

Appendices

Adopted Budget Resolutions

RES 22-1833: Approving the 2023 City Tax Levy



City of Saint Paul

Signature Copy

Resolution: RES 22-1833

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

File Number: RES 22-1833

Approving the 2023 City Tax Levy.

WHEREAS, the Mayor, pursuant to the City Charter has proposed and recommended the 2023 budgets for the City of Saint Paul, and

WHEREAS, the proposed 2023 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 levies 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 Minnesota Statutes section 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 2023, 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; 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 12/7/2022, this Resolution was Passed.

Yea: 7 Councilmember Brendmoen, Councilmember Tolbert, Councilmember Noecker, Councilmember Prince, Councilmember Jalali, Councilmember Yang, and Councilmember Balenger

Nay: 0

Vote Attested by Shari Moore
Council Secretary Shari Moore

Date 12/7/2022

Approved by the Mayor Melvin Carter III
Melvin Carter III

Date 12/14/2022

City of Saint Paul Financial Analysis

Attachment A

1	<u>File ID Number:</u>	RES 22-1833		
2				
3	<u>Budget Affected:</u>	Operating Budget	Multiple Departments	Multiple Funds
4				
5	<u>Total Amount of Transaction:</u>	n/a		
6				
7	<u>Funding Source:</u>	Other	Please Specify:	Property Tax Levy
8				
9	<u>Charter Citation:</u>	Laws of Minnesota 2002, Chapter 390, Sec. 37; Minnesota Statutes section 469.053, subd. 4 and 6;		
10		Section 10.04 of the Saint Paul City Charter		
11				
12	<u>Fiscal Analysis</u>			
13				
14		Resolution approves the final pay 2023 City of Saint Paul Property Tax Levy at \$201,058,288. 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.		
15				
16				
17				
18				
19				
20				
21	<u>Pavable 2023 City of Saint Paul Property Tax Levy</u>			
22				
23				
24	<u>Description</u>	<u>Tax Levy Pavable in 2022</u>	<u>Tax Levy Pavable in 2023</u>	<u>% Change</u>
25				
26	City levy for city operations and shrinkage	134,219,788	155,780,139	16.06%
27				
28	City levy for Debt Service and shrinkage	20,016,192	21,648,845	8.16%
29				
30	City levy for Library Agency and shrinkage	<u>18,774,155</u>	<u>21,017,604</u>	11.95%
31				
32	City Levy for City Government	173,010,135	198,446,588	14.70%
33				
34	City levy for Port Authority levy per Mn. Stat. sec 469 053	<u>2,361,700</u>	<u>2,611,700</u>	10.50%
35				
36	Total Levy	175,371,835	201,058,288	14.65%
37				

RES 22-1832: Adopting the 2023 Budget



City of Saint Paul

Signature Copy

Resolution: RES 22-1832

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

File Number: RES 22-1832

final 2023 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 12/7/2022, this Resolution was Passed.

Yea: 7 Councilmember Brendmoen, Councilmember Tolbert, Councilmember Noecker, Councilmember Prince, Councilmember Jalali, Councilmember Yang, and Councilmember Balenger

Nay: 0

Vote Attested by
Council Secretary Shari Moore

Date 12/7/2022

Approved by the Mayor

Melvin Carter III

Date 12/14/2022

File Number: RES 22-1832

Adopting the 2023 Budget.

WHEREAS, the Mayor has proposed budgets for the City of Saint Paul for the fiscal year beginning January 1, 2023, 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 2, 2022, participated in a public hearing on December 6, 2022, on the Mayor's Proposed 2023 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 Attachment A; 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 2023 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 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 2023 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 2023 adopted budgets is hereby approved; and be it

FURTHER RESOLVED, that the Five-Year Capital Program for 2023-2027 is hereby approved; and be it

FURTHER RESOLVED, that the adoption of the 2023 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, 2023, 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 2023 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

2023 Budget Balancing Status
General Fund
Resolution Attachment

RES 22-1832

Table with 2 columns: Spending, Financing. Values: 352,492,505

Mayor's Proposed Budget

Table with 2 columns: Spending, Financing. Values: 352,492,505

Technical Changes to the Mayor's Budget

Technical Changes to Adjust for Updates and Omissions:

Table with 2 columns: Spending, Financing. Values: Budget Neutral, 2,164, 150,000, 10,000, (24,973), 132,676

Revised Revenue and Budget Estimates:

General Revenue Adjustments

Table with 2 columns: Spending, Financing. Values: 217,000, 100,000, 50,000, 5,000, 5,000, (100,000), 85,813, 23,996, (125,000), (35,000), 127,800, (84,542)

Table with 2 columns: Spending, Financing. Values: 352,762,572

Table with 2 columns: Spending, Financing. Values: 0

Council Changes to the Proposed Budget:

Program Adjustments

Table with 2 columns: Spending, Financing. Values: (350,000), Budget Neutral, (105,000), (1,185,000), (250,000), (320,000), 935,675, 60,000, 409,684, 10,000, 100,000, 355,991, 1,300,000

