

City of Shoreview Budget Hearing Presentation

2022 BUDGET AND TAX LEVY

Presentation Notes/Format

- Handout
 - 2022 - 2023 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
- Prepare a 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

	2021	2022	Change		Impact on Total Levy
	Adopted Levy	Proposed Levy	Amount	Percent	
General Fund	\$ 9,279,666	\$ 9,809,785	\$ 530,119	5.71%	3.94%
EDA Fund	165,000	190,000	25,000	15.15%	0.19%
Debt (all funds combined)	1,178,000	1,071,000	(107,000)	-9.08%	-0.79%
Replacement Funds	2,750,208	2,912,922	162,714	5.92%	1.21%
Capital Improvement Funds	50,000	50,000	-	0.00%	0.00%
Edison Tax Abatement	43,000	43,000	-	0.00%	0.00%
Total Tax Levy	\$ 13,465,874	\$ 14,076,707	\$ 610,833	4.54%	4.54%
Taxable Value (millions)	\$ 38.039	\$ 38.787	\$ 0.748	1.97%	
Tax Rate-City	32.331%	32.990%	0.659%	2.04%	
Fiscal Disparities Contribution	\$ 1,167,262	\$ 1,280,826	\$ 113,564	9.73%	

Shoreview receives no local governmental state aid in 2021 or 2022.
2022 HRA levy is \$280,000.

Items Impacting the Tax Levy

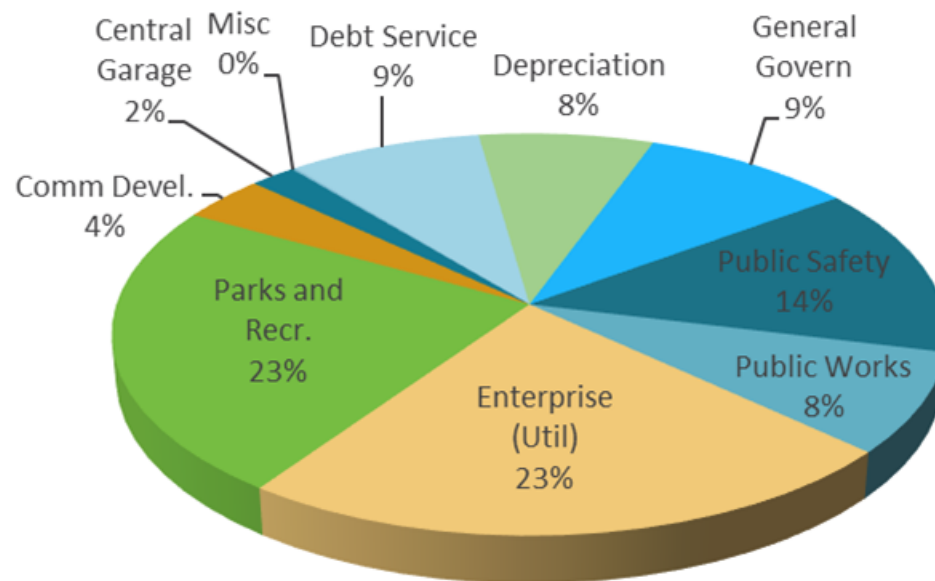
Public Safety contracts (police & fire)	\$	289,582
Contractual costs		187,190
Capital fund levies		162,714
Staff changes & wage adjustments/benefits (net)		149,416
Transfers to Comm Center/Park & Rec./Slice funds		70,000
Transfer from cable TV fund		50,000
Election costs		48,972
EDA levy		25,000
All other changes combined (net)		4,739
Tree removal and treatment revenue		(13,500)
Permit revenue & plan check fees		(17,000)
Earnings on investments		(20,000)
Transfer from utility funds		(25,000)
MSA maintenance		(31,000)
Debt levies		(107,000)
Administrative charges to other funds		(163,280)
Total City levy changes		610,833
HRA levy		15,000
Total levy changes	\$	<u>625,833</u>

Total Operating Expenses

Expense	2021		2022	2023
	Budget	Revised Estimate	Proposed Budget	Proposed Budget
General Government	\$ 2,913,711	\$ 2,832,645	\$ 3,257,031	\$ 3,258,690
Public Safety	4,466,756	4,645,942	4,756,338	4,977,810
Public Works	2,656,728	2,524,434	2,775,772	2,859,332
Parks and Recr.	7,863,626	6,735,184	8,074,664	8,369,699
Community Devel.	1,221,147	1,463,628	1,294,515	1,350,600
Enterprise Oper.	7,681,587	7,537,362	7,903,321	8,143,859
Central Garage	671,031	676,772	711,251	773,435
Miscellaneous	41,000	42,000	52,500	42,000
Debt Service	3,065,899	3,063,673	2,989,666	2,944,961
Depreciation	2,562,000	2,622,000	2,700,000	2,746,000
Total Expense	<u>\$ 33,143,485</u>	<u>\$ 32,143,640</u>	<u>\$ 34,515,058</u>	<u>\$ 35,466,386</u>
			4.1%	2.8%

