

INDEPENDENT SCHOOL DISTRICT NO. 625
Saint Paul, Minnesota
SPECIAL MEETING OF THE BOARD OF EDUCATION
Administration Building
360 Colborne Street

December 1, 2009
6:00 PM

A G E N D A

- I. **Call to Order**
- II. **Roll Call**
- III. **New Business**
 - A. Presentation on Pay 10 Tax Levy
 - 1. Ramsey County General Information on Property Taxes 2
 - 2. SPPS Presentation of Payble 2010 Levy 8
 - B. Public Comment on Pay 10 Levy
- IV. **Adjournment**

Summary of Factors Impacting 2010 Property Taxes - Ramsey County

Who Determines Your Property Tax?

State Legislature

- Sets Property Tax Policy
- Establishes Property Classes & Class Rates
- Determines Levels of State Aid
- Underfunded Mandates to Local Governments
- Levies State Business Tax



Taxing Jurisdictions

- Determines Levy Amount

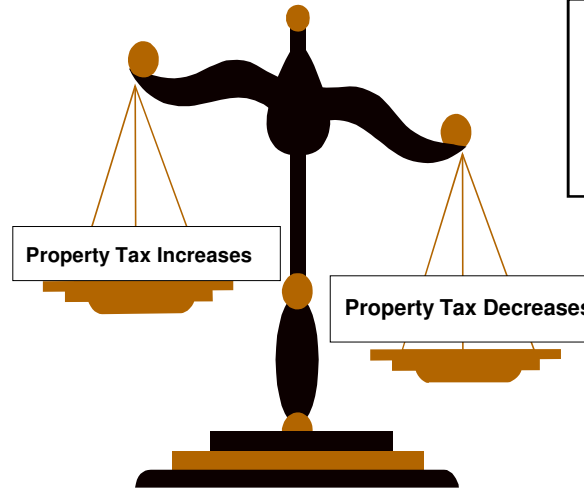
County Assessor

- Determines Market Value
- Assigns Property Class

Major Factors That Impact a Homeowner's 2010 Property Tax

Property Tax Increases can be a result of:

- Increases in local government tax levies
- Legislative shifts in tax burden
- Your taxable market value:
 - Decreased at a slower rate than other property in the tax district or
 - Stayed the same as the prior year or
 - Increased.
- Your homestead credit decreases (for homes greater than \$76,000 where your market value increases)



Property Tax Decreases can be a result of:

- Your homestead credit increases (for homes less than \$76,000 or if your market value decreases)
- Your taxable market value decreases at a faster rate than other property in the tax district.

General Property Tax Information:

- Market value increases do not generate additional revenue for local governments – only increases in tax levies and local assessments provide more money. Conversely, market value decreases do not reduce revenue for local governments.
- Over 81% of residential properties had a decrease in estimated market value as determined by the County Assessor.
- The estimated market value of 64% of commercial/industrial and 45% of apartment properties stayed the same.

The Bottom Line:

- Changes in taxes on homes vary significantly this year. Based on taxes shown on the proposed tax notices: 44.8% of Ramsey County homeowners are projected to have tax decreases, 46.4% would have moderate increases, and 8.8% would have increases greater than 10%. Tax increases, when they occur, are due largely to increased tax levies for the city, county, school district and special taxing districts and to tax shifts resulting from home taxable values, in general, shrinking at a faster rate than the value of the property with the tax increase.
- Many commercial/industrial and apartment properties will have moderate property tax increases.

Process to Appeal Your Estimated Market Value In Ramsey County



Spring 2009
(Past)

Present

January 2010

Spring 2010
(Future)

March - June
Appeal 2009
values for taxes
payable
in 2010

Proposed Budget Meeting

The meeting on the proposed budget is a Public Forum to allow taxpayers to voice opinions about local government budgets as they impact 2010 taxes.

2010 Assessment (payable 2011)

The assessor calculates your 2010 Estimated Market Value through analysis of recent market data.

March 9, 2010
Payable 2010 Tax Statements and 2010 (payable 2011) Value Notices mailed to taxpayers

April 30
Last day to submit a pay 2009 appeal to MN Tax Court

The time has passed to discuss individual valuations for taxes payable 2010 with the property tax appraiser for your area*

March 9 to May 15, 2010 Informal Appeals

Begins with mailing of value notices on March 9th. An appraiser will schedule a time to visit your property to verify data characteristics. Within this informal appeal window, we hold Open Book Meetings. These meetings will be scheduled from April 5 to April 8, 2010.

June 14 to June 25, 2010 BOE Meets

Board of Appeals and Equalization (BOE) meets. At this time the homeowner is responsible to support their opinion of value.

