

INDEPENDENT SCHOOL DISTRICT NO. 625
Saint Paul, Minnesota
JOINT PROPERTY TAX ADVISORY COMMITTEE (JPTAC) MEETING OF THE BOARD OF
EDUCATION
Administration Building
360 Colborne Street
Saint Paul, Minnesota 55102

September 15, 2025
8:30am

A G E N D A

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF THE ORDER OF THE MAIN AGENDA**
4. **APPROVAL OF THE MINUTES**
 - A. Minutes of the Joint Property Tax Advisory Committee (JPTAC) Meeting of June 23, 2025 3
5. **MAIN AGENDA**
 - A. Presentation on the Patterns of Valuations, Review Taxation and Budget Models and Impact of the Joint Levy 6
 - B. Budget and Proposed Levy Presentations by Jurisdiction
 1. City of St. Paul 28
 2. St. Paul Public Schools 37
 3. Ramsey County 73
 - C. ACTION REQUIRED: Adoption of Maximum Joint Levy 87
 - D. Discussion Recentering the JPTAC Mandate
 1. Identify trends / factors driving budget outcomes over the next 5 years
 2. Recommendations on how local jurisdictions can manage change to enhance efficiency/effectiveness
 3. Agree on appropriate level of property tax levy for each jurisdiction and report back to governing bodies for adoption / approval
 4. Identify budget areas to be targeted for joint review to improve efficiency/effectiveness of service delivery
6. **FUTURE MEETING SCHEDULE**
 - A. January 26, 2026
 - B. March 23rd, 2026
 - C. June 22nd, 2026
7. **ADJOURNMENT**

#BoldSubject#

Joint Property Tax Advisory Committee

Saint Paul School District #625
651-767-8152

City of Saint Paul
651-266-8510

County of Ramsey
651-266-8008

AGENDA

Monday, June 23, 2025

8:30 a.m. – 10:30 a.m.

15 West Kellogg Boulevard, Saint Paul, MN 55102

Courthouse Room 220 – Board Conference Room

Jurisdiction	JPTAC Members	Present	Absent
City of Saint Paul	Chair, Mayor Melvin Carter	<input checked="" type="checkbox"/>	<input type="checkbox"/>
City of Saint Paul	Alternate Chair, Deputy Mayor Jaime Tincher ex officio	<input checked="" type="checkbox"/>	<input type="checkbox"/>
City of Saint Paul	Council President Rebecca Noecker	<input checked="" type="checkbox"/>	<input type="checkbox"/>
City of Saint Paul	Councilmember Cheniqua Johnson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
City of Saint Paul	Councilmember HwaJeong Kim	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ramsey County	County Manager Ling Becker	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ramsey County	Commissioner Mai Chong Xiong	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ramsey County	Commissioner Garrison McMurtrey	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ramsey County	Commissioner Rena Moran	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Saint Paul Schools District	Superintendent Stacie Stanley	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Saint Paul Schools District	Board Member Carlo Franco	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Saint Paul Schools District	Board Chair Halla Henderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Saint Paul Schools District	Board Member Yusef Carillo	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Saint Paul Schools District	Alternate Chauntyll Allen	<input type="checkbox"/>	<input checked="" type="checkbox"/>

1. Call the Meeting to Order & Opening Remarks

The meeting was called to order at 8:36 a.m. by Chair, Mayor Melvin Carter City of Saint Paul.

JPTAC Members and staff in the room gave introductions for who was in attendance.

Chair, Mayor Melvin Carter welcomed the new JPTAC committee members Commissioner Garrison McMurtrey and Superintendent Stacie Stanley. Additionally, Council President Rebecca Noecker was welcomed back to JPTAC.

A moment of silence was observed for Speaker Emerita Melissa Hortman and her husband Mark Hortman along with Senator John Hoffman and his wife Yvette.

2. Approve June 23, 2025 Agenda

Chair, Mayor Melvin Carter moved to approve the order of the agenda. It was seconded by Commissioner Mai Chong Xiong. Motion Prevailed.

3. Approval of the September 23, 2024 Minutes

Commissioner Rena Moran moved to approve the September 23, 2024 minutes. It was seconded by Commissioner Mai Chong Xiong. Motion Prevailed.

4. Welcome and Remarks by SPPS Superintendent Stacie Stanley

Superintendent Stacie Stanley offered remarks around her first month in the role and goals she looks to achieve and accomplish under her tenure.

5. Presentation on the general budget, State Legislature, and Federal Government results and potential impacts by Jurisdiction

Each jurisdiction come up to the table to present on general budget impacts, impacts from what occurred during the 2025 legislative and special session, and presented about potential federal impacts to the federal budget bill along with impacts to federal grants and how those will or could impact each budget and the effects they will have on the levy.

Budget Highlights by Jurisdiction

a. City of Saint Paul

Mayor Melvin Carter, Budget Manager Madeline Mitchell, IGR Associate Eric Petersen, and Grants Manager Lindsay Bacher presented to the JPTAC Committee and answered questions.

b. Ramsey County

County Manager Ling Becker, Chief of Staff Maria Sarabia, and IGR Director Jennifer O'Rourke presented to the JPTAC Committee and answered questions.

c. Saint Paul Public School District

Superintendent Stacie Stanley, Chief Financial Officer Tom Sager, Chief of Administration and Operations Director Jackie Turner, and IGR Director Jim Grathwol presented to the JPTAC Committee and answered questions.

6. Other member discussion of other topics

Members discussed and agreed that we will hear the budget highlights by all three jurisdictions and that we will have an action item which will be the adoption of maximum joint levy at the September meeting.

7. Member Discussion of Agenda and Future Meeting Dates

Future meeting dates include:

- a. September 15, 2025 (not yet on calendars) SPPS with gavel - Confirmed
- b. January 26, 2026 (not yet on calendars) - Confirmed
- c. March 23, 2026 (not yet on calendars) - Confirmed
- d. June 22, 2026 (not yet on calendars) - Confirmed

Chair, Mayor Melvin Carter shared that the gavel will switch to Saint Paul Public Schools and the next meeting to be held in person over at SPPS District Administration Building.

The Committee Members supported and approved the four future meeting dates above for the upcoming meeting schedule. September 15, 2025 meeting was not on JPTAC Members or Staff calendars yet, but will be added soon by SPPS.

8. Adjourn

Council President Rebecca Noecker moved to adjourn the meeting. It was seconded by Commissioner Mai Chong Xiong. Motion Prevailed. The meeting adjourned at 10:34a.m.

