

INDEPENDENT SCHOOL DISTRICT NO. 625
Saint Paul, Minnesota
MINUTES OF THE SPECIAL MEETING OF THE BOARD OF EDUCATION
FOR A PUBLIC HEARING
ON THE PROPERTY TAX LEVY
November 29, 2011

I. CALL TO ORDER

The meeting was called to order at 6:09 p.m.

II. ROLL CALL

PRESENT: Ms. Carroll, Mr. Risberg, Mr. Hardy, Ms. Kong-Thao, Ms. O'Connell, Ms Street-Stewart, Superintendent Silva and Ms. Polsfuss, Assistant Clerk

ABSENT: Director Brodrick

III. ORDER OF THE AGENDA

MOTION: Ms. O'Connell moved approval of the order of the agenda. Ms. Carroll seconded the motion.

The motion was approved with the following roll call vote:

Ms. Carroll	Yes
Mr. Risberg	Yes
Mr. Hardy	Yes
Ms. Kong-Thao	Yes
Ms. O'Connell	Yes
Mr. Brodrick	Absent
Ms. Street-Stewart	Yes

A. Public Hearing on Saint Paul Public Schools Property Tax Levy

1. Presentation on the Levy

The purpose of the hearing was to receive public comment on the proposed SPPS portion of the property tax levy for Pay 12 taxes prior to Board of Education certification of the final approved levy on December 13, 2011.

SPPS levies for several reasons:

- State funding does not provide all necessary General Education expense requirements (Equity, Transition, Integration, Operating Capital, etc.)
- Mandates from the State and Federal governments require additional funding (i.e., deferred maintenance)
- Support for the cost of leased space
- Support for health care
- Support for pension obligations, and
- Support for necessary operating costs

Some of the levies contain penalties that if not levied fully at the level recommended by the State result in loss of state aid which in turn results in cuts to classrooms.

The property tax levy laws are established by the Legislature of the State of Minnesota. Boards of Education set the overall levy for school districts up to the

maximum set by the State. The 2012 levy will be paid by taxpayers in May and October of 2012. The proceeds of the 2012 levy provide funds for the 2012-13 school year. Calculations for individual property taxes are administered by Ramsey County.

There are three categories of levies that comprise the total SPPS levy: General Fund, Community Education and Debt Service. Minnesota law has changed so each taxing jurisdiction (Ramsey County, City of St Paul and SPPS) holds its own truth-in-taxation hearing. SPPS continues to work with the City and County to reduce the overall impact to citizens of St. Paul. The City, County and District percents cannot be added together to determine property tax increase/decrease as each is a separate set of calculations and budget calendars differ significantly between City/County and SPPS.

SPPS receives data from the State in August and begins to do initial calculations. The initial levy proposal is presented to a Committee of the Board in September and the Board certifies a ceiling (maximum) levy amount at the September Board meeting. In November Ramsey County mails proposed tax statements. Public hearings are held by all three entities in order to hear from taxpayers on the proposed levies. In December, the SPPS Board of Education certifies the final Pay 12 levy amount which is then certified to the State by December 28.

The total Pay 12 increase is 3.6%. The proposed ceiling for the tax levy is \$126.1 million. This represents the smallest levy increase in a number of years. The previous year's increase was 9.0%.

There are three reasons for the levy change:

- OPEB (Other Post Employment Benefits) – a levy to help cover the costs of retiree health insurance. The District continues to take steps to control these costs.
- Health and Safety Levy – a levy to cover costs of State approved projects involving health and safety issues and
- Debt Levy – that are the costs and adjustments made to maintain SPPS building infrastructure.

2. **Public Hearing**

- Greg Copeland – requested a major reduction in the 2012 levy
- Anne Holzman – spoke in support of the levy and the benefit it brings to SPPS efforts for the children.

The Chair called for any additional comments from the public; hearing none, she called for a motion to adjourn the meeting.

IV. ADJOURNMENT

MOTION: Mr. Risberg moved the meeting adjourn, seconded by Ms. Carroll.

The motion was approved with the following roll call vote:

Ms. Carroll	Yes
Mr. Risberg	Yes
Mr. Hardy	Yes
Ms. Kong-Thao	Yes
Ms. O'Connell	Yes
Ms. Street-Stewart	Yes

The meeting adjourned at 6:33 p.m.

For clarity and to facilitate research, these minutes reflect the order of the original Agenda and not necessarily the time during the meeting the items were discussed.

Prepared and submitted by
Marilyn Polsfuss
Assistant Clerk, St. Paul Public Schools Board of Education