



## Public Hearing Presentation

City of Rochester Proposed 2014 Budget

December 2, 2013

**CITY OF ROCHESTER**  
**2014 PROPOSED BUDGET SUMMARY**

**December 2, 2013, 2:00 p.m., Room 104, City Hall**

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

**December 2, 2013, 7:00 p.m., City Council Chambers**

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

**December 3, 2013, 2:00 p.m., Room 104, City Hall**

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

**December 4, 2013, 2:00 p.m., Room 104, City Hall**

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

**December 16, 2013, 7:00 p.m., City Council Chambers**

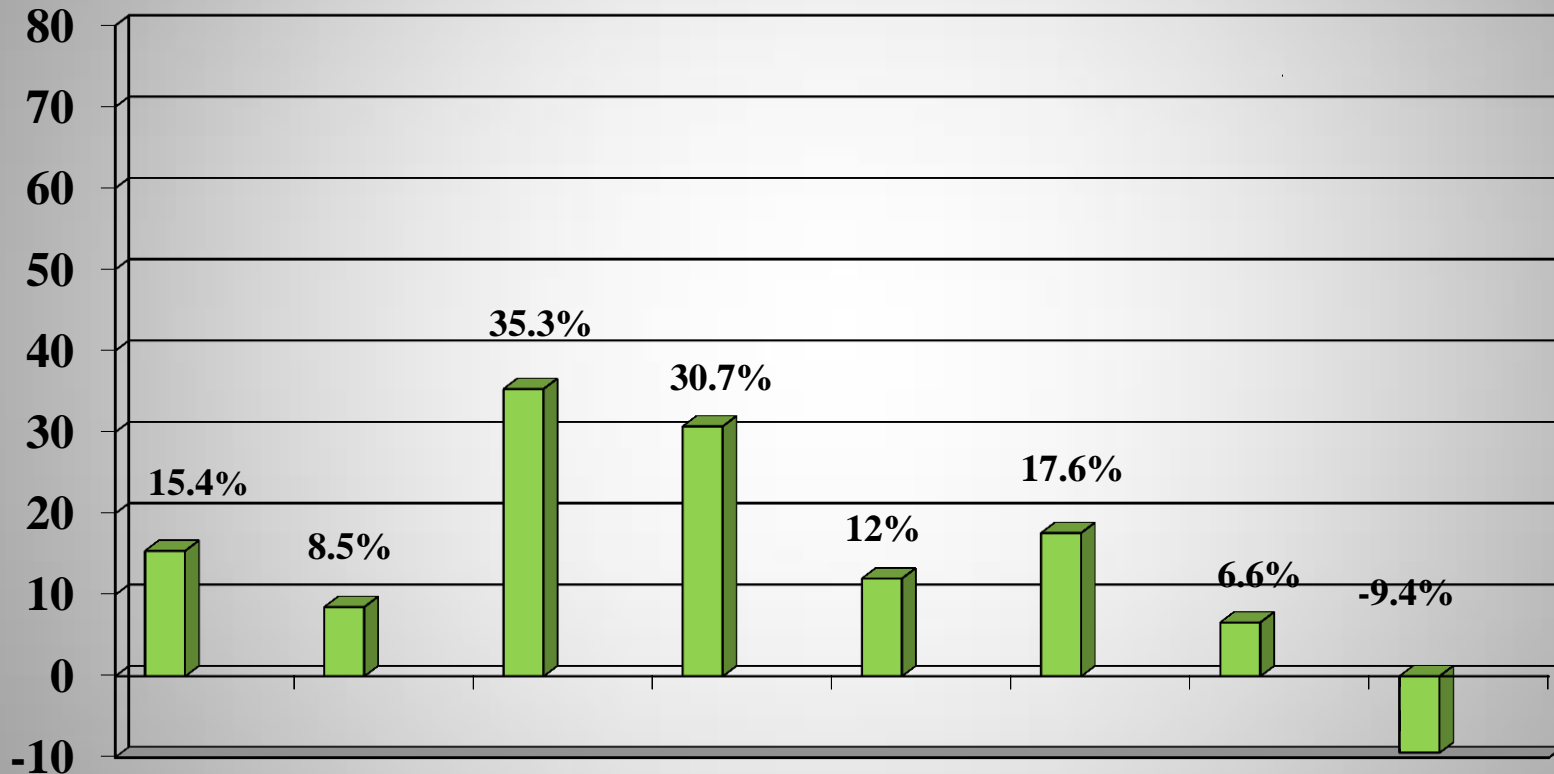
- **Adoption Public Hearing for 2014 Budget**

# CITY OF ROCHESTER

## Physical Trend Data

### Ten Year Trend

2003 Actual compared to 2012 Actual



-----Miles-----

Streets

Sanitary

Sewer

Storm

Sewer

Park  
Acres

City  
Area

Pop.

