



Public Hearing  
Presentation  
Proposed 2013 Budget  
for the  
City of Rochester  
December 3, 2012

**CITY OF ROCHESTER**  
**2013 PROPOSED BUDGET SUMMARY**

**December 3, 2012, 7:00 p.m., City Council Chambers**

- **Initial Public Hearing on 2012 Proposed Budget**

**December 4, 2012, 2:00 p.m., Room 104, City Hall**

- **Mayor/Council Review of Individual Department Budget Requests**

**December 5, 2012, 2:00 p.m., Room 104, City Hall**

- **Mayor/Council Continued Review of Individual Department Budget Requests**

**December 17, 2012, 7:00 p.m., City Council Chambers**

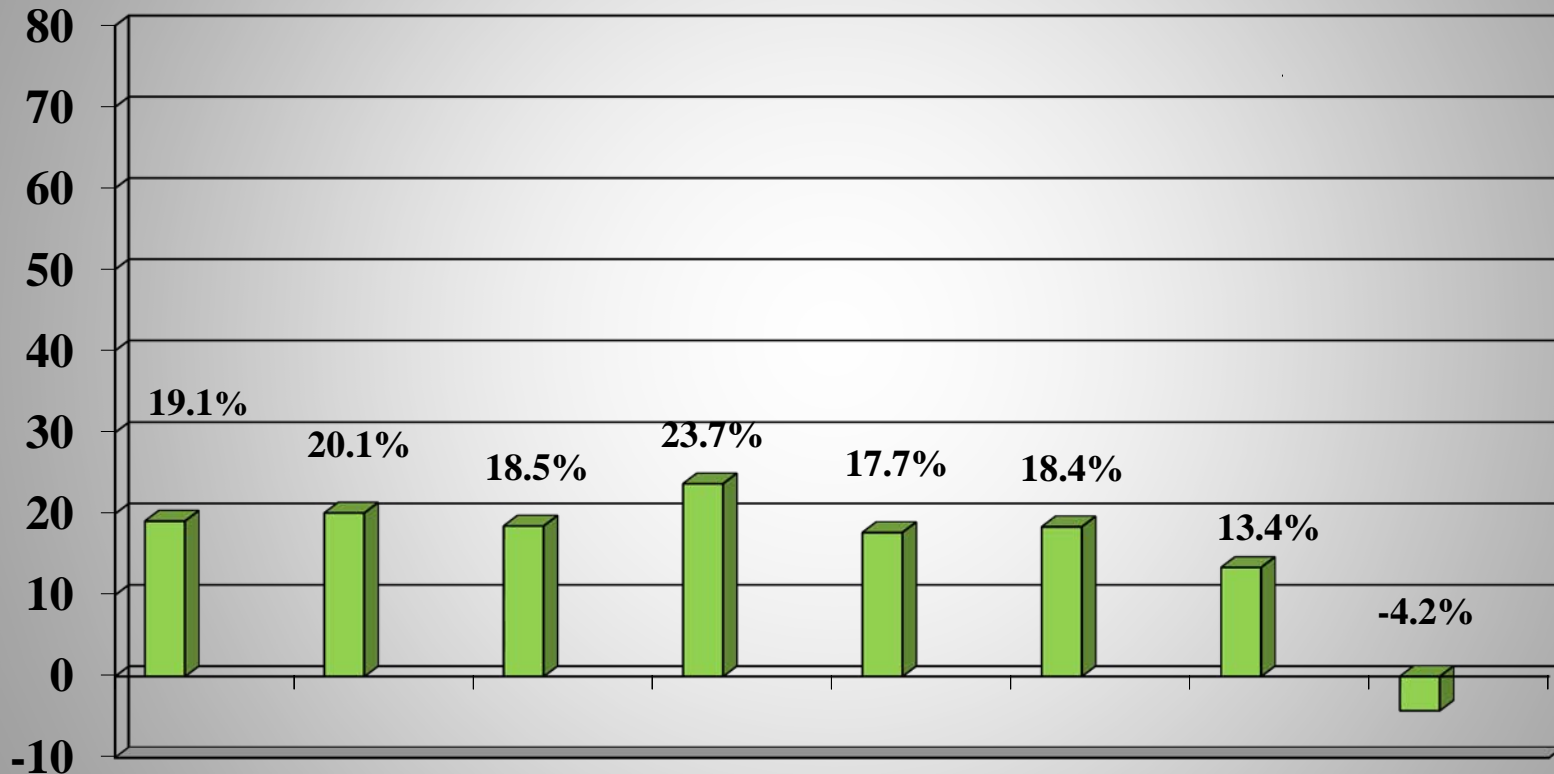
- **Adoption Public Hearing for 2013 Budget**

# CITY OF ROCHESTER

## Physical Trend Data

### Ten Year Trend

2002 Actual compared to 2011 Actual



-----Miles-----

Streets

Sanitary

Storm

Sewer

Sewer

Park  
Acres

City  
Area

Pop.