Table with 2 columns: Spending, Financing. Values: 353,243,247

Table with 2 columns: Spending, Financing. Values: 0

2023 Budget Balancing Status
Special Funds

Table with 2 columns: Spending, Financing. Values: 425,410,133

Mayor's Proposed Budget

Table with 2 columns: Spending, Financing. Values: 425,410,133

Technical Changes to the Mayor's Budget

Technical Changes to Adjust for Updates and Omissions:

Table with 2 columns: Spending, Financing. Values: Budget Neutral, (16,110), (48,000), (551,000), 1,631,671, (5,350), 320,052, 92,984, 6,814, 80,000, 100,000, 53,200, 15,000, 225,546, Budget Neutral, 120,000, 1,075,388, (25,332), (90,823), (1,414,250), (1,414,250)

New or Amended Grant Budgets:

Table with 2 columns: Spending, Financing. Values: 1,396,168, 63,038, 404,480, 254,654, 578,814, 20,220, (176,520), 98,146, 882,133, 8,392, 81,828, 125,125, 4,863, 859,775, 221,178, 1,500,000, 36,950, (144,111), 94,896, 144,678, 73,031, 119,448, 3,315, (122,233), 6,586, 578,188, 5,819,048, 1,280, 400,000, 25,674, 120,954, 500, 9,194, 1,620, 3,150,000, 30,000, 1,058, 7,053

143	Revised Revenue and Budget Estimates:		
144			
145	PED	Revise estimates for sales tax revenue	2,000,000
146			2,000,000
147	Budget After Technical Changes		447,987,817
148			447,987,817
149	Gap: Excess / (Shortfall)		0
150			
151	Council Changes to the Proposed Budget		
152			
153			
154	Financial Services	One-time transfer from General Fund for vegetation management truck	60,000
155	PED	Increase transfer to General Fund for eligible City capital	1,300,000
156	PED	One-time increase to transfer to capital for bike/pedestrian improvements	380,000
157	PED	Increase Cultural STAR program	120,000
158	Public Works	One-time transfer from General Fund for Traffic Warehouse Fund for anti-theft street lights	355,991
159	Public Works	One-time funding for sweeping study	50,000
160			450,253,808
161	Budget After Policy Changes		450,253,808
162			
163	Gap: Excess / (Shortfall)		0
164			

2023 Budget Balancing Status
Capital Improvement Budget

	Spending	Financing
206		
207		
208		
209	96,272,000	96,272,000
210	96,272,000	96,272,000
211	Gap: Excess / (Shortfall)	
212		0
213		
214	Technical Changes to the Mayor's Budget	
215		
216	Technical Changes to Adjust for Updates and Omissions:	
217		
218	Multiple Departments	Align department budgets to proper budget codes
219		Budget Neutral
220		
221	Revised Revenue or Budget Estimates:	
222	No changes	
223		
224	Budget After Technical Changes	96,272,000
225		96,272,000
226	Gap: Excess / (Shortfall)	
227		0
228		
229	Program Changes Proposed by the Mayor	
230		
231	No changes	
232		
233	Budget After Policy Changes	96,272,000
234		96,272,000
235	Gap: Excess / (Shortfall)	
236		0
237		
238	Council Changes to the Proposed Budget	
239		
240	Public Works	One-time increase for bike/pedestrian improvements
241		480,000
242	Budget After Policy Changes	96,752,000
243		96,752,000
244	Gap: Excess / (Shortfall)	
245		0

2023 Budget Balancing Status
Debt

	Spending	Financing
Mayor's Proposed Budget		
Debt Service Funds	81,497,700	81,497,700
Mayor's Budget Total	81,497,700	81,497,700
Gap: Excess / (Shortfall)		
		0
Technical Changes to the Mayor's Budget		
Technical Changes to Adjust for Updates and Omissions:		
Debt	Adjust 2022C - GO Street Reconstruction Bond revenues and expenses to actual sale data	(473,717)
		(473,717)
Revised Revenue or Budget Estimates:		
Debt	Reflect additional sales tax revenue	2,000,000
		2,000,000
Budget After Technical Changes	83,023,983	83,023,983
Gap: Excess / (Shortfall)		
		0
Program Changes Proposed by the Mayor		
No changes		
Budget After Policy Changes	83,023,983	83,023,983
Gap: Excess / (Shortfall)		
		0
Council Changes to the Proposed Budget		
No changes		
Budget After Policy Changes	83,023,983	83,023,983
Gap: Excess / (Shortfall)		
		0

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.

American Rescue Plan Act (ARP): The American Rescue Plan Act, signed into law March 11, 2021, provides \$1.9 trillion in direct economic assistance for American workers, families, small businesses, and industries to address issues related to the COVID-19 pandemic. The ARP creates the Coronavirus State and Local Fiscal Recovery Funds, which provide \$350 billion to address the pandemic's public health and economic impacts and lay the foundation for a strong and equitable recovery.

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.

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. The City's ERP system is Infor.

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.

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

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 information system.

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.

Special 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.

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 Financing (TIF) District: A TIF 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.