

Appendix





City of Saint Paul

City Hall and Court House
15 West Kellogg Boulevard
Phone: 651-266-8560

Signature Copy

Resolution: RES 14-2074

File Number: RES 14-2074

File Number: RES 14-2074

Adopting the 2015 Budget.

WHEREAS, the Mayor has proposed budgets for the City of Saint Paul for the fiscal year beginning January 1, 2015, in accordance with the Saint Paul City Charter and Chapter 56 of the Administrative Code; and
WHEREAS, the City Council, after publication of the notice in the newspaper on December 1st, 2014, participated in a public hearing on December 3rd, 2014, on the Mayor's Proposed 2015 budgets and property tax levy, as required by the City Charter and applicable state and federal laws; and
WHEREAS, the Council has revised the Mayor's proposed budgets as indicated in Amended Attachment A; and
WHEREAS, the Council's amendment provides for additional evening library hours to be funded with general fund dollars freed up by paying for general fund parking meter repair and maintenance expenses with \$345,000 from HRA parking fund cash balances; now therefore be it RESOLVED, that in accordance with the procedures and requirements set forth in the City Charter and other laws applicable thereto, the Council of the City of Saint Paul does hereby adopt the 2015 budgets as proposed by the Mayor with such monetary changes, additions and deletions as are hereby adopted and which, along with total budgets, are set forth in Amended Attachment A; and be it
FURTHER RESOLVED, that the expenditures in dollars as may be made by the offices, departments, bureaus, and agencies of city government during the fiscal year 2015 shall be, and are hereby approved, and adoption of these budgets shall constitute appropriations of the money amounts as set at the department budget total in the General Fund budget, the project total in the Capital Improvements Budget, and the fund budget total in all other cases; and be it
FURTHER RESOLVED, that the estimated financing set forth in the 2015 adopted budgets is hereby approved; and be it
FURTHER RESOLVED, that the Five Year Capital Program for 2015-2019 is hereby approved; and be it
FURTHER RESOLVED, that the adoption of the 2015 budget for the Community Development Block Grant Fund is a multi-year budget based on estimates for a grant which has a fiscal period that differs from the City's budget year (January 1 through December 31); the authority to implement this adopted multi-year budget commences only at the beginning of the grant period, and shall extend beyond December 31, 2015, through the end of the grant period and; during the year when the grant is accepted by the City Council, the budget will be amended to match the actual grant amount for the entire multi-year period; and be it
FURTHER RESOLVED, that the City Clerk is directed to publish the 2015 budget summary pursuant to Minnesota Statutes section 471.6965 in the format prescribed by the Office of the State Auditor;

and be it
FINALLY RESOLVED, that the Director of Financial Services is hereby authorized to prepare the final 2015 budgets in accordance with the actions taken herein and to equalize, balance or set the final department revenue sources and department appropriations as necessary.
At a meeting of the City Council on 12/10/2014, this Resolution was Passed.

Yea: 7 Councilmember Bostrom, Councilmember Brendmoen, City Council President Lantry, Councilmember Stark, Councilmember Thao, Councilmember Thune, and Councilmember Tolbert
Nay: 0

