



*2014-2015  
Budget Summary*

Budget Hearing  
7:00 p.m. December 2, 2013  
City Hall Council Chambers

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4600 Victoria Street N  
Shoreview, MN 55126  
(651) 490-4600  
[www.shoreviewmn.gov](http://www.shoreviewmn.gov)

November 2013

Dear Citizens:

In preparing our 2014-2015 Operating Budget and Capital Improvement Program, and the Five-Year Operating Plan the City Council is committed to maintaining the services, programs and facilities that make Shoreview one of the premier suburban communities in the Twin Cities Metropolitan area. Accomplishing this goal is even more difficult in these economic times. Despite the obvious challenges in the last year, Shoreview has managed to:

- Create a Community Investment Fund designed to support improvements that provide community-wide benefit
- Maintain the City's AAA bond rating, the highest rating awarded
- Preserve quality services and programs for our residents
- Continue the development and evaluation of 5-year operating goals and strategies

As we look to the future, the City must ensure that our limited financial resources continue to be used to provide services such as police and fire protection; maintenance and snowplowing of streets; water and sewer services; and recreational programs and facilities (including parks and trails) in an effective manner.

We hope you find the information included in this 2014-2015 Budget Summary helpful in explaining how the City puts your tax dollars to work in our community. If you have questions about the City's budget, please contact us at 651-490-4600.

Sandy Martin  
Mayor

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## Budget Objectives

The Operating Budget and Capital Improvement Program are developed considering the current economic climate, resident feedback during the year, periodic community surveys, and City Council goals. Primary budget objectives for 2014-2015 include:

- Balance the General Fund budget
- Maintain existing services and programs through efficient use of tax dollars
- Recover utility operation costs through user fees
- Fund infrastructure replacement
- Continue five-year financial planning for operating funds
- Meet debt obligations
- Maintain AAA bond rating
- Prepare a two-year budget
- Protect and enhance parks, lakes and open space areas
- Position the City to effectively address future challenges and opportunities (revitalize neighborhoods, encourage reinvestment, assist redevelopment opportunities, and utilize technology to improve services and communications)

## **Executive Summary**

The following listing provides a summary of key information discussed in this document:

- Proposed 2014 tax levy increases 3.4%
- Total market value increases .63% and taxable value increases 1.13%
- City tax rate increases 1.36% due to the combined impact of the levy and taxable value increase
- Future sales tax savings due to a change in state law
- City receives approximately 23% of total property taxes in 2013; other taxing jurisdictions collect the remaining 77%
- City share of the tax bill ranks 6th lowest among comparison cities in 2013 (21% below the average)
- About 29 cents of each property tax dollar goes to support public safety, followed by replacement costs at 23 cents, parks and recreation at 17 cents, general government at 9 cents, public works and debt service at 8 cents each, community development at 3 cents, community center at 2 cents and 1 cent for recreation programs
- About 49.9% of home values decline for 2014 taxes, and 49% of home values increase
- The change in individual property tax bills varies depending on the change in property value

## **Budget Process**

The budget process starts in May with the distribution of budget materials to departments, followed by a series of staff budget discussions. Council budget workshops are held from early August through November, followed by a budget hearing the first regular Council meeting in December and budget adoption at the second regular Council meeting in December. The budget is published, posted to the City's website, and distributed to the County Library in January.

## Proposed Tax Levy

The table below provides a two-year comparison of Shoreview's tax levy, taxable values, tax rate and the metro-wide fiscal disparities contribution. Key changes for 2014 include:

- Total tax levy increases 3.4%
- Taxable value increases 1.13% (to \$23.963 million for 2014)
- Tax rate increases 1.36% due to levy and value changes
- Fiscal disparities contribution increases 11.18%

	2013	2014	Change		Impact on Total Levy
	Adopted Levy	Proposed Levy	Amount	Percent	
General Fund	\$ 6,639,567	\$ 6,837,154	\$ 197,587	2.98%	2.04%
EDA and HRA Funds	135,000	170,000	35,000	25.93%	0.36%
Debt (all funds combined)	685,000	732,000	47,000	6.86%	0.49%
Replacement Funds	2,100,000	2,250,000	150,000	7.14%	1.55%
Capital Improvement Funds	120,000	20,000	(100,000)	-83.33%	-1.03%
<b>Total Tax Levy</b>	<b>\$9,679,567</b>	<b>\$10,009,154</b>	<b>\$329,587</b>	<b>3.40%</b>	<b>3.40%</b>
Taxable Value (millions)	\$ 23.694	\$ 23.963	\$ 0.269	1.13%	
Tax Rate-City	36.970%	37.474%	0.504%	1.36%	
Tax Rate-HRA	0.289%	0.343%	0.054%	18.69%	
Fiscal Disparities Contribution	\$ 845,000	\$ 939,450	\$ 94,450	11.18%	

A recent change in state law will result in sales tax savings beginning in 2014. Last summer Shoreview estimated 2012 sales tax as follows:

General Fund	\$ 38,900
Special Revenue Funds	1,200
Capital Project Funds	32,500
Utility Funds	38,350
Internal Service Funds	<u>49,950</u>
<b>Total</b>	<b>\$160,900</b>

Information obtained later revealed that the actual savings is likely lower because many capital purchases will remain taxable (vehicles etc.). In addition, much of the savings will not occur in tax supported funds. For instance, savings in utility and internal service funds will reduce future fees but will not impact property taxes, and savings in capital funds will reduce resources dedicated to support project costs (debt issuance and other internal sources).