-----City Employment-----

# of

Employees

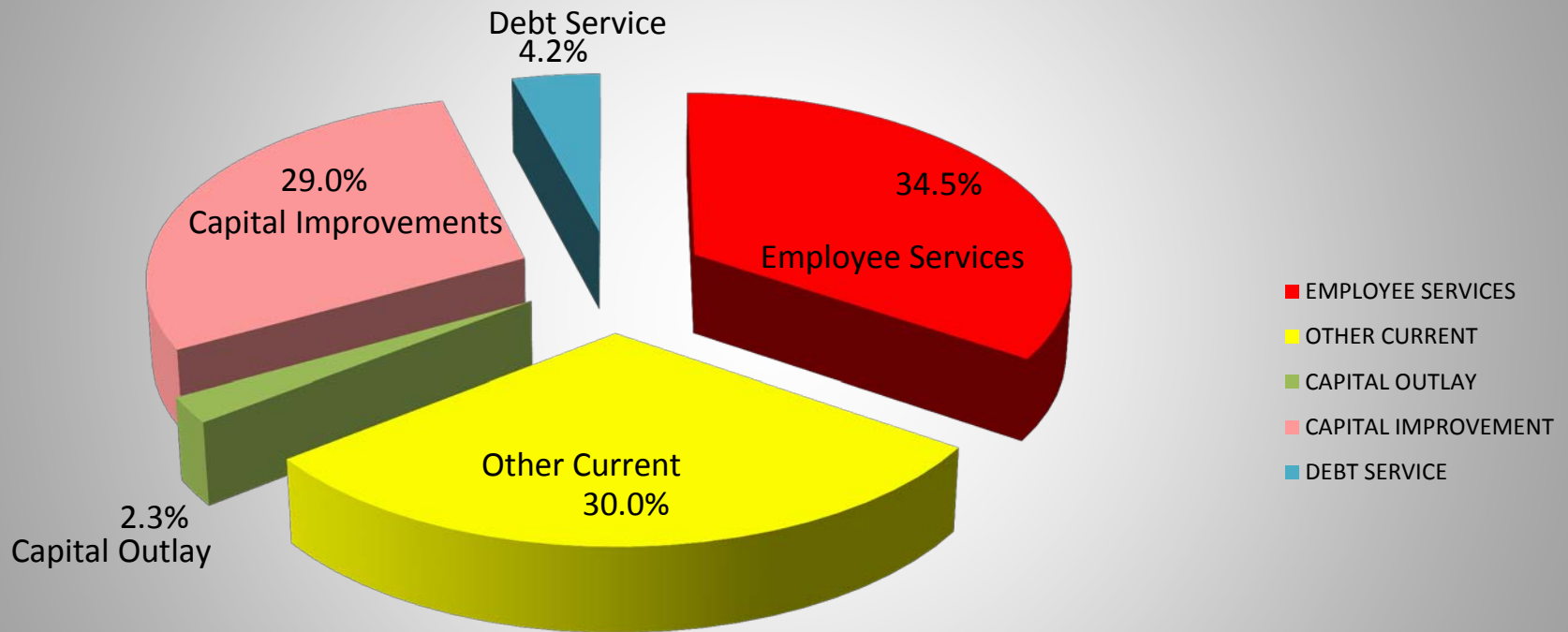
Per

1,000

Pop.