Vote Attested by [Signature] Date 12/10/2014
Council Secretary Trudy Moloney

Approved by the Mayor [Signature] Date 12/15/2014
Chris Coleman

Amended Attachment A

RES 14-2074

2015 Budget Balancing Status
General Fund
Resolution Attachment

| | Spending | Financing |
|---|----------------|----------------|
| Mayor's Proposed Budget... | | |
| General Fund | 234,020,893 | 234,020,893 |
| Mayor's Budget Total | 234,020,893 | 234,020,893 |
| Gap: Excess / (Shortfall) | | 0 |
| Technical Changes to the Mayor's Budget... | | |
| Technical Changes to Adjust for Updates and Omissions: | | |
| All Departments | Budget Neutral | |
| OFS | 200,000 | 200,000 |
| DSI | 128,000 | 128,000 |
| Parks | 14,375 | 14,375 |
| New or Amended Grant Budgets: | | |
| Fire | 113,595 | 113,595 |
| Revised Revenue and Budget Estimates: | | |
| General Revenue Adjustments | | |
| City Attorney | | (100,000) |
| Non Department Financing | | (200,000) |
| Non Department Financing | | 130,755 |
| Non Department Financing | | 55,132 |
| Non Department Financing | | 110,850 |
| Non Department Financing | | (174,752) |
| Non Department Financing | | (77,755) |
| Non Department Financing | | 50,000 |
| Non Department Financing | Budget Neutral | |
| Fire | | 100,000 |
| Fire | | 83,000 |
| DSI | | (100,000) |
| DSI | | 80,916 |
| DSI | | 31,854 |
| DSI | | 10,000 |
| Spending Adjustments | | |
| Police | | Budget Neutral |
| Budget After Technical Changes | 234,476,863 | 234,476,863 |
| Gap: Excess / (Shortfall) | | 0 |
| Program Changes Proposed by the Mayor... | | |
| No changes | | |
| Budget After Policy Changes | 234,476,863 | 234,476,863 |
| Gap: Excess / (Shortfall) | | 0 |
| Council Changes to the Proposed Budget | | |
| Program Adjustments | | |
| Parks | | Budget Neutral |
| Public Works | (327,044) | |
| Non Department Financing | | (267,044) |
| OFS | 60,000 | (500,000) |
| Public Works | 345,000 | 345,000 |
| Budget After Policy Changes | 234,209,819 | 234,209,819 |
| Gap: Excess / (Shortfall) | | 0 |
| Public Works | 345,000 | |
| Non Department Financing | | (112,044) |

Attachment A

RES 14-2074

2015 Budget Balancing Status
Special Funds

| | Spending | Financing |
|---|-------------|----------------|
| Mayor's Proposed Budget... | | |
| Special Funds | 262,980,510 | 262,980,510 |
| Mayor's Budget Total | 262,980,510 | 262,980,510 |
| Gap: Excess / (Shortfall) | | 0 |
| Technical Changes to the Mayor's Budget... | | |
| Technical Changes to Adjust for Updates and Omissions: | | |
| All Departments | | Budget Neutral |
| Fire | 983,000 | 983,000 |
| OFS | | 294,250 |
| OFS | | (294,250) |
| PED | | 15,000 |
| Public Works | 15,000 | 15,000 |
| Public Works | 5,450 | 5,450 |
| Public Works | 1,420,000 | 1,420,000 |
| Police | 500,000 | 500,000 |
| Parks | 30,000 | 30,000 |
| Parks | 49,520 | 49,520 |
| Parks | (483,579) | (483,579) |
| Parks | (43,215) | (43,215) |
| Parks | 561,650 | 561,650 |
| New or Amended Grant Budgets: | | |
| Police | (324,946) | (324,946) |
| Police | 688,215 | 688,215 |
| Revised Revenue or Budget Estimates: | | |
| Budget After Technical Changes | 266,361,604 | 266,361,604 |
| Gap: Excess / (Shortfall) | | 0 |
| Program Changes Proposed by the Mayor... | | |
| Public Works | 2,000,000 | 2,000,000 |
| Budget After Policy Changes | 268,361,604 | 268,361,604 |
| Gap: Excess / (Shortfall) | | 0 |
| Council Changes to the Proposed Budget | | |
| PED | | 500,000 |
| PED | | 1,100,000 |
| PED | | 34,266 |
| PED | | (54,812) |
| PED | | 250,000 |
| PED | | 1,100,000 |
| PED | | 88,000 |
| PED | | 50,000 |
| PED | | (65,142) |
| Fire | | 70,999 |
| Fire | | 10,125 |
| Fire | | 1,100,000 |
| Budget After Policy Changes | 270,975,916 | 270,975,916 |
| Gap: Excess / (Shortfall) | | 0 |