Items impacting Shoreview's 2014 levy include:

Public safety contracts (police and fire)	\$117,445
Equipment charges	75,755
Capital funds	50,000
Debt payments	47,000
Wage adjustment and health insurance	82,277
EDA and HRA	35,000
Associate staff (election/acctg/fores/com dev)	29,589
Parks & Recreation Director (part-year)	27,923
Legal costs	25,000
Ice and snow supplies	22,000
Asst to City Manager to full-time	17,481
Reallocation of Parks positions	15,835
Newsletter printing/postage	8,800
Staff changes/steps/PERA/FICA/work comp (net)	7,582
Transfers out of General Fund	- 43,000
All other changes combined (net)	<u>-189,100</u>
Total Levy Changes	<u>\$ 329,587</u>

- Public safety includes police patrol, investigations, dispatch, animal control and fire protection (and duty-crew implementation)
- Equipment charges cover equipment used in service delivery
- Capital funds support replacement of assets (streets, parks etc.)
- Debt payment levies are structured to minimize the impact on current and future tax levies
- Personnel costs include a 2% wage adjustment, higher health insurance costs, a Park Director position, reclassification of an administrative position to full-time, associate staff changes (elections, accounting, forestry and community development), staff reallocations, and mandatory contributions to social security, PERA and workers compensation insurance.
- Increases in EDA and HRA levies
- Legal costs (primarily prosecutions)
- Ice and snow supplies
- Newsletter costs (postage and printing)
- Transfers to other funds decrease a net of \$43,000
- All other changes include increased permit revenue and transfers from utility funds, and other miscellaneous changes.

## All Operating Funds Combined

Shoreview prepares a Five-Year Operating Plan (FYOP) covering all operating and debt service funds, a Biennial Operating Budget and Capital Improvement Program. The table on the next page summarizes the total proposed budgets for 2014 and 2015 in comparison to prior years, including the following funds:

- General Fund
- Special Revenue Funds
  - Recycling
  - Community Center
  - Recreation Programs
  - Cable Television
  - Economic Development Authority
  - Housing and Redevelopment Authority
  - Slice of Shoreview
- Debt Funds
- Enterprise Funds
  - Water
  - Sewer
  - Surface Water Management
  - Street Lighting
- Internal Service Funds
  - Central Garage
  - Short-term Disability
  - Liability Claims

The above list, and the table on the next page, include funds that receive tax dollars as well as funds that receive no tax support. For instance, the Recycling, Community Center, Recreation Programs, Cable Television, and Enterprise Funds cover the majority of operating costs through user charges and outside revenue.

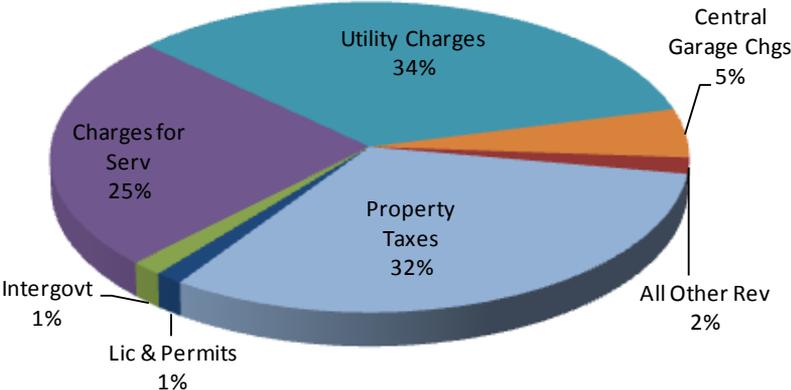
Capital Project Funds (for the construction and replacement of major assets) are not included in the table on the next page.

Total expense is expected to increase 3.2% for 2014.

