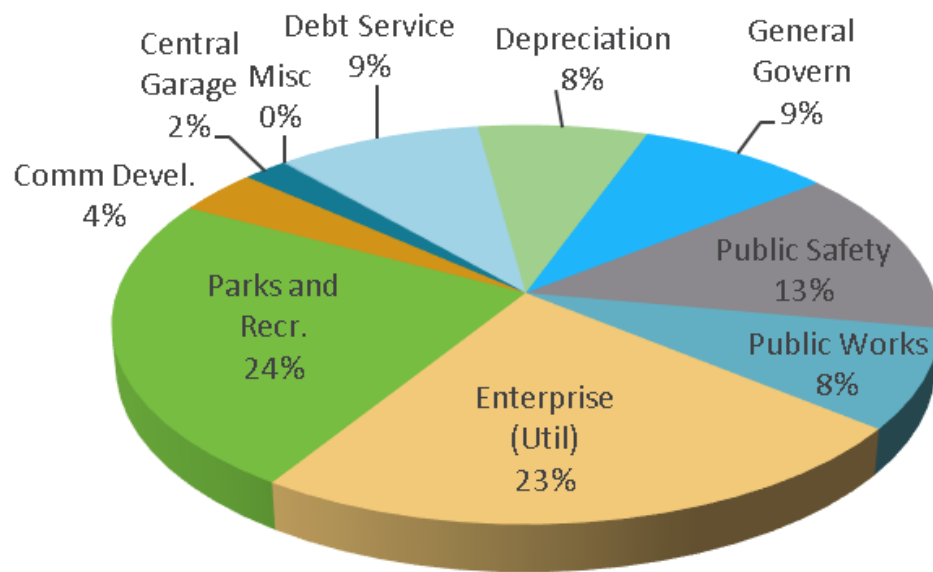
Public Safety contracts (police & fire)	\$	176,156
Staff changes & wage adjustments/benefits (net)		157,724
Capital fund levies		143,208
Administrative charges to other funds		63,780
Transfers to Community Center/Park & Rec. funds		60,000
Contractual - all funds		53,012
Supplies - all funds		44,492
Edison tax abatement levy		43,000
State aid		38,122
EDA levy		5,000
All other changes combined (net)		3,800
Transfer from utility funds		(25,000)
Building permit/plan check fees		(25,100)
Election costs		(39,655)
Computer maintenance/support		(52,491)
Total city levy changes		646,048
HRA levy		5,000
Total levy changes	\$	<u>651,048</u>

Total Operating Expenses

Expense	2020		2021	Change from
	Budget	Revised Estimate	Revised Budget	2020 Budget
General Government	\$ 2,894,287	\$ 2,844,757	\$ 2,913,711	\$ 19,424
Public Safety	4,290,600	4,494,813	4,466,756	176,156
Public Works	2,663,416	2,470,808	2,656,728	(6,688)
Parks and Recr.	7,989,269	6,479,150	7,863,626	(125,643)
Community Devel.	1,186,946	1,453,201	1,221,147	34,201
Enterprise Oper.	7,270,735	7,439,940	7,681,587	410,852
Central Garage	635,619	626,241	671,031	35,412
Miscellaneous	41,000	74,000	41,000	-
Debt Service	3,059,131	3,207,493	3,065,899	6,768
Depreciation	2,495,000	2,495,000	2,562,000	67,000
Total Expense	\$ 32,526,003	\$ 31,585,403	\$ 33,143,485	\$ 617,482
				1.9%

