

City of Roseville
City Manager Recommended
2021 City Budget



2021 City Manager Recommended Budget

For tonight, we intend to:

- Provide the City Council and public more detail on the proposed 2021 budget for the City of Roseville and subsequent property tax impact
- Provide context for the City Council in making the decision on the not-to-exceed levy on September 21
- Answer any questions you may have regarding the recommended 2021 City Budget

Factors Influencing the 2021 City Manager Recommended Budget

- Covid-19 Pandemic and resulting impact on the community, residents, and businesses that limits the ability to absorb a city tax levy increase
- The George Floyd murder in Minneapolis and the role of systemic racism embedded into government
- Adding public safety personnel to adequately address community needs
- Increases in expenditures for existing personnel and services due to inflationary and contractually-obligated factors.

2021 City Manager Recommended Budget Strategies

Based on the factors previously mentioned, the City Manager focused on four strategies budget strategies as part of the 2021 budget.

- Adjusting Budget Funding Sources
- Investment in Equity
- Investment in Public Safety
- Investment in City Workforce

2021 City Manager Recommended Budget

Proposed 2021 City Budget: \$63,118,400 or 1%
increase

Proposed 2021 City Tax Levy
\$23,538,859

Proposed 2021 City Tax Levy Increase
\$897,089 or 3.96% increase

Proposed 2021 City Budget Impact on
Median Valued Home (\$280,600)

\$6.60 annual decrease from 2020 levy amount
\$0.55 per month decrease

2.9% value increase for the median valued
single-family home in Roseville
Other property types grew by 7.6%

2021 City Manager Recommended Budget

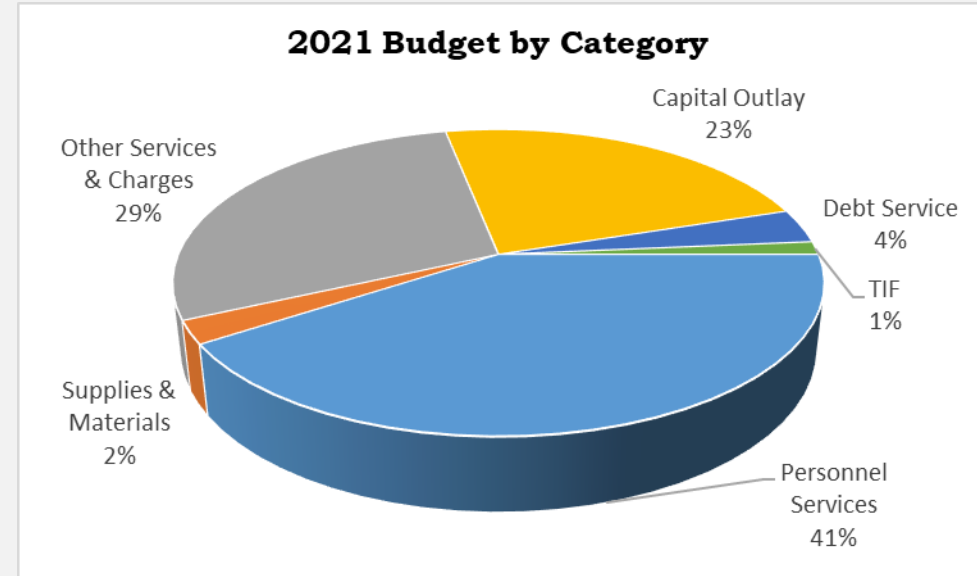
Total Budget Allocation

Total Budget : \$63,118,440

- Overall Increase of 1%
- Fee Supported Budget: \$24,947,760
- Property Tax Supported: \$38,120,680

2021 Proposed Budget by Funding Source			\$ Increase	% Increase
	<u>2020</u>	<u>2021</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Property Tax-Supported	\$ 37,825,170	\$ 38,170,680	\$ 345,510	0.9%
Fee-Supported	24,668,485	24,947,760	279,275	1.1%
Total	\$ 62,493,655	\$ 63,118,440	\$ 624,785	1.0%

2021 Budget Allocation



*Other Services and Charges primarily represents spending on outsourced services such as; water purchases from St. Paul, wastewater treatment costs paid to the Met Council, professional services, specialized maintenance on facilities, infrastructure, & other assets, and energy-related costs.