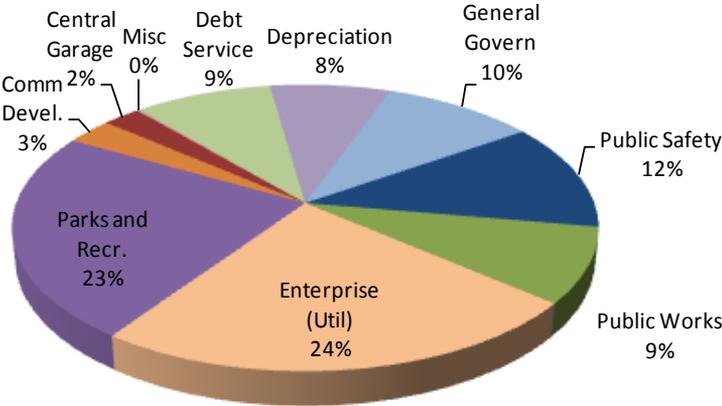
	2012	2013		2014	2015
	Actual	Budget	Revised Estimate	Proposed Budget	Proposed Budget
<b>Revenue</b>					
Property Taxes	\$ 7,147,896	\$ 7,459,567	\$ 7,459,567	\$ 7,739,154	\$ 8,117,671
Special Assessments	174,842	107,971	94,428	100,850	199,945
Licenses and Permits	540,755	314,050	475,600	324,500	308,300
Intergovernmental	376,158	366,152	363,727	365,392	361,152
Charges for Services	5,689,999	5,809,731	5,942,760	6,037,173	6,190,130
Fines and Forfeits	67,000	62,500	52,800	52,800	52,800
Utility Charges	8,086,327	7,993,640	7,993,640	8,294,577	8,663,303
Central Garage Chgs	1,143,847	1,153,020	1,196,240	1,242,855	1,256,090
Interest Earnings	185,417	163,350	137,950	153,000	160,070
Other Revenues	174,000	80,740	103,556	102,808	102,427
Total Revenue	<u>\$ 23,586,241</u>	<u>\$ 23,510,721</u>	<u>\$ 23,820,268</u>	<u>\$ 24,413,109</u>	<u>\$ 25,411,888</u>
<b>Expense</b>					
General Government	\$ 2,243,504	\$ 2,345,660	\$ 2,455,800	\$ 2,442,375	\$ 2,515,522
Public Safety	2,706,424	2,882,693	2,861,662	3,000,223	3,144,020
Public Works	1,864,122	1,979,986	1,979,026	2,086,295	2,150,401
Parks and Recr.	5,282,365	5,470,139	5,458,672	5,759,484	6,116,013
Community Devel.	612,405	680,735	690,928	742,615	780,031
Enterprise Oper.	5,244,732	5,705,039	5,583,226	5,817,212	6,015,448
Central Garage	550,659	593,566	577,942	599,799	617,652
Miscellaneous	67,522	40,000	40,000	40,000	40,000
Debt Service	2,331,187	2,277,782	2,429,890	2,213,943	2,096,139
Depreciation	1,813,983	1,907,000	1,867,000	1,935,000	1,991,000
Total Expense	<u>\$ 22,716,903</u>	<u>\$ 23,882,600</u>	<u>\$ 23,944,146</u>	<u>\$ 24,636,946</u>	<u>\$ 25,466,226</u>
<b>Other Sources (Uses)</b>					
Sale of Asset-Gain	26,311	41,000	40,000	29,000	-
Debt Proceeds	-	20,000	2,596,503	-	10,000
Debt Refunding	-	-	(135,000)	(860,000)	(1,385,000)
Contrib Assets	194,313	-	-	-	-
Transfers In	2,063,714	2,359,186	2,362,009	2,070,010	2,130,321
Transfers Out	(1,374,262)	(1,340,320)	(1,349,850)	(1,347,010)	(1,829,400)
Net Change	<u>\$ 1,779,414</u>	<u>\$ 707,987</u>	<u>\$ 3,389,784</u>	<u>\$ (331,837)</u>	<u>\$ (1,128,417)</u>

The anticipated increase in fund equity for 2013 is due to refunding bond proceeds for a crossover refunding. The bond proceeds are held in escrow until the call dates in 2014 and 2015, when the old bonds will be retired (\$860,000 in 2014 and \$1,385,000 in 2015). The City issues refunding debt when substantial interest savings can be achieved, thereby reducing future debt levies or future utility rate increases.

Utility charges (water, sanitary sewer, surface water and street lighting) provide the largest share of operating fund revenue (34%) followed by property taxes (32%), charges for service (25%), central garage charges (5%), intergovernmental revenue (1%), licenses and permits (1%) and all other revenue (2%).



Public works accounts for 33% of operating expense, including 24% for enterprise operations (utility) and 9% for public works (engineering, streets, trails and forestry). Parks accounts for 23%, followed by public safety at 12%, general government at 10%, debt at 9%, depreciation at 8%, and community development at 3%, and central garage at 2%.



# General Fund

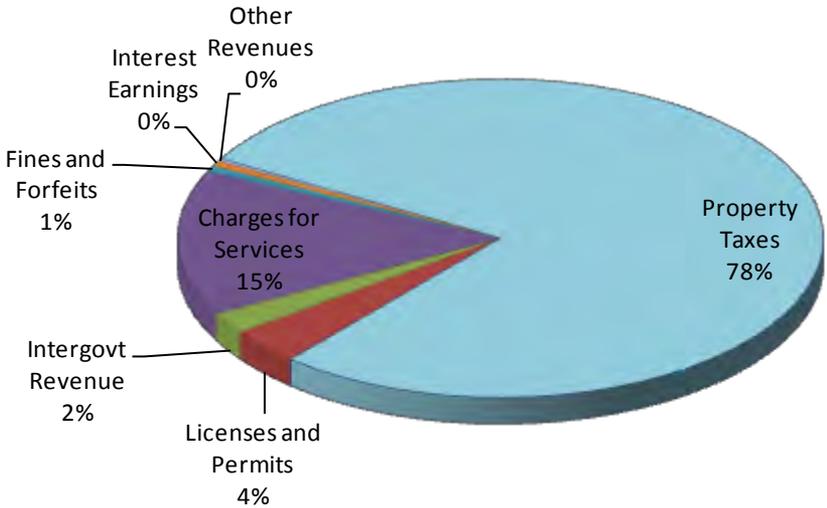
The General Fund is the City’s primary operating fund. As such, it accounts for costs associated with basic government activities not already accounted for elsewhere, including: police and fire, street maintenance and snow plowing, community development, park and trail maintenance, city hall operations, and general government services.

General fund expense increases \$438,045 for 2014 (5.1%). More than half of the expense increase is offset by higher non-tax revenue and transfers in, or reductions in transfers out, leaving a General Fund tax increase of \$197,587 for 2014.

