

**INDEPENDENT SCHOOL DISTRICT NO. 625
Saint Paul, Minnesota
SPECIAL MEETING OF THE BOARD OF EDUCATION
Administration Building
360 Colborne Street
Saint Paul, Minnesota 55102**

**December 5, 2023
6:00 PM**

A G E N D A

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF THE ORDER OF THE MAIN AGENDA**
- 4. PAY24 LEVY: PRESENTATION OF PROPOSAL**
- 5. PUBLIC TESTIMONY**
- 6. ADJOURNMENT**

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#BoldSubject#



Saint Paul
PUBLIC SCHOOLS

Truth in Taxation Hearing Pay24 Levy Information

Special Meeting of the Board of Education
December 5, 2023

Tom Sager, Executive Chief of Financial Services

The Basics

- School levy authority is established in law
- The proposed school levy funds the 2024-25 school year. The FY 25 budget will be adopted in June 2024.
- Most districts certify what Minnesota Department of Education (MDE) authorizes in September.
- Levies contribute to approximately 20% of SPPS budget.
- School districts are required to include budget information in the Truth in Taxation meeting

All Funds: Revenue by Source

Total Budgeted 2023-24 Revenues:
\$1,020,835,746



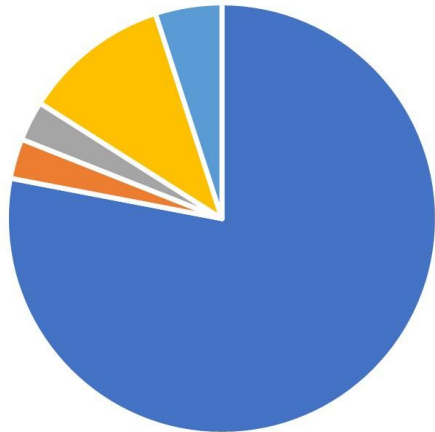
■ State Aid ■ Property Tax ■ Federal Aid ■ Other Revenue

State Aid: 46%
Property Tax: 20%
Federal Aid: 18%
Other Revenue: 16%

All Funds: Expenditure by Fund

Total Budgeted 2023-24 Expenditures \$1,035,878,063

Expenditures by Fund

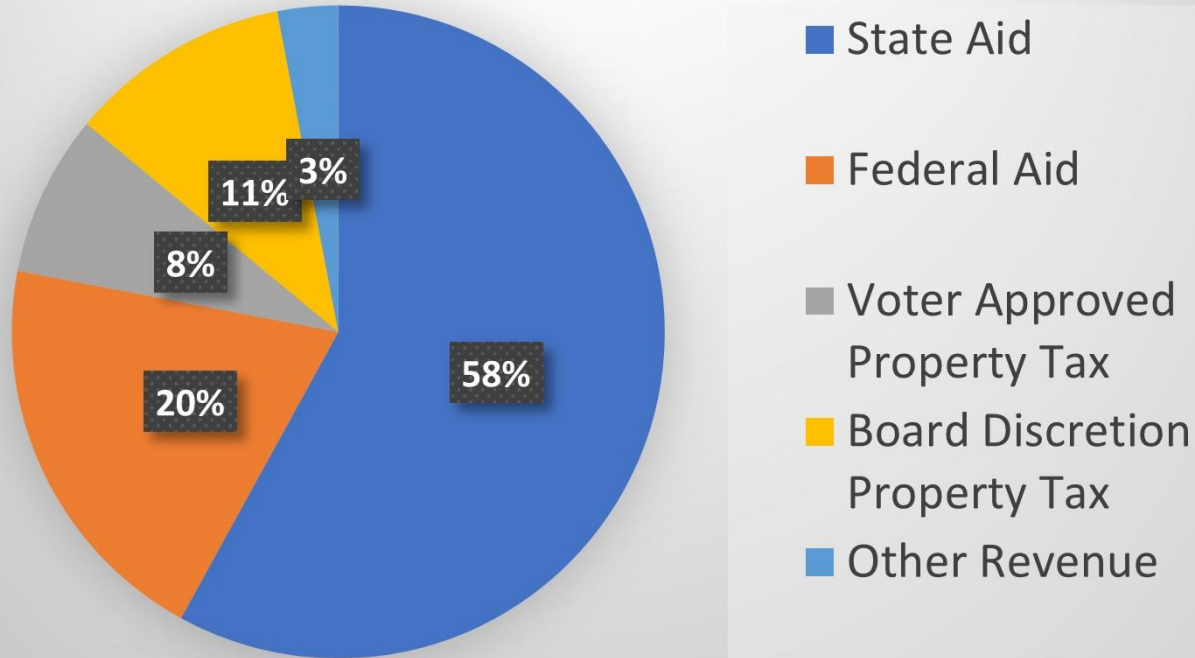


■ General Fund ■ Food Service ■ Community Service
■ Building Construction ■ Debt Service

General Fund: 78%
Food Service: 3%
Community Service: 3%
Building Construction: 11%
Debt Service: 5%