Attachment A

2015 Budget Balancing Status
Debt

RES 14-2074

| | Spending | Financing |
|---|-------------------|-------------------|
| 140 Mayor's Proposed Budget... | | |
| 141 Debt Service Funds | 61,077,685 | 61,077,685 |
| 142 Mayor's Budget Total | <u>61,077,685</u> | <u>61,077,685</u> |
| 143 | | |
| 144 Gap: Excess / (Shortfall) | | 0 |
| 145 | | |
| 146 Technical Changes to the Mayor's Budget... | | |
| 147 | | |
| 148 Technical Changes to Adjust for Updates and Omissions: | | |
| 149 | | |
| 150 Debt | | Budget Neutral |
| 151 Debt | | 68,800 |
| 152 Debt | 2,700,000 | 2,700,000 |
| 153 Debt | (688,791) | (688,791) |
| 154 | | |
| 155 Revised Revenue or Budget Estimates: | | |
| 156 | | |
| 157 | | |
| 158 | | |
| 159 | | |
| 160 | | |
| 161 Budget After Technical Changes | <u>63,157,694</u> | <u>63,157,694</u> |
| 162 | | |
| 163 Gap: Excess / (Shortfall) | | 0 |
| 164 | | |
| 165 Program Changes Proposed by the Mayor... | | |
| 166 | | |
| 167 | | |
| 168 | | |
| 169 | | |
| 170 | | |
| 171 Budget After Policy Changes | <u>63,157,694</u> | <u>63,157,694</u> |
| 172 | | |
| 173 Gap: Excess / (Shortfall) | | 0 |
| 174 | | |
| 175 Council Changes to the Proposed Budget | | |
| 176 | | |
| 177 | | |
| 178 | | |
| 179 | | |
| 180 | | |
| 181 Budget After Policy Changes | <u>63,157,694</u> | <u>63,157,694</u> |
| 182 | | |
| 183 Gap: Excess / (Shortfall) | | 0 |
| 184 | | |
| 185 | | |

Attachment A

2015 Budget Balancing Status
Capital Improvement Budget

RES 14-2074

| | Spending | Financing |
|---|-------------------|---|
| 186 | | |
| 187 Mayor's Proposed Budget... | | |
| 188 Capital Improvement Budget | 94,763,000 | 94,763,000 |
| 189 Mayor's Budget Total | <u>94,763,000</u> | <u>94,763,000</u> |
| 190 | | |
| 191 Gap: Excess / (Shortfall) | | 0 |
| 192 | | |
| 193 Technical Changes to the Mayor's Budget... | | |
| 194 | | |
| 195 Technical Changes to Adjust for Updates and Omissions: | | |
| 196 | | |
| 197 Multiple Departments | | Budget Neutral |
| 198 | | |
| 199 Revised Revenue or Budget Estimates: | | |
| 200 | | |
| 201 Multiple Departments | | Remove 8-80 Vitality Fund; projects included in amended 2014 budget |
| 202 | (42,500,000) | (42,500,000) |
| 203 Budget After Technical Changes | <u>52,263,000</u> | <u>52,263,000</u> |
| 204 | | |
| 205 Gap: Excess / (Shortfall) | | 0 |
| 206 | | |
| 207 | | |
| 208 Program Changes Proposed by the Mayor... | | |
| 209 | | |
| 210 | | |
| 211 | | |
| 212 | | |
| 213 | | |
| 214 | | |
| 215 | | |
| 216 Budget After Policy Changes | <u>52,263,000</u> | <u>52,263,000</u> |
| 217 | | |
| 218 Gap: Excess / (Shortfall) | | 0 |
| 219 | | |
| 220 Council Changes to the Proposed Budget | | |
| 221 | | |
| 222 | | |
| 223 | | |
| 224 | | |
| 225 | | |
| 226 Budget After Policy Changes | <u>52,263,000</u> | <u>52,263,000</u> |
| 227 | | |
| 228 Gap: Excess / (Shortfall) | | 0 |
| 229 | | |
| 230 | | |
| 231 | | |



City of Saint Paul

City Hall and Court House
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Signature Copy

Resolution: RES 14-2075

File Number: RES 14-2075

Approving the 2015 City Tax Levy.