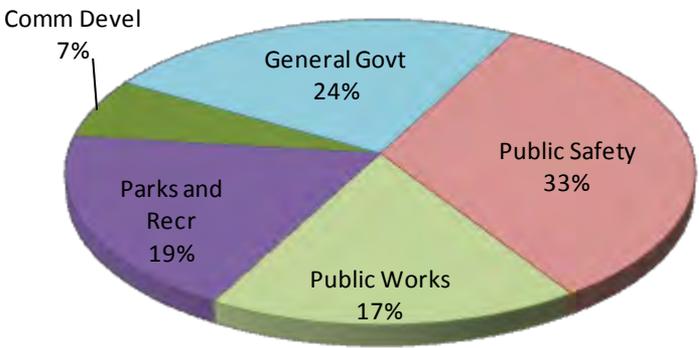
Contractual costs account for 53% of General Fund expense, followed by personal services at 44%, and supplies at 3%.

	Actual 2012	Budget 2013	Estimate 2013	Budget 2014	Budget 2015
<b>Revenue</b>					
Property Taxes	\$6,374,969	\$ 6,639,567	\$6,639,567	\$ 6,837,154	\$ 7,180,671
Licenses and Permits	540,755	314,050	475,600	324,500	308,300
Intergovernmental	187,149	185,622	187,407	188,622	188,622
Charges for Services	1,262,088	1,284,970	1,313,670	1,303,110	1,302,400
Fines and Forfeits	67,000	62,500	52,800	52,800	52,800
Interest Earnings	47,253	45,000	40,000	45,000	50,000
Other Revenues	52,529	24,040	26,956	26,108	26,227
Total Revenue	\$8,531,743	\$ 8,555,749	\$ 8,736,000	\$ 8,777,294	\$ 9,109,020
<b>Expense</b>					
General Government	\$2,037,850	\$ 2,134,062	\$2,128,114	\$2,227,053	\$ 2,269,274
Public Safety	2,706,424	2,882,693	2,861,662	3,000,223	3,144,020
Public Works	1,389,113	1,475,820	1,475,047	1,556,726	1,603,772
Parks and Recreation	1,594,152	1,611,293	1,599,242	1,726,055	1,850,037
Community Devel.	517,777	558,381	575,447	590,237	611,917
Total Expense	\$8,245,316	\$ 8,662,249	\$ 8,639,512	\$ 9,100,294	\$ 9,479,020
Transfers In	481,000	519,000	519,000	692,000	748,000
Transfers Out	(607,830)	(412,500)	(494,000)	(369,000)	(378,000)
Net Change	\$ 159,597	\$ -	\$ 121,488	\$ -	\$ -

Property taxes account for 78% of General Fund revenue, followed by 15% from charges for services, 4% from licenses and permits, and 3% from all other sources.



Public safety accounts for the largest share of the General Fund budget at 33% of the total, followed by 24% for general government, 19% for parks and recreation, 17% for public works and 7% for community development.



## Special Revenue Funds

The City operates six special revenue funds, as follows:

- Recycling accounts for the bi-weekly curbside program.
- Community Center accounts for operation/maintenance of the facility. Admissions/memberships provide about 64% of revenue, while rentals, concessions and other fees provide 24%. Inter-fund transfers include \$239,000 from the General fund (to keep membership rates affordable and offset free or reduced room rental rates for community groups), and \$100,000 from the Recreation Programs fund for building use.
- Recreation Programs accounts for fee-based recreational and social programs, and receives \$70,000 from the General fund for playground and general program costs.
- Cable Television accounts for franchise administration (through North Suburban Communications Commission) and provides support for City communication activities (through a transfer to the General Fund). The primary revenue is cable franchise fees.

	Recycling	Community Center	Recreation Programs	Cable Television
<b>Revenue</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	66,000	-	-	-
Charges for Services	493,500	2,431,850	1,460,213	314,000
Interest Earnings	-	8,000	4,200	1,600
Other Revenues	-	13,000	-	1,200
<b>Total Revenue</b>	<b>559,500</b>	<b>2,452,850</b>	<b>1,464,413</b>	<b>316,800</b>
<b>Expense</b>				
General Government	-	-	-	149,587
Public Works	529,569	-	-	-
Parks and Recreation	-	2,667,676	1,365,753	-
Community Development	-	-	-	-
<b>Total Expense</b>	<b>529,569</b>	<b>2,667,676</b>	<b>1,365,753</b>	<b>149,587</b>
<b>Other Sources (Uses)</b>				
Transfers In	-	339,000	70,000	-
Transfers Out	-	-	(100,000)	(160,000)
<b>Net Change</b>	<b>\$ 29,931</b>	<b>\$ 124,174</b>	<b>\$ 68,660</b>	<b>\$ 7,213</b>

- EDA accounts for Economic Development Authority activities, including: business retention and expansion, targeted redevelopment, employment opportunities, and efforts to strengthen and diversify the City's tax base.
- HRA accounts for Housing Redevelopment Authority efforts to preserve housing stock, and maintain quality neighborhoods through programs and policies designed to promote reinvestment and improvements to homes.
- Slice of Shoreview accounts for donations, sponsorships, revenues and expenses associated with the Slice of Shoreview event. The General fund provides \$10,000 in support to help defray costs of the event.