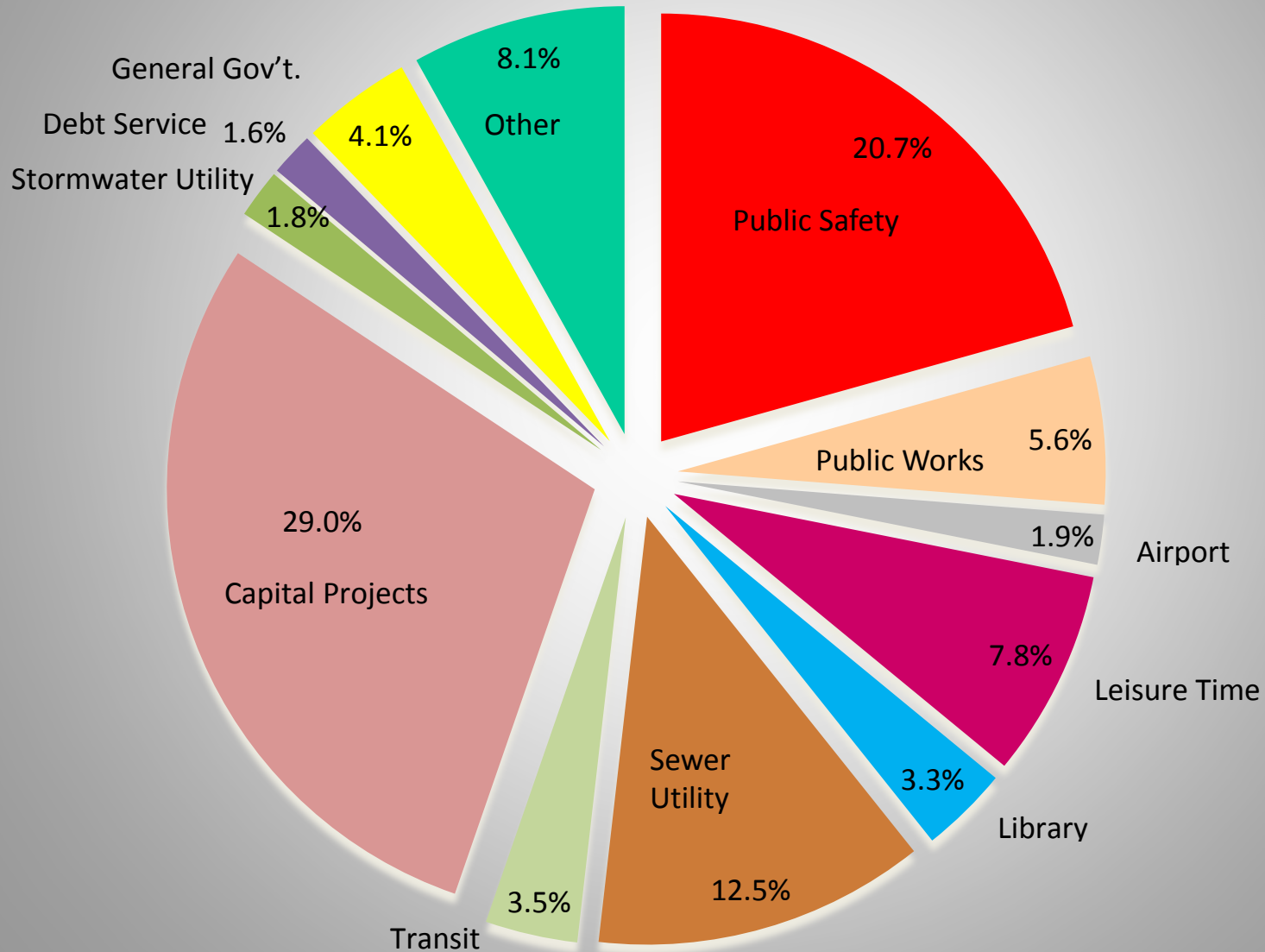
# APPLICATION BY CHARACTER

## Total Budget PROPOSED 2013

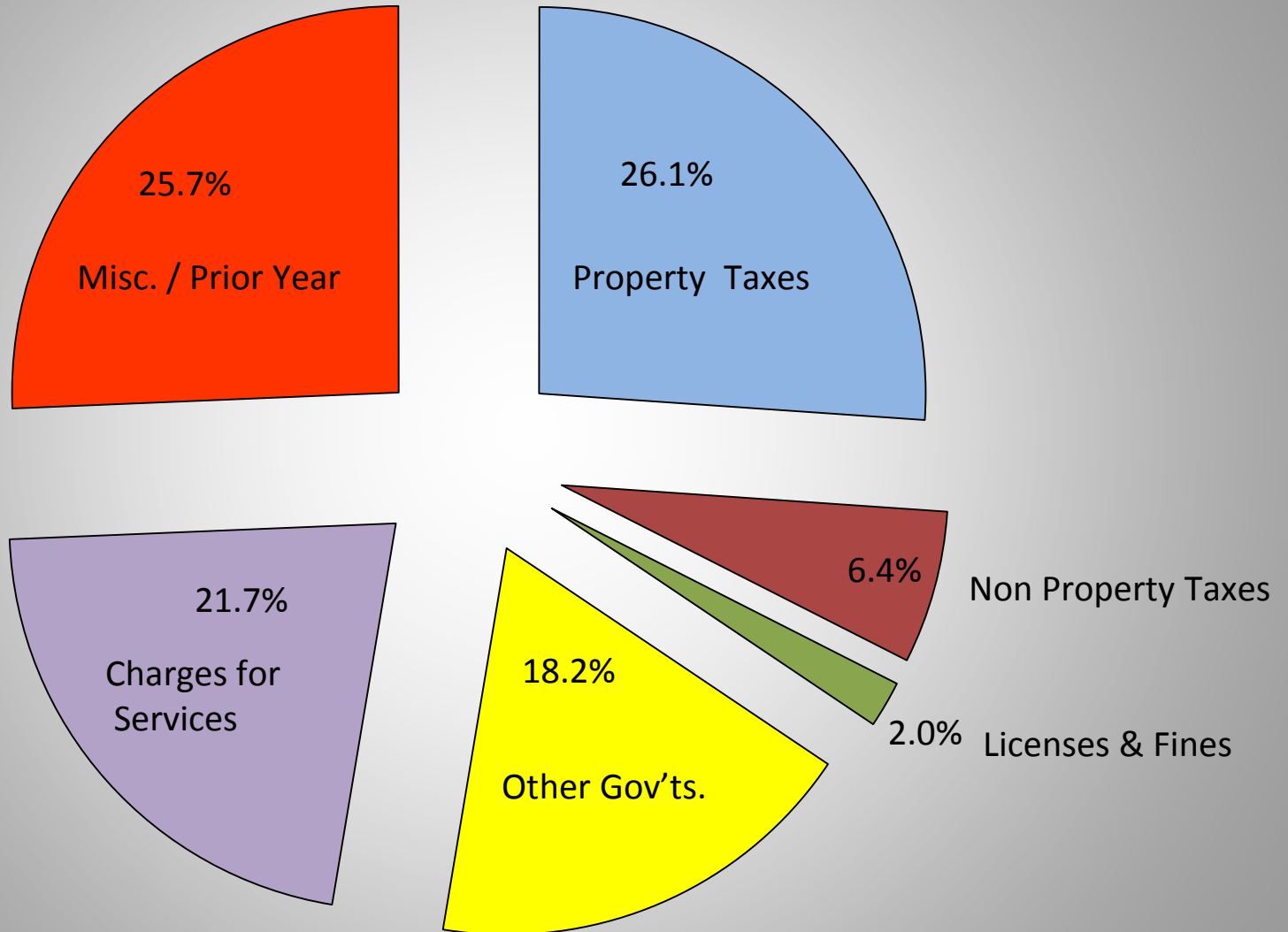


# APPLICATION BY FUNCTION

## WITHOUT CIP PROJECTS ALLOCATED PROPOSED 2013



REVENUE SOURCES  
PROPOSED 2013  
TOTAL BUDGET



**2013 PROPOSED BUDGET**  
**ANALYSIS OF MAJOR REVENUES**

	2012 Adopted Budget	2013 Budget	Proposed	Increase/(Decrease)
Tax Levy & Tax Abatements	47,934,440		50,046,118	2,111,678
Local Government Aid	5,101,571		5,101,571	-0-
Hotel/Motel Tax	3,575,000		3,575,000	-0-
Cable TV Franchise Fee	1,325,000		1,337,000	12,000
Inspection Permits	2,050,000		2,293,400	243,400
In Lieu of Tax	10,887,591		11,019,075	131,484
Sewer Utility Charge	18,669,888		18,400,624	(269,264)
Storm Water Utility Fee	5,068,886		5,068,886	-0-
Library Fund				
-City Share-Levy	5,164,406		5,374,326	209,920
-County Share	855,752		809,694	(46,058)
Municipal Recreation Fund				
-Fee Revenues	7,218,556		7,068,748	(149,808)
-Non-Fee Revenues	6,249,338		6,503,912	254,574
Parking Fund				
-Parking Fines	377,988		297,700	(80,288)
-Parking Ramps	3,491,024		3,707,621	216,597
-Street Meters	834,476		909,357	74,881
-Parking Lots	384,354		394,354	10,000

# Proposed 2013 Budget Amounts compared to Essential Services

2013 Recommended Property Tax Levy	\$50,046,118
Minus property taxes allocated to Capital Improvements	<u>-\$3,234,914</u>
 Property Taxes available to fund City operating services	 <b>\$46,811,204</b>

Proposed expenditures for:

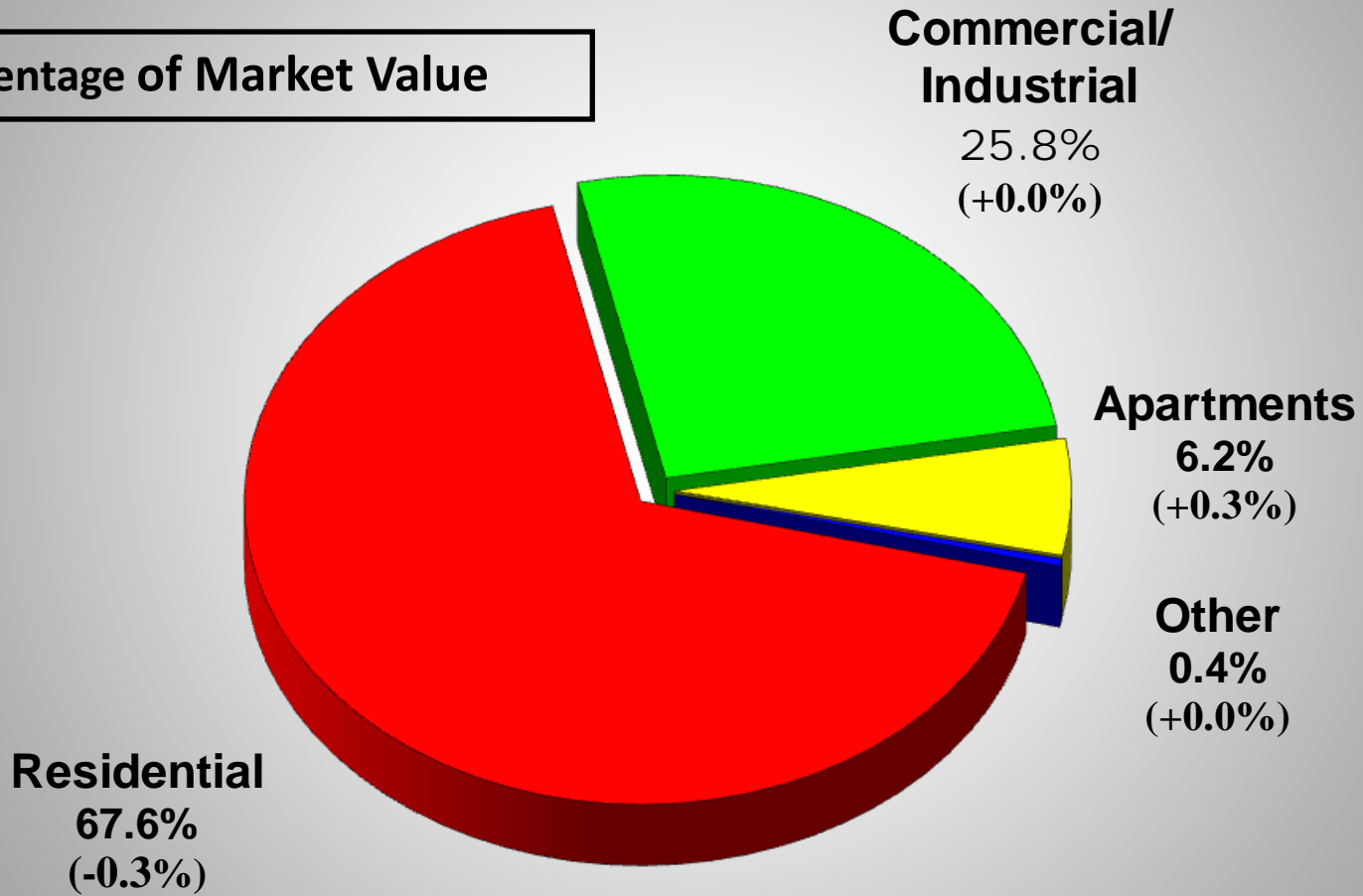
	<u>2013 Operating</u>	<u>2013 Total CIP</u>	<u>CIP funded w/ tax levy \$</u>
Police Department	\$22,086,636	\$587,188	\$322,208
Fire Department	\$13,763,849	\$770,000	\$270,000
Street Maintenance	\$5,569,141	\$21,927,544	\$0
Traffic Management	\$1,241,456	\$955,000	\$180,000
Street Lighting	<u>\$1,269,704</u>	<u>\$0</u>	<u>\$0</u>
	<b>\$43,930,786</b>	<b>\$24,239,732</b>	<b>\$772,208</b>