Excluding capital funds and transfers between funds

Total Operating Expenses



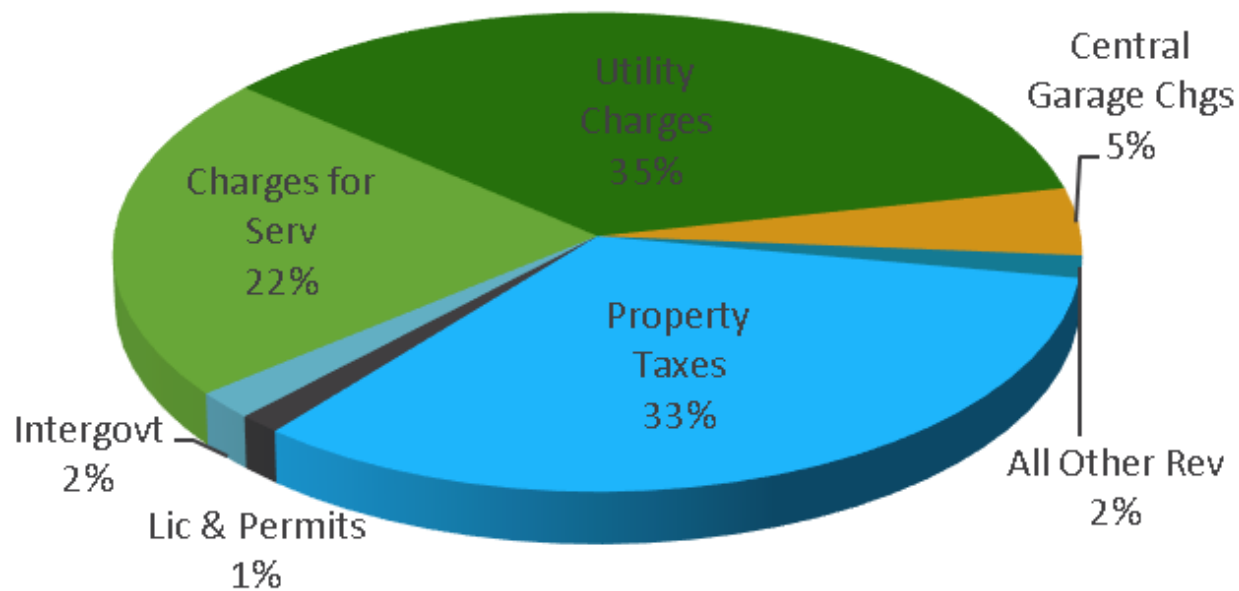
Excluding capital funds and transfers between funds

Total Operating Revenue

	2020		2021	Change from
	Budget	Revised Estimate	Revised Budget	2020 Budget
Revenue				
Property Taxes	\$ 10,422,826	\$ 10,422,826	\$ 10,887,666	\$ 464,840
Special Assessments	194,024	224,758	168,006	(26,018)
Licenses and Permits	421,900	956,050	435,200	13,300
Intergovernmental	670,022	2,701,057	624,000	(46,022)
Charges for Services	7,981,105	4,776,500	7,273,110	(707,995)
Fines and Forfeits	53,500	48,810	53,500	-
Utility Charges	11,085,500	11,084,111	11,668,000	582,500
Central Garage Chgs	1,451,000	1,451,000	1,495,000	44,000
Interest Earnings	211,280	198,410	205,600	(5,680)
Other Revenues	73,450	59,273	65,950	(7,500)
Total Revenue	\$ 32,564,607	\$ 31,922,795	\$ 32,876,032	\$ 311,425
				1.0%

Excluding capital funds and transfers between funds

Total Operating Revenue



Excluding capital funds and transfers between funds

Budget Reduction/ Efficiency Strategies

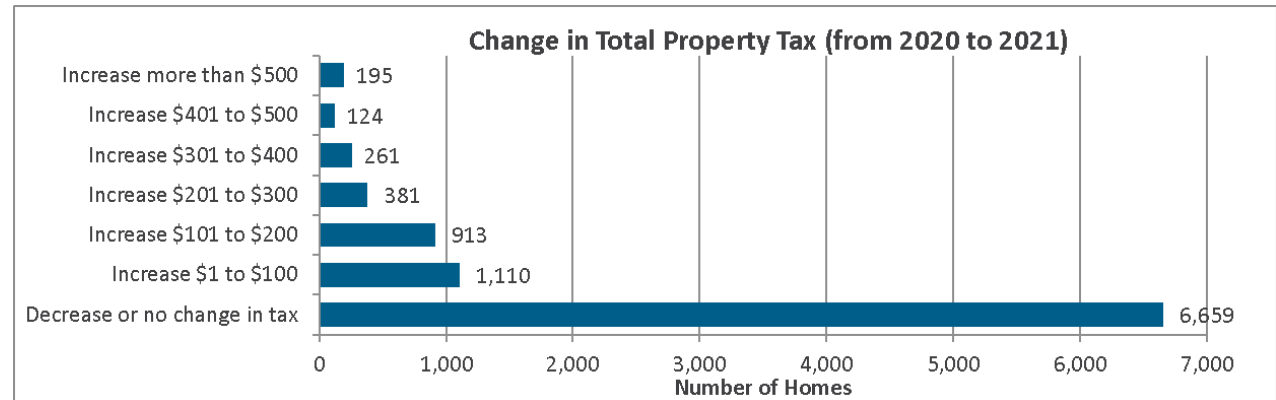
- Contract for police and fire protection
- Continue use of correctional crew
- Maintain no contingency allowance
- Long-term preventative maintenance
- Maintain high-deductible health insurance plan
- Capitalize on debt refunding opportunities
- Maintain AAA bond rating