2021 City Manager Recommended Budget

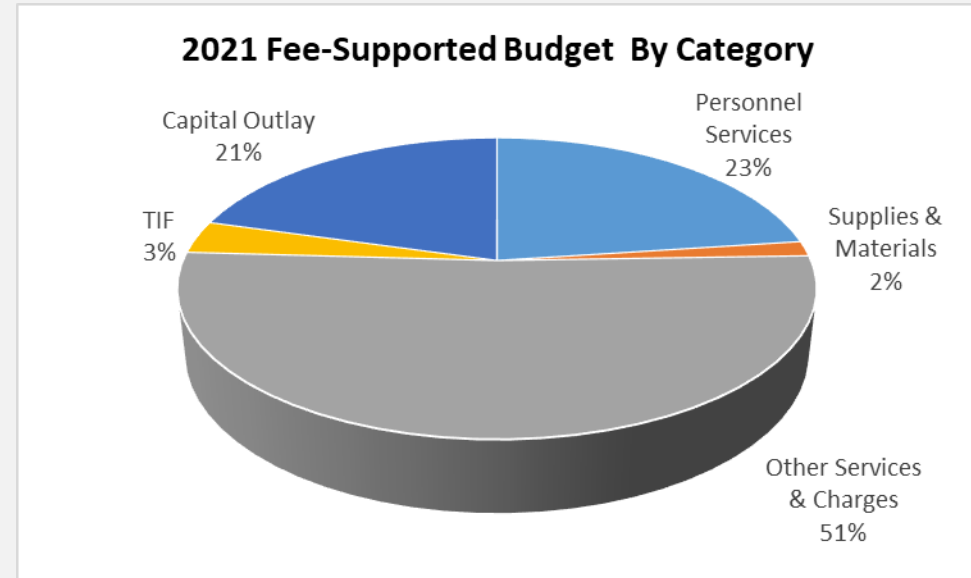
Fee Supported Budget Allocation

Fee-Supported Budget : \$24,713,485

- Increase of \$279,275 or 1.1% increase
- Increase due to new personnel and increased contractual services costs

2021 Fee-Supported Budget by Category		\$ Increase	% Increase	
	2020	2021	(Decrease)	(Decrease)
Personnel Services	\$ 5,315,290	\$ 5,705,249	\$ 389,959	7.3%
Supplies & Materials	409,590	401,265	(8,325)	-2.0%
Other Services & Charges	12,740,405	12,831,121	90,716	0.7%
TIF	1,101,000	876,000	(225,000)	-20.4%
Capital Outlay	5,102,200	5,134,125	31,925	0.6%
	\$ 24,668,485	\$ 24,947,760	\$ 279,275	1.1%

2021 Budget Allocation



*Other Services and Charges primarily represents spending on outsourced services such as; water purchases from St. Paul, wastewater treatment costs paid to the Met Council, professional services, specialized maintenance on facilities, infrastructure, & other assets, and energy-related costs.

2021 City Manager Recommended Budget

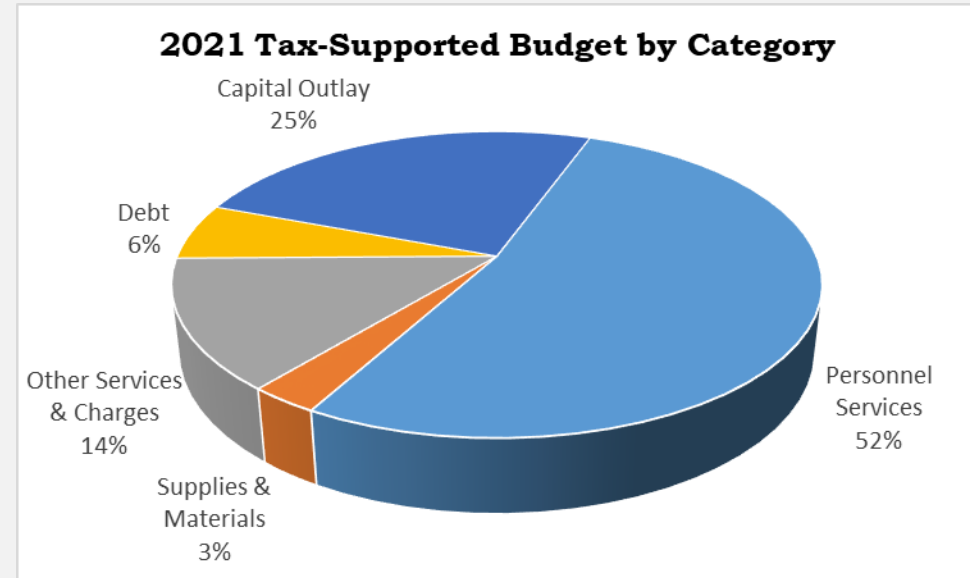
Property Tax Supported Budget Allocation