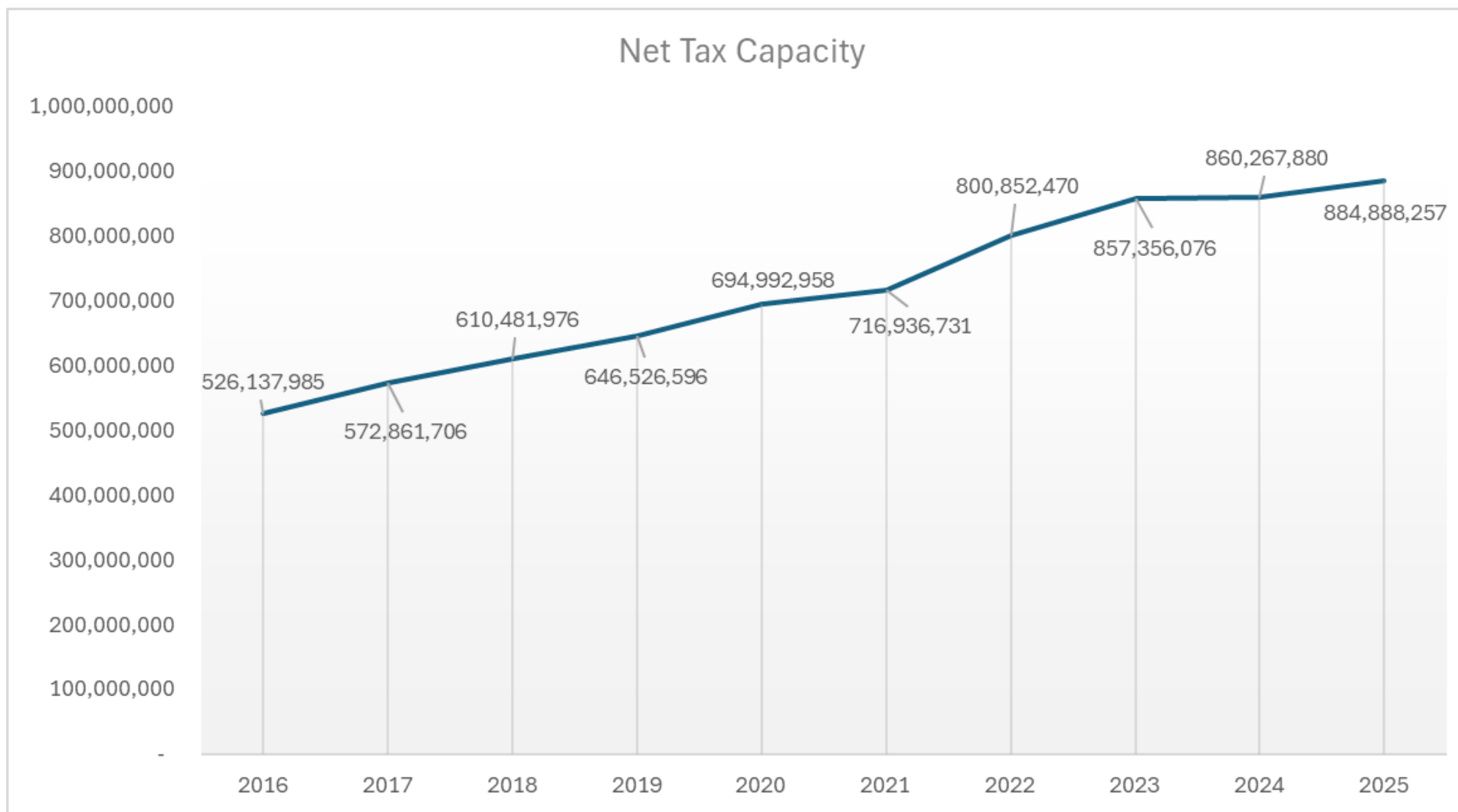


JTPAC – 2026 Taxes Payable

Sept. 15, 2025



What is Changing – Tax Capacity



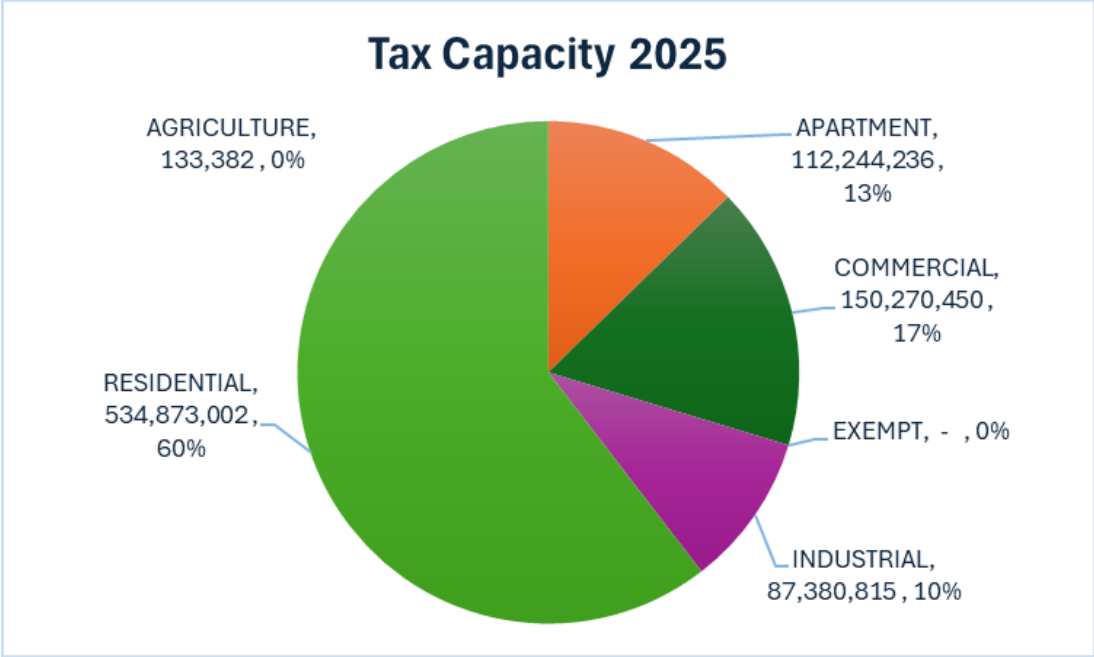
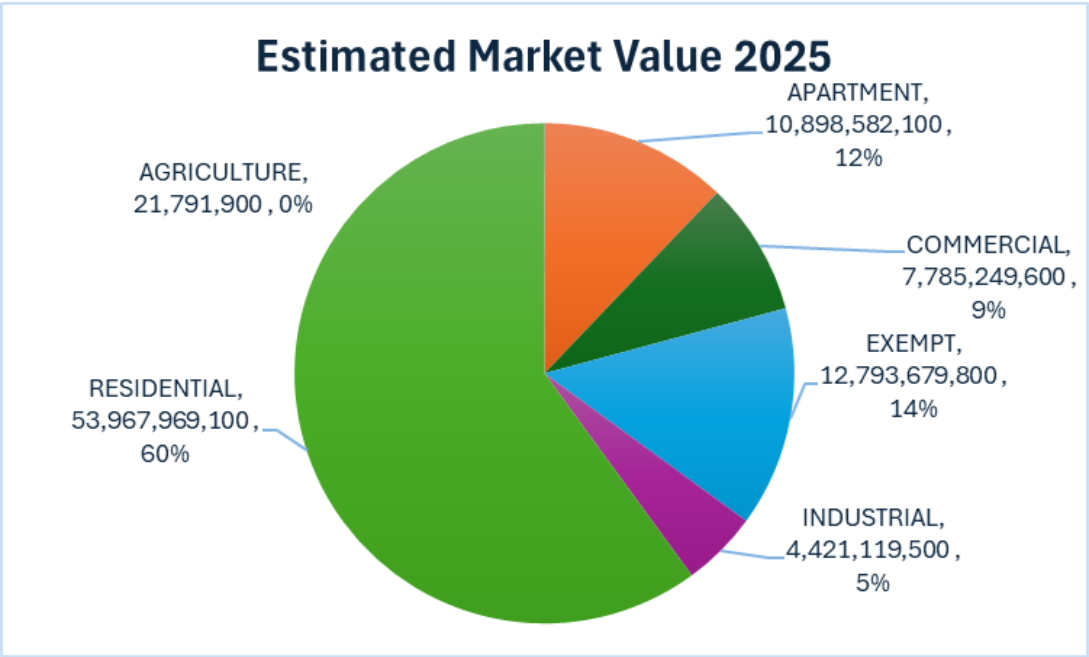
Net Tax Capacity =
Taxable Market Value X
Class Rate

What is Changing – Tax Burden Shifts (Tax Capacity)

Ramsey County Net Tax Capacity (2024 - 2025)

	Agriculture	Apartment	Commercial	Exempt	Industrial	Residential	Total
2024	\$ 173,260	\$ 115,696,333	\$ 153,074,543	\$ -	\$ 85,003,102	\$ 506,320,642	\$ 860,267,880
2025	\$ 133,382	\$ 112,244,236	\$ 150,270,450	\$ -	\$ 87,380,815	\$ 534,873,002	\$ 884,901,885
% Change	-23.02%	-2.98%	-1.83%		2.80%	5.64%	2.86%

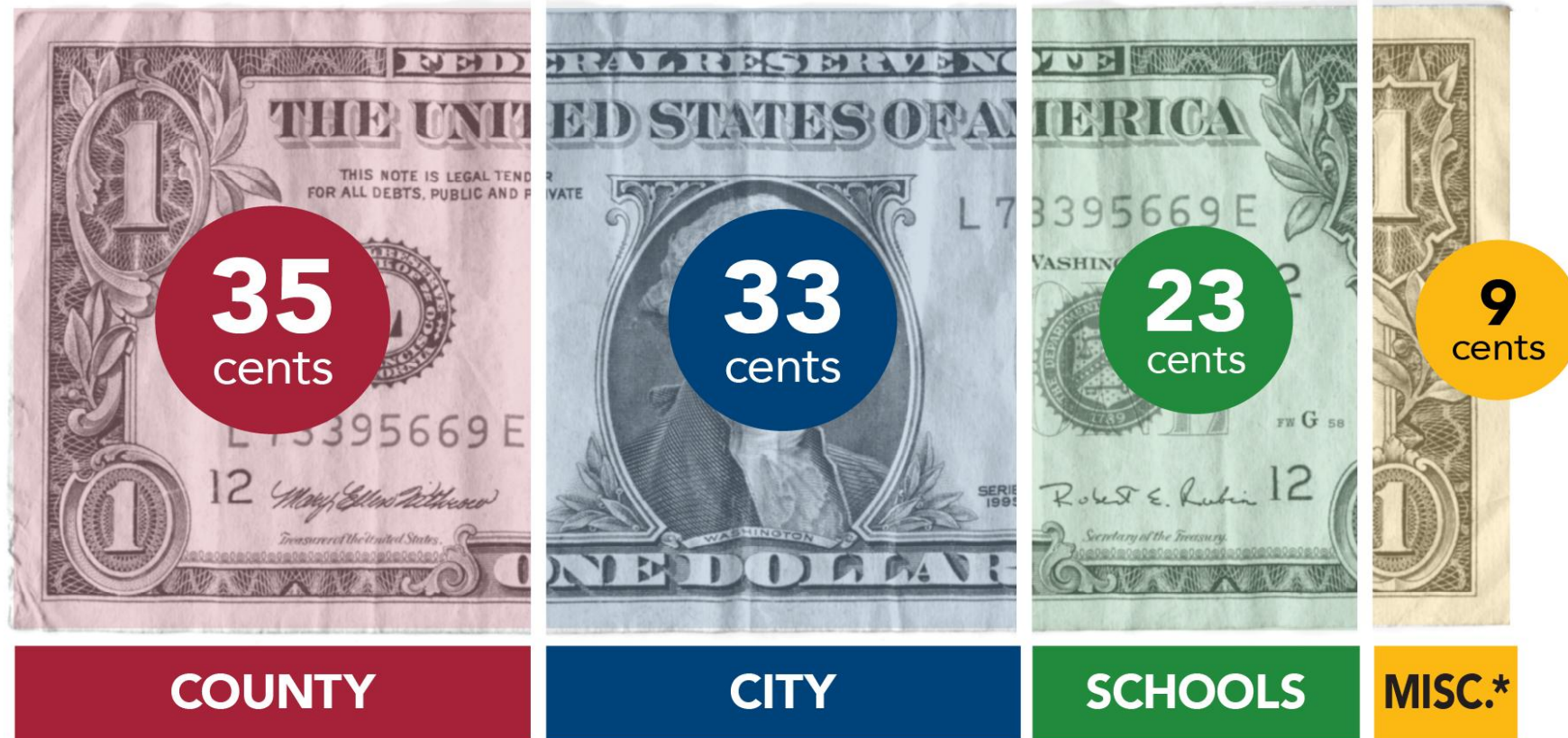
What is Changing – Market Value and Tax Capacity



9

$$\text{Net Tax Capacity} = \text{Taxable Market Value} \times \text{Class Rate}$$

Distribution of a Taxpayers Dollar (2025 example)



**other taxing authorities or jurisdictions collected by Ramsey County*

Combined Levy – St. Paul Share

Excludes School District Referendum

Excludes School District Referendum	Final Change 2023-2024	Final Change 2024-2025	Proposed Maximum Tax Levy as of 9/08/25	Estimated Change 2025 to 2026
Ramsey County – St. Paul Share	\$10.4 Million or 6.2%	\$6.7 Million or 3.7%	\$200,887,500	\$16.6 Million or 9.0%
City of St. Paul	\$7.4 Million or 3.7%	\$12.3 Million or 5.9%	\$232,501,130	\$11.7 Million or 5.3%
St. Paul School District	\$3.6 Million or 1.8%	\$16.2 Million or 7.9%	\$220,848,442	\$0.0 Million or 0.0%
Combined Levies	\$21.4 Million or 3.8%	\$35.2 Million or 6.0%	\$654,237,072	\$28.3 Million or 4.5%

11

MDE is finalizing information, the school district expects numbers may change.

Combined Levy – St. Paul Share

Includes School District Referendum

Includes School District Referendum	Final Change 2023-2024	Final Change 2024-2025	Proposed Maximum Tax Levy as of 9/08/25	Estimated Change 2025 to 2026
Ramsey County – St. Paul Share	\$10.4 Million or 6.2%	\$6.7 Million or 3.7%	\$200,887,500	\$16.6 Million or 9.0%
City of St. Paul	\$7.4 Million or 3.7%	\$12.3 Million or 5.9%	\$232,501,130	\$11.7 Million or 5.3%
St. Paul School District	\$3.6 Million or 1.8%	\$16.2 Million or 7.9%	\$258,048,442	\$37.2 Million or 16.8%
Combined Levies	\$21.4 Million or 3.8%	\$35.2 Million or 6.0%	\$691,437,072	\$65.5 Million or 10.5%

MDE is finalizing information, the school district expects numbers may change.

Estimated % Change in 2025 Property Taxes (without referendum): by St. Paul Planning District on a Residential Property

Assessment Year: For Taxes Payable In: Planning District	Median Estimated Home Market Values			Tax Change	
	2024 2025	2025 2026	% Change From '25 - '26	\$ Change From '25 - '26	% Change From '25 - '26
Thomas Dale	217,300	231,100	6.4%	\$ 267	8.5%
Payne/Phalen	229,800	244,300	6.3%	\$ 282	8.4%
North End	219,350	232,900	6.2%	\$ 265	8.3%
West Side	245,000	259,100	5.8%	\$ 278	7.7%
Como	311,900	329,150	5.5%	\$ 344	7.2%
Hamline/Midway	264,450	277,500	4.9%	\$ 262	6.6%
Dayton's Bluff	224,600	234,950	4.6%	\$ 207	6.3%
Summit/University	298,250	311,900	4.6%	\$ 279	6.1%
Macalester/Groveland	432,700	451,550	4.4%	\$ 391	5.7%
Greater East Side	246,400	256,350	4.0%	\$ 205	5.6%
West Seventh	261,100	271,400	3.9%	\$ 214	5.5%
Summit Hill	502,500	520,000	3.5%	\$ 444	5.4%
Highland	420,300	436,000	3.7%	\$ 333	5.0%
Union Park	416,600	425,900	2.2%	\$ 221	3.3%
Sunray/Battlecreek/Highwood	283,800	288,400	1.6%	\$ 115	2.7%
St. Anthony Park	396,500	399,200	0.7%	\$ 101	1.6%
Downtown	181,800	181,200	-0.3%	\$ 8	0.3%

MDE is finalizing information, the school district expects numbers may change.