WHEREAS, the Mayor, pursuant to the City Charter has proposed and recommended the 2015 budgets for the City of Saint Paul, and WHEREAS, the proposed 2015 General and General Debt Service budgets have been reviewed and approved or adjusted by the City Council, and WHEREAS, the City is required under Laws of Minnesota 2002, Chapter 390, Sec. 37, to levy a tax at the Library Board's request, which the Library Board has made, and WHEREAS, the property tax levy needed to finance those budgets have been determined, and WHEREAS, the Port Authority of the City of Saint Paul requested a property tax levy to finance economic development budgets under laws of Minnesota, Chapters 469.053 subd 4, and 6, NOW THEREFORE BE IT RESOLVED, that the City Council in anticipation of adopting the General Fund, General Debt Service, and Library Agency budgets for the fiscal year 2015, and in accordance with section 10.04 of the City Charter, does hereby levy taxes on all taxable property within the Saint Paul corporate limits, to be collected totaling the amount set forth in the attached amended attachment; and BE IT FURTHER RESOLVED, that the City Council requests the City Clerk to forward this resolution to the Ramsey County Department of Property Records and Revenue in accordance with the applicable provisions of the City Charter and other laws, and BE IT FINALLY RESOLVED, that the City Council requests the Office of Financial Services to complete and forward any state forms required identifying these adopted levies and corresponding special levies.

At a meeting of the City Council on 12/10/2014, this Resolution was Passed.

Yea: 6 Councilmember Brendmoen, City Council President Lantry, Councilmember Stark, Councilmember Thao, Councilmember Thune, and Councilmember Tolbert

Nay: 1 Councilmember Bostrom

Vote Attested by Council Secretary Trudy Moloney

Date 12/10/2014

Approved by the Mayor Chris Coleman

Date 12/15/2014

City of Saint Paul Financial Analysis

Amended Attachment A

Table with 4 columns: File ID Number, Budget Affected, Total Amount of Transaction, Funding Source, Charter Citation. Rows include RES 14-2075, Operating Budget, Multiple Departments, Multiple Funds, n/a, Other, Property Tax Levy, Laws of Minnesota 2002, Chapter 390, Sec. 37; Laws of Minnesota, Chapters 469.053 subd 4, and 6; Section 10.04 of the Saint Paul City Charter.

Fiscal Analysis

Resolution approves the final pay 2015 City of Saint Paul Property Tax Levy at \$103,636,842. This includes City Operating and Debt Levies, Saint Paul Public Library Operating and Debt Levies, and the Saint Paul Port Authority levy. Details on the breakdown between these entities is shown below.

Payable 2015 City of Saint Paul Property Tax Levy

Table with 4 columns: Description, Tax Levy Payable in 2014, Tax Levy Payable in 2015, % Change. Rows include City levy for city operations and shrinkage, City levy for Debt Service and shrinkage, City levy for Library Agency and shrinkage, City Levy for City Government, City levy for Port Authority levy per Mn. Stat. 469.053, Total Levy.

Glossary

Account Code. A five-digit code assigned to a specific type of receipt or expenditure. A major account code is a grouping of expenditures or receipts on the basis of the types of goods or services purchased or rendered. For example, personnel services, materials, supplies, and equipment are major account codes.

Accounting Unit (AU): An accounting unit is a subunit of a fund. Each fund contains one or more accounting units, a specific and distinguishable budgetary unit of work or service. Accounting units are detailed levels of budget spending authority created to accomplish the approved objectives of the fund.

Accounting Unit Number: An eight (8)-digit number which uniquely identifies the accounting unit. The first digit indicates the fund type, while the second digit indicates the department.

Allocation: A portion of a lump-sum appropriation which is designated for expenditure by specific organizational units or for special purposes. See *Appropriation*.

Appropriation: An expenditure authorized by the city council for a specified amount and time.

Assessed Valuation: The value that is established for real estate or other property by a government for use as a basis for levying property taxes.

Bond: A written promise to pay a specific sum of money (called the principal amount or face value) at a specified future date (called the maturity date) along with periodic interest at a specified rate.

Budget Document: The written record of the comprehensive financial plan the mayor presents to the city council for review, revision if deemed appropriate, and adoption.

