

## **Saint Paul Financial Items Related to Findings:**

1. ROW Assessments for 2003-2016
2. Transition from ROW to Street Maintenance Program(SMP)
3. 3 pages of Effect of Transition on Various Property Classes
4. Tax Exempt Property as Percent of Total EMV
5. Annual Property Tax Levy 2003-2017
6. Property Tax as Percent of Total General Fund Budget
7. State Aid from 2003-2017
8. Police and Fire Departments as Percent of GF Budget

# ROW ASSESSMENT

| Special Fund |             |               |                    |
|--------------|-------------|---------------|--------------------|
|              | <u>Year</u> | <u>Budget</u> | <u>Annual Inc.</u> |
| Year one     | 2002        | \$8,756,000   |                    |
|              | 2003        | \$11,668,227  | \$2,912,227        |
|              | 2004        | \$14,148,037  | \$2,479,810        |
|              | 2005        | \$17,228,583  | \$3,080,546        |
|              | 2006        | \$17,016,878  | (\$211,705)        |
|              | 2007        | \$18,267,377  | \$1,250,499        |
|              | 2008        | \$20,631,473  | \$2,364,096        |
|              | 2009        | \$23,322,457  | \$2,690,984        |
|              | 2010        | \$24,769,707  | \$1,447,250        |
|              | 2011        | \$24,853,358  | \$83,651           |
|              | 2012        | \$26,478,061  | \$1,624,703        |
| Last year    | 2013        | \$27,126,834  | \$648,773          |
|              | 2014        | \$28,228,231  | \$1,101,397        |
|              | 2015        | \$29,884,026  | \$1,655,795        |
|              | 2016        | \$29,665,761  | (\$218,265)        |
|              | SMP 2017    | \$10,411,617  | (\$19,254,144)     |

## SUMMARY OF TRANSITION FROM ROW TO SMP\*

|                                          | <b>ROW<br/>2016<br/><u>Actual</u></b> | <b>Share<br/>by Use</b> | <b>SMP<br/>2017<br/><u>Estimate</u></b> | <b><u>Difference</u></b>      |
|------------------------------------------|---------------------------------------|-------------------------|-----------------------------------------|-------------------------------|
| <b>Revenue</b>                           | <b>Payment by<br/>Exempt</b>          |                         | <b>Payment by<br/>Exempt</b>            | <b>Not Paid by<br/>Exempt</b> |
| <b>Use Categories</b>                    |                                       |                         |                                         |                               |
| Government Entities                      | \$2,722,651                           | 60.4%                   | \$1,628,011                             | \$1,094,640                   |
| Hospitals, Clinics, & Nursing Homes      | \$180,439                             | 4.0%                    | \$107,894                               | \$72,545                      |
| Colleges, Universities, & Public Schools | \$327,066                             | 7.3%                    | \$195,569                               | \$131,497                     |
| Religious Organizations                  | \$565,127                             | 12.5%                   | \$337,918                               | \$227,209                     |
| Welfare & Charitable Facilities          | \$277,166                             | 6.2%                    | \$165,732                               | \$111,434                     |
| Other                                    | \$432,940                             | 9.6%                    | \$258,877                               | \$174,063                     |
| <b>Total</b>                             | <b>\$4,505,389</b>                    |                         | <b>\$2,694,000</b>                      | <b>\$1,811,389</b>            |
|                                          | <b>14.9%</b>                          |                         | <b>23.6%</b>                            |                               |
| <b>Total all properties</b>              | <b>\$30,309,074</b>                   |                         | <b>\$11,411,617</b>                     |                               |

**ROW** Right of Way Program  
**\*SMP** Street Maintenance Program





|                                                   |                     |               |
|---------------------------------------------------|---------------------|---------------|
| 2017 Adopted Cost of ROW Services                 | \$31,494,000        |               |
| After Supreme Ct. decision amt assessed           | \$11,411,617        | <b>Note 1</b> |
| Service Reduction                                 | <u>-\$1,000,000</u> |               |
| Estimated Revenue                                 | \$10,411,617        |               |
| Transfers from other funds and uses for 2017      | \$19,082,383        | <b>note 2</b> |
| Total Estimated Expenditure for ROW like expenses | \$29,494,000        |               |

**note 1: \$2,694,000 is part of this total**

**note 2: Budget amendment on March 22, 2017 transferred from various sources financing to cover this, but in the future this amt covered by budget reductions, prop. Tax inc., or other revenue**

# Estimated property tax and street service fees

12

| 2017 (estimated)                                                                                        |                   |                      |               |         | 2018 (with restructuring) |                                        |         |                |
|---------------------------------------------------------------------------------------------------------|-------------------|----------------------|---------------|---------|---------------------------|----------------------------------------|---------|----------------|
| Home Value                                                                                              | City Property Tax | One-time City-funded | Resident-paid | Total   | City Property Tax         | New Street Maintenance Service Program | Total   | Change         |
| <br>\$800,000          | \$3,790           | \$251                | \$171         | \$4,212 | \$4,681                   | \$171                                  | \$4,852 | 15.2% increase |
| <br>\$265,000          | \$1,089           | \$154                | \$104         | \$1,347 | \$1,345                   | \$104                                  | \$1,449 | 7.6% increase  |
| <br>\$55,000           | \$136             | \$150                | \$100         | \$386   | \$168                     | \$100                                  | \$268   | 30.3% decrease |
| <br>\$161,200 (Median) | \$592             | \$120                | \$80          | \$792   | \$732                     | \$80                                   | \$812   | 2.7% increase  |