**Essential Services =93.8% of City's property tax levy**

# 2013 TAX BASE BY PROPERTY CLASS

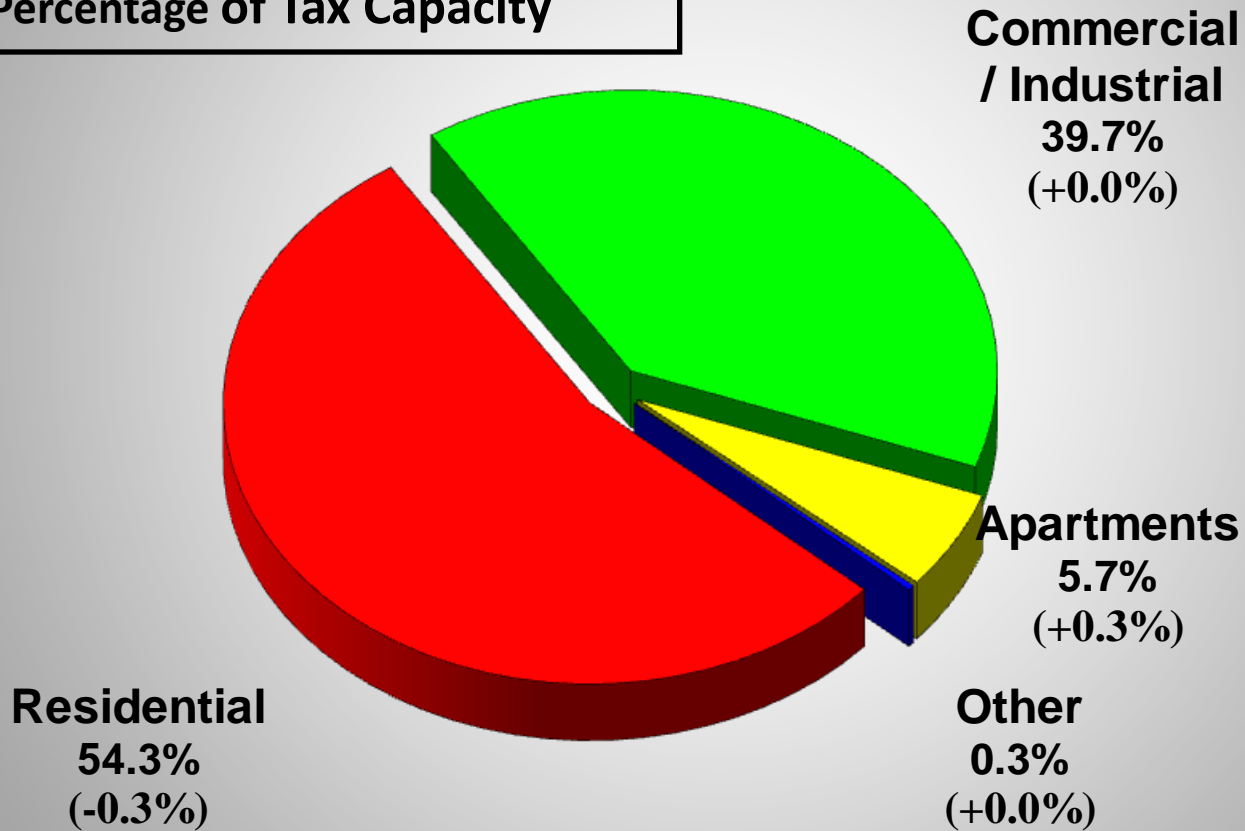
## CITY OF ROCHESTER

Percentage of Market Value



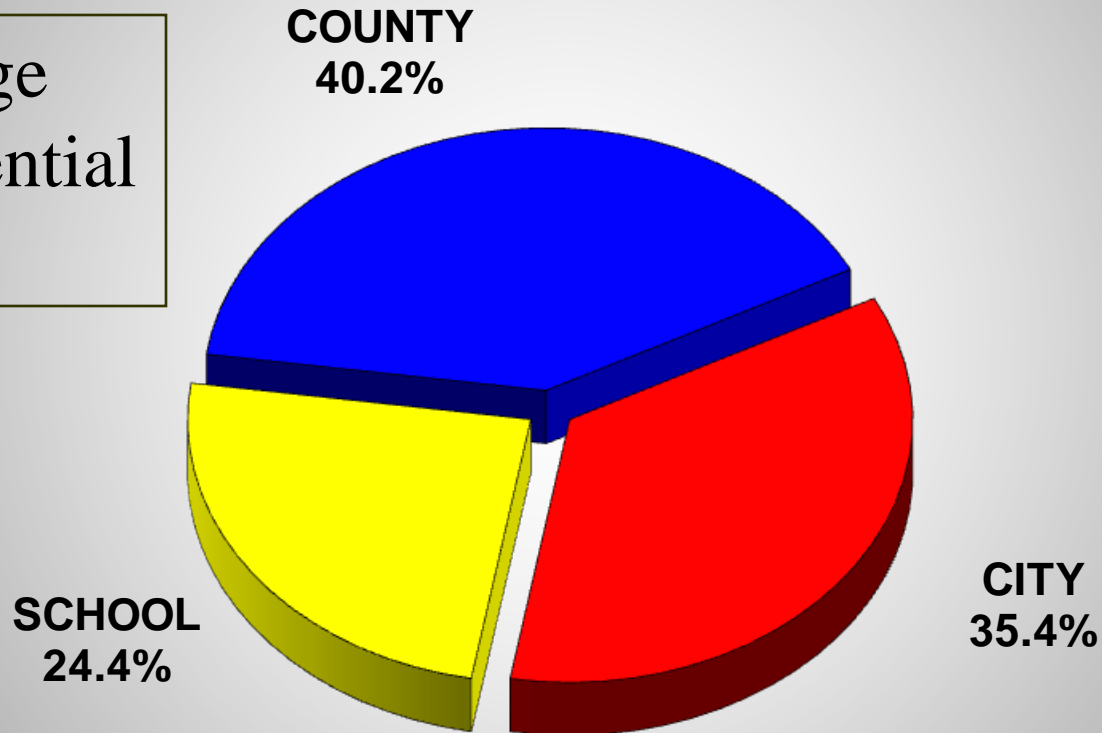
# 2013 TAX BASE BY PROPERTY CLASS CITY OF ROCHESTER

