



Saint Paul
PUBLIC SCHOOLS

FY26 Budget Work Session

February 4, 2025

Agenda

- Voter approved referendum
- Review
 - Board parameters
 - Budget options
- School allocations
- Communications and engagement

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Voter Approved Referendum



February 2025

ISD 625 Saint Paul Public Schools

Voter Approved Referendum Background

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SPPS' Five Year Trend For Annual Property Tax Levy

- In the past five levy cycles, the SPPS total levy has increased on average 3.6 percent per year.
- The Consumer Price Index (Inflation) for this same period has averaged 4.5 percent per year.



Total Property Taxes Per Student

School System	Total Property Taxes Per Student
Minneapolis	\$7,844
White Bear Lake	\$6,854
Roseville	\$6,138
St. Paul	\$6,083
South Washington County	\$5,451
Rosemount Apple Valley Eagan	\$4,263
State Wide	\$3,933
Centennial	\$3,898
Anoka Hennepin	\$3,301

Source: Minnesota Department of Educational Financial Profiles - 2023



Property Taxes as a Percent of Total Budget

School System	Total District Revenue from Property Taxes
White Bear Lake	33.44%
South Washington County	29.78%
Minneapolis	29.39%
Roseville	28.65%
Rosemount Apple Valley Eagan	24.85%
Saint Paul	23.85%
Centennial	22.25%
State Wide	20.97%
Anoka Hennepin	19.38%

Source: Minnesota Department of Educational Financial Profiles - 2023



Property Taxes as a Percent of General Fund

School System	General Fund Revenue from Property Taxes
White Bear Lake	25.17%
South Washington County	24.78%
Roseville	23.33%
Rosemount Apple Valley Eagan	23.02%
Minneapolis	21.98%
Saint Paul	20.42%
Anoka Hennepin	18.31%
Centennial	16.64%
State Wide	16.18%

Source: Minnesota Department of Educational Financial Profiles - 2023



Debt Service Tax Revenue Per Student

School System	Debt Service Revenue per Pupil Served
Minneapolis	\$3,446
White Bear Lake	\$2,853
South Washington County	\$1,769
Roseville	\$1,737
Saint Paul	\$1,653
Centennial	\$1,481
State Wide	\$1,456
Rosemount Apple Valley Eagan	\$622
Anoka Hennepin	\$358