Excluding capital funds and transfers between funds

2022 Total Operating Expenses



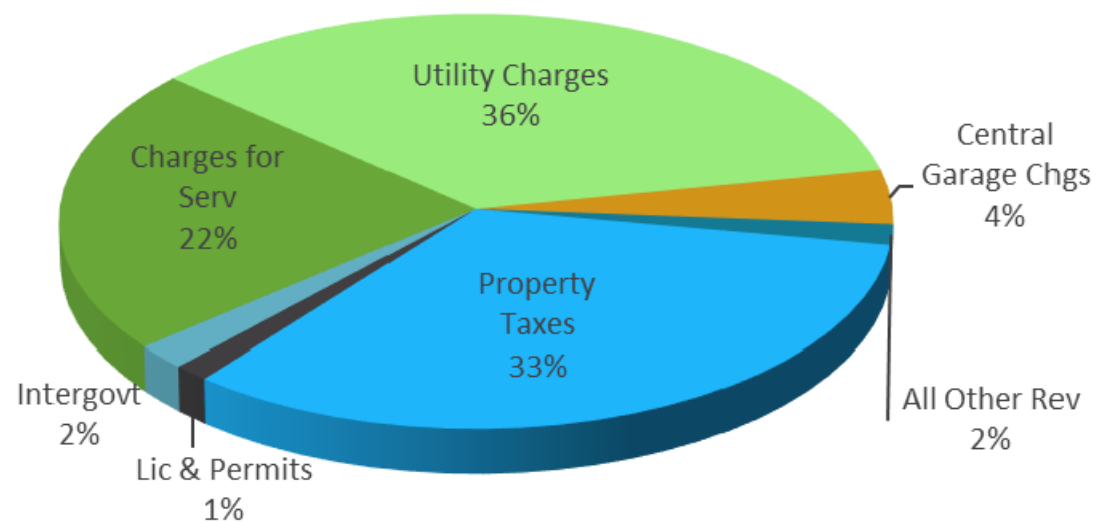
Excluding capital funds and transfers between funds

Total Operating Revenue

	2021		2022	2023
	Budget	Revised Estimate	Proposed Budget	Proposed Budget
Revenue				
Property Taxes	\$ 10,887,666	\$ 10,887,666	\$ 11,350,785	\$ 11,989,645
Special Assessments	168,006	165,776	206,526	242,324
Licenses and Permits	435,200	941,750	449,950	447,950
Intergovernmental	624,000	704,059	662,400	676,600
Charges for Services	7,273,110	5,941,339	7,756,920	7,978,253
Fines and Forfeits	53,500	40,500	53,500	53,500
Utility Charges	11,668,000	12,081,000	12,255,000	12,711,000
Central Garage Chgs	1,495,000	1,424,944	1,466,916	1,497,051
Interest Earnings	205,600	226,300	224,940	221,520
Other Revenues	65,950	49,985	65,550	65,550
Total Revenue	\$ 32,876,032	\$ 32,463,319	\$ 34,492,487	\$ 35,883,393
			4.9%	4.0%

