

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

**September 30, 2025  
4:30 PM**

**A G E N D A**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF THE ORDER OF THE MAIN AGENDA**
- 4. MAIN AGENDA**
  - A. 2026-2027 School Year Preliminary Property Tax Levy Certification
- 5. ADJOURNMENT**

2

#BoldSubject#

**INDEPENDENT SCHOOL DISTRICT NO. 625  
BOARD OF EDUCATION  
SAINT PAUL PUBLIC SCHOOLS**

**DATE:** September 30,2025

**TOPIC:** 2026-2027 School Year Preliminary Property Tax Levy Certification

**A. PERTINENT FACTS:**

1. Attached is the preliminary levy certification from the Minnesota Department of Education. The notices of proposed property taxes will be sent to taxpayers in November.
2. On an annual basis, Minnesota school districts are required to certify the district preliminary property tax levy on later than September 30.
3. The School Board will discuss the levy and budget at the School Board meeting on Tuesday, December 2nd, and is scheduled to adopt the final property tax levy at the December 16th meeting.
4. The recommendation is for the School Board to set the Pay 26 levy at the maximum allowable amount to accommodate flexibility and any adjustments that might occur before the final levy is certified in December 2025.
5. Based on the data in the preliminary levy report, the school district's property tax levy is decreasing by 1.98 percent for the Pay 26 levy.
6. The information shared today is presented by Tom Sager Executive Chief of Financial Services.

**B. RECOMMENDATION:**

The Administration recommends that the School Board take action to certify the maximum allowable levy for taxes payable in 2026 as presented and recommends the School Board to set the required annual Truth in Taxation Hearing date for Tuesday December 2, 2025 at 6:00 PM.



**Saint Paul**  
PUBLIC SCHOOLS

# Levy Presentation

Tom Sager, Executive Chief of Financial Services

September 30, 2025

# Today's Purpose

- Provide 25 Pay 26 annual levy background
- Adopt Maximum Allowable Levy and Set Truth in Taxation Hearing Date
- Provide Levy Schedule

4

# The Basics

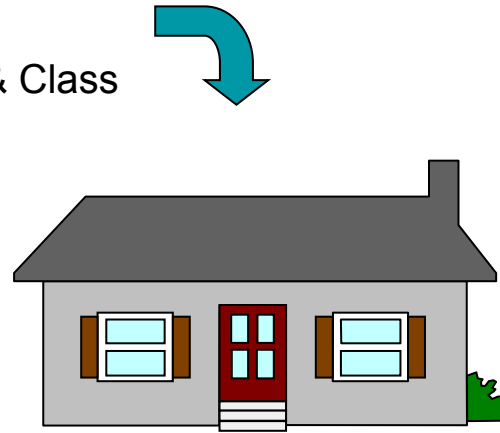
- School levy authority is established in law
- Pay 26 school levy funds are for the 2026-2027 school year
- Local property taxes account for approximately 20 percent of SPPS budget

5

# 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



## Property Tax

## Taxing Jurisdictions

- Determines Levy Amount

## County Assessor

- Determines Market Value
- Assigns Property Class

# Major Factors Impacting Property Taxes

- Property tax levies from City, County, and School District.
- Any additional money available to reduce the local tax burden, such as credits, State aids, fiscal disparity distribution.
- The home's market value relative to other homes or compared to other types of property.
- Other increases to the tax base that are not the result of inflationary or deflationary changes to the values of individual properties, such as:
  - New construction
  - Property going from exempt to taxable
  - Decertified tax increment financing districts
- Legislative changes

# 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

8

# 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

9

# Levy Recap

Levy Category	Certified Pay 25 Levy	SPPS Proposed Pay 26 Levy	Difference
General	\$91,067,598	\$90,124,954	-\$942,644
Pension/OPEB/Contractual	\$40,905,589	\$35,712,785	-\$5,192,804
Facilities	\$85,476,664	\$87,662,776	\$2,186,112 <sub>10</sub>
Community Services	\$3,398,591	\$2,978,696	-\$419,895
<b>Total – All Levy Categories</b>	<b>\$220,848,442</b>	<b>\$216,479,211</b>	<b>-\$4,369,231</b>
<b>Percent Change</b>			<b>-1.98%</b>

# Key Drivers of the Pay 2026 SPPS Levy

- Updated methodology for determining OPEB levy amount.
- Continued investment in SPPS Builds initiative as outlined and Board approved in July 2025
- In Community Service, levy amount was decreased, but is being offset by additional state aid.

11

# SPPS' 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.

12

# Total Property Taxes Per Student

School System	Total Property Taxes Per Student
Minneapolis	\$7,804
White Bear Lake	\$7,450
Roseville	\$6,138
St. Paul	\$5,914
South Washington County	\$5,905
Rosemount Apple Valley Eagan	\$4,624
State Wide	\$4,160
Centennial	\$4,032
Anoka Hennepin	\$3,560

13

Source: Minnesota Department of Educational Financial Profiles - 2024

# 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%

14

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%

15

# 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

16

Source: Minnesota Department of Educational Financial Profiles - 2024

# MDE's Calculations...

The levy amounts presented today may be different than the amount presented at Truth and Taxation on December 2 at 6:00pm.

Why?

17

MDE continues a detail review to ensure accuracy in the levy system:

- Adjustments from prior Levy Cycles
- Adjustments as we prepare for Audit (CTE, Integration, etc.)
- Adjustments submitted by Ramsey County

# 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	September 30 Special BOE Meeting to Authorize Pay 26 Levy
	October 1 Submit data to Ramsey County and MDE. Cities and Counties also certify by this date. <span style="float: right;">18</span>
	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

# Today's Requested Action

- 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.