Percentage of Tax Capacity

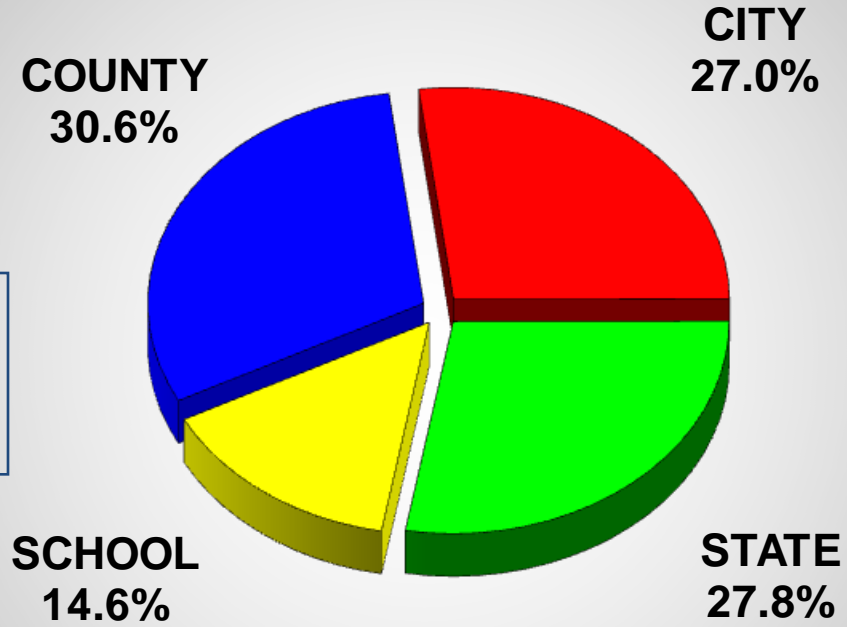


# PROPOSED 2013 COMBINED TAX LEVY CITY OF ROCHESTER

Average  
Residential  
Home



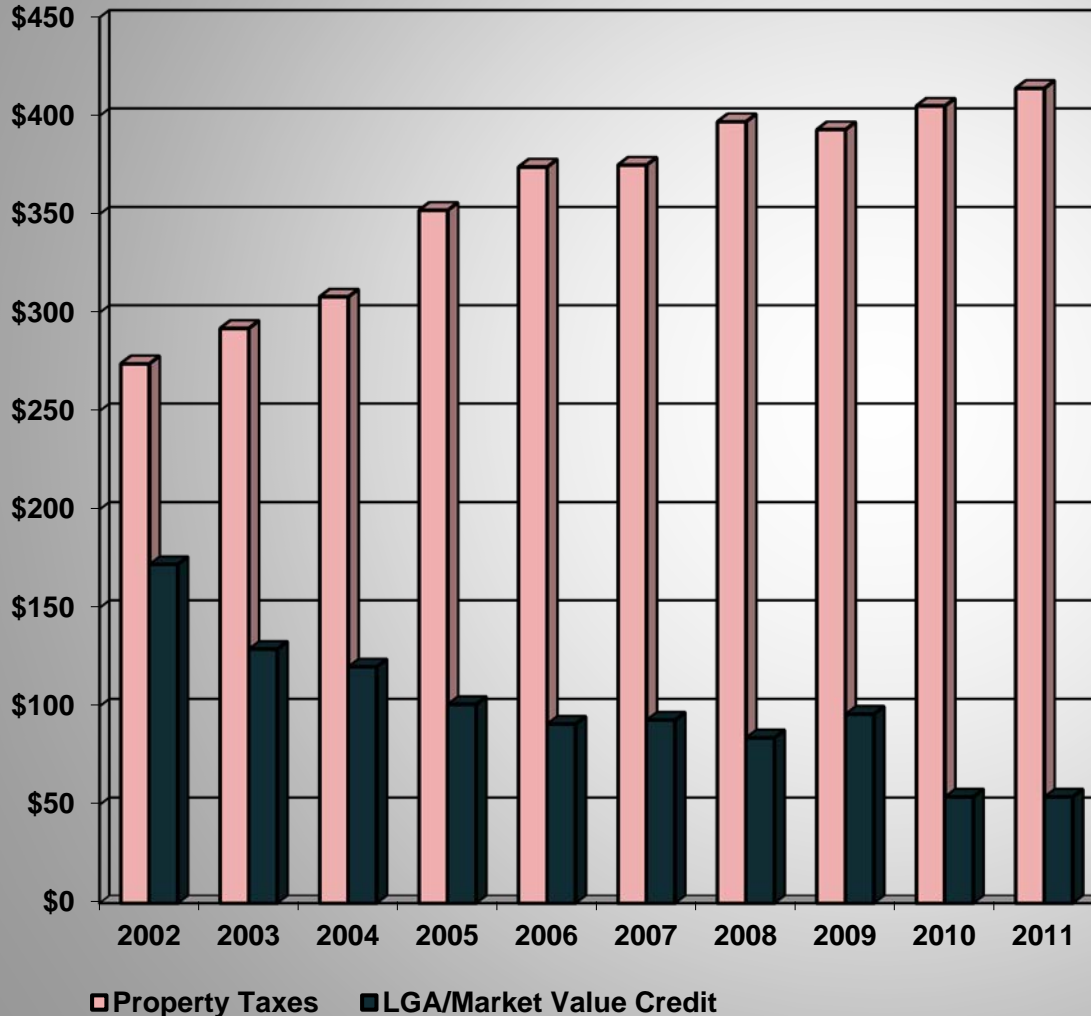
# PROPOSED 2013 COMBINED TAX LEVY CITY OF ROCHESTER