Capital Allocation: Assignment of available capital (dollars) to specific uses.

Capital Expenditure: Actual spending of capital (dollars) for capital improvement projects.

Capital Improvement: The purchase or construction of durable/fixed assets. Examples include streets, bridges, parks or buildings.

Capital Improvement Budget (CIB): A plan for capital expenditures (physical development of the city) to be incurred each year, over a fixed number of years, in order to meet capital needs arising from the long-term work program.

Capital Outlay: Equipment, machinery, vehicles or furniture items included in the operating budget. See *Capital Improvement Budget*.

Capital Projects Fund: A fund established to account for all financial resources used for the construction or acquisition of major capital facilities, except those financed by special assessment, proprietary or fiduciary funds.

CIB: Acronym for capital improvement budget.

COMET: Acronym for City Operations Modernization and Enterprise Transformation, Saint Paul's technology improvement project. See *ERP*.

Debt Service Fund: A fund established to account for the financial resources used for the payment of long-term general obligation debt principal, interest, and related costs.

Division: An organizational subunit of a department. Each department has one or more divisions, which are responsible for one or more activities.

Encumbrances: Legal commitment of appropriated funds (in the form of purchase orders or contracts) to purchase goods or services to be delivered or performed at a future date. They cease to be encumbrances when paid or when the actual liability is created.

Enterprise Fund: A fund established to account for city operations that are financed and operated in a manner similar to private business enterprises. The intent is that the costs (expenses, including depreciation) of providing goods and services on a continuing basis be financed or recovered primarily through user charges.

ERP: Acronym for Enterprise Resource Planning, a document and information management system.

ETI: Acronym for Enterprise Technology Initiative. This is an activity in the Technology department in which spending and financing for city-wide technology improvements are budgeted.

Expenditures: Total charges incurred, whether paid or unpaid, including the provision for retirement of debt not reported as a liability of the fund from which it will be retired, and capital outlays (for governmental funds and fiduciary funds, except non-expendable trust funds) .

Expenses. Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges which benefit the current fiscal period (for proprietary funds and non-expendable trust funds). See *Expenditures*.

FMS or FM-80: Reference to the City of Saint Paul's financial management computer system. This system is planned to be retired in 2013 and replaced with the City's new ERP system.

FORCE: Acronym for focusing our resources on community empowerment. This is a unit within the Police Department dedicated to combat problems, at the neighborhood level, of street level narcotics, problem properties and disruptive behavior.

Fiduciary Fund: A fund established to account for resources held for the benefit of parties outside the government.

Glossary – Continued

Financing Plan: Identifies sources of revenues that support the spending plan.

Full Time Equivalent (FTE): A personnel position which is financed for the equivalent of 80 hours per pay period, for 26.1 pay periods (a typical year), or 2,088 hours in a year. This is roughly equivalent to 40 hours per week for 52 weeks. For example, a .5 FTE would represent 20 hours per week for 52 weeks, or 40 hours per week for 26 weeks. A 1.0 FTE is a general reference to a position normally working for a year.

Fund: Each individual fund is a separate accounting entity having its own assets, liabilities, revenues and expenditures or expenses. City financial resources are allocated to, and accounted for, in individual funds based on legal, donor, or administrative restrictions or requirements.

Fund Balance: An equity account reflecting the excess of accumulated assets over accumulated liabilities and reserves (monies set aside for specific purposes).

Fund Manager: Fund managers are accountable to and receive authority from their department director and division manager, and ultimately from the mayor, the city council, and city residents/taxpayers. Each fund manager is responsible for correctly preparing and submitting the portion of the city's financial plan that is provided by their fund. This includes a properly completed budget request consisting of performance, spending and financing plans. Fund managers are responsible for monitoring the collection of receipts, authorizing spending payments, cash flow planning, and service delivery in accordance with the adopted plan. Fund managers are also responsible for forecasting significant performance, spending or financing variances, determining their cause, creating a solution, and reporting such information to their department director and the director of the office of financial services. See *Performance Plan*, *Spending Plan*, and *Financing Plan*.