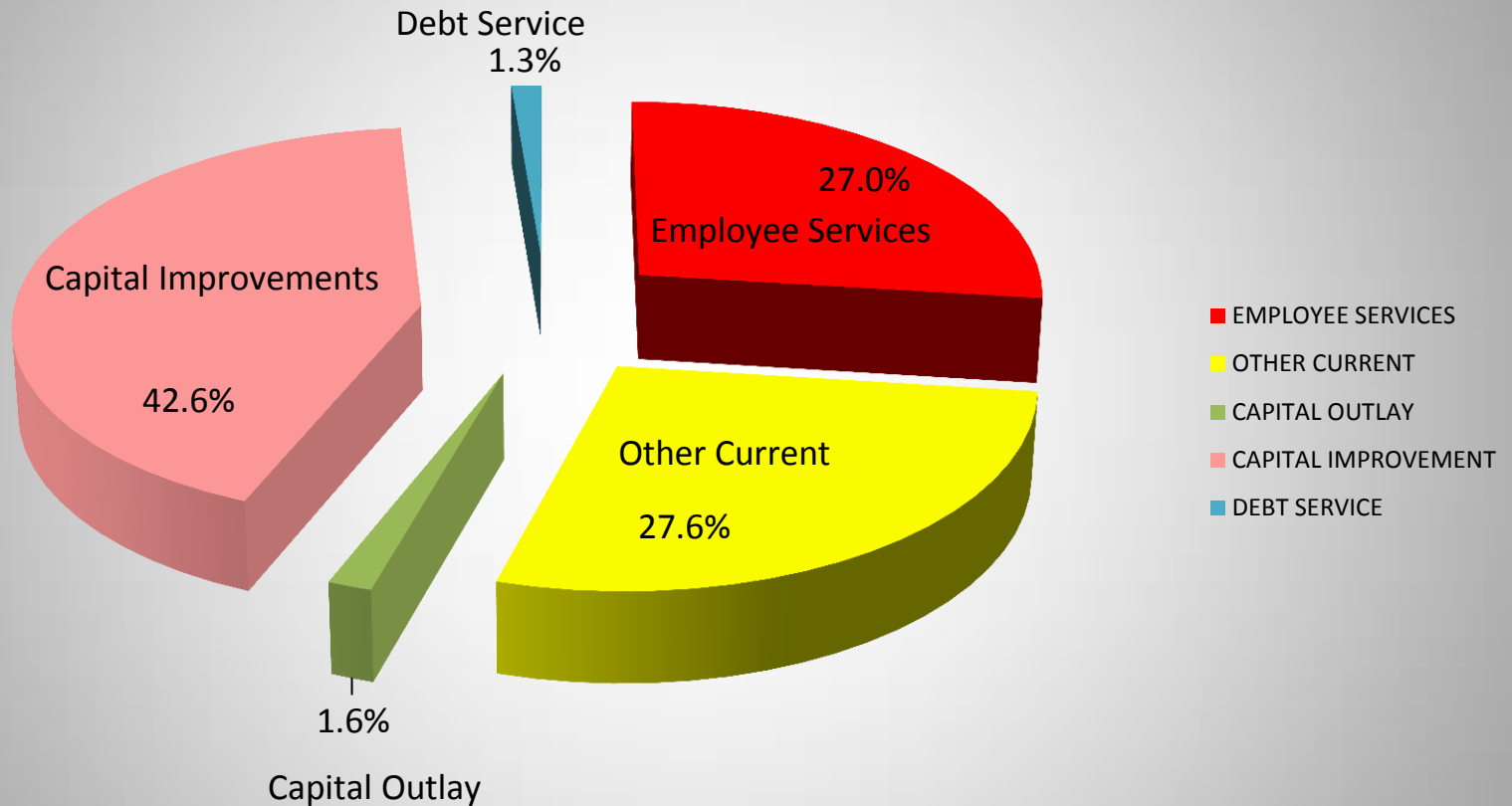
-----City Employment-----

# of  
Employees

Per  
1,000  
Pop.