Estimated % Change in 2025 Property Taxes (with referendum): by St. Paul Planning District on a Residential Property

Assessment Year: For Taxes Payable In: Planning District	Median Estimated Home Market Values			Tax Change	
	2024 2025	2025 2026	% Change From '25 - '26	\$ Change From '25 - '26	% Change From '25 - '26
Thomas Dale	217,300	231,100	6.4%	\$ 513	16.3%
Payne/Phalen	229,800	244,300	6.3%	\$ 542	16.1%
North End	219,350	232,900	6.2%	\$ 512	16.1%
West Side	245,000	259,100	5.8%	\$ 554	15.3%
Como	311,900	329,150	5.5%	\$ 694	14.5%
Dayton's Bluff	224,600	234,950	4.6%	\$ 457	14.0%
Hamline/Midway	264,450	277,500	4.9%	\$ 557	14.0%
Summit/University	298,250	311,900	4.6%	\$ 611	13.4%
Greater East Side	246,400	256,350	4.0%	\$ 478	13.1%
West Seventh	261,100	271,400	3.9%	\$ 502	12.8%
Macalester/Groveland	432,700	451,550	4.4%	\$ 871	12.6%
Summit Hill	502,500	520,000	3.5%	\$ 997	12.2%
Highland	420,300	436,000	3.7%	\$ 797	11.9%
Union Park	416,600	425,900	2.2%	\$ 673	10.1%
Sunray/Battlecreek/Highwood	283,800	288,400	1.6%	\$ 422	9.8%
St. Anthony Park	396,500	399,200	0.7%	\$ 525	8.4%
Downtown	181,800	181,200	-0.3%	\$ 201	8.0%

MDE is finalizing information, the school district expects numbers may change.

Joint Resolution

WHEREAS, According to Minnesota state law, local units of government must set their maximum property tax levy in September of each year for taxes payable the following year; and

WHEREAS, Ramsey County, the City of Saint Paul, and Saint Paul Independent School District #625 have special legislation creating the Joint Property Tax Advisory Committee (Minnesota Statutes 383A.75), which is charged by the Legislature with meeting "to make appropriate recommendations for the efficient and effective use of property tax dollars raised by the jurisdictions" (Minnesota Statutes 383A.75, Subd. 3); and

WHEREAS, Minnesota Statutes 383A.75, Subd. 3 outlines the specific duties of the Joint Property tax Advisory Committee; and

WHEREAS, One of those duties under Minnesota Statutes 383A.75, Subd. 3 (2) is to "agree, by October 1st of each year, on the appropriate level of overall property tax levy for the three jurisdictions and publicly report such to the governing bodies of each jurisdiction for ratification or modification by resolution"; and

15

WHEREAS, "In carrying out its duties, the Committee shall consult with public employees of each jurisdiction, and with other stakeholders of the City, County, and School District, as appropriate"; Now, Therefore, Be It

RESOLVED, That the Joint Property Tax Advisory Committee, for taxes payable in 2026, accepts that this overall property tax levy, after fiscal disparities, including the proposed school district referendum will increase by 10.5%; and Be It Further

RESOLVED, That the Joint Property Tax Advisory Committee, for taxes payable in 2026, accepts that this overall property tax levy, after fiscal disparities, excluding the proposed school district referendum will increase by 4.5%; and Be It Further

RESOLVED, That the jurisdictions will solicit input from stakeholders regarding this levy proposal at their respective public hearings held to discuss proposed budgets and levies.

Appendix

16

Property Tax – Disproportionate Burden on Income

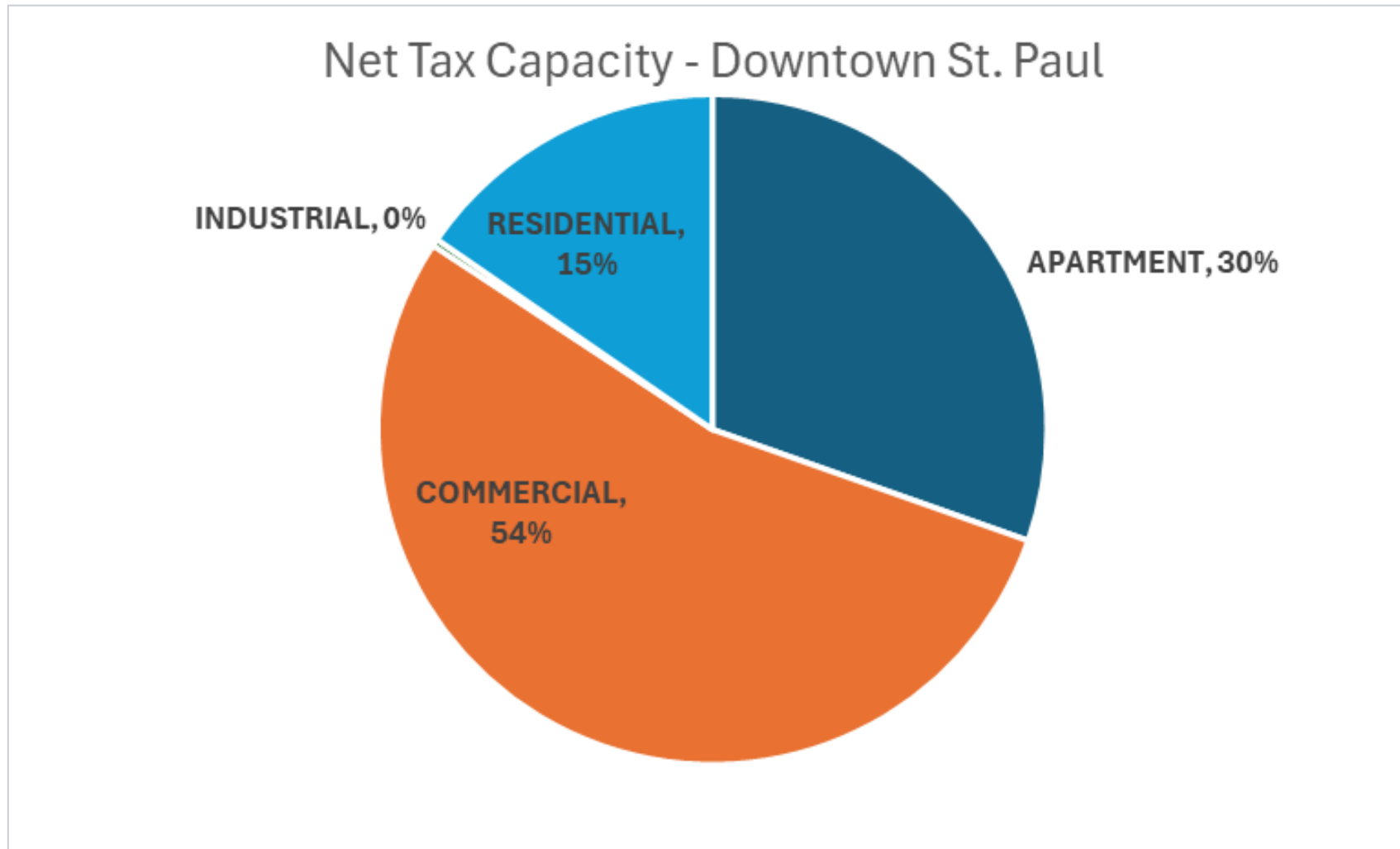
- **Larger share of income:** Because housing expenses—including property taxes—consume a higher proportion of a low-income family's budget.
- **Example from the IRS:** An example from the IRS compares the impact of a regressive tax on three hypothetical families with different incomes.

Family	Annual Income	Property Tax Paid	% of Income Paid in Tax
Family A	\$10,000	\$2,000	20%
Family B	\$50,000	\$2,000	4%
Family C	\$100,000	\$2,000	2%

17

- **Passed-on costs:** The regressivity of property taxes also extends to renters, as landlords often pass on some or all of their property tax expenses to tenants through higher rents.

Trends – Downtown Saint Paul



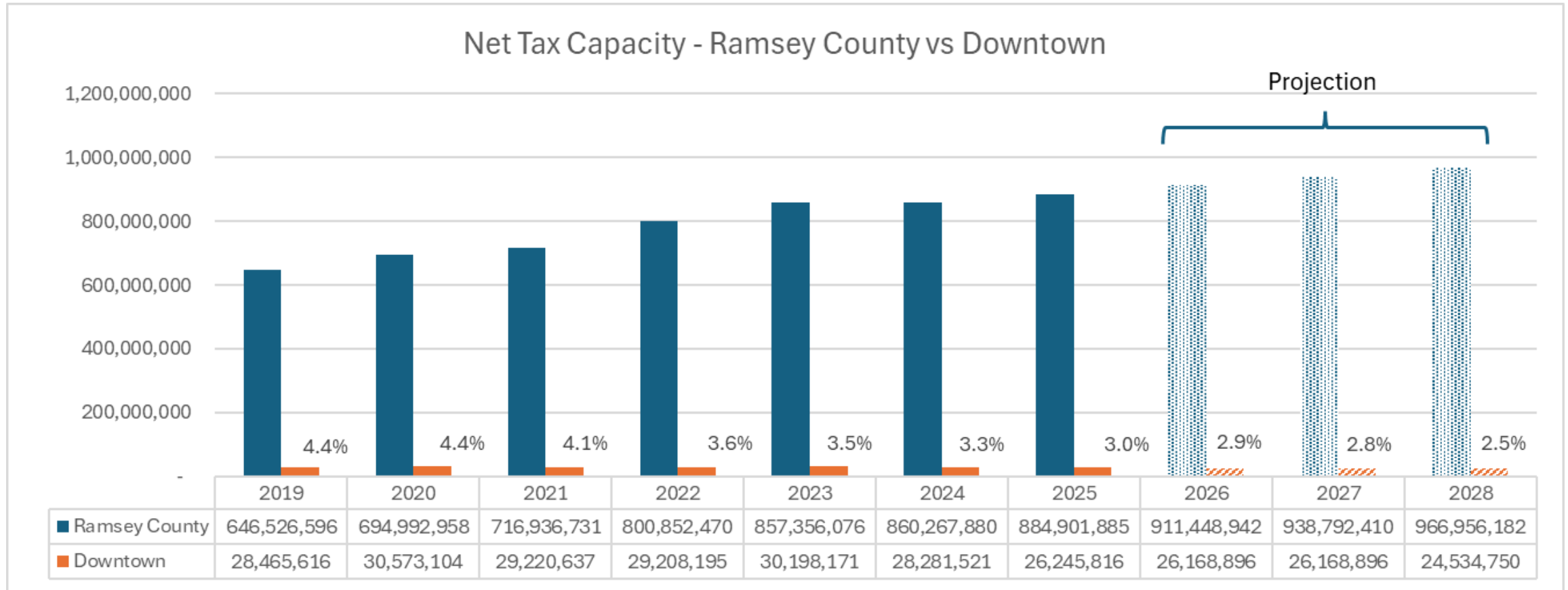
18

Trends – Downtown Saint Paul

Net Tax Capacity	2024	2025	\$ Change	% Change
Apartment	8,248,730	7,973,955	(274,775)	-3%
Commercial	15,923,724	14,140,229	(1,783,495)	-11%
Industrial	89,650	90,148	498	1%
Residential	4,019,417	4,041,484	22,067	1%
Total	28,281,521	26,245,816	(2,035,705)	-7%

19

Trends – Downtown Saint Paul



Projection assumptions – County NTC will grow 3% each year.
Downtown NTC assumes delinquent commercial properties will forfeit in 2026 and 2028.