19

# Thank you

20

I. COMPUTATION OF 2025 PAYABLE 2026 LEVY LIMITATION BY FUND (BEFORE COUNTY AUDITOR ADJUSTMENTS):

FUND	INITIAL LEVY LIMITATION	ABATEMENT ADJUSTMENTS	OFFSET ADJUSTMENTS	TAC/MAX EFF ADJUSTMENT	MAXIMUM LEVY LIMITATION
GEN-RMV VOTER-EXEMP	41,992,520.91	458,381.46	N/A		42,450,902.37
GEN-RMV OTHER-EXEMP	32,947,444.31	96,453.50-	N/A		32,850,990.81
GEN-NTC VOTER-EXEMP	N/A	N/A	N/A		N/A
GEN-NTC OTHER-GENED	77,591,372.40	7,169,867.55-	2,845,242.42	N/A	73,266,747.27
GEN-NTC OTHER-EXEMP	N/A	N/A	N/A		N/A
TOTAL GENERAL	152,531,337.62	6,807,939.59-	2,845,242.42		148,568,640.45
COM SERV-EXEMP	3,020,235.10	94,527.49-	52,989.19		2,978,696.80
DEBT-VOTER-NONEXEMP					
DEBT-OTHER-NONEXEMP	67,298,031.00	3,478,055.41-	1,111,897.78		64,931,873.37
TOTAL DEBT SERV	67,298,031.00	3,478,055.41-	1,111,897.78		64,931,873.37
OPB-VOTER-NONEXEMP					
OPB-OTHER-NONEXEMP					
TOTAL OPB/PENSION					
TOTAL	222,849,603.72	10,380,522.49-	4,010,129.39		216,479,210.62

II. COMPARISON OF 2024 PAYABLE 2025 LEVY LIMITATION WITH 2025 PAYABLE 2026 LEVY LIMITATION (BEFORE COUNTY AUDITOR ADJUSTMENTS):

FUND	2024 PAY 2025 LIMITATION	2025 PAY 2026 LIMITATION	INCREASE (DECREASE)	PERCENT CHANGE
GENERAL	152,301,361.27	148,568,640.45	3,732,720.82-	2.45-
COMMUNITY SERVICE	3,398,591.30	2,978,696.80	419,894.50-	12.35-
GENERAL DEBT SERVICE	65,148,489.78	64,931,873.37	216,616.41-	.33-
OPB DEBT SERVICE				
TOTAL	220,848,442.35	216,479,210.62	4,369,231.73-	1.98-

III. COMPARISON OF 2024 PAYABLE 2025 CERTIFIED LEVY PLUS COUNTY AUDITOR ADJUSTMENTS WITH 2025 PAYABLE 2026 CERTIFIED LEVY PLUS COUNTY AUDITOR ADJUSTMENTS:

FUND	2024 PAY 2025 CERTIFIED LEVY + ADJUSTMENTS	2025 PAY 2026 CERTIFIED LEVY + ADJUSTMENTS	INCREASE (DECREASE)	PERCENT CHANGE
GENERAL	152,301,361.27	152,301,361.27		
COMMUNITY SERVICE	3,398,591.30	3,398,591.30		
GENERAL DEBT SERVICE	65,148,489.78	65,148,489.78		
OPB DEBT SERVICE				
TOTAL AFTER ADJUSTMENTS	220,848,442.35	220,848,442.35		

Minnesota Department of Education  
Levy Limitation and Certification Report  
2025 Payable 2026

District Number-Type: 0625-01  
District Name: Saint Paul Public Schools  
Home County: Ramsey County

Date Printed: 9/26/25  
Limits Updated: 9/26/25  
Proposed Submitted: 9/26/25

LIMIT

PROPOSED

**SUBTOTALS BY LEVY CATEGORY**

- GENERAL - RMV VOTER
- GENERAL - RMV OTHER
- GENERAL - NTC VOTER
- GENERAL - NTC OTHER
- COMMUNITY SERVICE - NTC OTHER
- GENERAL DEBT - NTC VOTER
- GENERAL DEBT - NTC OTHER
- OPEB DEBT - NTC VOTER
- OPEB DEBT - NTC OTHER

The School Board has voted to certify the MAXIMUM levy authority. 22

After October 1st, the county auditor should consult the Minnesota Department of Education (MDE) website for the district's current levy limitation and use this amount for the Truth in Taxation notices.

**SUBTOTALS BY FUND**

- GENERAL FUND
- COMMUNITY SERVICES FUND
- GENERAL DEBT SERVICE FUND
- OPEB/PENSION DEBT SERVICE FUND

If there is a change to the district's levy limitation after October 1st, the county will be notified by MDE via email. Before finalizing tax computations for the Truth in Taxation notices, counties should double check the MDE website to be sure no changes have been made to the district's levy limitation that the county is not already aware of through this email process.

**SUBTOTALS BY TAX BASE**

- REFERENDUM MARKET VALUE
- NET TAX CAPACITY

**SUBTOTALS BY TRUTH IN TAXATION CATEGORY**

- VOTER APPROVED
- OTHER

**TOTAL LEVY**

TOTAL LEVY

The school district must submit the completed original of this form to the home county auditor by September 30, 2025. A duplicate form must be submitted to Minnesota Department of Education, School Finance Division, 400 NE Stinson Blvd., Minneapolis, MN 55413, by October 7, 2025.

The certified levy listed above is the levy voted by the school board for taxes payable in 2026.

Signature of School Board Clerk

\_\_\_\_\_

Date of Certification

\_\_\_\_\_