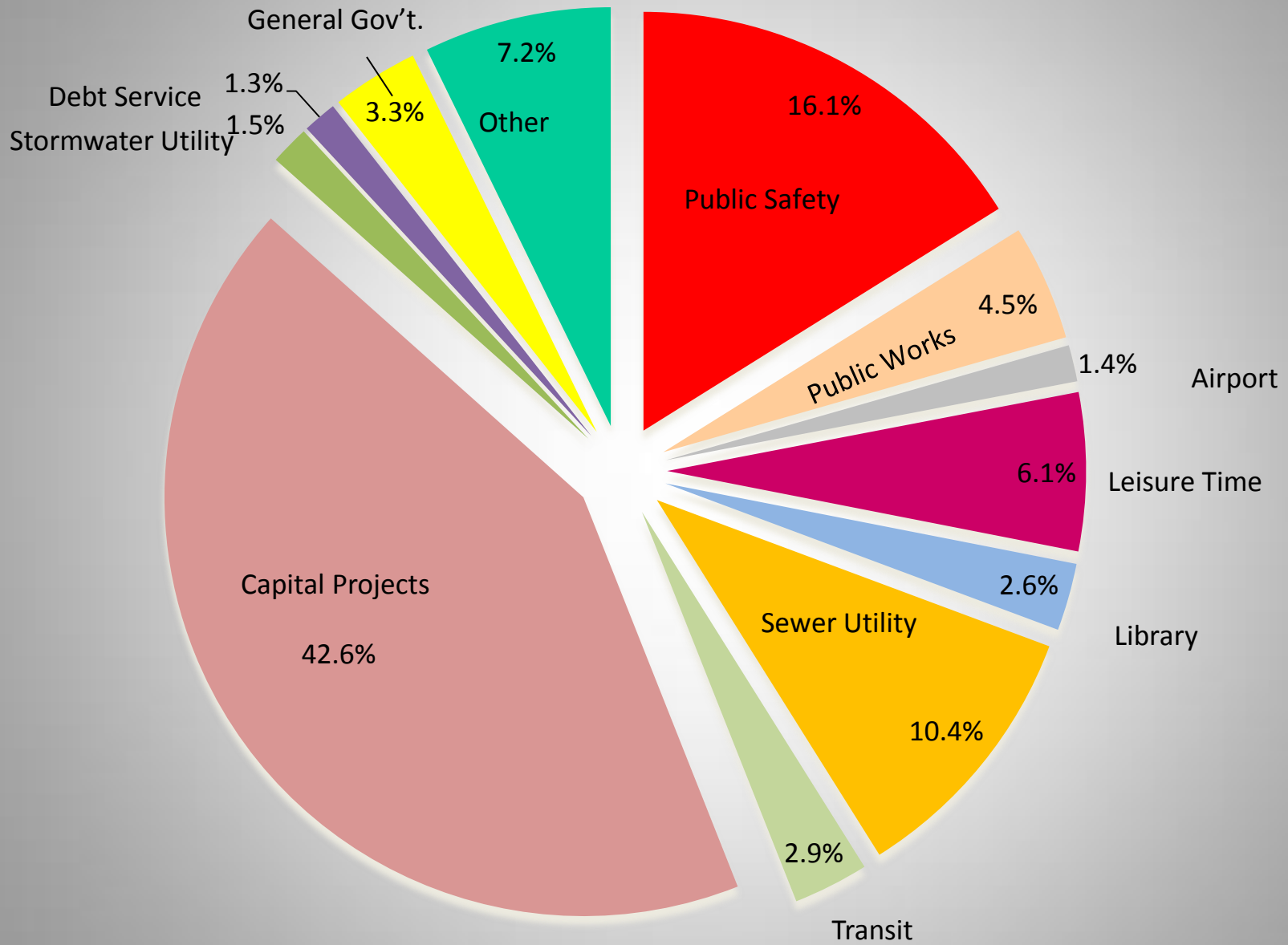
# APPLICATION BY CHARACTER

## Total Budget PROPOSED 2014

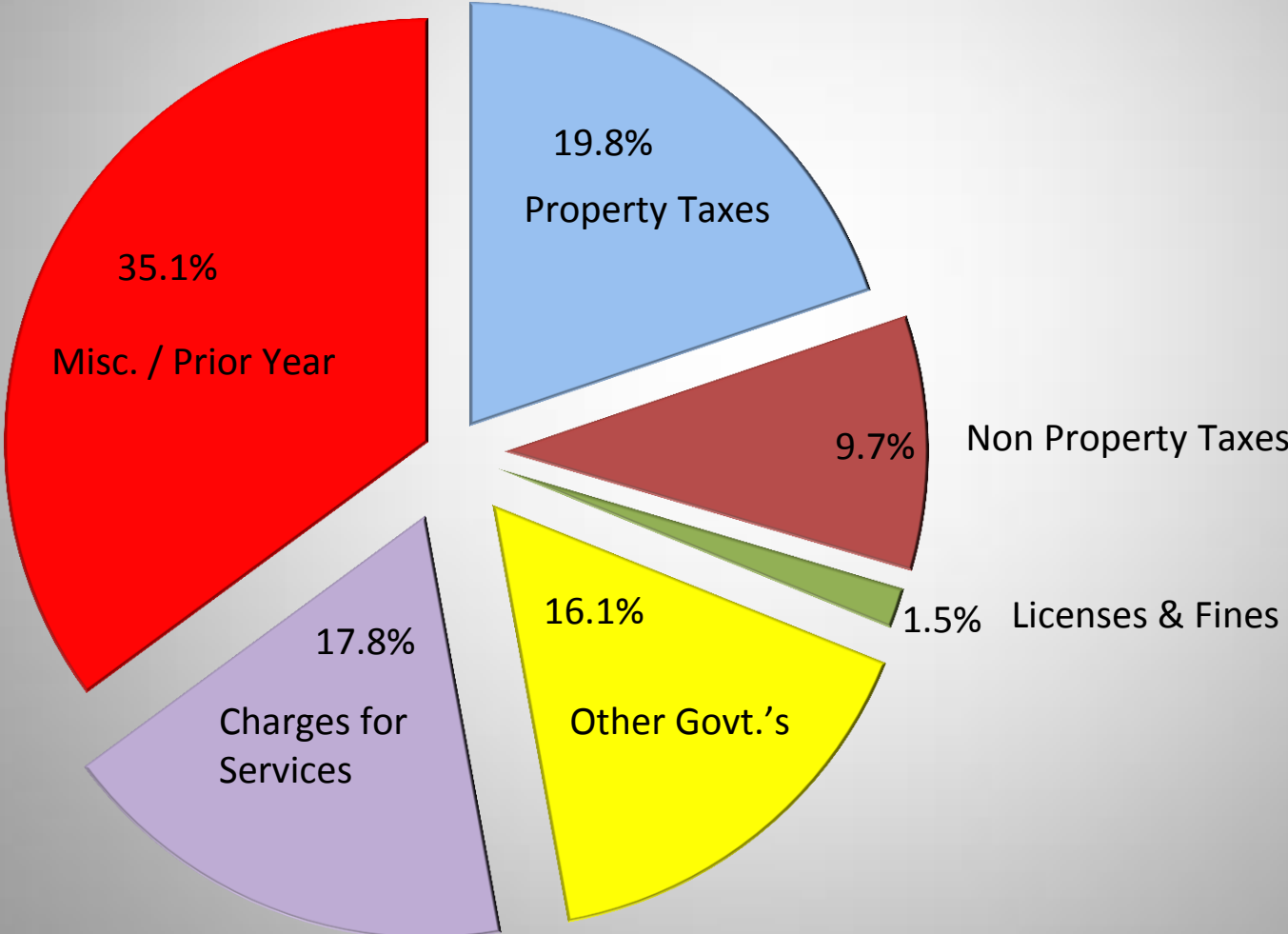


# APPLICATION BY FUNCTION

WITHOUT CIP PROJECTS ALLOCATED PROPOSED 2014



REVENUE SOURCES  
PROPOSED 2014  
TOTAL BUDGET



**2014 PROPOSED BUDGET**  
**ANALYSIS OF MAJOR REVENUES**

	2013 Adopted Budget	2014 Proposed Budget	Increase/(Decrease)
Tax Levy & Tax Abatements	50,048,118	50,048,118	-0-
Local Government Aid	5,101,571	6,930,376	1,828,805
Hotel/Motel Tax	3,575,000	4,150,000	575,000
Cable TV Franchise Fee	1,337,000	1,400,000	63,000
Inspection Permits	2,293,400	2,427,550	134,150
In Lieu of Tax	11,019,075	11,082,289	63,214
Sewer Utility Charge	18,400,624	19,500,000	1,099,376
Storm Water Utility Fee	5,068,886	5,075,000	6,114
Library Fund			
-City Share-Levy	5,374,326	5,545,547	171,221
-County Share	809,694	830,719	21,025
Municipal Recreation Fund			
-Fee Revenues	4,174,766	4,221,887	47,121
-Non-Fee Revenues	5,677,350	5,865,435	188,085
Mayo Civic Center			
-Fee Revenues	2,893,981	2,808,244	(85,738)
-Non-Fee Revenues	826,562	956,081	129,519
Parking Fund			
-Parking Fines	297,700	360,300	62,600
-Parking Ramps	3,707,621	4,001,191	293,570
-Street Meters	909,357	954,000	44,643
-Parking Lots	394,354	353,579	(40,775)

# Proposed 2014 Budget Amounts compared to Essential Services

2014 Recommended Property Tax Levy	\$50,048,118
Minus property taxes allocated to Capital Improvements	<u>-\$3,255,295</u>
 Property Taxes available to fund City operating services	 <b>\$46,792,823</b>

Proposed expenditures for:

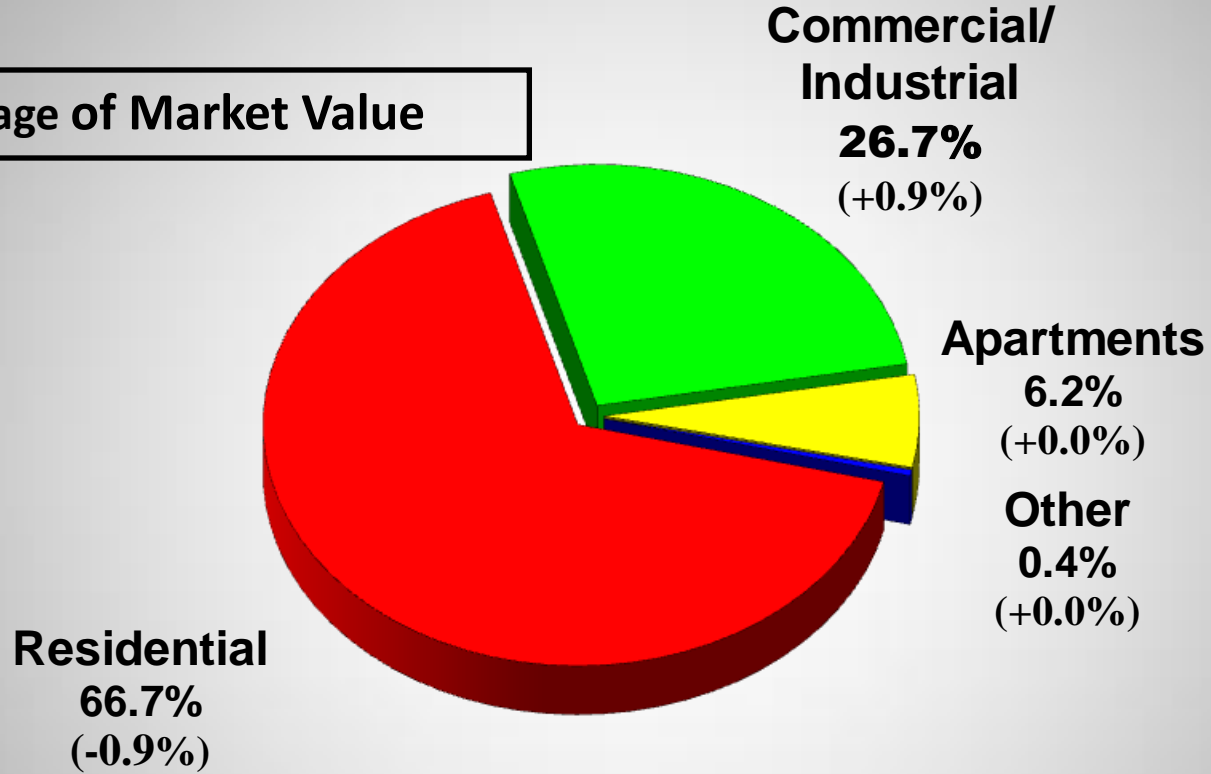
	<u>2014 Operating</u>	<u>2014 Total CIP</u>	<u>CIP funded w/ tax levy \$</u>
Police Department	\$22,593,585	\$602,000	\$450,000
Fire Department	\$14,140,536	\$6,147,000	\$65,000
Street Maintenance	\$6,072,347	\$11,125,600	\$119,700
Traffic Management	\$1,275,693	\$2,624,500	\$200,000
Street Lighting	<u>\$1,289,705</u>	<u>\$0</u>	<u>\$0</u>
	<b>\$45,371,866</b>	<b>\$20,499,100</b>	<b>\$834,700</b>