Fiscal Disparity Program

Local taxing jurisdictions contribute 40% of growth in commercial, industrial, and public utility property tax base since 1971 into an areawide shared pool of tax base. Local property tax administrators distribute the shared pool of tax base.

- Communities with below-average property tax value per person receive a somewhat larger share of the area-wide tax base.
- Communities with above-average property tax value per person receive a somewhat smaller share of the area-wide tax base.

21



Fiscal Disparity – Contribution Tax Capacity

COUNTY	PAYABLE 2025 INITIAL CONTRIBUTION	PAYABLE 2026 INITIAL CONTRIBUTION	DIFFERENCE	% CHG
ANOKA	\$54,487,872	\$58,378,363	\$3,890,491	7.140%
CARVER	\$15,673,128	\$15,993,767	\$320,639	2.046%
DAKOTA	\$76,715,576	\$81,961,241	\$5,245,665	6.838%
HENNEPIN	\$308,976,370	\$298,693,920	(\$10,282,450)	-3.328%
RAMSEY	\$89,876,867	\$88,229,813	(\$1,647,054)	-1.833%
SCOTT	\$31,619,594	\$34,206,388	\$2,586,794	8.181%
WASHINGTON	\$43,551,229	\$44,553,352	\$1,002,123	2.301%
TOTAL	\$620,900,636	\$622,016,844	\$1,116,208	0.180%

22

Fiscal Disparity

Taxing Authority	Payable 2025 FD Distribution Dollars	Payable 2026 FD Distribution Dollars	\$ Change from Payable 2025	% Change from Payable 2025
RAMSEY COUNTY	56,892,378	59,488,372	2,595,994	4.6%
CITY of ST. PAUL	40,573,652	44,329,735	3,756,083	9.3%
ST. PAUL SCHOOL DIST.	39,859,252	44,436,336	4,577,084	11.5%

Combined Levy Before and After FD – St. Paul Share

Excludes School District Referendum

Excludes School District Referendum	Final Change 2023-2024	Final Change 2024-2025	Proposed Maximum Tax Levy as of 9/08/25	Estimated Change 2025 to 2026
Ramsey County – St. Paul Share	\$10.4 Million or 6.2%	\$6.7 Million or 3.7%	\$200,887,500	\$16.6 Million or 9.0%
City of St. Paul	\$7.4 Million or 3.7%	\$12.3 Million or 5.9%	\$232,501,130	\$11.7 Million or 5.3%
St. Paul School District	\$3.6 Million or 1.8%	\$16.2 Million or 7.9%	\$220,848,442	\$0.0 Million or 0.0%
Combined Levies	\$21.4 Million or 3.8%	\$35.2 Million or 6.0%	\$654,237,072	\$28.3 Million or 4.5%
Levy after Fiscal Disparity Dist.:				
Ramsey County – St. Paul Share	\$10.3 Million or 7.5%	\$3.1 Million or 2.1%	\$164,202,716	\$14.8 Million or 9.9%
City of St. Paul	\$3.0 Million or 1.8%	\$10.2 Million or 6.0%	\$188,171,395	\$7.9 Million or 4.4%
St. Paul School District	\$5.2 Million or 3.2%	\$13.7 Million or 8.2%	\$176,412,106	-\$4.7 Million -or 2.5%
Combined Levies	\$18.5 Million or 4.0%	\$27.0 Million or 5.6%	\$528,786,217	\$18.2 Million or 3.6%

MDE is finalizing information, the school district expects numbers may change.

Combined Levy Before and After FD – St. Paul Share

Includes School District Referendum

Includes School District Referendum	Final Change 2023-2024	Final Change 2024-2025	Proposed Maximum Tax Levy as of 9/08/25	Estimated Change 2025 to 2026
Ramsey County – St. Paul Share	\$10.4 Million or 6.2%	\$6.7 Million or 3.7%	\$200,887,500	\$16.6 Million or 9.0%
City of St. Paul	\$7.4 Million or 3.7%	\$12.3 Million or 5.9%	\$232,501,130	\$11.7 Million or 5.3%
St. Paul School District	\$3.6 Million or 1.8%	\$16.2 Million or 7.9%	\$258,048,442	\$37.2 Million or 16.8%
Combined Levies	\$21.4 Million or 3.8%	\$35.2 Million or 6.0%	\$691,437,072	\$65.5 Million or 10.5%
Levy after Fiscal Disparity Dist.:				
Ramsey County – St. Paul Share	\$10.3 Million or 7.5%	\$3.1 Million or 2.1%	\$164,202,716	\$14.8 Million or 9.9%
City of St. Paul	\$3.0 Million or 1.8%	\$10.2 Million or 6.0%	\$188,171,395	\$7.9 Million or 4.4%
St. Paul School District	\$5.2 Million or 3.2%	\$13.7 Million or 8.2%	\$213,612,106	\$32.5 Million or 18.0%
Combined Levies	\$18.5 Million or 4.0%	\$27.0 Million or 5.6%	\$565,986,217	\$55.4 Million or 10.8%

25

MDE is finalizing information, the school district expects numbers may change.

Factors Affecting Payable 2026 St. Paul Property Taxes:

Median Value Single Family Home (Excludes Referendum)

Factors	Amount	
Final Payable 2025 Total Tax (\$275,300 EMV Home)	\$ 4,158	
Gain of Fiscal Disparity	\$ (88)	Change that will appear on Proposed Notice
Change in Homestead Exclusion Benefit	18	
Other Shifts	121	
Total Increase Due to Tax Shifts	\$ 51	
County Levy	\$ 133	\$ 151
Regional Rail Levy	3	5
School District Levy	-	11
City Levy	90	107
Other Special Taxing Districts Levy	3	6
Total Increase Due to Tax Shifts	\$ 229	\$ 280
		Perc Change
Estimated Payable 2026 Total Tax (\$289,200 EMV Home)	\$ 4,438	6.7%

<u>Assumptions:</u>	2025 Levy	Proposed 2026 Levy	Levy Change	% Change
County Levy	\$ 395,960,717	\$ 434,565,564	\$ 38,604,847	9.7%
St Paul Levy	220,798,794	232,501,130	11,702,336	5.3%
ISD 625 Levy	220,848,442	220,848,442	-	0.0%
Regional Rail Authority Levy	36,219,703	37,285,643	1,065,940	2.9%
County HRA Levy	13,584,665	14,266,482	681,817	5.0%
St. Paul HRA Levy	6,636,903	6,636,903	-	0.0%

Factors Affecting Payable 2026 St. Paul Property Taxes:

Median Value Single Family Home (Includes Referendum)

Factors	Amount	
Final Payable 2025 Total Tax (\$275,300 EMV Home)	\$ 4,158	
Gain of Fiscal Disparity	\$ (88)	Change that will appear on Proposed Notice
Change in Homestead Exclusion Benefit	18	
Other Shifts	121	
Total Increase Due to Tax Shifts	\$ 51	
County Levy	\$ 133	\$ 151
Regional Rail Levy	3	5
School District Levy	307	318
City Levy	90	107
Other Special Taxing Districts Levy	3	6
Total Increase Due to Tax Shifts	\$ 536	\$ 587
		Perc Change
Estimated Payable 2026 Total Tax (\$289,200 EMV Home)	\$ 4,745	14.1%

Assumptions:	2025 Levy	Proposed 2026 Levy	Levy Change	% Change
County Levy	\$ 395,960,717	\$ 434,565,564	\$ 38,604,847	9.7%
St Paul Levy	220,798,794	232,501,130	11,702,336	5.3%
ISD 625 Levy	220,848,442	258,048,442	37,200,000	16.8%
Regional Rail Authority Levy	36,219,703	37,285,643	1,065,940	2.9%
County HRA Levy	13,584,665	14,266,482	681,817	5.0%
St. Paul HRA Levy	6,636,903	6,636,903	-	0.0%

27



STPAUL.GOV

2026 Mayor's Proposed Budget

Presentation to JPTAC
September 15, 2025



Budget Summary



5.3%

Levy Increase



3,182

FTEs

\$887M

Total Budget



1. Housing and Economic Opportunity
2. Modernizing City Services
3. Community Well-being



Property Tax Levy Distribution

	2025 Adopted	2026 Proposed	Change from 2025	% Change from 2025
City of Saint Paul				
General Fund	170,737,939	180,273,258	9,535,319	5.6%
Debt Service	24,710,069	26,240,681	1,530,612	6.2%
Public Library Agency	22,449,086	23,085,491	636,405	2.8%
Total (City and Library)	217,897,094	229,599,430	11,702,336	5.4%
Port Authority	2,901,700	2,901,700	0	0.0%
	220,798,794	232,501,130	11,702,336	5.3%





Balancing the Budget

Starting Budget Gap	\$ 23M
5.3% increase in property tax levy	- \$ 11.5M
Inflationary revenue growth	- \$ 4.1M
Removal of vacancies	- \$ 2.9M
Other department budget solutions	- \$ 5.4M
New spending <ul style="list-style-type: none">• \$0.2M Data practices team• \$0.5M Technology/cybersecurity• \$0.2M District Council support	+ \$ 0.9M
Ending Budget Gap	\$0



2026 Highlights – Housing and Economic Opportunity

Housing Production - \$6.6M

- Office to Housing Conversions (Local Affordable Housing Aid and Housing Trust Fund): \$5M
- Small Scale Developments (HTF): \$1M
- Accessory Dwelling Units (HTF): \$600K
- 2.0 FTE Principal Project Managers (repurposed funds)

Housing Affordability - \$4.9M

- Emergency Rental Assistance (LAHA): \$1M
- Citywide Down Payment Assistance (LAHA): \$2M
- Inheritance Fund Downpayment Assistance (LAHA): \$1M
- Supportive housing (LAHA): \$880K

Economic Opportunity - \$1.6M

- Commercial Corridors (STAR): \$1M
- Business Retention and Expansion (HRA Loan Enterprise Fund): \$500K
- Downtown Development Strategy (HRA General Fund): \$150K





2026 Highlights – Modernizing City Services

Technology

- PAULIE system implementation: \$626K (special fund, one-time)
- Cybersecurity: \$700k (special fund, one-time),
\$381K (General Fund, ongoing)
- Grants management software: \$115K (special fund, ongoing)
- Robotic street-marking vehicle: \$450K (special fund, one-time)



Innovation

- Facilities management study: \$100K (special fund, one-time)
- Mobile device management audit: \$60K (special fund, one-time)
- Priority-based budgeting consulting: \$100K (special fund, one-time)
- Grants management software: \$115K (special fund, ongoing)
- Data practices team: \$166K (net, General Fund, ongoing)
- Cannabis registration administration: \$116K (revenue supported, General Fund, ongoing)
- Council offices security upgrades: \$200K (special fund, one-time)





2026 Highlights – Community Well-being

- Opioid and fentanyl treatment, response, and prevention: \$1 M (opioid settlement funds, one-time)
- Temporary library lease at Hallie Q. Brown while Rondo Community Library is closed for renovations: \$100K (special fund, one-time)
- Library contracted security: \$90K (special fund, one-time)
- District Council support: \$200K (General Fund, ongoing)
- Vegetation management: \$140K (special fund, ongoing, ROW permit fees)



