



# Preliminary 2023 Property Tax Levy

---

PRESENTED TO ARDEN HILLS CITY COUNCIL  
SEPTEMBER 26, 2022

# Overall General Fund Budget Summary

---

	<u>2023</u>	<u>Underfunded</u>
Revenues - non property tax	\$ 1,271,940	
Expenditures	\$ (5,509,580)	
4% tax levy	\$ 4,031,590	\$ (206,050)
5% tax levy	\$ 4,076,310	\$ (161,330)
6% tax levy	\$ 4,121,040	\$ (116,600)
7% tax levy	\$ 4,165,770	\$ (71,870)

# Proposed Tax Levy

---

FUND	4.0%	5.0%	6.0%	7.0%
General	\$ 4,031,590	\$ 4,076,310	\$ 4,121,040	\$ 4,165,770
Economic Development	100,000	100,000	100,000	100,000
Equipment/Building Replacement	50,000	50,000	50,000	50,000
Capital Improvement (PIR)	250,000	250,000	250,000	250,000
Public Safety Capital	220,000	220,000	220,000	220,000
<b>TOTAL</b>	<b>\$ 4,651,590</b>	<b>\$ 4,696,310</b>	<b>\$ 4,741,040</b>	<b>\$ 4,785,770</b>

# Budget Assumptions

---

<u>Description</u>	<u>Effect on Levy</u>
Increase in MSA maintenance aid	(17,490)
Increase in interest earnings	(23,000)
Increase in RamCo Sheriff	56,150
Increase in RamCo Dispatch	6,930
Increase in LJFD	54,510
Increase in building utility and rental costs	16,710
Increase in street maintenance supplies and other charges	12,100
3.0% COLA	42,740
Increase in insurance benefits	8,590
Step increases and position/allocation changes	58,320
Net changes in other GF budget areas	(20,600)
	<hr/>
	194,960
	<hr/>

# Personnel FTE's

---

	2022 Budget	2023 Request
General Government	6.09	6.12
Public Safety	2.79	2.79
Public Works	12.40	12.40
Parks & Recreation	4.35	4.32
Total	25.63	25.63

There were some small allocation changes.

There is information included in the Agenda Report related to 2023 COLA increase options.

# Tax Levy History

YEAR	TAX LEVY	% CHANGE	TAX RATE	% CHANGE
2013	3,191,230	3.0%	27.931%	9.3%
2014	3,257,456	2.1%	27.950%	0.1%
2015	3,359,775	3.1%	27.294%	-2.3%
2016	3,478,775	3.5%	26.539%	-2.8%
2017	3,641,290	4.7%	27.211%	2.5%
2018	3,786,942	4.0%	25.532%	-6.2%
2019	3,938,420	4.0%	25.555%	0.1%
2020	4,135,340	5.0%	25.414%	-0.6%
2021	4,280,080	3.5%	25.089%	-1.3%
2022	4,472,680	4.5%	26.544%	5.8%

# Effect on Median Value Home (City Tax only) 4.0% Increase

Value of Property for Pay 2022	Value of Property for Pay 2023	Taxable Value for Pay 2023	<u>CITY TAX</u>		\$ CHANGE	% CHANGE
			Pay 2022	Pay 2023		
\$ 180,000	\$ 207,600	\$ 189,000	\$ 422	\$ 448	\$ 26	6.2%
\$ 270,000	\$ 311,400	\$ 302,200	\$ 682	\$ 717	\$ 35	5.1%
\$ 384,600	\$ 443,600	\$ 443,600	\$ 1,014	\$ 1,052	\$ 38	3.8%
\$ 410,000	\$ 472,800	\$ 472,800	\$ 1,087	\$ 1,122	\$ 34	3.1%
\$ 525,000	\$ 605,500	\$ 605,500	\$ 1,410	\$ 1,499	\$ 89	6.3%
\$ 650,000	\$ 749,600	\$ 749,600	\$ 1,825	\$ 1,926	\$ 102	5.6%

# Effect on Median Value Home (City Tax only) 5.0% Increase

Value of Property for Pay 2022	Value of Property for Pay 2023	Taxable Value for Pay 2023	<u>CITY TAX</u>		\$ CHANGE	% CHANGE
			Pay 2022	Pay 2023		
\$ 180,000	\$ 207,600	\$ 189,000	\$ 422	\$ 453	\$ 31	7.4%
\$ 270,000	\$ 311,400	\$ 302,200	\$ 682	\$ 724	\$ 42	6.2%
\$ 384,600	\$ 443,600	\$ 443,600	\$ 1,014	\$ 1,063	\$ 49	4.9%
\$ 410,000	\$ 472,800	\$ 472,800	\$ 1,087	\$ 1,133	\$ 46	4.2%
\$ 525,000	\$ 605,500	\$ 605,500	\$ 1,410	\$ 1,515	\$ 105	7.4%
\$ 650,000	\$ 749,600	\$ 749,600	\$ 1,825	\$ 1,947	\$ 122	6.7%