Property Tax Supported Budget: \$37,922,050

- Budget increase of \$345,510 or about 1%
- New personnel and additional personnel services costs also contribute to the increase

2021 Tax-Supported Budget by Category			\$ Increase	% Increase
	2020	2021	(Decrease)	(Decrease)
Personnel Services	\$ 18,999,680	\$ 20,051,520	\$ 1,051,840	5.5%
Supplies & Materials	1,126,130	1,129,410	3,280	0.3%
Other Services & Charges	5,090,100	5,245,401	155,301	3.1%
Debt	2,210,000	2,279,214	69,214	3.1%
Capital Outlay	10,399,260	9,465,135	(934,125)	-9.0%
	\$ 37,825,170	\$ 38,170,680	\$ 345,510	0.9%

2021 Budget Allocation



*Other Services and Charges primarily represents spending on outsourced services such as; water purchases from St. Paul, wastewater treatment costs paid to the Met Council, professional services, specialized maintenance on facilities, infrastructure, & other assets, and energy-related costs.

2021 City Manager Recommended Budget

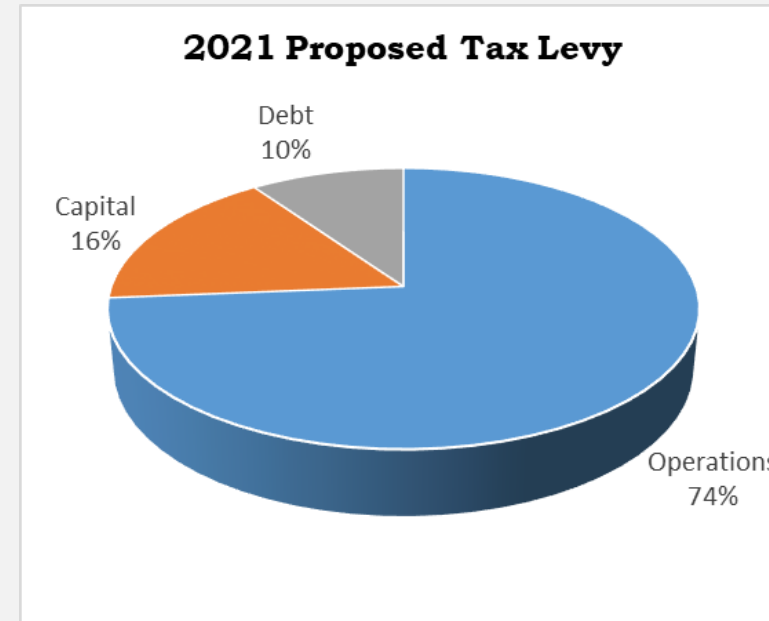
Tax Levy Allocation

Total Proposed Levy: \$23,538,859

- Increase of \$897,089 or 3.96% increase over 2020 levy

2021 Proposed Tax Levy			\$ Increase	% Increase
	2020	2021	(Decrease)	(Decrease)
Operations	\$ 16,686,770	\$ 17,271,245	\$ 584,475	3.5%
Capital	3,745,000	3,995,000	250,000	6.7%
Debt	2,210,000	2,272,614	62,614	2.8%
Total	\$ 22,641,770	\$ 23,538,859	\$ 897,089	3.96%