Taxes and Fees on a Typical Home

Typical home valued at \$275,300 in 2025 and an estimated \$289,200 in 2026

	2025	Estimated 2026	Change
City Share of Property Tax	\$1,336	\$1,443	\$107
Sanitary Sewer Charges (14% volume fee increase)	\$359	\$404	\$45
Storm Sewer Charges (14% increase)	\$128	\$146	\$18
Recycling Fee (3% increase)	\$173	\$178	\$5
Residential Waste Collection	\$43	\$43	\$ -
Subtotal: Direct Billing for City services	\$2,039	\$2,214	\$175
Water Charges (SPRWS)	\$453	\$509	\$57
Grand Total: All City Services	\$2,492	\$2,723	\$232

stpaul.gov/budget





Saint Paul
PUBLIC SCHOOLS

St. Paul Public Schools FY26 Budget and Pay 2026 Property Tax Levy

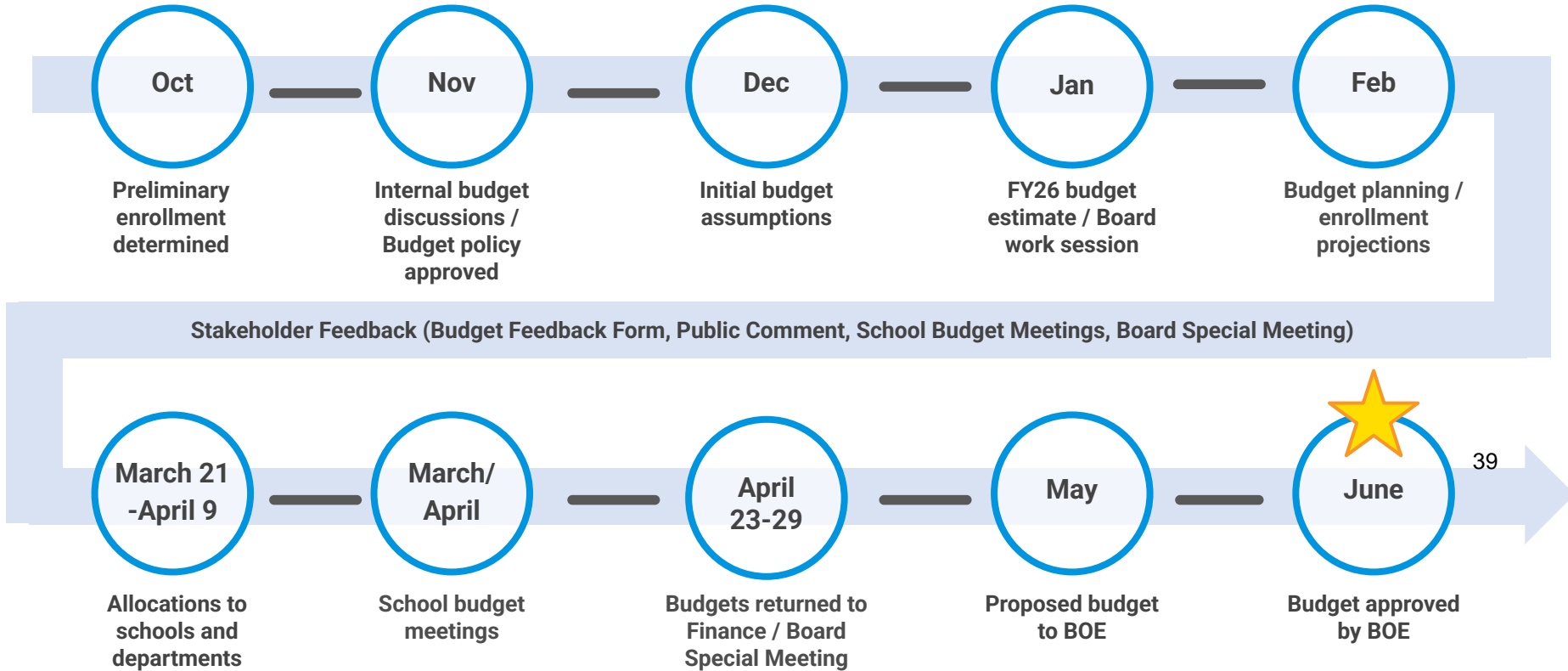
Joint Powers Tax Advisory Committee
September 15, 2025

Today's Topics

1. SPPS FY 26 Budget
2. SPPS 25 Pay 26 Levy
3. November Operating Referendum

38

FY26 Budget Timeline



FY26 Budget Drivers & Output

Strategic plan Property taxes
Student enrollment Federal funding/ARP
Economic drivers Employee contracts Board parameters
Community values State funding



Fiscal Year 26 Budget

40

FY26 Budget Shortfall Progress (Reductions)

Description	Amount	Running Total
Estimated FY26 budget shortfall	-	-\$51.1M
Use of assigned and unassigned fund balance	\$35.5M	-\$15.6M
Division of Schools & Learning	\$6.4M	-\$9.2M
Division of Administration & Operations	\$3.8M	-\$5.4M
Divisions of Finance, Human Resources and Equity, Strategy & Innovation	\$1.3M	-\$4.1M
Additional reductions (Board of Education, General Counsel, and districtwide supplemental pay)	\$650,000	-\$3.45M

41

FY26 Budget Shortfall Progress (Expenses)

Description	Amount	Running Total
Additional districtwide expenses (transportation, substitute teaching, utilities, technology, teacher supplemental pay, ECFE and BOE student engagement)	\$6.4M	-\$9.9M

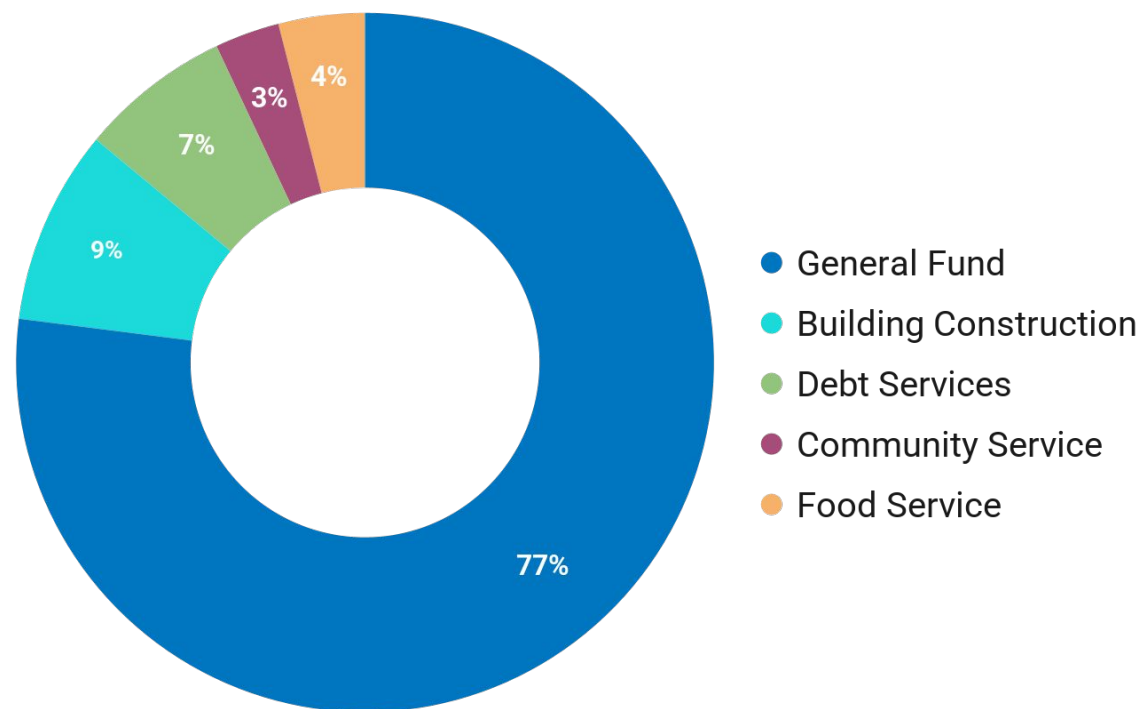
FY26 Budget Shortfall Progress (Revenue)

Description	Amount	Running Total
Revised per pupil aid, voluntary Pre-K, Medical Assistance funds, interest earnings	\$5.4M	-\$4.5M 42
Revenue from iPad sales	\$4.5M	\$0
Inflation Reduction Act federal rebate for geothermal	\$2M*	*Funds anticipated but not yet received

Summary All Funds

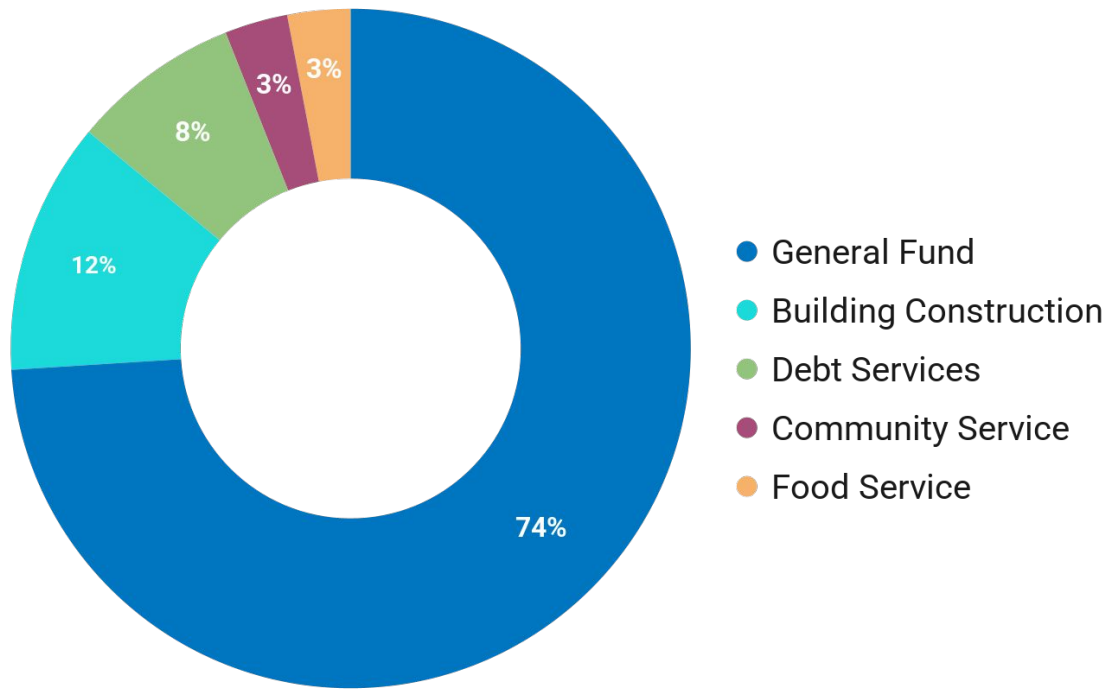
	Estimate Beginning Fund Balance	Revenue	Expense	Net Change in Fund Balance	Estimate Ending Fund Balance
General Fund	\$164,439,780	\$731,543,107	\$767,046,514	-\$35,503,407	\$128,936,373
Food Service	\$820,021	\$33,016,123	\$33,016,123	\$0	\$820,021
Community Service	\$11,290,833	\$29,920,109	\$31,364,108	-\$1,443,999	\$9,846,834
Building Construction	\$64,835,670	\$85,000,000	\$118,891,454	-\$33,891,454	\$30,944,216 ⁴³
Debt Service	\$36,948,685	\$68,881,067	\$79,133,310	-\$10,252,243	\$26,696,442
Total - All Funds	\$278,334,989	\$948,360,406	\$1,029,451,509	-\$81,091,103	\$197,243,886