Source: Minnesota Department of Educational Financial Profiles - 2023



Operating Referendum and Capital Project Levy



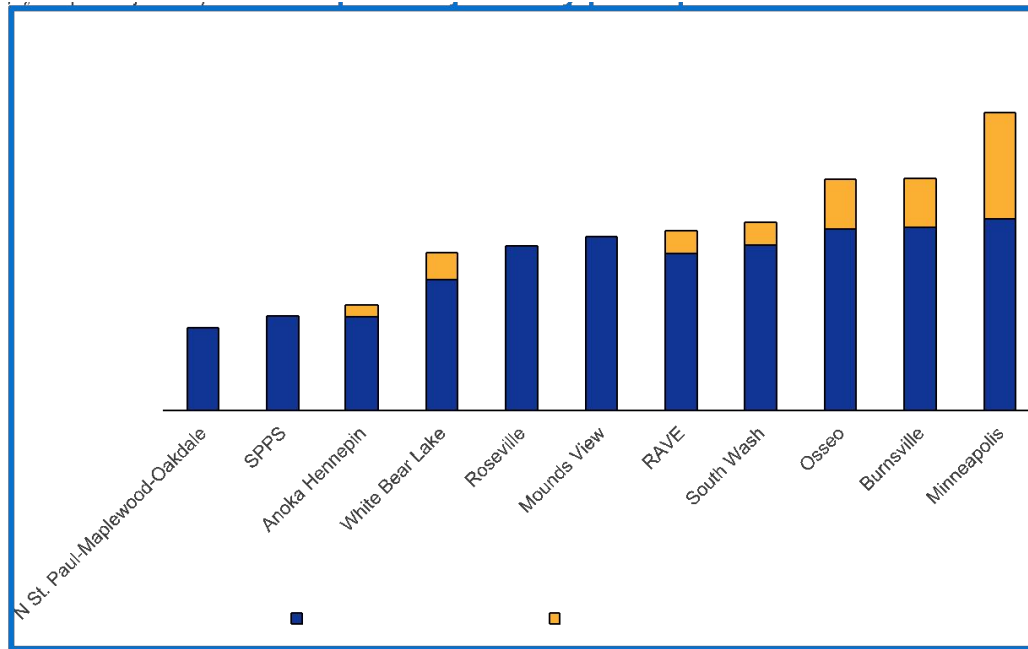
Statewide Operating Referendum

FY 2026

- 329 public school districts
 - 72% with voter approved referendum
 - 28% without voter approved referendum
- State Median Referendum = \$544
- Metro Median Referendum = \$1,576
 - Only 4 districts out of 57 in seven county metro do not have an operating referendum



Operating Referendum Comparison



Data sourced from Minnesota Department of Education

- If SPSS had the same amount per pupil as the average of the districts above, it would have an additional 1,073 per pupil or \$37.1 million.

Tax Impacts for Increase

ISD 625, SPPS		Referendum Revenue					
		Scenario A		Scenario B		Scenario C	
New Referendum		\$1,667		\$1,917		\$2,240	
Referendum Increase		\$500		\$750		\$1,073	
Additional Revenue		\$17,333,855		\$25,996,105		\$37,178,377	
Additional Aid		\$0		\$0		\$0	
Additional Levy		\$17,333,855		\$25,996,105		\$37,178,377	
RMV (Pay 2025 Prelim)		34,584,742,375		34,584,742,375		34,584,742,375	
Tax Rate Increase		0.050120%		0.075166%		0.107499%	
		Estimated Tax Impact					
		Annual	Monthly	Annual	Monthly	Annual	Monthly
Referendum Market Value	\$100,000	\$50	\$4	\$75	\$6	\$107	\$9
	\$150,000	\$75	\$6	\$113	\$9	\$161	\$13
	\$200,000	\$100	\$8	\$150	\$13	\$215	\$18
	\$250,000	\$125	\$10	\$188	\$16	\$269	\$22
	\$275,300	\$138	\$11	\$207	\$17	\$296	\$25
	\$300,000	\$150	\$13	\$225	\$19	\$322	\$27
	\$350,000	\$175	\$15	\$263	\$22	\$376	\$31
	\$400,000	\$200	\$17	\$301	\$25	\$430	\$36
	\$500,000	\$251	\$21	\$376	\$31	\$537	\$45
	\$1,000,000	\$501	\$42	\$752	\$63	\$1,075	\$90

* Assumes APU of 34,649 & Preliminary Pay 2025 valuations as provided by Ramsey County



Operating Referendum vs Capital Project Levy

Operating Referendums

Wide range of uses

Vote on amount per pupil

State aid for some districts (SPPS does not qualify with current formula)

Most elections in November

Authority up to 10 years (1 board approved renewal allowed)