End of June
Board of Appeals and Equalization meets.
Last chance for a formal appeal for a 2009 value (payable 2010) other than MN Tax Court

Your only option to appeal your value for taxes payable in 2010 is by filing an appeal with the MN Tax Court.
If you purchased your home in the past year, and the sale meets strict Abatement policy standards, you may be eligible for an administrative adjustment.

Property owners wishing further appeal can submit written application to the Board of Appeal and Equalization (BOE).
The BOE appeal application must be submitted by May 7, 2010

A neutral board, consisting of realtors, appraisers, and homeowners, will review the supporting information provided by the County and the homeowner. Their final reconciliation of value can only be challenged in MN Tax Court.

*At this time you may start discussions with a property appraiser to review existing data on your property which affects the 2010 assessment (payable 2011). Contact us for an interior review of your property at **651-266-2000**

May 7 to June 14, 2010 Administrative Open Books
If you miss the date to file with the BOE, an Administrative Open Book appeal can still be done, but MN Tax Court is the only outlet to appeal the newly recorded value.

After the BOE closes on June 25, 2010, the only option to appeal is MN Tax Court (until the process begins again next spring)

We are here

Estimated Percentage Change in 2010 Property Tax On Median Value Homestead Properties By City

					On Proposed Notice	
City	School	Payable 2010		Median % Change In Value	Estimated % Change From 2009 Total Tax	Estimated Change From 2009 Total Tax
		Payable 2009 Taxable Value	City Median Taxable Value			
Arden Hills	621	\$299,150	\$278,800	-6.8%	-1.0%	-\$33
	623	"	"	"	0.2%	6
Falcon Heights	623	273,100	264,200	-3.3%	3.8%	103
Gem Lake	624	290,000	270,800	-6.6%	1.7%	59
Lauderdale	623	197,200	186,150	-5.6%	0.7%	13
Little Canada	623	255,700	228,000	-10.8%	-5.0%	-129
	624	"	"	"	-3.9%	-107
Maplewood	622	220,100	205,400	-6.7%	-1.5%	-40
	623	"	"	"	0.8%	19
	624	"	"	"	1.7%	45
Mounds View	621	199,700	186,300	-6.7%	3.5%	86
New Brighton	282	236,200	224,600	-4.9%	0.5%	17
	621	"	"	"	1.0%	28
North Oaks	621	622,400	563,400	-9.5%	-5.6%	-370
	624	"	"	"	-3.3%	-206
North St. Paul	622	195,600	180,000	-8.0%	1.9%	42
Roseville	621	237,000	223,900	-5.5%	0.7%	19
	623	"	"	"	1.9%	47
St. Anthony	282	255,700	246,800	-3.5%	2.3%	90
St. Paul	625	183,200	168,100	-8.2%	-0.4%	-9
Shoreview	621	275,600	262,200	-4.9%	1.6%	52
	623	"	"	"	2.8%	83
Spring Lake Park	621	215,250	191,350	-11.1%	-2.6%	-74
Vadnais Heights	621	252,600	245,300	-2.9%	6.3%	171
	624	"	"	"	8.9%	236
White Bear Lake	624	213,500	196,200	-8.1%	-1.6%	-33
White Bear Town	624	249,800	241,400	-3.4%	5.9%	150

School Districts: #282 – St. Anthony #621 – Mounds View #622 – Maplewood #623 – Roseville #624 – White Bear Lake #625 – St. Paul

The Proposed Notice amounts do not reflect any levy changes made after notices were mailed.

**Median Taxable Market Value of Residential Property
By St. Paul Planning District
Taxes Payable Year 2009 to Estimated 2010**

Values as of: For Taxes Payable In:	Median Taxable Home Market Values		
	01/02/08 2009	01/02/09 2010	% Change From '09 - '10
Planning District			
1. Sunray/Battlecreek/Highwood	\$180,100	\$158,800	-11.8%
2. Greater East Side	161,600	141,500	-12.4%
3. West Side	178,950	155,600	-13.0%
4. Dayton's Bluff	136,100	123,450	-9.3%
5. Payne/Phalen	154,400	141,300	-8.5%
6. North End	146,700	135,800	-7.4%
7. Thomas Dale	136,300	113,000	-17.1%
8. Summit/University	204,500	188,700	-7.7%
9. West Seventh	177,200	166,500	-6.0%
10. Como	220,050	206,100	-6.3%
11. Hamline/Midway	185,100	173,100	-6.5%
12. St. Anthony Park	279,900	264,700	-5.4%
13. Merriam Park/Snelling/Lexington/Hamlin	282,200	259,500	-8.0%
14. Macalester/Groveland	281,500	262,900	-6.6%
15. Highland	271,950	268,000	-1.5%
16. Summit Hill	380,300	353,400	-7.1%
17. Downtown	156,400	141,600	-9.5%