FY26 Total Revenue by Fund



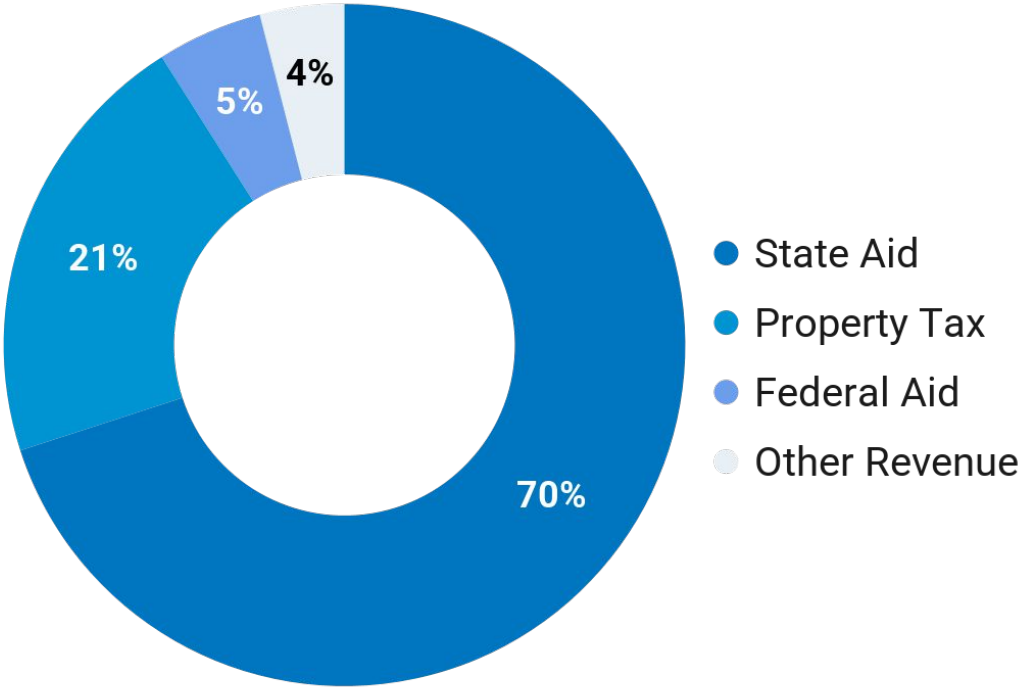
44

FY26 Total Expenditures by Fund



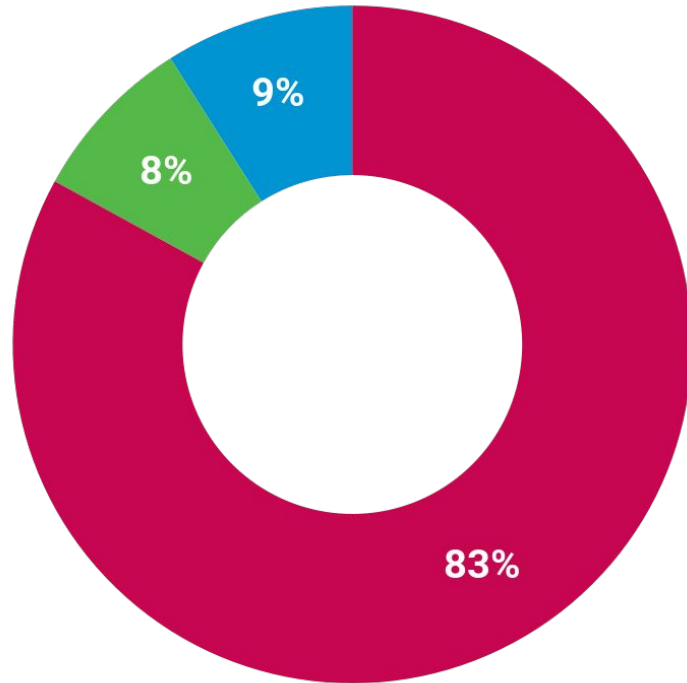
45

FY26 General Fund Revenue Sources



46

FY26 General Fund Expenditures



- School and Student Programs & Services
- Administrative Support Services
- Maintenance and Operations

47

FY25 to FY26 General Fund Expenditures Comparison

	FY25 Budget	FY25 Percent of Budget	FY26 Budget	FY26 Percent of Budget
Schools and Student Services	\$621.6M	83%	\$640.1M	83%
Administrative and Districtwide Support Services	\$60.1M	8%	\$62M	8%
Maintenance, Facilities and Equipment	\$67.4M	9%	\$64.9M	9%
TOTAL	\$749.1M		\$767M	48

Schools and Student Services: Teachers, counselors, social workers, principals, clerks and other school staff

Administrative and Districtwide Support Services: School Board, district leadership and department staff, severance, employee benefits, property and liability insurance

Maintenance, Facilities and Equipment: Custodial, utilities, property maintenance, district-owned vehicles

Pay 2026 Property Tax Levy

49

Today's Purpose

- Provide 25 Pay 26 annual levy background
- Provide School District Context for Levy Process
- Provide Levy Schedule

50

The Basics

- School levy authority is established in law
- Pay 26 school levy funds are for the 2026-2027 school year
- Local property taxes account for approximately 21% of SPPS budget

51

Factors Impacting School Levies

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

52

- At this time, the Minnesota Department of Education is still finalizing the SPPS levy calculations, along with several other Minnesota school districts.

Major Levy Categories

- **General Operating** –fund school operations, including referendum, integration, transition, operating, career tech
- **Pension/OPEB/Contractual**—retiree health insurance, pensions, severance, unemployment
- **Facilities**, includes debt service for bonds, lease levy, health and safety, long term facilities maintenance
- **Community Service**, includes community ed, ECFE, adult handicap disabled

54

Levy Recap

Levy Category	Certified Pay 25 Levy	SPPS Proposed Pay 26 Levy	Difference
General Operating	\$82,947,305	\$	\$
Pension/OPEB/Contractual	\$42,501,050	\$	\$
Facilities	\$92,085,251	\$	\$
Community Service	\$3,398,591	\$	\$
Total – All Levy Categories	\$220,932,197	\$	\$
Percent Change			%

SPPS's Five Year Trend For Annual Property Tax Levy

- In the past five levy cycles, the SPPS total levy has increased on average 3.54 percent per year.
- The Consumer Price Index (Inflation) for this same period has averaged 4.52 percent per year.

56

Property Taxes as a Percent of Total Budget

School System	Total District Revenue from Property Taxes
White Bear Lake	32.34%
South Washington County	28.87%
Minneapolis	26.93%
Roseville	26.00%
Rosemount Apple Valley Eagan	23.55%
Saint Paul	21.56%
Centennial	20.69%
State Wide	20.23%
Anoka Hennepin	18.54%

57

Source: Minnesota Department of Educational Financial Profiles - 2024

Property Taxes as a Percent of General Fund

School System	General Fund Revenue from Property Taxes
South Washington County	24.03%
White Bear Lake	23.40%
Rosemount Apple Valley Eagan	22.69%
Minneapolis	20.08%
Roseville	19.27%
Saint Paul	18.07%
Anoka Hennepin	17.65%
Centennial	15.91%
State Wide	15.88%

58

Debt Service Tax Revenue Per Student

School System	Debt Service Revenue per Pupil Served
Minneapolis	\$3,485
White Bear Lake	\$3,398
South Washington County	\$2,061
Saint Paul	\$1,732
Roseville	\$1,669
State Wide	\$1,536
Centennial	\$1,299
Rosemount Apple Valley Eagan	\$630
Anoka Hennepin	\$362

59

Source: Minnesota Department of Educational Financial Profiles - 2024

Pay 26 Levy Calendar

	Date	Action
X	August-early September	District submits levy information to MDE
X	September 8	Preliminary run by MDE
X	September 15	JPTAC Meeting
X	Week of September 22	Special Board Meeting to Authorize Pay26 Levy
	October 1	Submit data to Ramsey County and MDE. Cities and Counties also certify by this date.
	October 1 – November 10	Ramsey County calculates taxes and prepares tax statements
	November 12	Anticipated Ramsey County mailing of tax statements
	December 2	Proposed Date for Public Truth in Taxation Hearing
	December 16	BOE certifies Pay 26 levy
	December 30	SPPS certifies Pay 26 levy to Ramsey County and MDE

60

Action for School Board Later in Sept. 2025

- Set the date for the Truth in Taxation and Budget Hearing for December 2 at 6:00 p.m. (COB meeting that evening)
- Approve the maximum amount authorized by MDE for the 25 Pay 26 property tax levy.
- This will provide the District with the greatest flexibility as MDE makes adjustments ahead of the final certification in December.

November 2025 Operating Referendum

62

What is an Operating Levy?

- Provide essential funding for district's day-to-day operational expenses: classroom supplies, instruction, staffing, utilities, transportation and other school operating costs
- Must be approved by voters
- Enables communities to allocate additional funding to their local school district according to their specific funding priorities

63

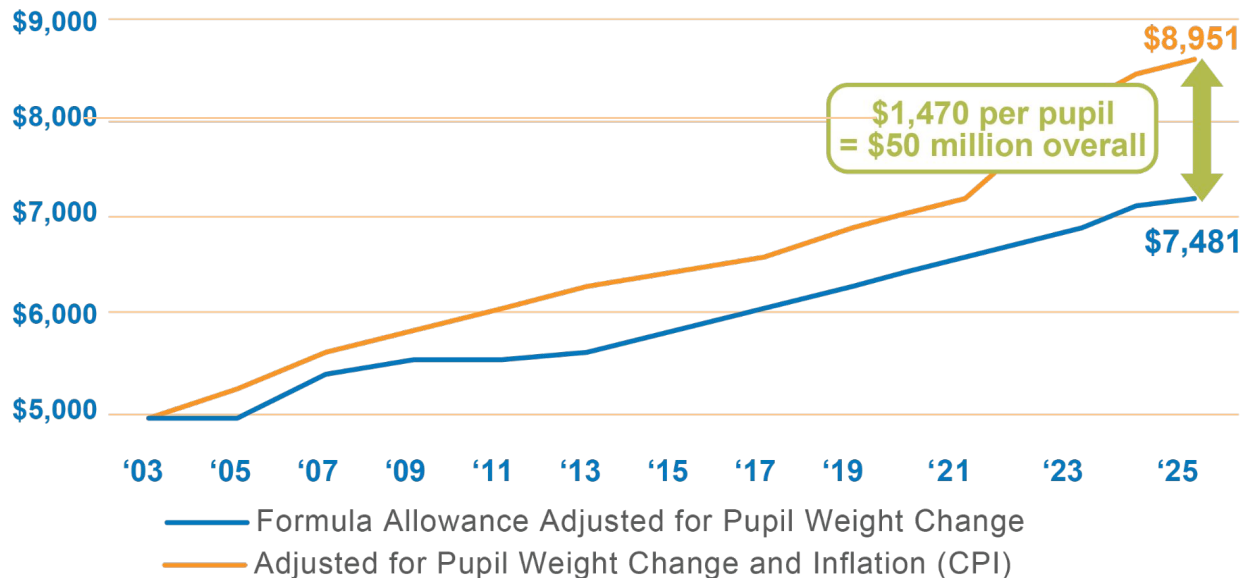
Our Challenge

- **Rising Costs:** State funding for public schools has not kept pace with increased educational needs and costs for the past 20 years. This has created a funding gap for SPPS exceeding \$50 million per year.
- **Uncertain Federal Education Funding:** The federal government has said it plans to cut millions of dollars that fund essential student programs.
- **Ongoing Budget Reductions:** District faces at least \$37 million in cuts next year and every year going forward, potentially resulting in significant reductions to staffing and school programs across the district
- **Maintaining Quality:** SPPS requires funding to preserve the wide range of academic programs our students count on every day, such as arts and music, language and culture, and college and career readiness
- **Continuing Support:** Additional funding will also help SPPS retain high-quality teachers and support staff who help ensure academic success and meet students' evolving needs

State Funding Gap

**\$50 million
overall gap**

Basic Formula Allowance per Pupil vs Inflation



If formula used to allocate state funding matched rate of inflation each year since 2003, 2026 allocation per pupil would be \$8,951.