Impact on Homes Market Value Changes

Shoreview Residential Property		
Value Change	Number of Homes	Percent of Total
Increase 50.1% or more	9	0.10%
Increase 40.1% to 50.0%	2	0.02%
Increase 30.1% to 40.0%	24	0.25%
Increase 20.1% to 30.0%	70	0.74%
Increase 10.1% to 20.0%	1,385	14.63%
Increase .1% to 10.0%	6,098	64.42%
No change	456	4.82%
Decrease .1% to 10.0%	1,346	14.22%
Decrease 10.1% to 20.0%	68	0.72%
Decrease 20.1% or more	8	0.08%
Total Parcels	9,466	100.0%

Impact on Homes Change in Total Tax

Shoreview Residential Property		
Tax Change	Number of Homes	Percent of Total
Decrease or no change	6,659	69.05%
Increase \$1 to \$100	1,110	11.51%
Increase \$101 to \$200	913	9.47%
Increase \$201 to \$300	381	3.95%
Increase \$301 to \$400	261	2.71%
Increase \$401 to \$500	124	1.29%
Increase more than \$500	195	2.02%
Total Parcels	9,643	100.0%



Impact on Homes City Tax Change (Median Home Value)

Shoreview share of tax bill only

Market Value		Value Change	City Portion of Property Tax		Change in City Property Tax	
2020	2021		2020	2021	Dollars	Percent
\$ 280,400	\$ 336,450	20.0%	\$ 875.68	\$ 1,064.98	\$ 189.30	21.6%
\$ 305,900	\$ 336,450	10.0%	\$ 966.38	\$ 1,064.98	\$ 98.60	10.2%
\$ 326,300	\$ 336,450	3.1%	\$ 1,038.81	\$ 1,064.98	\$ 26.17	2.5%
\$ 354,200	\$ 336,450	-5.0%	\$ 1,137.99	\$ 1,064.98	\$ (73.01)	-6.4%
\$ 373,800	\$ 336,450	-10.0%	\$ 1,207.81	\$ 1,064.98	\$ (142.83)	-11.8%

Assumes Mounds View schools, and Rice Creek Watershed

Impact on Homes City Tax Change (Various Home Values)