Final Payable 2009 Rate	Proposed Payable 2010 Rate	Estimated	
106.465%	119.683%		
0.15885%	0.13942%		
P2009 Final Taxes	P2010 Estimated Taxes	\$ Change From '09 - '10	% Change From '09 - '10
\$1,993	\$1,892	-\$101	-5.1%
1,750	1,646	-104	-5.9%
1,979	1,847	-132	-6.7%
1,415	1,389	-26	-1.8%
1,656	1,643	-13	-0.8%
1,555	1,564	9	0.6%
1,418	1,239	-179	-12.6%
2,314	2,319	5	0.2%
1,955	2,002	47	2.4%
2,518	2,567	49	1.9%
2,059	2,096	37	1.8%
3,304	3,403	99	3.0%
3,334	3,329	-5	-0.1%
3,325	3,377	52	1.6%
3,200	3,450	250	7.8%
4,623	4,668	45	1.0%
1,682	1,647	-35	-2.1%

*Notes: Tax rates and taxes will be slightly higher for the small portion of the City located in the Ramsey/Washington Metro Watershed District.

9

Property Tax Refunds

For Homeowners

You may qualify for one or both refunds:

- **Special Refund (Targeting)**
 - No income limitations
 - Net property tax must increase 12% and more than \$100
 - Refund is 60% of the increase in tax over the 12%/\$100 floor up to \$1,000
 - Does not apply to tax increases resulting from new improvements to the property
- **Regular Refund (Circuit Breaker)**
 - Income Limits
 - Households with no dependents - \$98,290
 - Maximum refund is \$2,350
- **Filing Deadline:** August 16, 2010 (Returns can be filed up to a year after the due date)
- **Refunds paid:** By the end of September if you file by August 1, or 60 days after you file, whichever is later

For Renters

- Income Limits
 - Households with no dependents - \$53,030
- Maximum refund is \$1,510
- **Filing Deadline:** August 16, 2010 (Returns can be filed up to a year after the due date)
- **Refunds paid:** By Mid-August if you file by June 15, or 60 days after you file, whichever is later
- **Certificate of Rent Paid:** You will need to include a completed CRP form (from your landlord) with your refund request. You should receive the CRP by January 31, 2010.

Refunds are paid by the Minnesota Department of Revenue

- Request refunds on state form M1-PR
- Contact the Department of Revenue
 - By phone at (651) 296-4444
 - On the internet at www.taxes.state.mn.us
 - Or by writing:

Minnesota Tax Forms
Mail Station 1421
St. Paul, MN 55146-1421



Saint Paul Public Schools Public Hearing 2010 Proposed Property Tax Levy

Special Board of Education Meeting
December 1, 2009

Property Tax Levy (General Information)



- Property Tax Levy laws are established by the Legislature of the State of Minnesota
- Boards of Education set the overall Levy for School Districts
- The 2010 Levy will be paid by taxpayers in May and October of 2010
- The proceeds of the 2010 Levy provide funds for the 2010 -11 school year
- Calculations for individual property taxes are administered by Ramsey County

Property Tax Levy (General Information)



- MN law was changed this year so each taxing jurisdiction holds its own hearing
- SPPS is holding the hearing earlier this year to be more respectful of stakeholders
- SPPS continues to work with the City and County to reduce impact overall
- Spring is the time for stakeholders to affect their individual property tax assessments
- See your packets for Ramsey County information about refunds and assessments

Why Does SPPS Levy?



- State does not provide all of General Education expense requirements (Equity, Transition, Integration, Operating Capital, etc.)
- Mandates from the State and Federal governments require additional funding (alternative maintenance)
- Leased space support
- Health Care support
- Pension support
- Operating costs

Original Property Tax Levy Proposal (Comparison Pay09 to Pay10)



Fund	Final Pay 09	Proposed Pay 10	Percent Change
General	\$73,001,434	\$74,314,568	1.8%
Community Service	\$3,745,039	\$3,668,391	-2.05%
Debt	\$30,233,163	\$33,810,760	11.83%
Total	\$106,979,636	\$111,793,719	4.5%

Board of Education proposed **ceiling** for property tax levy is \$111.8 million or 4.5%

Revised Property Tax Levy Proposal (Comparison Pay09 to Pay10)