Difference between state funding for FY26 and the amount if formula were adjusted for inflation is \$1,470 per pupil, which equals \$50 million overall

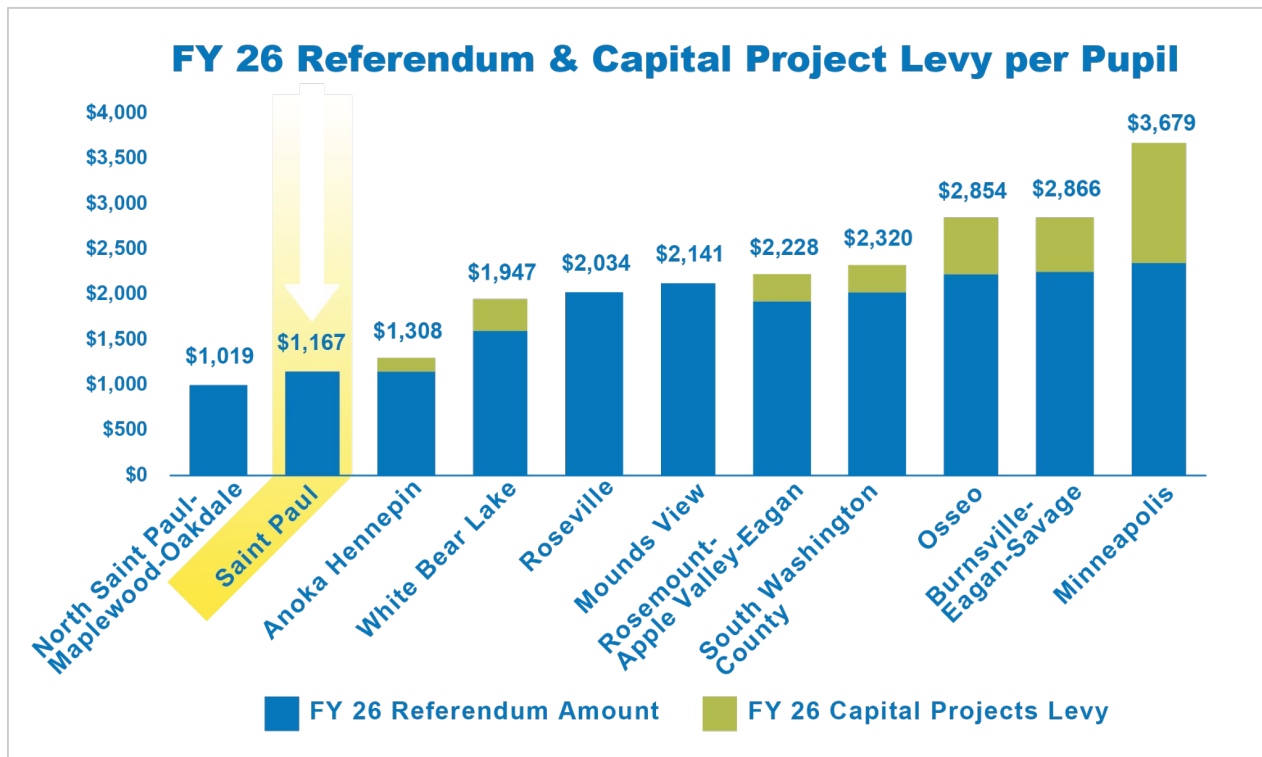
Our Community

- 76% of residents agree that SPPS provides a good or excellent quality of education
- The majority of residents (86%) believe SPPS meets most or all students' learning needs
- Residents like our variety of programs, good teachers, good academics, broad curriculum and diversity most
- Residents agree that the most serious issue facing SPPS is a lack of funding (30%)
- Residents would support a property tax increase to maintain educational programs (78%), provide for staff (77%), and provide financial stability (74%)

Source: Morris Leatherman 2025 Residential Study



District Operating Referendum Comparison



If SPPS received the same amount per pupil as the average of the districts in the chart, we would have an additional \$1,073 per pupil or **\$37.2⁶⁷ million more per year**

Data Source: Minnesota Department of Education

Operating Levy Referendum Facts

- Increase our operating levy by \$1,073 per student, per year
- If approved by voters, levy would generate approximately \$37.2 million per year in additional revenue
- Levy would extend for 10 years with annual inflation increases
- Estimated additional property tax for a Saint Paul home valued at \$289,200 would be approximately \$26 per month or \$309/year
- This levy will be in addition to the current school district property taxes



SPPS Financial Accountability

- Spends more resources per student on classroom instruction than statewide average
- Received top financial opinion of “Clean and Unmodified” from independent financial auditors for several consecutive years
- Ranked 6th among rated Minnesota school districts for Moody’s bond rating, which helps save taxpayer money
- Remained in compliance with all reviews related to laws, regulations, contracts and grants that could have significant financial implications to district



69

If Voters Approve the Levy

Funding would help:

1. Provide greater financial stability for SPPS students and avoid millions of dollars in budget cuts
2. Preserve a wide range of academic programs, such as arts and music, language and culture, and college and career readiness
3. Retain high-quality teachers and support staff who help ensure student success
4. Provide some flexibility for emerging needs and educational best practices



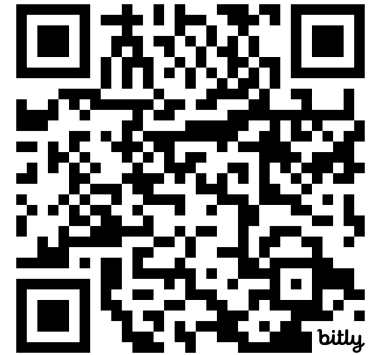
70

Learn More & Vote November 4!

- Visit spps.org/vote
- Calculate your tax impact

Voting Information:

- Early Voting In-Person or by Mail:
September 19 - November 3
- Register to Vote: bit.ly/40rFYDD
- Early Voting Information: bit.ly/46PAaI2
- Find Your Polling Place: pollfinder.sos.mn.gov



71

THANK YOU!



Saint Paul
PUBLIC SCHOOLS



JTPAC - Ramsey County Recommended Budget

Sept. 15, 2025





Property Tax Implications and Context

- Ramsey County Budget
 - State and federal budgets, policy actions
- Disproportionate amount of tax-exempt properties
- Shift of tax burden to residents
- Multi-jurisdictional and cumulative tax pressures
- Regressive nature of property tax

74

The Big Shift



Counties face an unprecedented federal cost shift while losing decision-making authority

- **Cut or scale back critical services**, including public health, nutrition, emergency response and rural development
- **Continue to deliver services at a new cost**, given the elimination of funding and statutory requirement to uphold certain services
- **Raise local taxes or fees** to cover new costs
- **Delay or cancel** infrastructure and resilience investments
- **Absorb long-term economic and social consequences** of underfunded programs

75

Drivers of this Budget

- Employee investments through classification and compensation modernization.
- Rising state cost shifts and unfunded mandates.
- Prioritizing investment in core services and improving organizational outcomes.





A Budget of Responsible Choices

- Strategic stewardship of resources
 - Align resources with the county's core responsible services while strengthening operational excellence to meet challenges.
 - Implement targeted staffing reductions and service adjustments to maintain long-term fiscal stability with a focus on core county services.
- Targeted investments in core operations and services
 - Underinvestment today weakens our ability to respond tomorrow.
 - Must preserve infrastructure, workforce, and service delivery capacity.
 - Proactive preparedness is less costly than reactive crisis response.

77

Strategic Investments



- Child Protection Services.
- Investments to bolster heavily grant funded areas.
- Emergency communications technology modernization.
- Ensuring a responsive, efficient and stable public assistance system.



- Project Bridge
- Enterprise investments
 - County-wide evaluation.
 - Racial Health Equity positions.
 - Trusted Messenger Initiative.



- Appropriate Response Initiative.
- Family Coaches.
- Justice Transformation.
- American Indian Coordinator.



- Organizational alignment.
- Compliance and Ethics Office.
- Focus on federal revenue in Human Services.
- Staffing capacity in county core operations.
- Increased investment revenue.



- Economic Competitiveness and Inclusion Plan 2.0.
- Housing Continuum.
- Transit and Transportation Plan investments.
- Redevelopment projects.
- Capital investments.

78



Organizational Structure 2026 and 2027

2027: Environmental Health will move to Economic Growth and Community Investment Service Team.

79

Proposed Budget

80

Budget overview

Total proposed budget

- **2026:** \$929,256,728
- **2027:** \$968,457,020

Overall budget increase

- **2026:** 6.57%
- **2027:** 4.22%

Proposed levy increase

- **2026:** 9.75%
- **2027:** 7.5%

County Program Aid in 2026

- Decrease of \$331,165
- Resulted in a levy increase of 0.1%

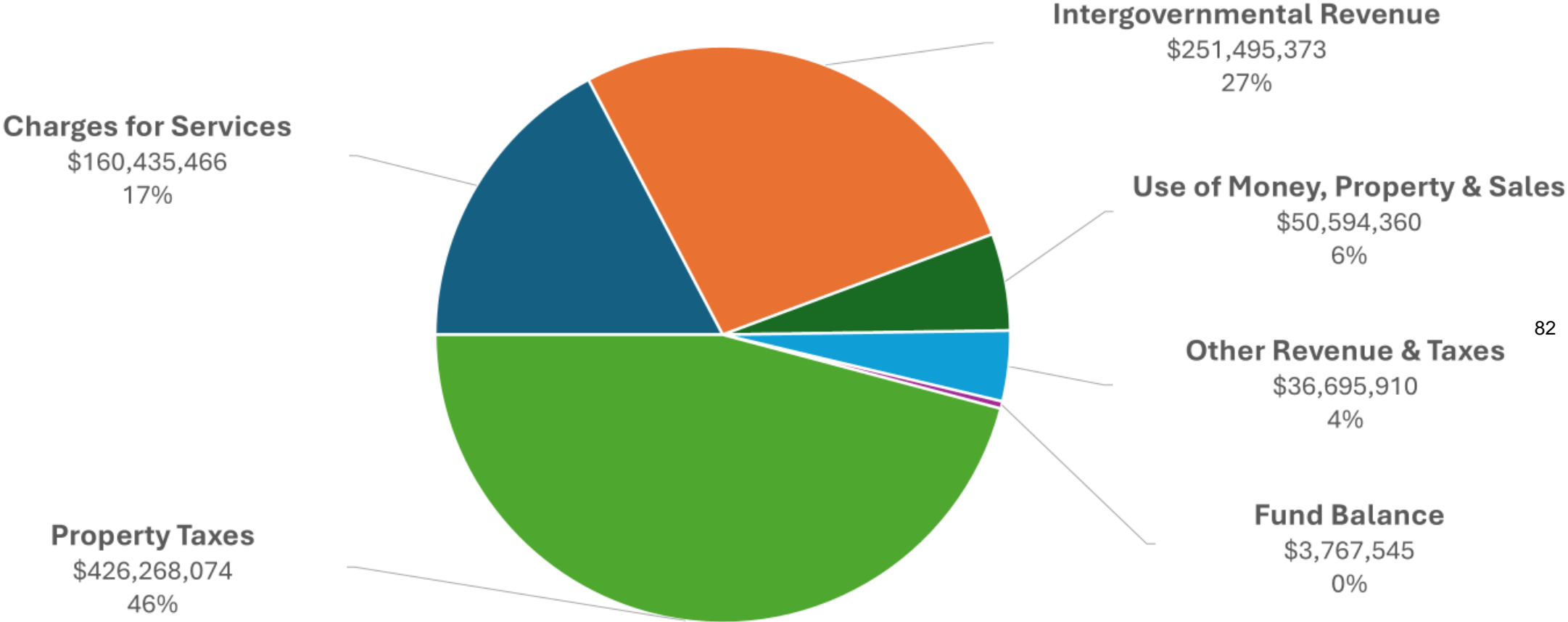
Regional Rail levy

- **2026:** \$37,285,643
- **2027:** \$37,844,927 (est)