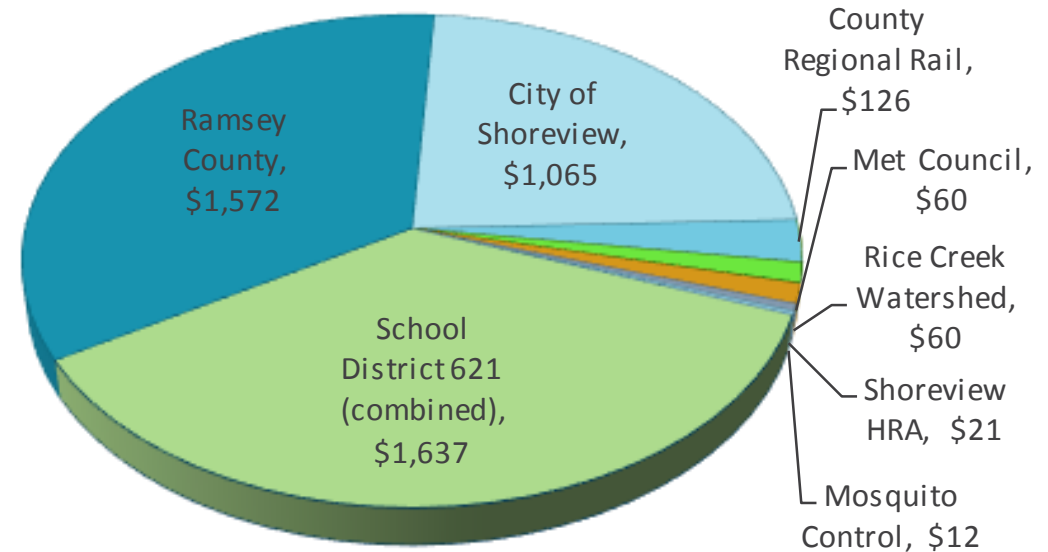
Shoreview share of tax bill only

Market Value		Value Change	City Portion of Property Tax		Change in City Property Tax	
2020	2021		2020	2021	Dollars	Percent
\$ 145,500	\$ 150,000	3.1%	\$ 396.08	\$ 408.21	\$ 12.13	3.1%
\$ 194,000	\$ 200,000	3.1%	\$ 568.34	\$ 584.36	\$ 16.02	2.8%
\$ 326,300	\$ 336,450	3.1%	\$ 1,038.81	\$ 1,064.98	\$ 26.17	2.5%
\$ 388,000	\$ 400,000	3.1%	\$ 1,258.38	\$ 1,288.96	\$ 30.58	2.4%
\$ 485,000	\$ 500,000	3.1%	\$ 1,582.36	\$ 1,616.05	\$ 33.69	2.1%
\$ 679,000	\$ 700,000	3.1%	\$ 2,361.47	\$ 2,424.08	\$ 62.61	2.7%
\$ 873,000	\$ 900,000	3.1%	\$ 3,152.65	\$ 3,232.10	\$ 79.45	2.5%

Assumes Mounds View schools, Rice Creek Watershed, and 3.1% value increase

Distribution of 2021 Estimated Total Property Tax Bill = \$4,553

School District 621 (combined)	\$ 1,637	35.95%
Ramsey County	\$ 1,572	34.53%
City of Shoreview	\$ 1,065	23.39%
County Regional Rail	\$ 126	2.77%
Met Council	\$ 60	1.32%
Rice Creek Watershed	\$ 60	1.32%
Shoreview HRA	\$ 21	0.46%
Mosquito Control	\$ 12	0.26%
	<u>\$ 4,553</u>	