	EDA	HRA	Slice of Shoreview	Total
<b>Revenue</b>				
Property Taxes	\$ 80,000	\$ 90,000	\$ -	\$ 170,000
Intergovernmental	-	-	-	66,000
Charges for Services	-	-	26,000	4,725,563
Interest Earnings	-	-	-	13,800
Other Revenues	-	-	32,000	46,200
Total Revenue	80,000	90,000	58,000	5,021,563
<b>Expense</b>				
General Government	-	-	65,735	215,322
Public Works	-	-	-	529,569
Parks and Recreation	-	-	-	4,033,429
Community Development	71,007	81,371	-	152,378
Total Expense	71,007	81,371	65,735	4,930,698
<b>Other Sources (Uses)</b>				
Transfers In	-	-	10,000	419,000
Transfers Out	-	-	-	(260,000)
Net Change	\$ 8,993	\$ 8,629	\$ 2,265	\$ 249,865

## Debt Service Funds

The table below provides a summary of revenue and expense for Debt Service Funds. Revenue derived from the debt levy and special assessments provides about 43% of the funding needed for annual principal and interest payments in 2014. These revenues are legally restricted to the payment of the debt, and therefore are held within the corresponding debt fund until the debt issue is paid in full. The remainder of funding for debt payments is provided by internal sources (in the form of transfers from other funds), interest earnings, tax increment collections, etc.

	G.O. Bonds & Capital Lease	TIF Bonds	G.O. Impr. Bonds	Total Debt Funds
<b>Revenue</b>				
Property Taxes	\$ 540,000	\$ -	\$ 8,000	\$ 548,000
Special Assessments	-	-	100,850	100,850
Intergovernmental	-	-	1,270	1,270
Interest Earnings	9,750	-	4,200	13,950
Total Revenue	549,750	-	114,320	664,070
<b>Expense</b>				
Debt Service	1,084,064	367,975	222,934	1,674,973
Total Expense	1,084,064	367,975	222,934	1,674,973
<b>Other Sources (Uses)</b>				
Debt Proceeds	-	-	-	-
Debt Refunded	(760,000)	-	(100,000)	(860,000)
Transfers In	455,000	368,000	16,610	839,610
Transfers Out	-	-	(66,610)	(66,610)
Net Change	\$ (839,314)	\$ 25	\$ (258,614)	\$ (1,097,903)

The planned decrease in fund balance is due to the use of fund balances that have been accumulated and held for the payment of debt, and the payment of debt refunded by the 2013 refunding bonds (\$760,000 in GO Bonds and \$100,000 in GO Improvement Bonds).

## Internal Service Funds

The City operates three internal service funds, as follows:

- Central Garage accounts for operation and maintenance of vehicles, heavy machinery, miscellaneous equipment and the maintenance facility. The primary source of revenue is inter-fund equipment and building charges designed to recover operating expense. Property taxes, intergovernmental revenue (federal interest credits) and transfers in cover debt payments.
- Short-term Disability is a self-insurance fund that accounts for premiums charged for short-term disability coverage and expense associated with disability claims.
- Liability Claims accounts for dividends received annually from the League of Minnesota Cities Insurance Trust for the City's liability insurance coverage as well as losses not covered by the City's insurance (due to deductibles).

	Central Garage	Short-term Disability	Liability Claims	Total
<b>Revenue</b>				
Property Taxes	\$ 184,000	\$ -	\$ -	\$ 184,000
Intergovernmental	83,170	-	-	83,170
Charges for Services	-	7,500	-	7,500
Central Garage Charges	1,242,855	-	-	1,242,855
Interest Earnings	9,500	450	2,100	12,050
Other Revenues	-	-	30,000	30,000
Total Revenue	1,519,525	7,950	32,100	1,559,575
<b>Expense</b>				
Central Garage	599,799	-	-	599,799
Miscellaneous	-	8,000	32,000	40,000
Debt Service	238,054	-	-	238,054
Depreciation	660,000	-	-	660,000
Total Expense	1,497,853	8,000	32,000	1,537,853
<b>Other Sources (Uses)</b>				
Sale of Asset-Gain	29,000	-	-	29,000
Transfers In	119,400	-	-	119,400
Net Change	\$ 170,072	\$ (50)	\$ 100	\$ 170,122

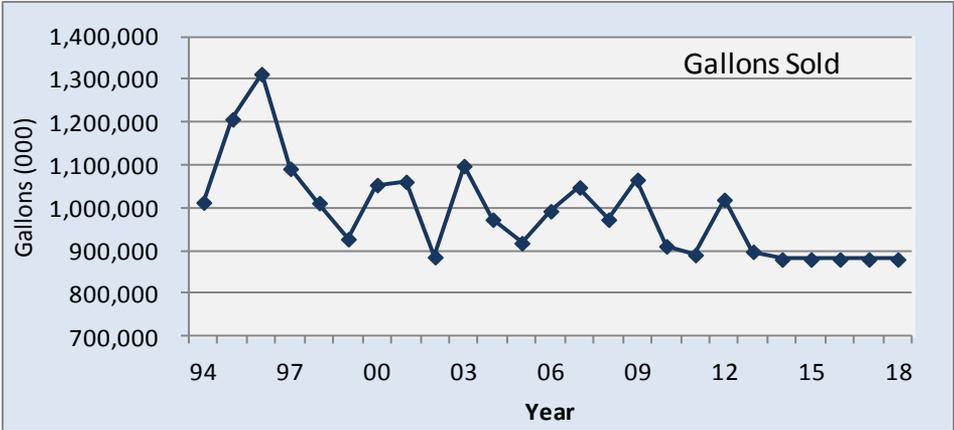
## Enterprise (Utility) Funds

The City operates four utility funds. These funds account for services that are supported primarily through quarterly utility fees designed to cover operating costs, debt service, depreciation expense and replacement costs. The table below shows the proposed 2014 budget for each of these funds.