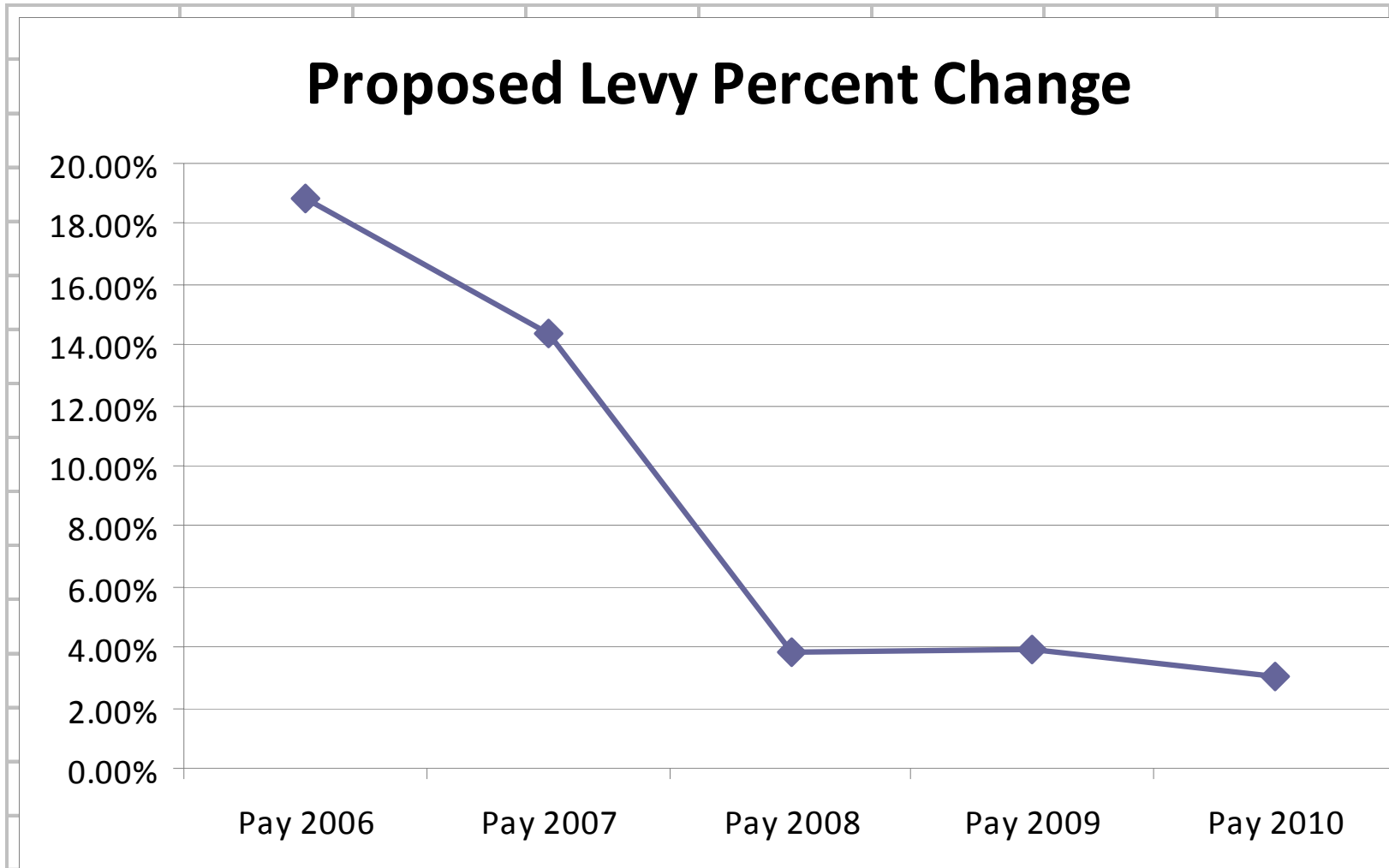
Fund	Final Pay 09	Proposed Pay 10	Percent Change
General	\$73,001,434	\$72,759,379	-0.3%
Community Service	\$3,745,039	\$3,668,391	-2.05%
Debt	\$30,233,163	\$33,810,760	11.83%
Total	\$106,979,636	\$110,238,530	3.05%

Board of Education **revised** proposed property tax levy is \$110.2 million or 3.05%

5 Year SPPS Levy History



Proposed Levy Percent Change



Pay 10 Proposed Levy (Points of Interest)

- Smallest growth in last five years for the District – we are trending down
- Board of Education is very mindful of the tough economic times and seeks to keep the levy reasonable
- Board of Education, for the first time, established a ceiling lower than the authorized maximum

Board of Education Hears from the Public