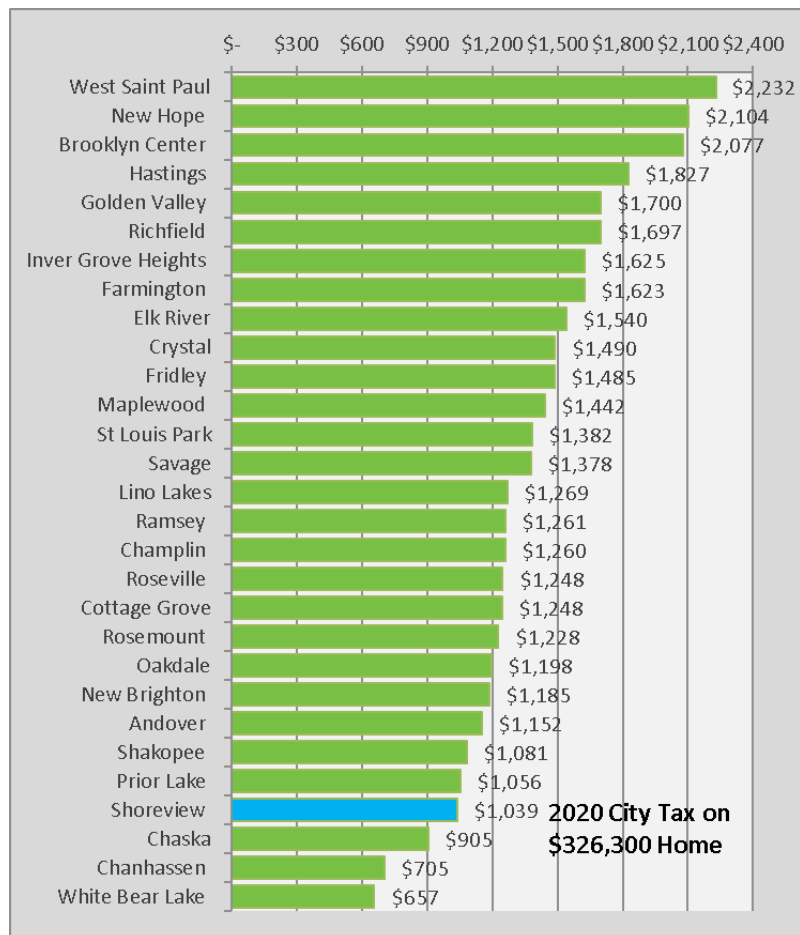
Shoreview is 23% of total

Property Tax Comparison

2020 City Tax on
\$326,300 Home

Shoreview is 25%
below average of
\$1,383

(Shoreview and 28
other Metro area
comparison cities)

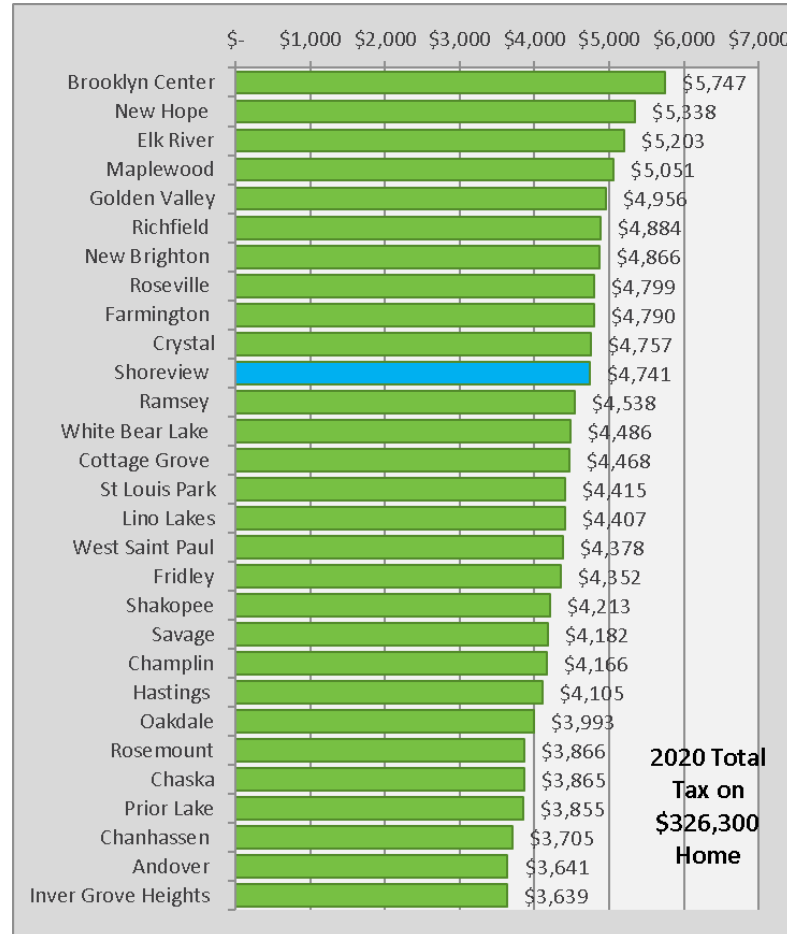


Property Tax Comparison

2020 Total Tax on
\$326,300 Home

Shoreview is 6.2%
above average of
\$4,462

(Shoreview and 28
other Metro area
comparison cities)



Additional City Handouts

- Community Benchmarks
- Utility Operations and 2021 Utility Rates
- 2021 Shoreview Property Tax Dollar
- State property tax refunds/deferrals
- Process to appeal estimated market value

[Note: Please refer to the reverse side of estimated tax statement]

Future Council Action December 21, 2020

- Amend
 - 2021 Budget
 - 2021 to 2025 Capital Improvement Program
- Adopt
 - 2021 Tax levy
 - 2021 Utility rates