	Water	Sewer	Surface Water	Street Lighting	Total
<b>Revenue</b>					
Intergovernmental	\$ 12,620	\$ 10,050	\$ 3,660	\$ -	\$ 26,330
Charges for Services	-	1,000	-	-	1,000
Utility Charges	2,653,500	3,822,500	1,325,577	493,000	8,294,577
Interest Earnings	34,000	24,000	8,000	2,200	68,200
Other Revenues	-	-	-	500	500
Total Revenue	2,700,120	3,857,550	1,337,237	495,700	8,390,607
<b>Expense</b>					
Enterprise Operations	1,503,536	3,219,590	826,595	267,491	5,817,212
Debt Service	160,623	58,177	82,116	-	300,916
Depreciation	639,000	330,000	248,000	58,000	1,275,000
Total Expense	2,303,159	3,607,767	1,156,711	325,491	7,393,128
<b>Other Sources (Uses)</b>					
Transfers Out	(303,000)	(181,000)	(147,000)	(20,400)	(651,400)
Net Change	\$ 93,961	\$ 68,783	\$ 33,526	\$ 149,809	\$ 346,079

Residential water consumption has declined in recent years, due in part to changing demographics (age and number of residents per home), changing usage patterns (lower household use), and changing weather patterns (fewer gallons used for summer watering except during periods of drought). Surpluses in these funds are dedicated to supporting capital replacement costs (water lines, sewer lining, surface water improvements, and street light replacements).

The graph below demonstrates the downward trend for total water consumption by showing the total gallons of water sold each year since 1994, and the estimated gallons used to compute revenue projections in future years (2014 through 2018). The continuing downward trend has forced the City to revise the base gallon estimates used to project utility revenue in recent years. In general, weather (either from sustained periods of drought or heavy rain) is the primary cause of fluctuations in gallons sold from year to year.



Periods of lower consumption mean the City maintains and operates the water system with less opportunity to recover costs due to fewer gallons being sold to customers. Over the last 4 years the City has experienced overall losses in 3 of the utility funds (Water, Sewer, and Surface Water Funds), which puts pressure on utility rates.

The budget information, presented at left, for the City’s utility funds shows that each utility fund is projected to have a net gain in 2014. Significant items impacting utility operations include: depreciation of existing assets (\$1.3 million), sewage treatment costs (\$1.8 million), street light repairs, and energy costs.

More information about the City’s utility funds is available in a separate document devoted entirely to utility operations.

## City Property Tax by Program

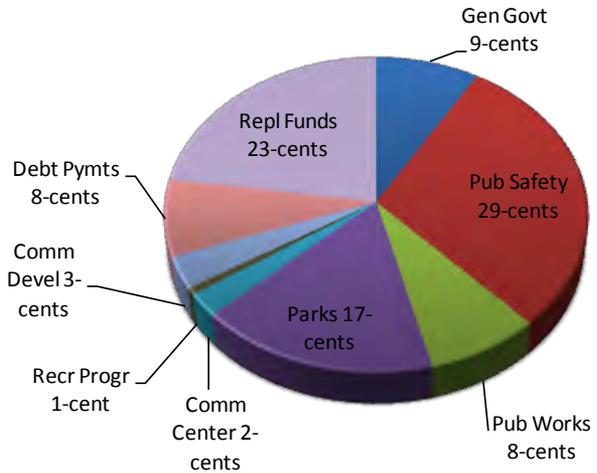
Shoreview’s median home will pay about \$20 more in City property taxes in 2014 (assuming a 1% increase in value before the new Homestead Market Value Exclusion is applied). Because property taxes support a variety of City programs and services, the table below is presented to show tax support by program (on an annual basis).

- Public safety accounts for the largest share of the cost at \$229 per year on a median valued home
- Replacement of assets (streets etc.) accounts for \$176
- Parks administration and maintenance accounts for \$132
- General government accounts for \$67
- Public works accounts for \$63
- Debt service accounts for \$61
- Community development accounts for \$25
- Support for community center and recreation programs accounts for \$24

	2013	2014	Change	
	City Tax	City Tax		
value before MVE->	\$222,200	\$224,500		
value after MVE->	\$205,000	\$207,500		
Program	Home	Home	\$	%
General Government	\$ 70.41	\$ 66.51	\$ (3.90)	
Public Safety	220.10	228.69	8.59	
Public Works	59.95	62.78	2.83	
Parks and Recreation:				
Park Admin and Maint	124.14	132.30	8.16	
Community Center Operation	18.34	18.74	0.40	
Recreation Programs	5.53	5.49	(0.04)	
Community Development	22.28	25.39	3.11	
Debt Service	62.00	61.31	(0.69)	
Capital Improvement Fund	9.47	-	(9.47)	
Replacement Funds	165.67	176.38	10.71	
Total City Taxes	\$ 757.89	\$ 777.59	\$ 19.70	2.1%

This pie chart illustrates how the City will spend each tax dollar it receives in 2014. About 29 cents of each tax dollar goes to public safety, followed by replacement costs at 23 cents, parks and recreation at 17 cents

(including maint), general government at 9 cents, public works at 8 cents, debt service at 8 cents, community development at 3 cents, community center at 2 cents, and recreation programs at 1 cent.