Commercial/  
Industrial

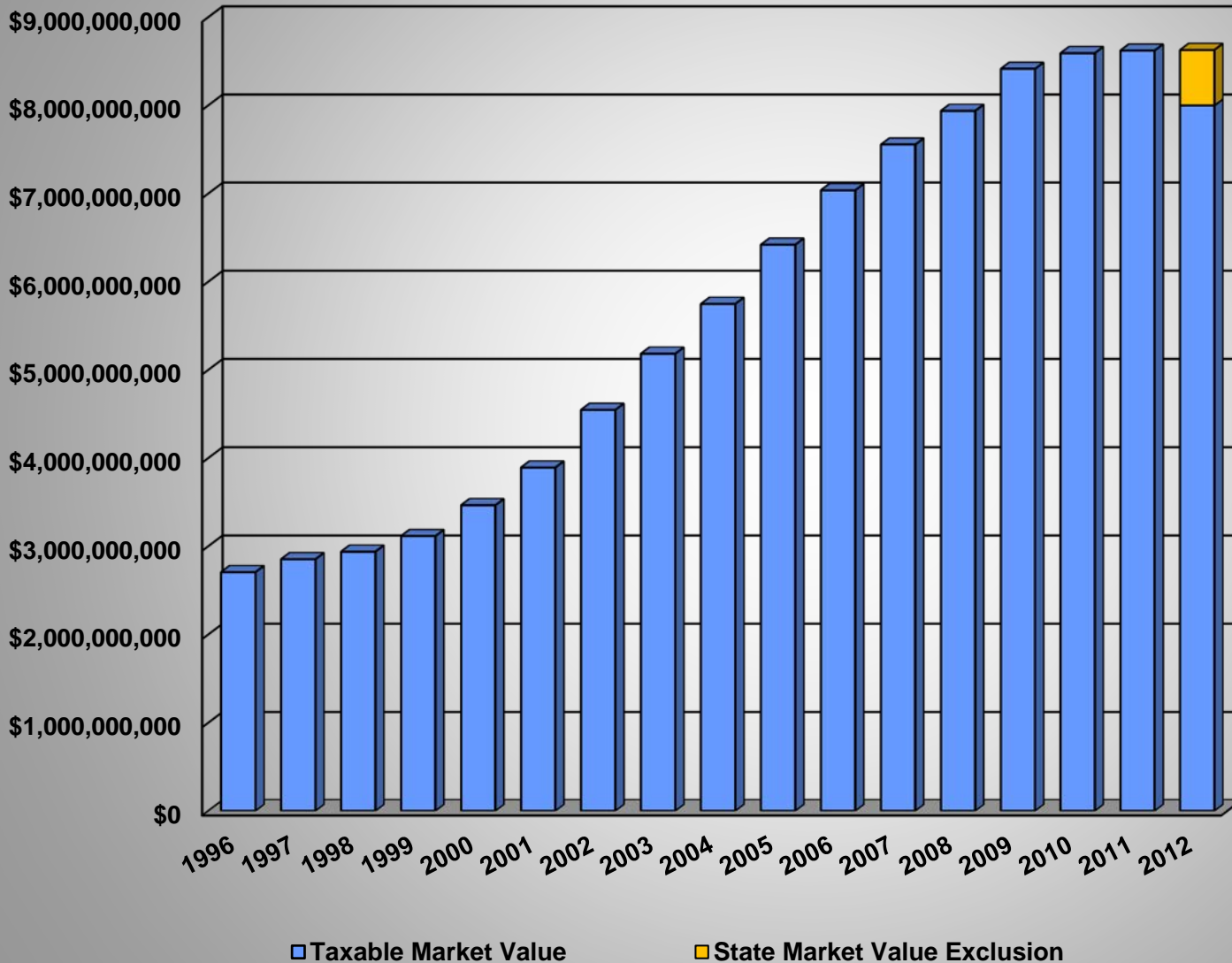
Note: Commercial & Industrial properties began paying a State property tax in 2002

# Property Taxes, LGA, & Market Value Credit (Per Capita, Inflation Adjusted)



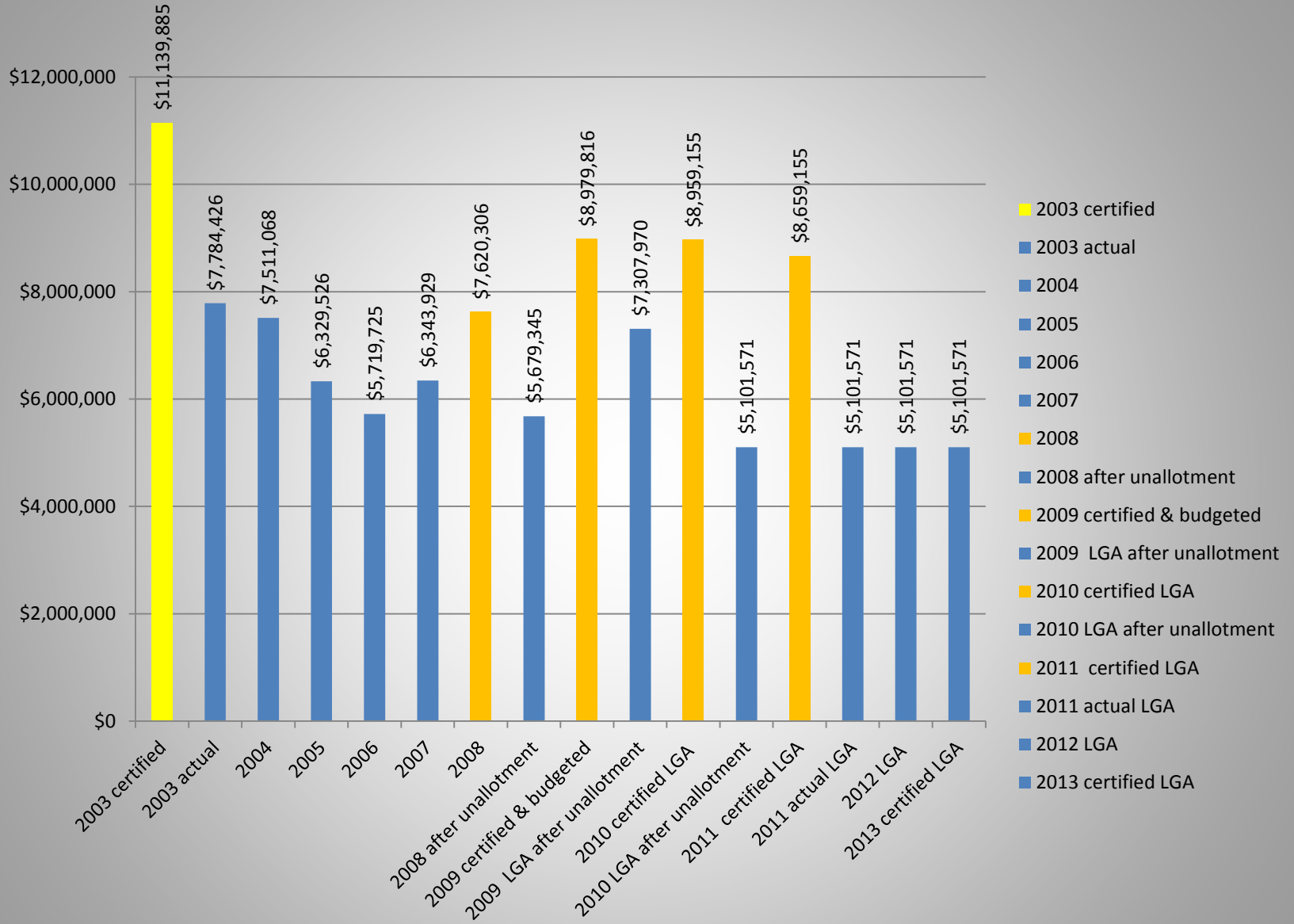
- **Per Capita Property Taxes  
(Excluding Market Value Credit)**
  - 2002      \$274
  - 2006      374
  - 2011      403
  