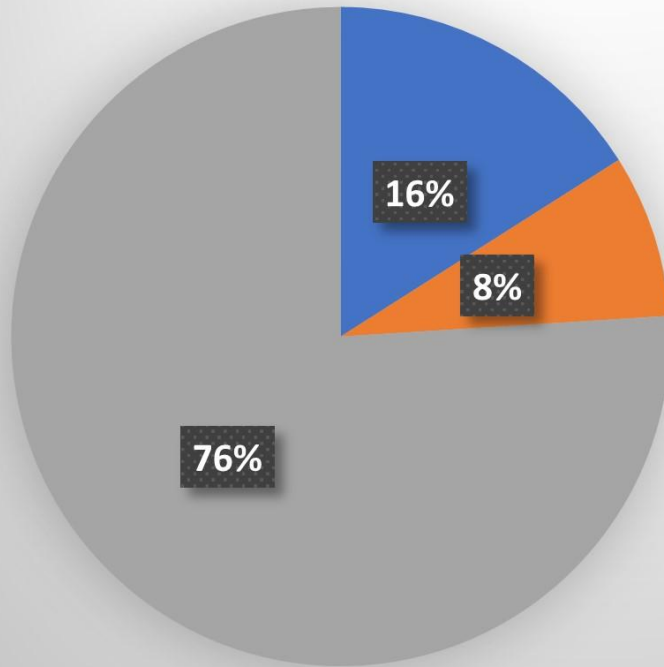
2023-24 General Fund Revenue Sources \$766,654,615

General Fund Revenue Sources



2023-24 General Fund Expenditures \$801,094,756

2023-24 General Fund Expenditures

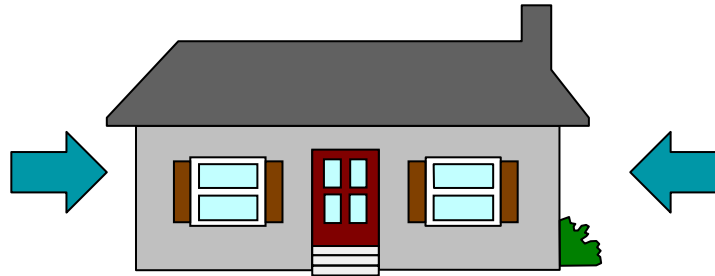


- Maintenance Operations, Equipment & Other Fiscal Expense
- Administration Support Services
- Student Programs & Services

Who Determines Your Property Tax?

State Legislature

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



County Assessor

- Determines Market Value
- Assigns Property Class

Property Tax



Taxing Jurisdictions

- Determines Levy Amount

Factors Impacting Property Taxes

- Additional money available to reduce the local tax burden, such as state aid and credits.
- A home's market value changing relative to other homes or compared to other types of property.
- Changes to the tax base that are not the result of inflationary or deflationary changes to the values of individual properties, such as new construction or changes in taxing status. Tax Increment Financing.
- Legislative changes and tax rates.

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Factors Impacting School Levies

- Changes in tax base.
- Number of students served.
- Approved inflationary increases to referendums
- Pension contribution changes required by law
- Other post employment obligations, and other employment changes that drive severance and unemployment levies
- Capital bonding, refunding of bonds, long-term maintenance, health and safety projects, lease costs

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Primary Levy Categories

	Final Pay 2023	Proposed Pay 2024	\$ Change	% Change
General Fund	144,890,504	137,621,012	(7,269,492)	-5.0%
Community Service Fund	3,610,908	3,375,073	(235,835)	-6.5%
General Debt Service	52,530,836	63,636,371	11,105,534	21.14%
OPEB Debt Service	0	0	0	0
Total Levy	201,032,248	204,632,456	3,600,208	1.79%

Estimated Annual Property Tax Impact | Home from 2023 to 2024

(Assuming a 0.41 percent increase in market value)

Pay 2024 Estimated Home Market Value	Pay 2023	Pay 2024	Estimated Change at 1.79 % Increase
\$ 100,000	\$395	\$388	-1.6%
150,000	653	642	-1.8%
200,000	912	895	-1.89%
267,400	1,261	1,236	-1.93%
300,000	1,430	1,401	-1.97%
500,000	2,439	2,390	-2.02%

Median home market value is \$267,400

Estimated Annual Property Tax Impact | Commercial/Industrial from 2023 to 2024

(Assuming a 8 percent increase in market value)

Pay 2024 Estimated Commercial/Industrial Market Value	Pay 2023	Pay 2024	Estimated Change at 1.79 % Increase
\$ 100,000	\$450	\$474	5.39% ¹³
250,000	1,213	1,290	6.34%
500,000	2,589	2,738	5.72%
1,000,000	5,341	5,632	5.46%

Median commercial/industrial market value is \$500,000

Local School District Levies

District Name	Home Value	Total Levy
Minneapolis	266,300	\$853
Anoka-Hennepin	266,300	\$913
North St. Paul- Maplewood	266,300	\$1,160
Roseville	266,300	\$1,203
Rosemount-Apple Valley-East	266,300	\$1,246
St. Paul	266,300	\$1,261
White Bear Lake	266,300	\$1,307
South St. Paul	266,300	\$1,545
South Washington County	266,300	\$1,564
Group Average		\$1,236

SPPS's Five Year Trend For Annual Property Tax Levy

- In the past five levy cycles, the SPPS total levy has increased on average 2.9 percent per year.
- The Consumer Price Index (Inflation) for this same period has averaged 4.9 percent per year.

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Pay 25 Levy Calendar

	Date	Action
X	August-early September	District submits levy information to MDE
X	September 1	Preliminary run by MDE
X	September 28	JPTAC (Joint Property Tax Advisory Committee) Meeting
X	September 29	Board Meeting to Authorize Pay24 Levy
X	October 1	Submit data to Ramsey County and MDE. Cities and Counties also ¹⁶ certify by this date.
X	October 1 – November 10	Ramsey County calculates taxes and prepares tax statements
X	November 15	Anticipated Ramsey County mailing of tax statements
	December 5	Truth in Taxation Hearing
	December 19	Board of Education (BOE) certifies Pay24 levy
	December 30	SPPS certifies Pay24 levy to Ramsey County



Saint Paul
PUBLIC SCHOOLS

Truth in Taxation Hearing

Thank you