## How have home values changed for 2014?

Market Value Changes—Minnesota’s property tax system uses market value to distribute tax burden (adopted levies) among property served. Per the Ramsey County Assessor, 48.9% of Shoreview homes will experience a value increase for 2014 taxes, and 49.9% will experience a value decrease, leaving 1.2% of homes with no change in value. The table at right shows the change in all home values.

Shoreview Residential Property		
Value Change	Number of Homes	Percent of Total
Increase more than 20%	8	0.1%
Increase 10.1% to 20%	705	7.5%
Increase 5.1% to 10%	1,411	15.0%
Increase up to 5%	2,488	26.4%
No change	109	1.2%
Decrease .1% to 5%	2,210	23.5%
Decrease 5.1% to 10%	1,497	15.9%
Decrease 10.1% to 15%	671	7.1%
Decrease 15.1% to 20%	209	2.2%
Decrease more than 20%	108	1.1%
<b>Total Parcels</b>	<b>9,416</b>	<b>100.0%</b>

# What does this mean to my taxes?

## Change in Total Property Tax— According to the Ramsey County

Assessor, the total property tax on 59.4% of homes in Shoreview will decrease or stay the same. The estimated change in the total tax is summarized in the table at right for all Shoreview homes . As shown, about 17% of tax bills will increase up to \$100 for the year, and the remaining 23.6% of homes will increase more than \$100.

Shoreview Residential Property		
Value Change	Number of Homes	Percent of Total
Decrease or no change	5,654	59.4%
Increase \$1 to \$100	1,614	17.0%
Increase \$101 to \$200	788	8.3%
Increase \$201 to \$300	557	5.9%
Increase \$301 to \$400	359	3.8%
Increase \$401 to \$500	247	2.6%
Increase more than \$500	296	3.1%
<b>Total Parcels</b>	<b>9,515</b>	<b>100.0%</b>

Change in City Tax on Median Home Value—The table at the top of the next page illustrates how changes in value impact **Shoreview’s share of the tax bill only for the median home value**. Each line assumes a different change in market value.

- A median value home with a 10% value drop will pay \$89.73 less City tax
- A median home with a 5% value drop will pay \$36.86 less City tax
- A median home with a .8% value drop will pay \$3.81 less City tax
- A median home with a 1% value increase will pay \$19.70 more City tax
- A median home with a 5% value increase will pay \$53.72 more City tax
- A median home with a 10% value increase will pay \$92.91 more City tax
- A median home with a 15% value increase will pay \$128.77 more City tax

Market Value		Value Change	City Portion of Property Tax		Change in City Property Tax	
2013	2014		2013	2014	Dollars	Percent
\$ 249,440	\$ 224,500	-10.0%	\$ 867.32	\$ 777.59	\$ (89.73)	-10.3%
\$ 236,320	\$ 224,500	-5.0%	\$ 814.45	\$ 777.59	\$ (36.86)	-4.5%
\$ 226,240	\$ 224,500	-0.8%	\$ 773.78	\$ 777.59	\$ 3.81	0.5%
<b>\$ 222,200</b>	<b>\$ 224,500</b>	<b>1.0%</b>	<b>\$ 757.89</b>	<b>\$ 777.59</b>	<b>\$ 19.70</b>	<b>2.6%</b>
\$ 213,800	\$ 224,500	5.0%	\$ 723.87	\$ 777.59	\$ 53.72	7.4%
\$ 204,100	\$ 224,500	10.0%	\$ 684.68	\$ 777.59	\$ 92.91	13.6%
\$ 195,220	\$ 224,500	15.0%	\$ 648.82	\$ 777.59	\$ 128.77	19.8%

Change in City Tax for Various Home Values—The table below shows the estimated change in Shoreview’s share of the property tax bill for a variety of home values (City tax only).

Each line of the table assumes a 1% value increase.

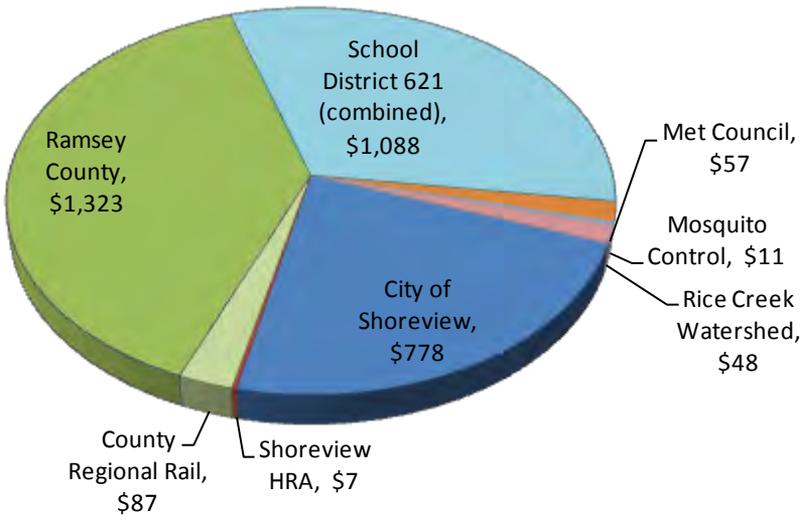
- A home valued at \$150,000 pays \$12.65 more City tax
- A home valued at \$200,000 pays \$17.25 more City tax
- A home valued at \$224,400 pays \$19.70 more City tax
- A home valued at \$300,000 pays \$26.81 more City tax
- A home valued at \$500,000 pays \$43.68 more City tax
- A home valued at \$700,000 pays \$69.96 more City tax
- A home valued at \$900,000 pays \$91.81 more City tax