Excluding capital funds and transfers between funds

2022 Total Operating Revenue



Excluding capital funds and transfers between funds

Budget Reduction/ Efficiency Strategies

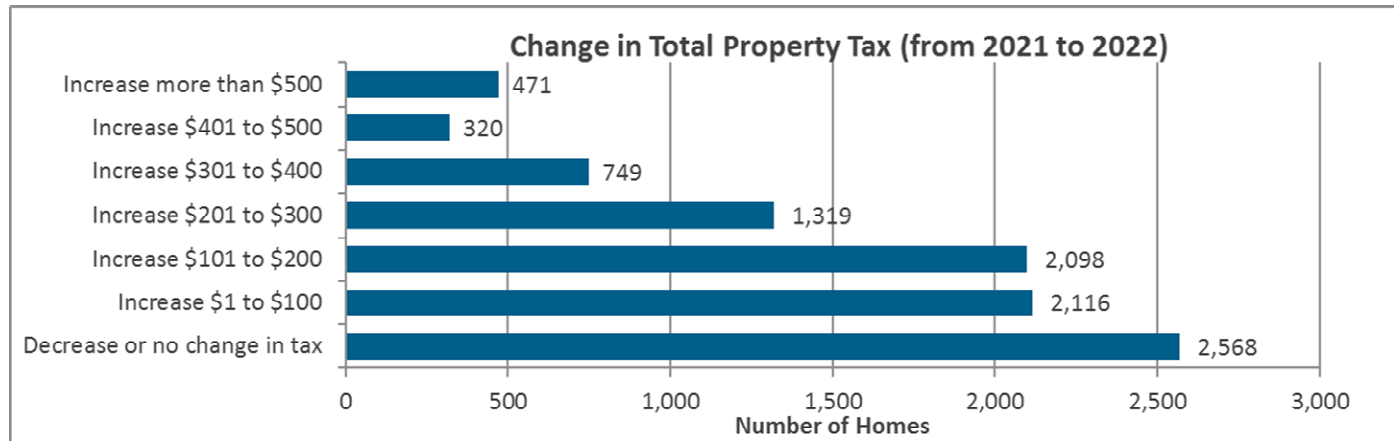
- Contract for police and fire protection
- Continue use of correctional crew
- Maintain no contingency allowance
- Long-term preventative maintenance
- Maintain high-deductible health insurance plan
- Capitalize on debt refunding opportunities
- Maintain AAA bond rating

Impact on Homes Market Value Changes

Value Change	Number of Homes	Percent of Total
Increase more than 50.1%	14	0.2%
Increase 30.1% to 50%	9	0.1%
Increase 20.1% to 30%	19	0.2%
Increase 10.1% to 20%	260	2.7%
Increase .1% to 10%	5,525	57.2%
No change	177	1.8%
Decrease .1% to 10%	3,540	36.7%
Decrease 10.1% to 20%	99	1.0%
Decrease more than 20.1%	11	0.1%
Total Parcels	9,654	100.0%

Impact on Homes Change in Total Tax

Shoreview Residential Property		
Tax Change	Number of Homes	Percent of Total
Decrease or no change	2,568	26.6%
Increase \$1 to \$100	2,116	21.9%
Increase \$101 to \$200	2,098	21.8%
Increase \$201 to \$300	1,319	13.7%
Increase \$301 to \$400	749	7.8%
Increase \$401 to \$500	320	3.3%
Increase more than \$500	471	4.9%
Total Parcels	9,641	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	
2021	2022		2021	2022	Dollars	Percent
\$ 310,700	\$ 341,800	10.0%	\$ 974.46	\$ 1,106.16	\$ 131.70	13.5%
\$ 325,500	\$ 341,800	5.0%	\$ 1,026.84	\$ 1,106.16	\$ 79.32	7.7%
\$ 336,450	\$ 341,800	1.6%	\$ 1,065.31	\$ 1,106.16	\$ 40.85	3.8%
\$ 341,800	\$ 341,800	0.0%	\$ 1,084.07	\$ 1,106.16	\$ 22.09	2.0%
\$ 359,800	\$ 341,800	-5.0%	\$ 1,147.44	\$ 1,106.16	\$ (41.28)	-3.6%
\$ 379,800	\$ 341,800	-10.0%	\$ 1,217.92	\$ 1,106.16	\$ (111.76)	-9.2%