- **Per Capita LGA/Market Value  
Credit**
  - 2002      \$172
  - 2006      91
  - 2011      52
  
- **Per Capita Total of Property  
Taxes, LGA/Market Value Credit**
  - 2002      \$446
  - 2006      465
  - 2011      455
  
- **Population**
  - 2002      91,264
  - 2006      98,649
  - 2011      108,100

# Estimated Market Value



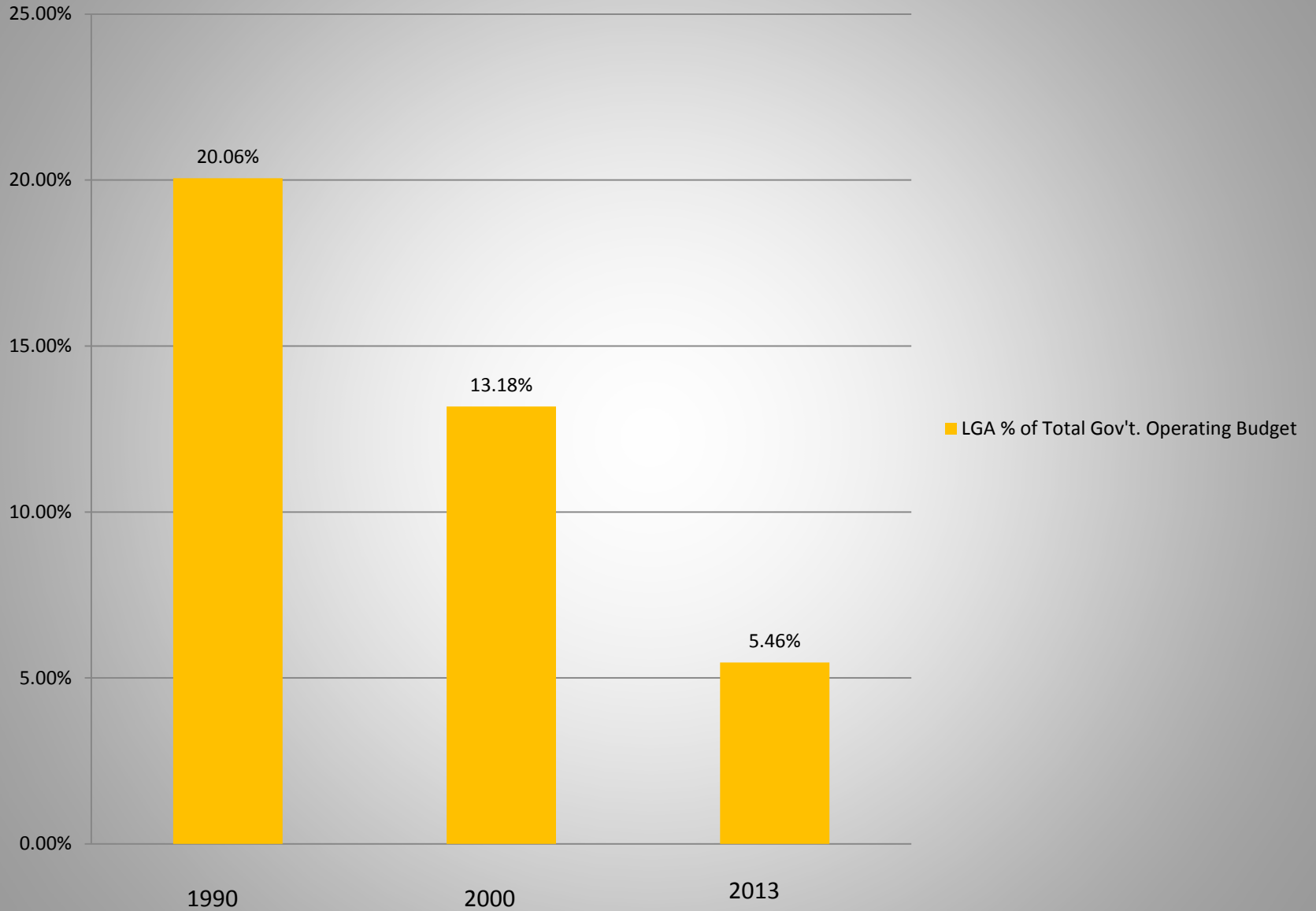
- Estimated Market Value up \$7 Million in 2012 to \$8.63 Billion
- Taxable Market Value for 2012 is \$7.999 Billion, down \$622 Million or 7.22% from 2011 due to the Market Value Exclusion
- Includes both real property and personal property