Market Value		Value Change	City Portion of Property Tax		Change in City Property Tax	
2013	2014		2013	2014	Dollars	Percent
\$ 148,510	\$ 150,000	1.0%	\$ 460.65	\$ 473.30	\$ 12.65	2.7%
\$ 198,000	\$ 200,000	1.0%	\$ 660.28	\$ 677.53	\$ 17.25	2.6%
<b>\$ 222,200</b>	<b>\$ 224,400</b>	<b>1.0%</b>	<b>\$ 757.89</b>	<b>\$ 777.59</b>	<b>\$ 19.70</b>	<b>2.6%</b>
\$ 297,000	\$ 300,000	1.0%	\$ 1,059.19	\$ 1,086.00	\$ 26.81	2.5%
\$ 495,000	\$ 500,000	1.0%	\$ 1,830.02	\$ 1,873.70	\$ 43.68	2.4%
\$ 693,070	\$ 700,000	1.0%	\$ 2,740.59	\$ 2,810.55	\$ 69.96	2.6%
\$ 891,090	\$ 900,000	1.0%	\$ 3,655.59	\$ 3,747.40	\$ 91.81	2.5%

## Distribution of Property Tax Bill

About 23% of the total property tax bill goes to Shoreview. For 2014, the total tax bill on a \$224,500 Shoreview home located in the Mounds View School District is about \$3,399, and Shoreview's share is \$778.

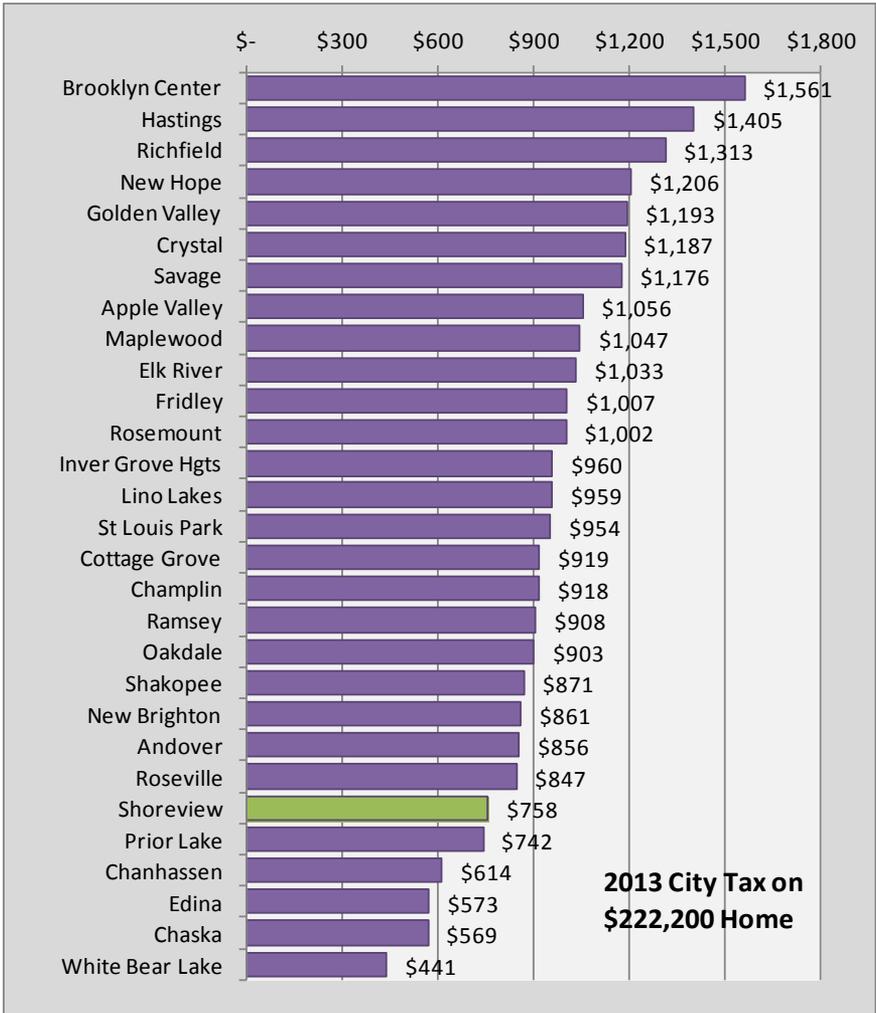
The pie chart below shows the total tax bill by jurisdiction (using preliminary tax rates). Ramsey County receives \$1,323, the Mounds View School District receives \$1,088 for regular and referendum levies, and all other jurisdictions combined receive \$210 (\$87 for County regional rail, \$57 for Met Council, \$48 for Rice Creek Watershed, \$11 for Mosquito Control and \$7 for Shoreview HRA).



School district tax for the Roseville School District would be \$699 (about \$389 lower than Mounds View) before approval of the referendum in November. The revised tax, including the new referendum levy, will not be available until after the school district hearing in December.

## Property Tax Comparison - City Taxes

This last graph compares the 2013 City portion of the property tax bill for Shoreview and 28 other metro-area cities. All estimates are for a \$222,200 home value (Shoreview’s median value in 2013). Shoreview ranks 6th lowest (at \$758), and is about 21% lower than the average of \$960. Brooklyn Center ranks highest at \$1,561, and White Bear Lake ranks lowest at \$441.



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