Impact on Homes

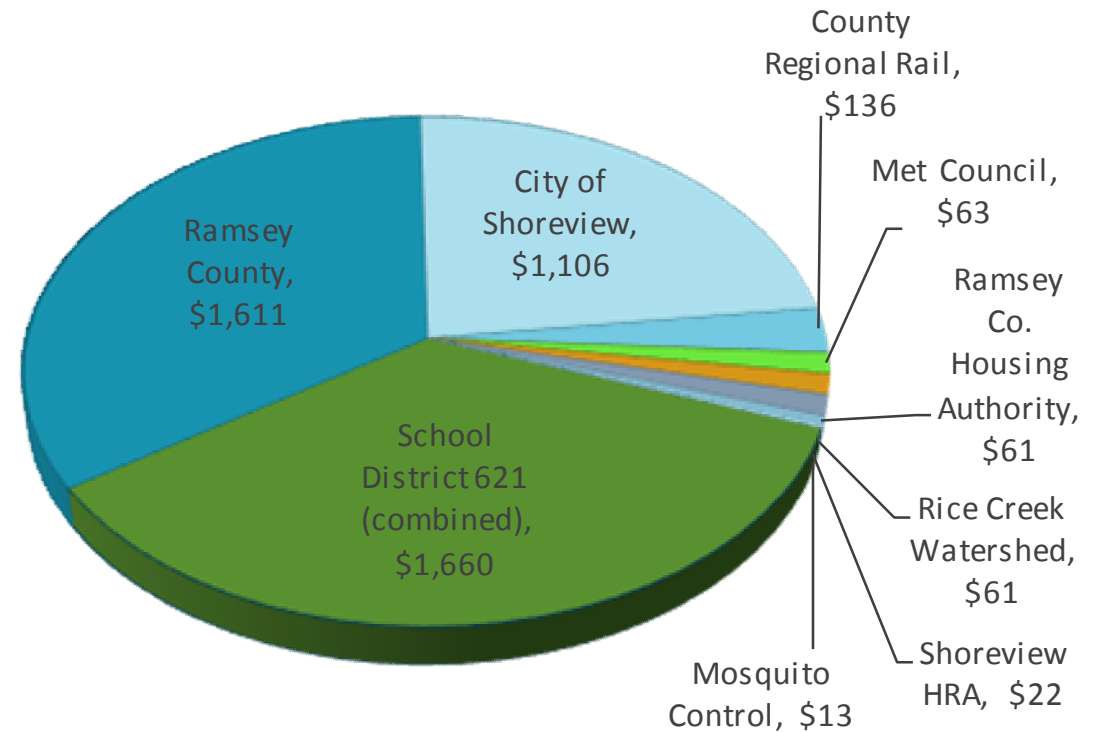
City Tax Change (Various Home Values)

Shoreview share of tax bill only

Market Value		Value Change	City Portion of Property Tax		Change in City Property Tax	
2021	2022		2021	2022	Dollars	Percent
\$ 147,600	\$ 150,000	1.6%	\$ 399.61	\$ 416.66	\$ 17.05	4.3%
\$ 196,900	\$ 200,000	1.6%	\$ 573.56	\$ 596.46	\$ 22.90	4.0%
\$ 336,450	\$ 341,800	1.6%	\$ 1,065.31	\$ 1,106.16	\$ 40.85	3.8%
\$ 393,700	\$ 400,000	1.6%	\$ 1,267.06	\$ 1,315.64	\$ 48.58	3.8%
\$ 492,100	\$ 500,000	1.6%	\$ 1,591.02	\$ 1,649.50	\$ 58.48	3.7%
\$ 590,600	\$ 600,000	1.6%	\$ 1,982.88	\$ 2,061.88	\$ 79.00	4.0%
\$ 787,400	\$ 800,000	1.6%	\$ 2,778.22	\$ 2,886.63	\$ 108.41	3.9%

Distribution of 2021 Estimated Total Property Tax Bill = \$4,733

School District 621 (combined)	\$ 1,660	35.1%
Ramsey County	\$ 1,611	34.0%
City of Shoreview	\$ 1,106	23.4%
County Regional Rail	\$ 136	2.9%
Met Council	\$ 63	1.3%
Ramsey Co. Housing Authority	\$ 61	1.3%
Rice Creek Watershed	\$ 61	1.3%
Shoreview HRA	\$ 22	0.5%
Mosquito Control	\$ 13	0.3%
	<u>\$ 4,733</u>	