# 2018 Impact on Sample Commercial Properties

## Annual & Recurring Fees

| Current Policy |           | 2018 Scenario           |             |               |                         |                              |                              |                           |               | Change from Current       |               |                 |             |
|----------------|-----------|-------------------------|-------------|---------------|-------------------------|------------------------------|------------------------------|---------------------------|---------------|---------------------------|---------------|-----------------|-------------|
| Property       | Value     | 2017<br>Property<br>Tax | 2017<br>ROW | 2017<br>Total | 2018<br>Property<br>Tax | Street<br>Lighting<br>Annual | Street<br>Sweeping<br>Annual | Seal<br>Coating<br>8 Year | 2018<br>Total | Property<br>Tax<br>Change | Fee<br>Change | Total<br>Change | %<br>Change |
| U.S. Bank      | \$21.0M   | \$125,173               | \$23,725    | \$148,897     | \$154,599               | \$782                        | \$3,080                      | \$0                       | \$158,461     | \$29,426                  | -\$19,863     | \$9,563         | 6.4%        |
| Traditions     | \$813,500 | \$4,632                 | \$1,788     | \$6,419       | \$5,720                 | \$266 *                      | \$112                        | \$62                      | \$6,098       | \$1,089                   | -\$1,410      | -\$321          | -5.0%       |
| Mama’s Pizza   | \$198,000 | \$958                   | \$1,675     | \$2,633       | \$1,183                 | \$138 *                      | \$156                        | \$9                       | \$1,477       | \$225                     | -\$1,381      | -\$1,156        | -43.9%      |

\* Includes charge for Above Standard Lighting

PROPERTY TAX AS PERCENT  
OF TOTAL GENERAL FUND BUDGET  
SAINT PAUL

| <u>Year</u> | <u>Budget</u> |
|-------------|---------------|
| 2006        | 26.2%         |
| 2010        | 31.7%         |
| 2011        | 30.7%         |
| 2016        | 34.7%         |
| 2017        | 35.9%         |

# TAX EXEMPT AS PERCENT OF TOTAL EMV SAINT PAUL

| <b><u>Year</u></b> | <b><u>Budget</u></b> |
|--------------------|----------------------|
| 2005               | 22.8%                |
| 2010               | 28.5%                |
| 2011               | 28.6%                |
| 2016               | 25.5%                |
| 2017               | 23.4%                |





## Property Tax Levy

|      | <u>Year</u> | <u>Budget</u> | <u>Annual Inc.</u> |
|------|-------------|---------------|--------------------|
|      | 2002        | \$65,033,263  |                    |
| Year |             |               |                    |
| one  |             |               |                    |
| ROW  | 2003        | \$64,988,263  | -\$45,000          |
|      | 2004        | \$64,988,263  | \$0                |
|      | 2005        | \$64,932,263  | -\$56,000          |
|      | 2006        | \$65,845,514  | \$913,251          |
|      | 2007        | \$71,771,611  | \$5,926,097        |
|      | 2008        | \$82,642,837  | \$10,871,226       |
|      | 2009        | \$89,254,264  | \$6,611,427        |
|      | 2010        | \$94,609,220  | \$5,354,956        |
|      | 2011        | \$94,609,221  | \$1                |
|      | 2012        | \$99,320,758  | \$4,711,537        |
|      | 2013        | \$101,207,852 | \$1,887,094        |
|      | 2014        | \$101,207,852 | \$0                |
|      | 2015        | \$103,636,842 | \$2,428,990        |
|      | 2016        | \$105,605,943 | \$1,969,101        |
|      | 2017        | \$113,990,253 | \$8,384,310        |

# STATE AID

|                    | <u>Year</u> | <u>Budget</u> | <u>Annual Inc.</u> |
|--------------------|-------------|---------------|--------------------|
| Year<br>one<br>ROW | 2002        | \$73,554,056  |                    |
|                    | 2003        | \$63,082,166  | (\$10,471,890)     |
|                    | 2004        | \$56,488,168  | (\$6,593,998)      |
|                    | 2005        | \$53,151,835  | (\$3,336,333)      |
|                    | 2006        | \$59,544,561  | \$6,392,726        |
|                    | 2007        | \$59,961,201  | \$416,640          |
|                    | 2008        | \$51,092,991  | (\$8,868,210)      |
|                    | 2009        | \$56,013,366  | \$4,920,375        |
|                    | 2010        | \$50,345,488  | (\$5,667,878)      |
|                    | 2011        | \$50,320,488  | (\$25,000)         |
|                    | 2012        | \$50,320,488  | \$0                |
|                    | 2013        | \$50,320,488  | \$0                |
|                    | 2014        | \$60,422,253  | \$10,101,765       |
|                    | 2015        | \$62,237,589  | \$1,815,336        |
|                    | 2016        | \$62,337,589  | \$100,000          |
|                    | 2017        | \$62,562,185  | \$224,596          |

## General Fund Budget

### 2017 Adopted Spending by Department