2021 Budget Allocation



Adjusting Budget Funding Sources

Provide Levy Support for Communication Functions +\$50,000 to levy

Shift Levy Support from Streets Operations to Pavement Management Fund \$0 levy impact

Investment in Equity

Administration Department

Equity and Inclusion Manager
New Levy Dollars

\$110,000

The main duties and responsibilities for the Equity and Inclusion Manager are:

- Provides leadership and direction for advancing equity and inclusion within the organization and the impact on the Roseville community
- Provide daily direction, coordination and supervision of staff working in equity, inclusion, and outreach roles
- Serves as educational and expert liaison to the public, staff and elected and appointed officials

2021 City Manager Recommended Budget

Budget Strategies

Investment in Public Safety

Police Department

1 Commitment to Diversity patrol officer New
Levy Dollars \$92,100

Fire Department

6 Firefighters*
New Levy Dollars \$0

* Grant Funding for 6 firefighters have been applied for through FEMA's SAFER Grant Program, which would pay 100% of the costs for three years.

3 Lieutenant Positions
New Levy Dollars \$30,000

Investment in City Workforce

Position Adjustments

Police Department Records Technician II	\$4,400
Police Investigative Analyst	\$8,550
Police Department Lead CSO (full-time to ¾ time)	(\$6,200)
Community Development Customer Service Rep./Permit Technician*	\$2,200
Public Works Environmental Specialist to Environmental Manager*	<u>\$2,700</u>
Total	\$11,650
Total Levy Impact (Net)	\$ 6,750

*Costs for these position adjustments will be paid for with non-levy funds.

Investment in City Workforce

New Positions

1 Administration Dept. Intern (\$15,000)
New Levy Dollars \$15,000

1 Community Dev. Building Inspector (\$57,110 net)
New Levy Dollars \$ 0

1.5 FTE License Center Representative (\$98,000)
New Levy Dollars \$0

2021 City Manager Recommended Budget

Tax Levy Impact on Homeowners

- The City of Roseville overall market value is projected to increase by 7.6%.
- Since the median single-family home value increase (2.9%) in Roseville is lower than the overall tax capacity growth, a greater portion of the tax burden has shifted to non-single-family properties
- The 2020 City Manager Recommended Budget will have a tax levy of \$23,538,859 and a levy increase of 3.96%
- The overall tax capacity increase for Roseville will result in the owner of the median valued single-family home (\$280,600) paying a total of **\$6.60 per year LESS** in 2021 for city (non-EDA) taxes compared to 2020
- With the recommended City and EDA levy and projected utility rate increases, the budget impact for the median valued home is expected to be \$2.36 more per month or \$28.32 annually

2021 Budget Impact on Median-Valued Home (monthly)				
	<u>2020</u>	<u>2021</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
Property Tax Levy: City	\$ 94.30	\$ 93.75	\$ (0.55)	-0.6%
Property Tax Levy: EDA	1.93	1.64	(0.29)	-15.3%
Utility Rates	60.60	63.80	3.20	5.3%
Combined Total	\$ 156.83	\$ 159.19	\$ 2.36	1.5%

2021 City Manager Recommended Budget

City Budget Next Steps

- September 14- Receive Finance Commission budget recommendations
- September 21 -Adopt Preliminary City and EDA Tax Levy and Budget
- November 9– Review 2021 Utility Rates and Fee Schedule
- November 23 – Conduct Final Budget Hearing (Truth-in Taxation Hearing)
- December 2 – Adopt Final City and EDA Tax Levy and Budget, Utility Rates, and Fee Schedule

2021 City Manager Recommended Budget

City Budget Summary

- 2021 City Manager Recommended Budget
 - \$63,118,440 (1% increase)
- Total Proposed City Levy: \$23,538,859 (3.96% increase)
- Budget Priorities
 - Adjust Budget Funding Sources
 - Invest in Equity
 - Invest in Public Safety
 - Invest in City Workforce
- Owner of the median valued single-family home will be paying a total of **\$0.55 per month or \$6.60 per year LESS** in 2021 for city (non-EDA) taxes compared to 2020
- **The cost impact for the median valued home** is expected to be **\$2.36 per month or \$28.32 annually** with the recommended City and EDA levy and projected utility rate increases



Q

&

A

Questions?