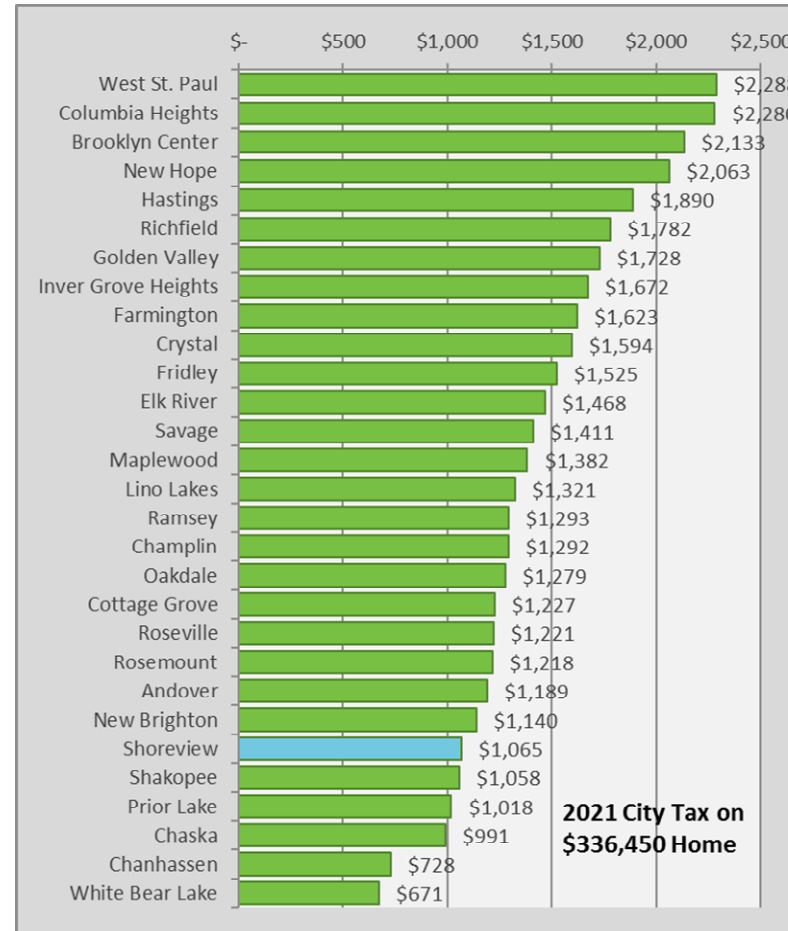
Shoreview is 23% of total

Property Tax Comparison

2021 City Tax on
\$336,450 Home

Shoreview is 26%
below average of
\$1,433

(Shoreview and 28
other Metro area
comparison cities)

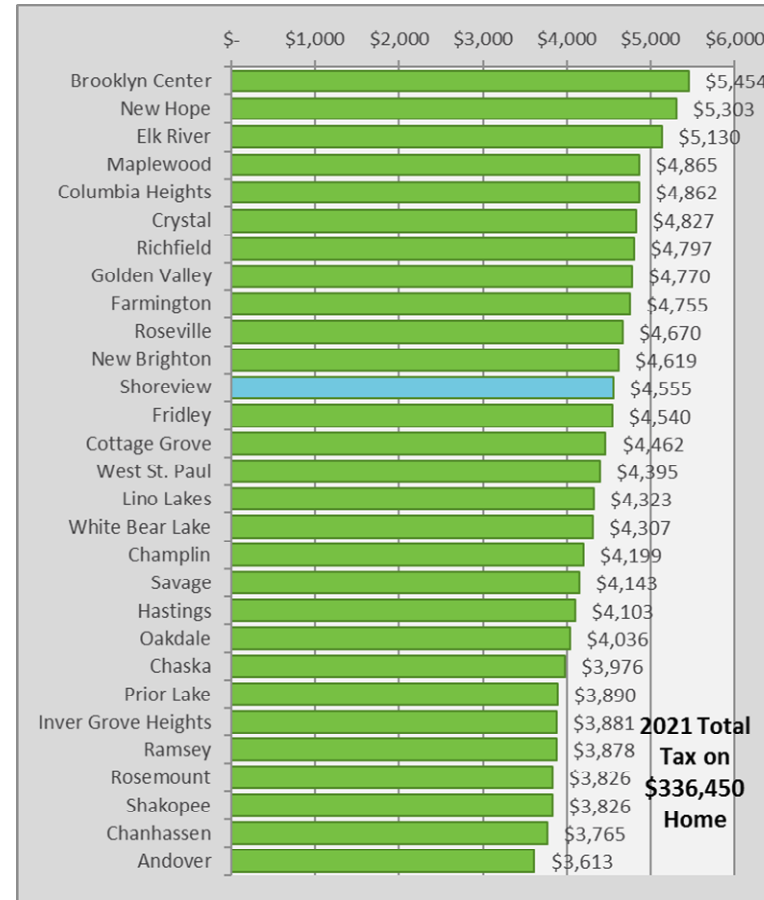


Property Tax Comparison

2021 Total Tax on
\$336,450 Home

Shoreview is 3.4%
above average of
\$4,406

(Shoreview and 28
other Metro area
comparison cities)



Additional City Handouts

- Community Benchmarks
- Utility Operations and 2022 Utility Rates
- 2022 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 20, 2021

- Adopt
 - 2022 Budget
 - 2022 to 2026 Capital Improvement Program
 - 2022 Tax levy
 - 2022 Utility Rates
- Accept
 - Five-Year Operating Plan
 - Comprehensive Infrastructure Replacement Plan