# Effect on Median Value Home (City Tax only) 6.0% Increase

Value of Property for Pay 2022	Value of Property for Pay 2023	Taxable Value for Pay 2023	<u>CITY TAX</u>		\$ CHANGE	% CHANGE
			Pay 2022	Pay 2023		
\$ 180,000	\$ 207,600	\$ 189,000	\$ 422	\$ 458	\$ 36	8.5%
\$ 270,000	\$ 311,400	\$ 302,200	\$ 682	\$ 732	\$ 50	7.3%
\$ 384,600	\$ 443,600	\$ 443,600	\$ 1,014	\$ 1,074	\$ 61	6.0%
\$ 410,000	\$ 472,800	\$ 472,800	\$ 1,087	\$ 1,145	\$ 58	5.3%
\$ 525,000	\$ 605,500	\$ 605,500	\$ 1,410	\$ 1,530	\$ 120	8.5%
\$ 650,000	\$ 749,600	\$ 749,600	\$ 1,825	\$ 1,967	\$ 142	7.8%

# Effect on Median Value Home (City Tax only) 7.0% Increase

Value of Property for Pay 2022	Value of Property for Pay 2023	Taxable Value for Pay 2023	<u>CITY TAX</u>		\$ CHANGE	% CHANGE
			Pay 2022	Pay 2023		
\$ 180,000	\$ 207,600	\$ 189,000	\$ 422	\$ 462	\$ 40	9.6%
\$ 270,000	\$ 311,400	\$ 302,200	\$ 682	\$ 739	\$ 57	8.4%
\$ 384,600	\$ 443,600	\$ 443,600	\$ 1,014	\$ 1,085	\$ 72	7.1%
\$ 410,000	\$ 472,800	\$ 472,800	\$ 1,087	\$ 1,157	\$ 69	6.4%
\$ 525,000	\$ 605,500	\$ 605,500	\$ 1,410	\$ 1,546	\$ 136	9.7%
\$ 650,000	\$ 749,600	\$ 749,600	\$ 1,825	\$ 1,987	\$ 162	8.9%

# City Tax Rate

---

2022 City Tax Rate is 26.543%.

The estimated 2023 City Tax Rate calculated at different tax levy increases:

4.0%	23.724%
5.0%	23.973%
6.0%	24.221%
7.0%	24.470%

# 2022 Tax Rates for Cities in Ramsey County

City	Tax Rate
White Bear Lake	22.27
Little Canada	25.55
Vadnais Heights	26.14
<b>Arden Hills</b>	<b>26.54</b>
White Bear Township	27.18
Lauderdale	29.60
Shoreview	32.96
Blaine	35.11
New Brighton	37.30

City	Tax Rate
Mounds View	35.18
Gem Lake	38.12
Roseville	38.48
Falcon Heights	38.80
Maplewood	43.66
North St. Paul	44.14
Spring Lake Park	47.11
St. Paul	47.99
St. Anthony	64.70

# Budgeted vs Actual Activity

Year	Original Budget	Operating Activity	Transfers Out
2012	-	324,538	(124,955)
2013	(16,100)	44,795	(30,000)
2014	(185,402)	142,649	(162,417)
2015	(58,305)	736,465	-
2016	(160,326)	427,521	(565,121)
2017	(195,955)	694,505	-
2018	(237,225)	101,055	(400,000)
2019	(186,970)	235,217	(360,000)
2020*	(121,590)	642,918	(478,000)
2021	(90,720)	337,316	(548,000)

City has come in better than the budget for all the years shown. Reasons for this include conservative budgeting and we don't budget for position vacancies.

\*2020 Operating Activity includes CARES Act revenue of \$459,614.

# Tax Levy with LJFD Staffing Models

---

The information just discussed does not include any provisions for either of the LJFD staffing models. The staffing models anticipate 2023 tax levy increases needed of either \$75,000 or \$125,000 depending on the SAFER Grant. The table below shows the levy increases needed to account for one of these amounts.

Levy Increase	Underfunded General Fund	Levy increase w/ \$75,000	Levy increase w/ \$125,000
4.0%	\$206,050	5.7%	6.8%
5.0%	\$161,330	6.7%	7.8%
6.0%	\$116,600	7.7%	8.8%
6.5%	\$94,240	8.2%	9.3%
7.0%	\$71,870	8.7%	9.8%

# Council to Consider

---

## Resolution 2022-042 setting Preliminary Levy for Taxes Payable in 2023

- 4.0% increase sets maximum levy at \$4,651,590
- 5.0% increase sets maximum levy at \$4,696,310
- 6.0% increase sets maximum levy at \$4,741,040
- 7.0% increase sets maximum levy at \$4,785,770

## Resolution 2022-043 adopting Truth In Taxation Public Hearing Date for Proposed Taxes Payable in 2023

- December 12, 2022 – the first Council Meeting in December