**Essential Services =96.9% of City's property tax levy**

# 2014 TAX BASE BY PROPERTY CLASS

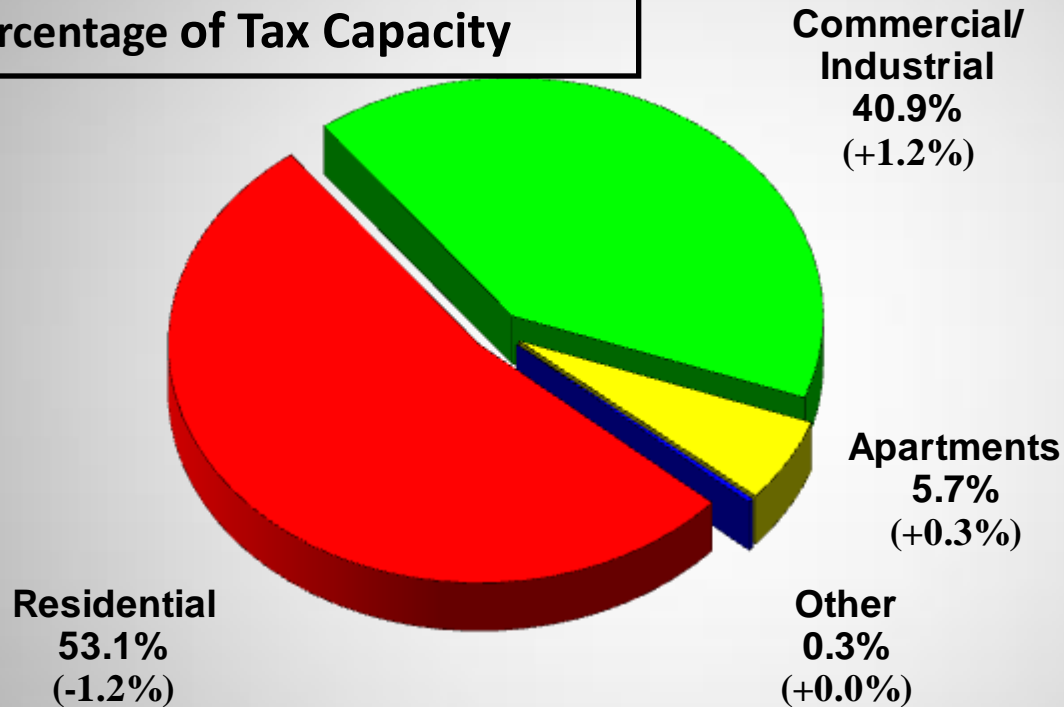
## CITY OF ROCHESTER

Percentage of Market Value



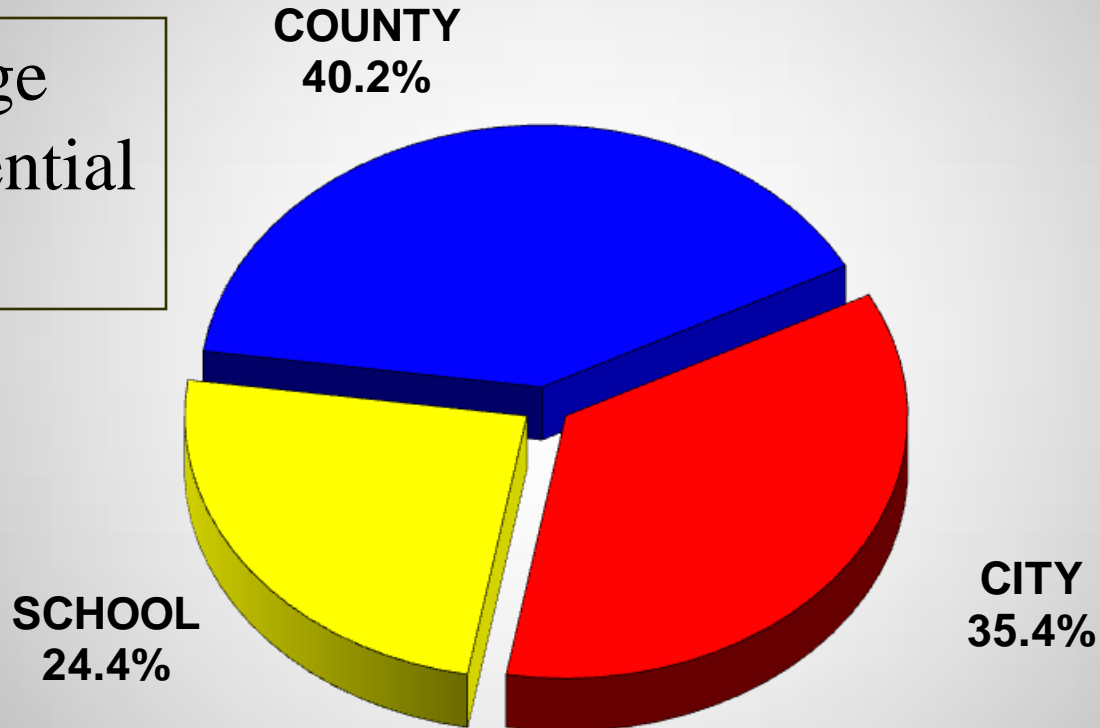
# 2014 TAX BASE BY PROPERTY CLASS CITY OF ROCHESTER

Percentage of Tax Capacity

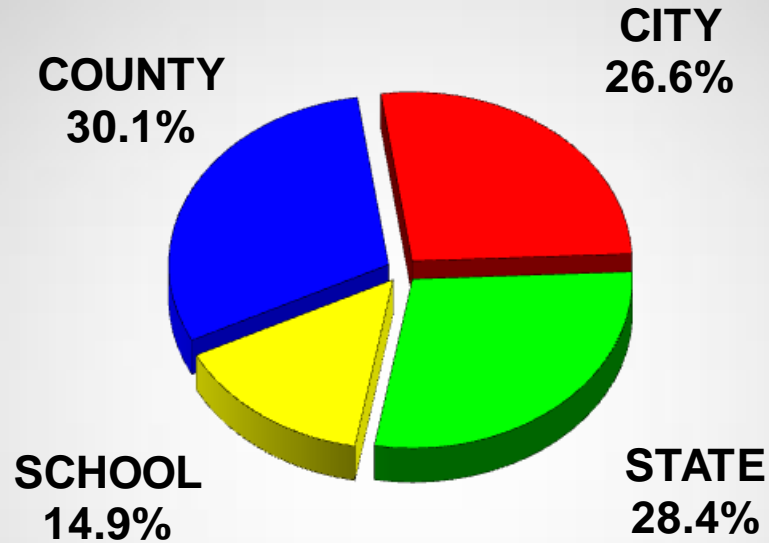


# PROPOSED 2014 COMBINED TAX LEVY CITY OF ROCHESTER

Average  
Residential  
Home



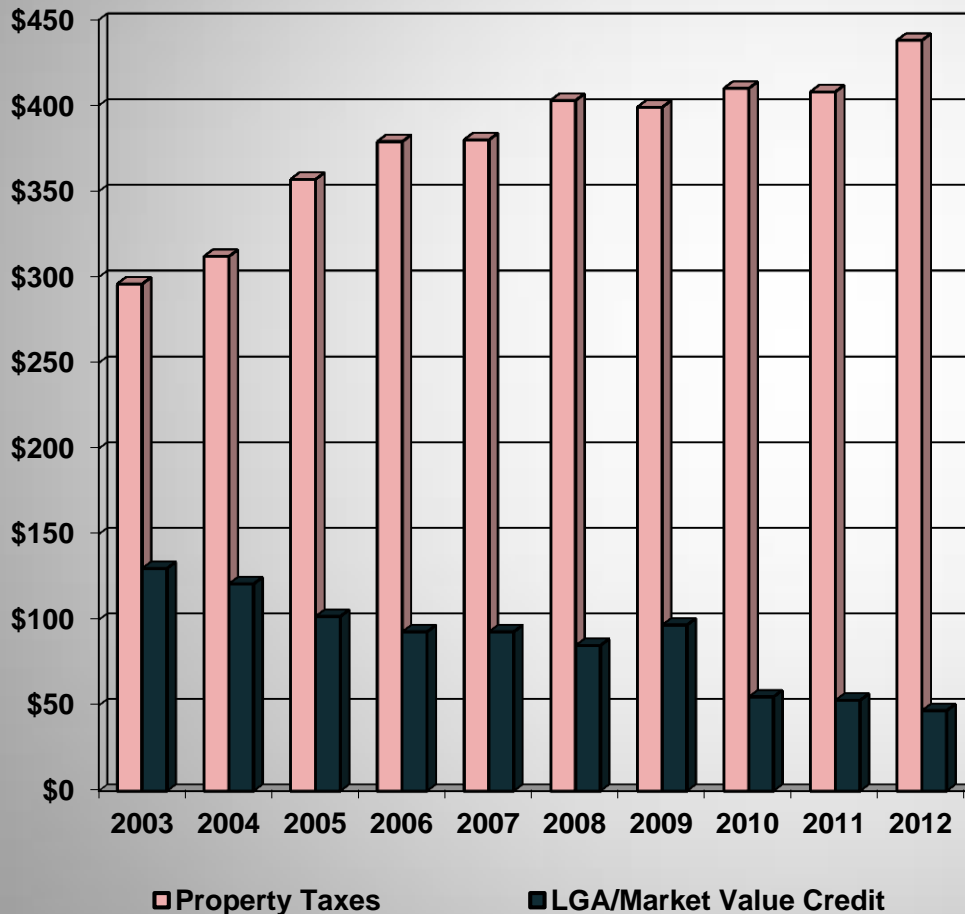
# PROPOSED 2014 COMBINED TAX LEVY CITY OF ROCHESTER