Housing and Redevelopment Authority levy

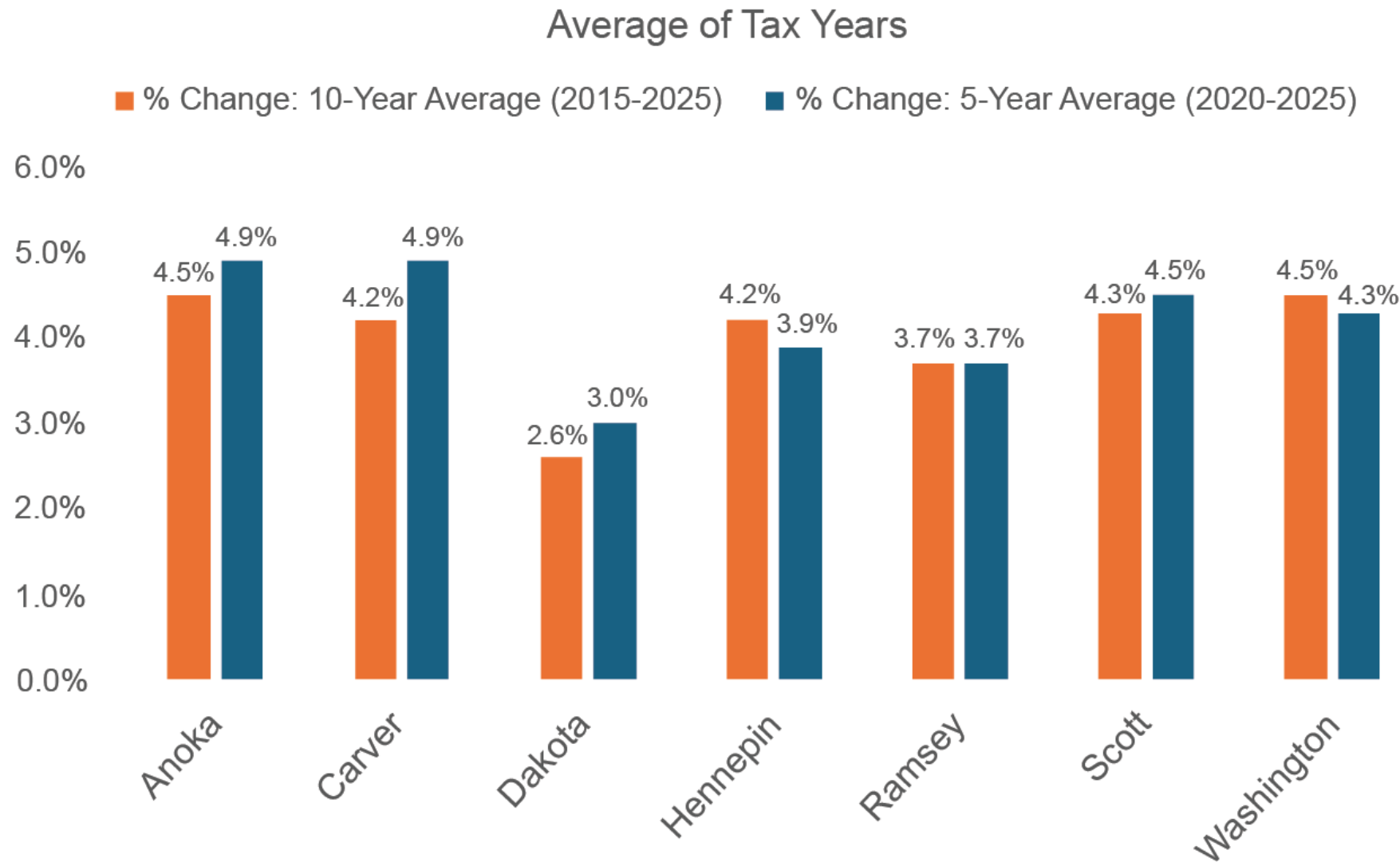
- **2026:** \$14,266,482
- **2027:** \$14,480,479 (est)

Where the County Dollar Comes From



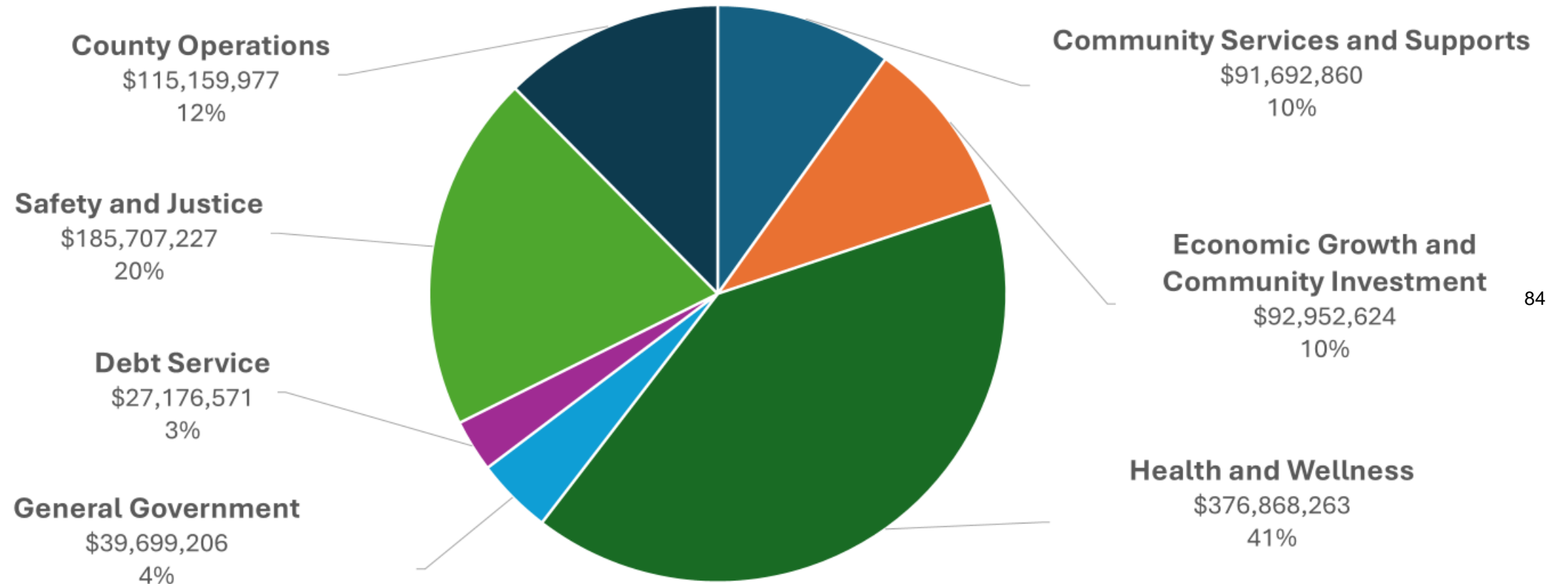
Total 2026 Proposed County Budget: \$929,256,728

MSP Region – Average Annual Percentage Levy Change



83

Where the County Dollar Goes



Total 2026 Proposed County Budget: \$929,256,728

Key Dates in the 2026-27 Budget Process

**Sept.
2**

County Manager presentation of proposed budget to County Board.

**Sept.
23**

County Board certifies 2026 maximum property tax levy.

**Sept.
15, 16, 18,
19 & 22**

Department presentations to County Board.

**Nov.
10-24**

Notices of estimated taxes, values emailed/mailed to property owners.

**Sept.
15**

Joint Property Tax Advisory Committee reviews county, city and school district maximum levies.

**Dec.
11**

Truth in Taxation Public Hearing #2 (6:30 p.m. at Saint Paul City Hall – Ramsey County Courthouse).

**Sept.
22**

Public Hearing #1 (5 p.m. at Saint Paul City Hall – Ramsey County Courthouse).

**Dec.
16**

County Board approval of 2026/2027 Ramsey County budget and property tax levy.

85

Ramsey County Needs in 2026

State and federal
cost shifts, cuts, and
policy changes

No new unfunded
mandates

Protect counties from
any further cuts

Counties must be at the
table for any service
delivery changes

High proportion of tax-
exempt property plus
socioeconomic vulnerability

CPA formula fix and
PILT for Ramsey
County

86

Joint Resolution

WHEREAS, According to Minnesota state law, local units of government must set their maximum property tax levy in September of each year for taxes payable the following year; and

WHEREAS, Ramsey County, the City of Saint Paul, and Saint Paul Independent School District #625 have special legislation creating the Joint Property Tax Advisory Committee (Minnesota Statutes 383A.75), which is charged by the Legislature with meeting "to make appropriate recommendations for the efficient and effective use of property tax dollars raised by the jurisdictions" (Minnesota Statutes 383A.75, Subd. 3); and

WHEREAS, Minnesota Statutes 383A.75, Subd. 3 outlines the specific duties of the Joint Property tax Advisory Committee; and

WHEREAS, One of those duties under Minnesota Statutes 383A.75, Subd. 3 (2) is to "agree, by October 1st of each year, on the appropriate level of overall property tax levy for the three jurisdictions and publicly report such to the governing bodies of each jurisdiction for ratification or modification by resolution"; and

87

WHEREAS, "In carrying out its duties, the Committee shall consult with public employees of each jurisdiction, and with other stakeholders of the City, County, and School District, as appropriate"; Now, Therefore, Be It

RESOLVED, That the Joint Property Tax Advisory Committee, for taxes payable in 2026, accepts that this overall property tax levy, after fiscal disparities, including the proposed school district referendum will increase by 10.5%; and Be It Further

RESOLVED, That the Joint Property Tax Advisory Committee, for taxes payable in 2026, accepts that this overall property tax levy, after fiscal disparities, excluding the proposed school district referendum will increase by 4.5%; and Be It Further

RESOLVED, That the jurisdictions will solicit input from stakeholders regarding this levy proposal at their respective public hearings held to discuss proposed budgets and levies.