# City of Rochester LGA History Since 2003

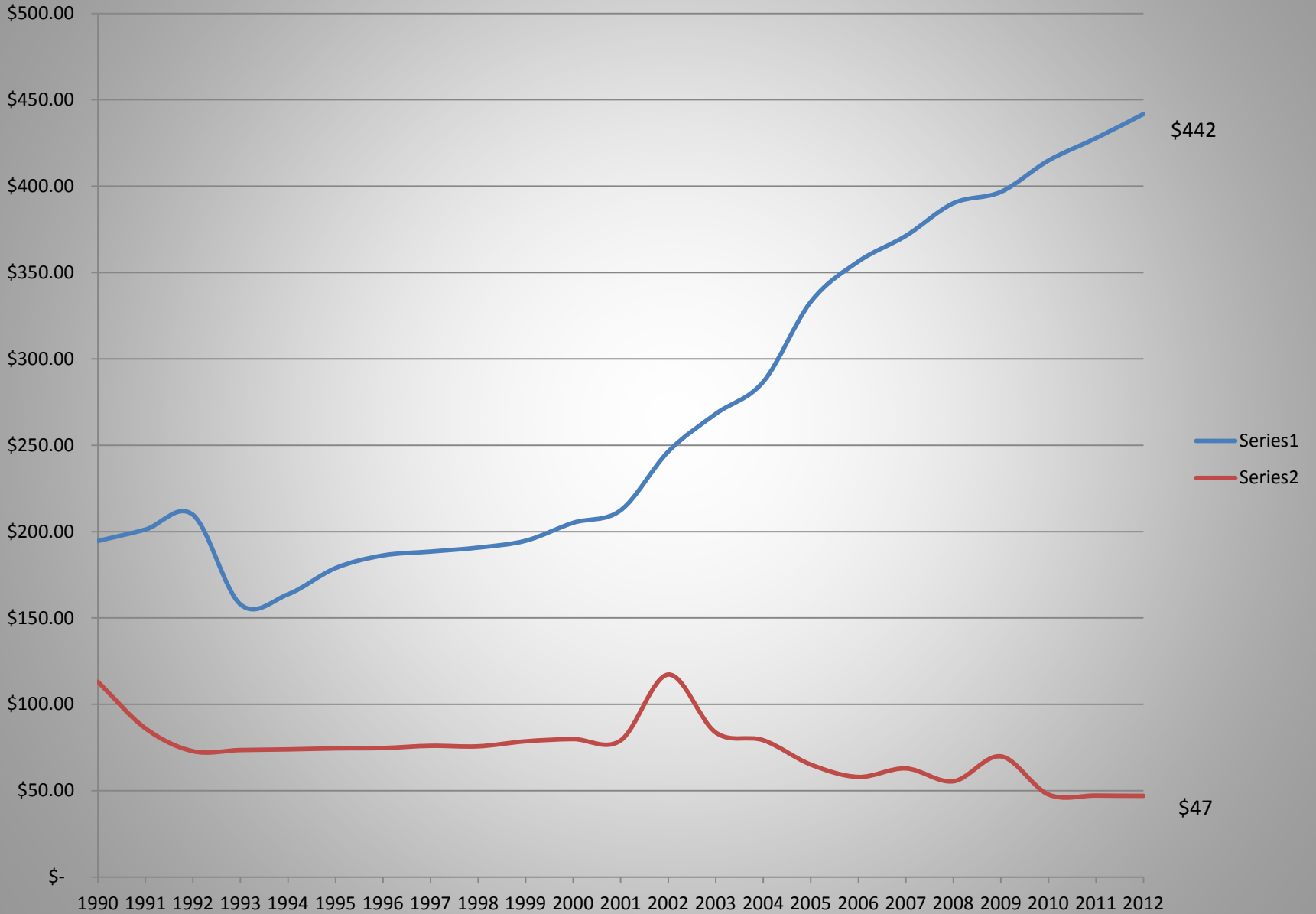


NOTE: In addition to the LGA unallotment, the City also had an additional \$1.85 of MVC unallotted in 2010, and \$1.95M Of MVC unallotted in 2011. The MVC program is eliminated for 2012 and being replaced with the Market Value Exclusion

## LGA % of Total Gov't. Operating Budget



# 1990-2012 comparison of Property Tax levy vs. LGA / person

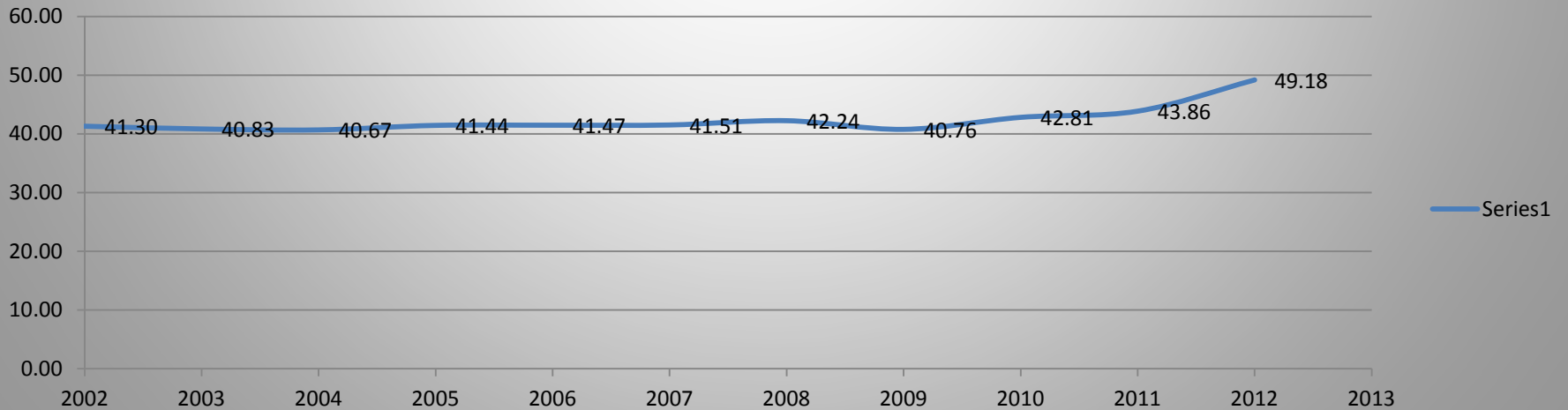


# Amount of Property Tax Levy (including abatement) attributable to Capital Improvement Project Budget from 2005 - 2013



# City of Rochester tax rates since 2002

Year	City of Rochester Tax Capacity Rate
2002	41.30
2003	40.83
2004	40.67
2005	41.44
2006	41.47
2007	41.51
2008	42.24
2009	40.76
2010	42.81
2011	43.86
2012	49.18



Comparison of Rochester 2012 Tax Rate to Other MN Cities  
(based upon 2012 LMC Property Tax Report Data)

City	2012 City Property Tax Rate	2012 LGA / Capita Comparison	LGA as % of Tax Levy
Minneapolis	72.51	\$ 165.37	23.9%
St. Paul	44.84	\$ 175.72	50.7%
Duluth	31.60	\$ 318.09	145.9%
Winona	35.15	\$ 331.91	150.9%
Austin	40.85	\$ 287.16	179.1%
Moorhead	34.47	\$ 176.30	91.2%
Mankato	43.99	\$ 157.17	44.2%
St. Cloud	42.32	\$ 153.60	55.1%
<b>Rochester</b>	<b>49.18</b>	<b>\$ 47.39</b>	<b>10.6%</b>
Albert Lea	57.13	\$ 262.56	90.3%
Owatonna	57.33	\$ 123.30	33.1%

**2012 Comparison of City Tax Rates to Area Cities**

Stewartville	54.22	\$ 100.35	33.1%
Kasson	65.43	\$ 129.81	40.6%
Byron	54.98	\$ 27.28	6.6%
Eyota	57.39	\$ 211.87	75.3%
Chatfield	78.19	\$ 239.56	55.4%
Dover	49.57	\$ 126.38	46.8%
Dodge Center	87.38	\$ 232.48	50.9%
Pine Island	79.82	\$ 153.05	29.3%

## City Employee / Thousand Population Data Comparison

<b>YEAR</b>	<b>NO. CITY EMPLOYEES</b>	<b>CITY POPULATION</b>	<b>CITY EMPLOYEES / 1000 POPULATION</b>
1980	450.25	57,890	7.77
1990	501	70,745	7.08
2000	570.70	85,806	6.64
2012	658.75	108,500	6.07

# City of Rochester 2013 Proposed Budget Hearing



December 3, 2012