Commercial/  
Industrial

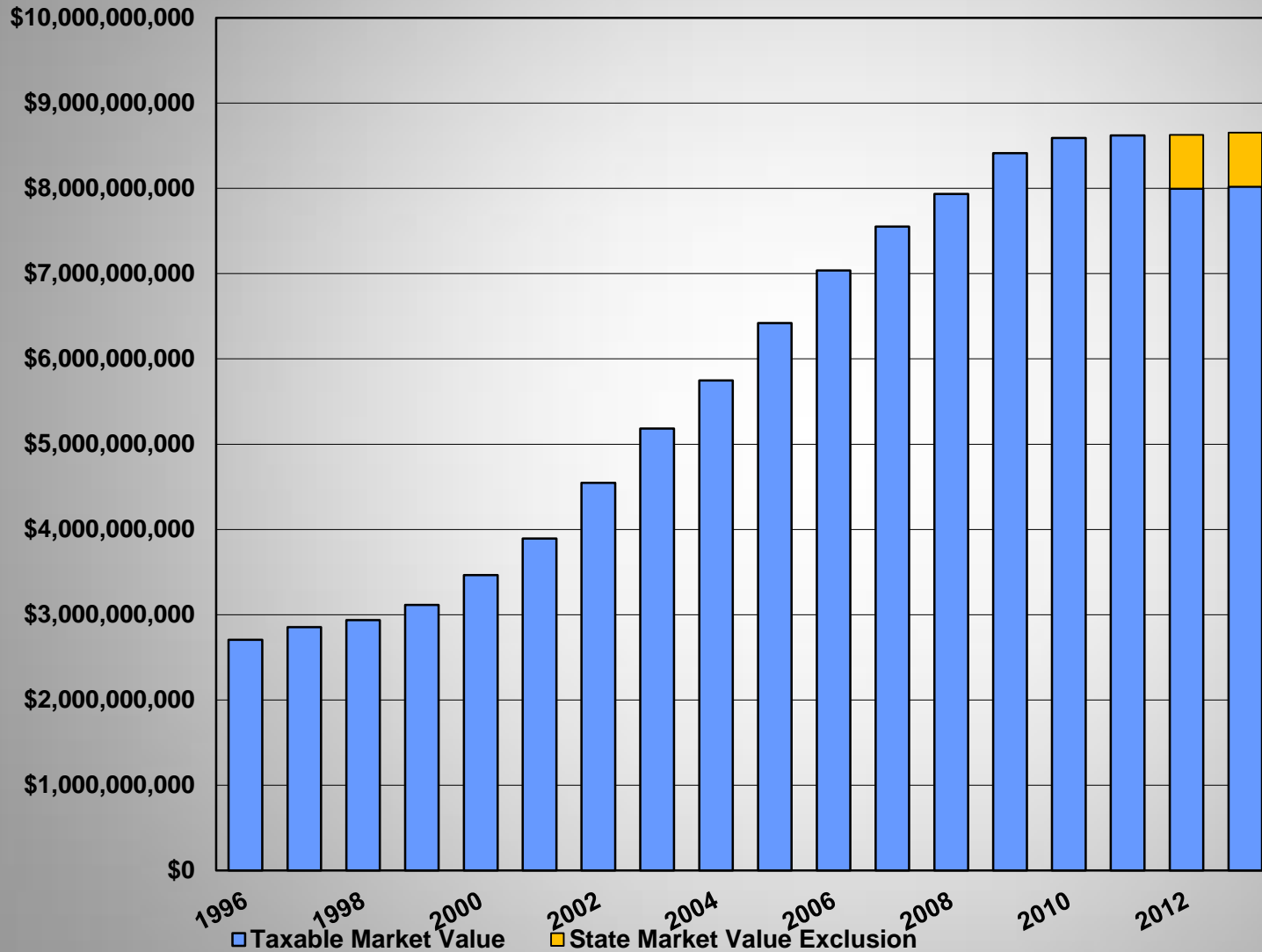
Note: Commercial & Industrial properties began paying a State property tax in 2002

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



- **Per Capita Property Taxes  
(Excluding Market Value Credit)**
  - 2003 \$296
  - 2007 380
  - 2012 438
- **Per Capita LGA/Market Value Credit**
  - 2003 \$130
  - 2007 93
  - 2012 47
- **Per Capita Total of Property Taxes, LGA/Market Value Credit**
  - 2003 \$426
  - 2007 473
  - 2012 485
- **Population**
  - 2003 93,037
  - 2007 100,845
  - 2012 109,400