Capital Projects Levy

Capital related items including technology

Vote on tax rate/\$ amount

No state aid

Elections can be held 5 dates throughout the year

Authority up to 10 years

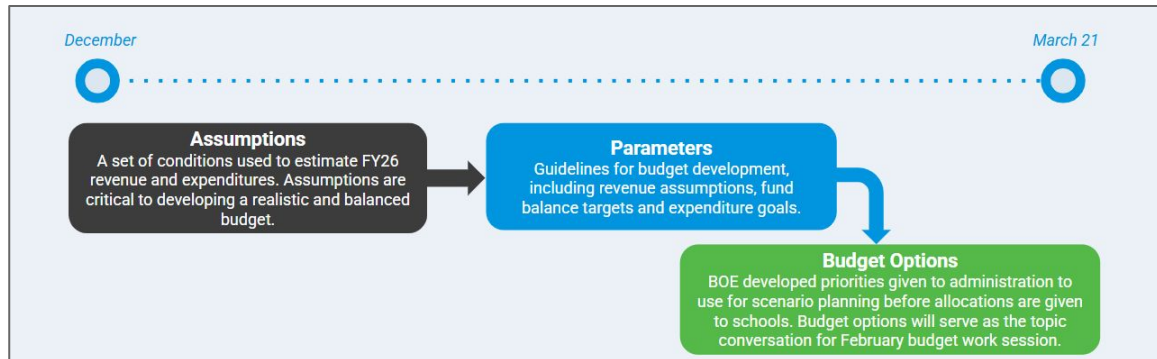
Detailed Tax Impact

Tax Impact Analysis - Operating Referendum vs. Capital Projects Levy					
		Operating Referendum		Capital Projects Levy	
Revenue		\$17,333,000		\$17,333,000	
RMV & NTC (Prelim Pay 25)		34,584,742,375		341,147,918	
Additional Tax Rate		0.050117%		5.08%	
Property Type	Est. Market Value	Annual	Monthly	Annual	Monthly
Residential Homestead	\$100,000	\$50	\$4	\$32	3
	150,000	75	6	59	5
	200,000	100	8	87	7
	250,000	125	10	115	10
	275,300	138	11.50	129	10.73
	300,000	150	13	143	12
	350,000	175	15	170	14
	400,000	200	17	198	16
	500,000	251	21	253	21
	1,000,000	501	42	572	48
Commercial / Industrial	\$250,000	\$125	\$10	\$216	\$18
	500,000	251	21	470	39
	750,000	376	31	724	60
	1,000,000	501	42	978	82

2 Parameters & Budget Options

Parameters

1. Sustain funding for early education to retain and prepare students for success through their elementary education and to meet third grade literacy standards.
2. Sustain funding for efforts to increase enrollment, including maintaining funding for the enrollment project committee.
3. Sustain expenditures related to increasing student engagement and decreasing student absenteeism.



Budget Options

Option A	Option B	Option C
<ul style="list-style-type: none">● 5% unassigned fund balance● Sustain student engagement efforts with attention to decreasing student absenteeism● Decrease layers of central office staff	<ul style="list-style-type: none">● 6% unassigned fund balance● Sustain student engagement efforts with attention to decreasing student absenteeism● Decrease layers of central office staff	<ul style="list-style-type: none">● 7% unassigned fund balance● Sustain student engagement efforts with attention to decreasing student absenteeism● Decrease layers of central office staff



School Allocations

Elementary Classroom Staffing

- **Leading Recommendation: No Splits K-1**
- **Other Information:**
 - Projected K-5 enrollment: 14,696 (+613 students)
 - Avoid composite sections in grades PreK - 1st
 - Sustain current number of Pre-K sections
 - Maintain allocation formula for specialists
 - [Elementary class size report](#)

Secondary Classroom Staffing

- **Leading Recommendation:** Middle school 5 below class size / High school 4.5 below class size
- Other information:
 - Projected 6-12 enrollment: 16,775 (+735 students)
 - Supports middle school model and high school graduation requirements

	Low Poverty	High Poverty
Middle School: 5 below contractual average class size	31/class	29/class
High School: 4.5 below contractual average class size	33.5/class	31.5/class

4 Communications/Engagement

Communications & Engagement Framework

	INFORM	CONSULT
January	-Budget work session	
February	-COB/BOE -Budget update (email/web)	-Budget feedback form -Public comment
March	-BOE or COB -Monthly budget update	-Budget feedback form -Public comment
April	-BOE or COB -Monthly budget update	-Budget feedback form -Public comment -Public input opportunity*
May	-BOE or COB -Monthly budget update	-Budget feedback form -Public comment
June	-Monthly budget update -Budget Book	-Budget feedback form -Public comment

10,739
Participants
(FY25)



Saint Paul
PUBLIC SCHOOLS

Discussion