Fund Number: A three-digit number which uniquely identifies the fund. For example, the General Fund is fund number 100, the city grants fund is 200, and the parks and recreation special projects is 260. There is no significance to the sequence of numbers. See *Activity Number*.

Fund Type: A classification of funds by similar purpose. The fund types are: governmental (general, special revenue, debt service, capital project, special assessment), proprietary (enterprise, internal service), and fiduciary (trust and agency funds). Although the city hall annex operating fund and the public works engineering fund are separate funds, they are the same fund type (internal service). See each fund type for its definition. Also see *Fund*.

GIS: Acronym for geographic based information systems.

General Fund: The fund used to account for all financial resources not specifically earmarked for other purposes. The General Fund is the primary operating fund for the City of Saint Paul.

Governmental Funds: All funds other than fiduciary and proprietary funds. Includes the general fund, special revenue funds, capital projects funds, debt service funds and special assessment funds. The measurement focus is on spending or financial flow rather than on net income. See *Fiduciary Funds* and *Proprietary Funds*.

Internal Service Fund: A fund established to account for the financing of goods or services provided by one city department to other city departments, divisions or funds on a cost-reimbursement basis.

LGA: Acronym for local government aid. See *State Aids*.

MSA: Acronym for municipal state aids. See *State Aids*.

Operating Budget: The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

Operating Transfer In/Out: Interfund transfers are legally authorized transfers between a fund receiving revenue and a fund where resources are expended.

PED: Acronym for the planning and economic development department.

Permanent Fund: A fund established to account for the custody and administration of assets held in a trust capacity. The assets held in a trust fund must be spent or invested in accordance with the conditions of the trust. Expendable trust funds are similar to governmental funds in that the measurement focus is on spending or financial flow rather than on net income. Non-expendable trust funds are similar to proprietary funds, with the measurement focus on determination of net income. See *Agency Fund* and *Fiduciary Fund*.

Proprietary Funds: Any fund which attempts to determine net income. Measurement focus is on cost of services similar to private sector for-profit organizations. This category includes enterprise and internal service funds.

Recoverable Expenditure: An expenditure made for, or on behalf of, another governmental unit, fund, or department, private individual, firm, or corporation which will, subsequently, be recovered in cash or its equivalent.

Retained Earnings: An equity account reflecting the accumulated earnings of an enterprise or internal service fund which are not reserved for any specific purpose.

Special Assessment: Charges which the local government collects from property owners to pay for specific services or capital improvement projects such as streets, sewers, etc., which benefit a particular piece of real estate.

Glossary – Continued

Special Revenue Fund: A fund established to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, and capital projects) that are legally restricted to expenditures for specified functions or activities.

Spending Plan: Provides a unit or subunit of an organization with spending authority to pay for the resources required to effectively accomplish the performance plan.

STAR: Acronym for sales tax revitalization program. This is also referred to sometimes as cultural sales tax revenue.

State Aids: The following are the major types of intergovernmental revenues received by the City of Saint Paul from the State of Minnesota:

Local Government Aid (LGA): Begun in 1971, this program was designed to provide indirect property tax relief through the redistribution of income tax and sales tax revenues collected at the state level to local units of government. The amount of funding received by local units of government is based on a distribution formula determined by the Minnesota State Legislature. The distribution formula is based on "need" as well as "capacity". The 2001 State Legislature rolled the Homestead and Agricultural Credit Aid into Local Government Aid.

Municipal State Aids (MSA). This program is financed by motor vehicle related taxes collected at the state level. The state gasoline tax is the largest revenue source and the dollars collected are constitutionally dedicated for expenses related to MSA routes. The revenues are redistributed back to municipalities of 5,000 or more residents to be used for construction and maintenance of their MSA designated routes.

Tax Increment District: A tax increment district is a designated geographical area where a city is undertaking redevelopment or development activity. Any increase in assessed valuation due to new development activity is captured by the district. Property taxes levied against those captured values are used to finance the public improvement costs incurred to induce the private development activity. Public improvement costs can be financed by issuing bonds or by a pay-as-you-go plan.