# Estimated Market Value

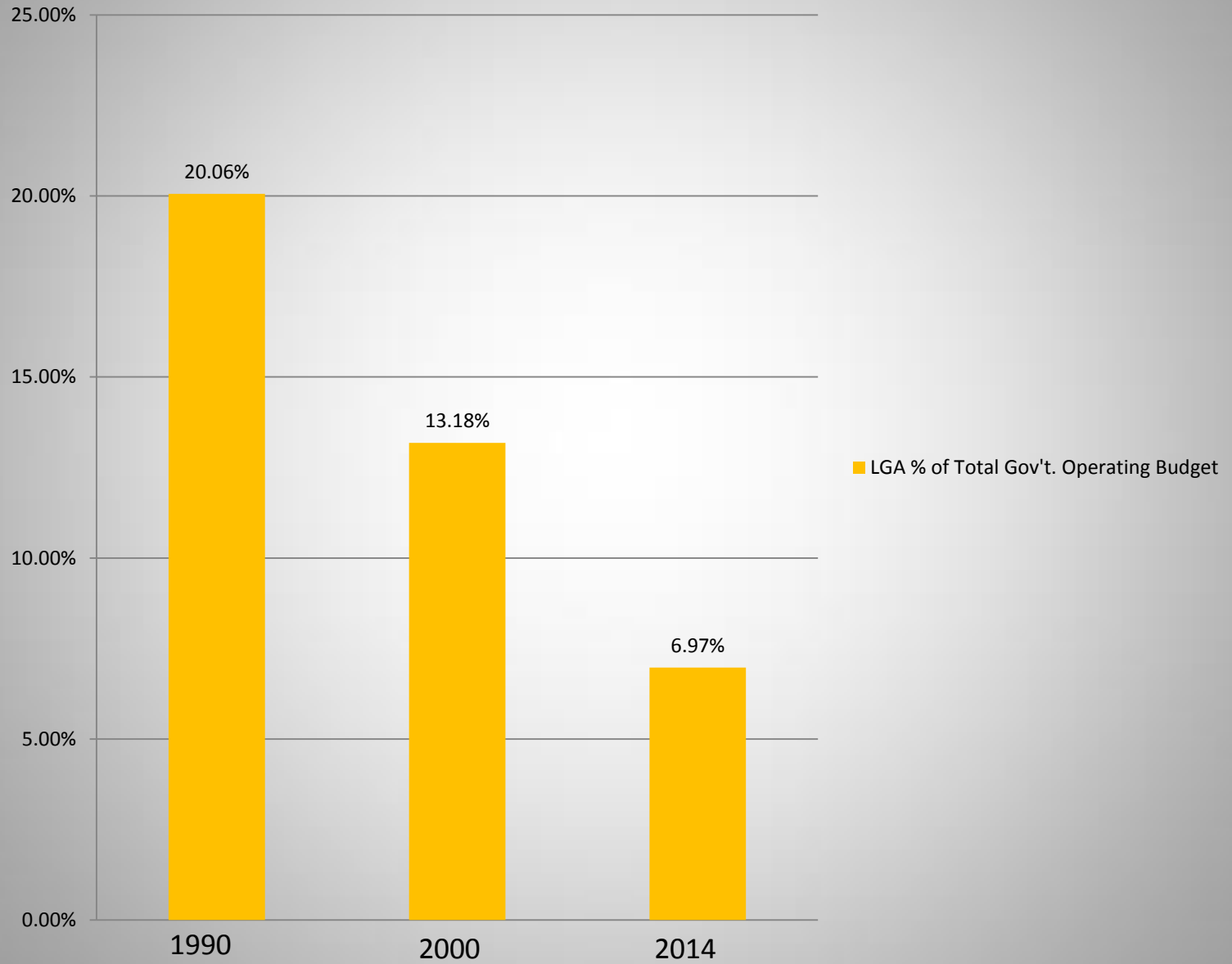


- Estimated Market Value up \$25 Million in 2012 to \$8.65 Billion
- Taxable Market Value for 2013 is \$8.02 Billion, up \$21 Million or 0.2% from 2012
- Includes both real property and personal property

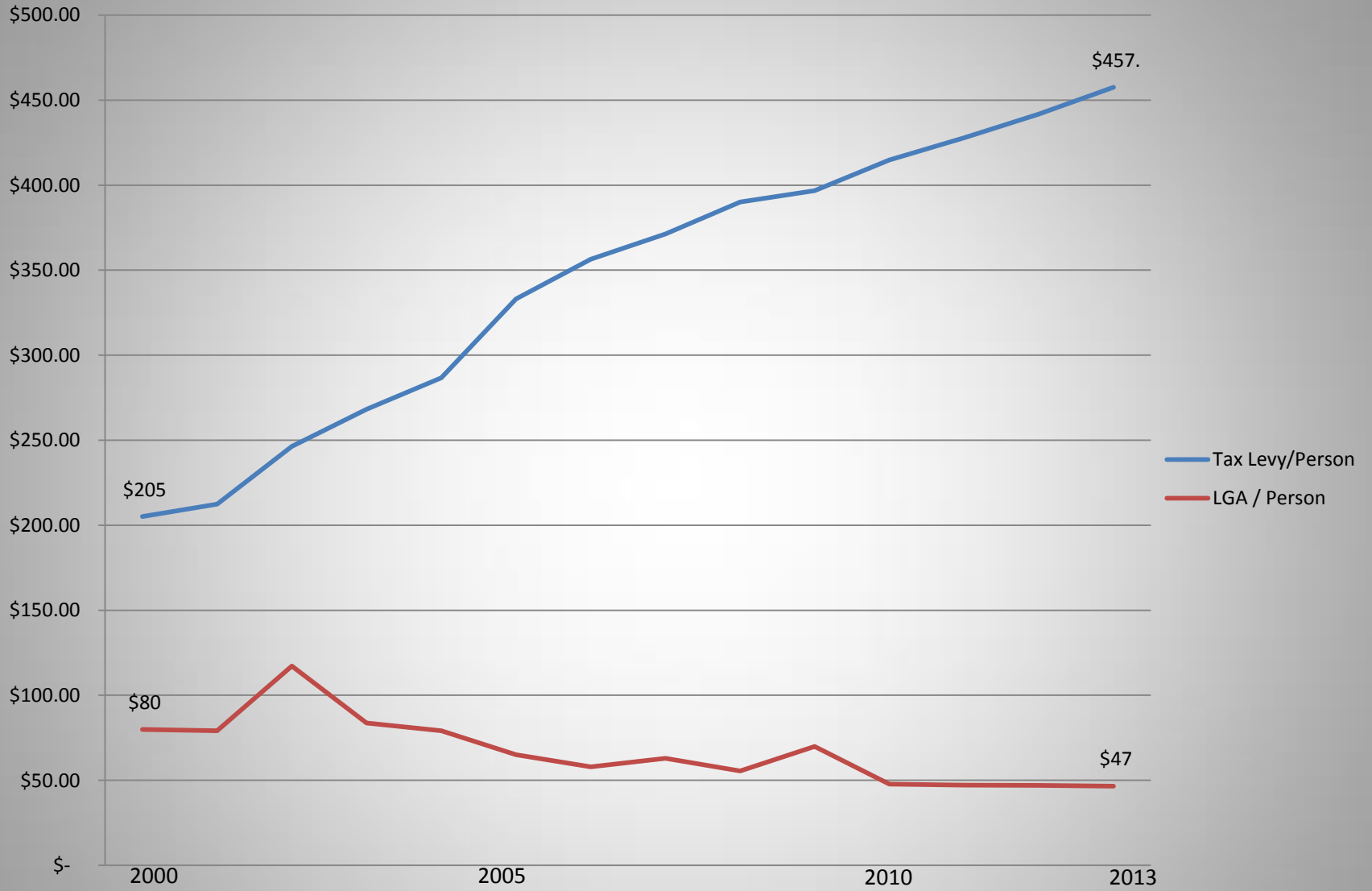
# City of Rochester LGA History Since 2003



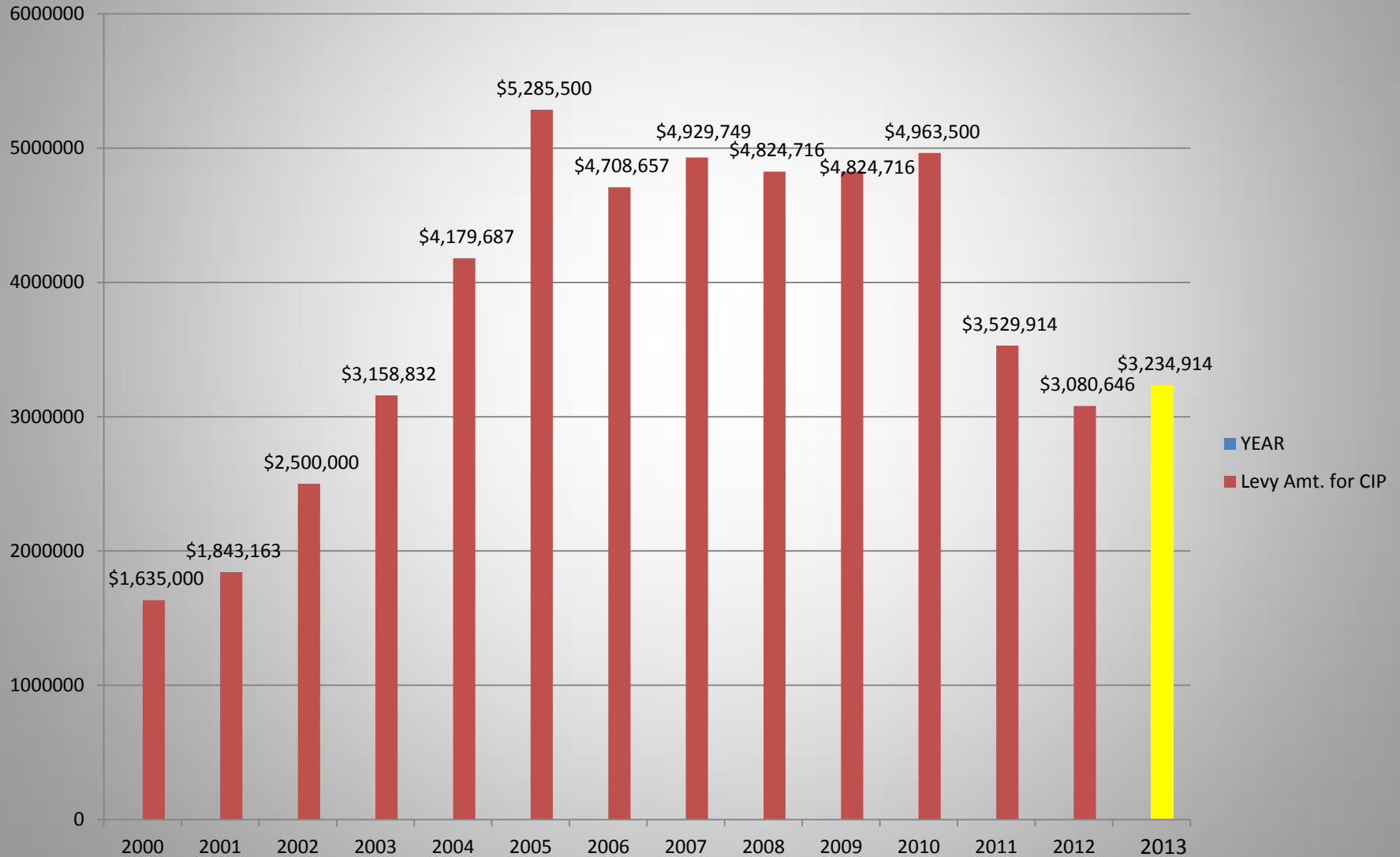
# LGA % of Total Gov't. Operating Budget



# 2000-2013 comparison of Property Tax levy vs. LGA / person

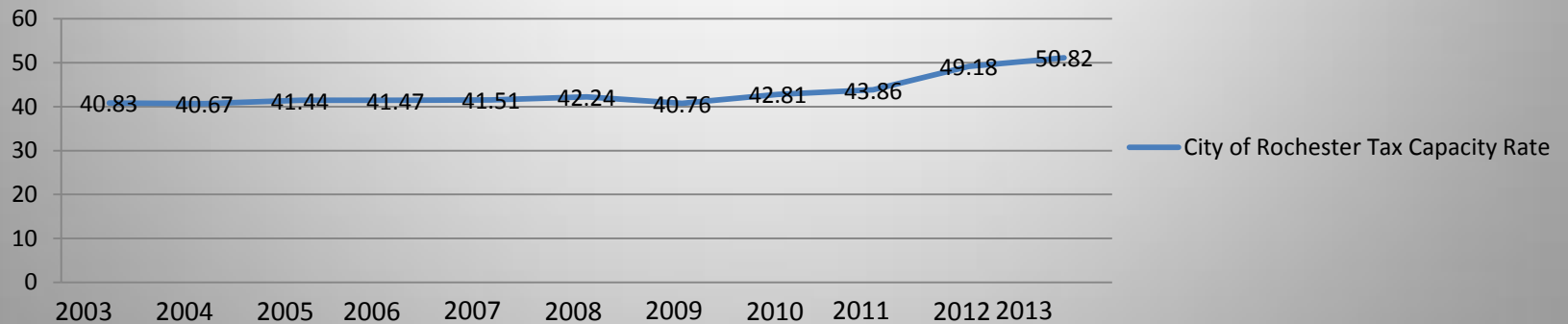


# Amount of Property Tax Levy (including abatement) attributable to Capital Improvement Project Budget from 2005 - 2013



# City of Rochester Property Tax Rates since 2003

Year	City of Rochester Tax Capacity Rate
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
2013	50.82



**Comparison of Rochester 2013 Tax Rate to Other MN Cities**  
 (based upon 2013 LMC Property Tax Report Data)

<b>City</b>	<b>2013 City Property Tax Rate</b>	<b>2013 LGA / Capita Comparison</b>		<b>LGA as % of Tax Levy</b>
Minneapolis	72.72	\$	163.62	23.6%
St. Paul	47.43	\$	173.95	49.7%
Duluth	33.20	\$	318.91	141.1%
Winona	35.35	\$	329.78	152.2%
Austin	41.39	\$	286.57	171.2%
Moorhead	35.14	\$	174.61	86.9%
Mankato	44.84	\$	155.00	43.4%
St. Cloud	43.96	\$	153.21	54.8%
<b>Rochester</b>	<b>50.82</b>	<b>\$</b>	<b>46.88</b>	<b>10.2%</b>
Albert Lea	60.63	\$	263.10	86.5%
Owatonna	59.03	\$	123.80	32.5%

**2013 Comparison of City Tax Rates to Area Cities**

Stewartville	56.72	\$	98.47	30.7%
Kasson	75.79	\$	129.56	35.0%
Byron	57.35	\$	27.00	6.3%
Eyota	58.50	\$	208.94	77.0%
Chatfield	82.57	\$	238.71	54.4%
Dover	53.51	\$	125.37	45.9%
Dodge Center	92.05	\$	232.31	49.4%
Pine Island	72.14	\$	150.37	32.4%

# City Employee / Thousand Population Data Comparison

YEAR	NO. CITY EMPLOYEES	CITY POPULATION	CITY EMPLOYEES / 1000 POPULATION
1980	450.25	57,890	7.78
1990	501	70,745	7.08
2000	570.7	85,806	6.65
2010	646.93	106,769	6.06
2013	658.75	109,400	6.02

# City of Rochester 2014 Proposed Budget Meeting



December 2, 2013