

## **Special**

Tuesday, December 2, 2025 6:00 PM

Administration Building, 360 Colborne Street, Saint Paul, Minnesota 55102

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF THE ORDER OF THE MAIN AGENDA**
4. **PAY26 LEVY: PRESENTATION OF PROPOSAL**
5. **PUBLIC TESTIMONY**
6. **ADJOURNMENT**



**Saint Paul**  
PUBLIC SCHOOLS

# **Truth in Taxation Hearing Pay 26 Levy Information**

Special Meeting of the Board of Education  
December 2, 2025

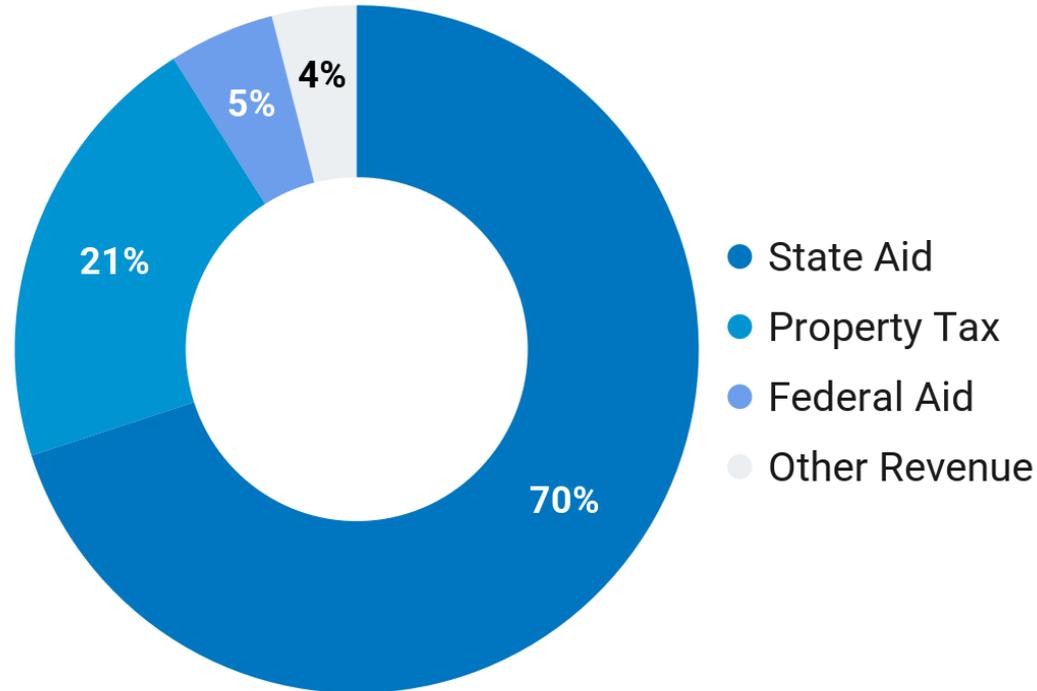
Tom Sager, Executive Chief of Financial Services

# The Basics

- School levy authority is established in law.
- The proposed school levy funds the 2026-27 school year. The FY27 budget will be adopted in June 2026.
- Most districts certify what Minnesota Department of Education (MDE) authorizes in September.
- Levies contribute to approximately 20% to 25% of SPPS's budget.
- School districts are required to include budget information in the Truth in Taxation meeting.

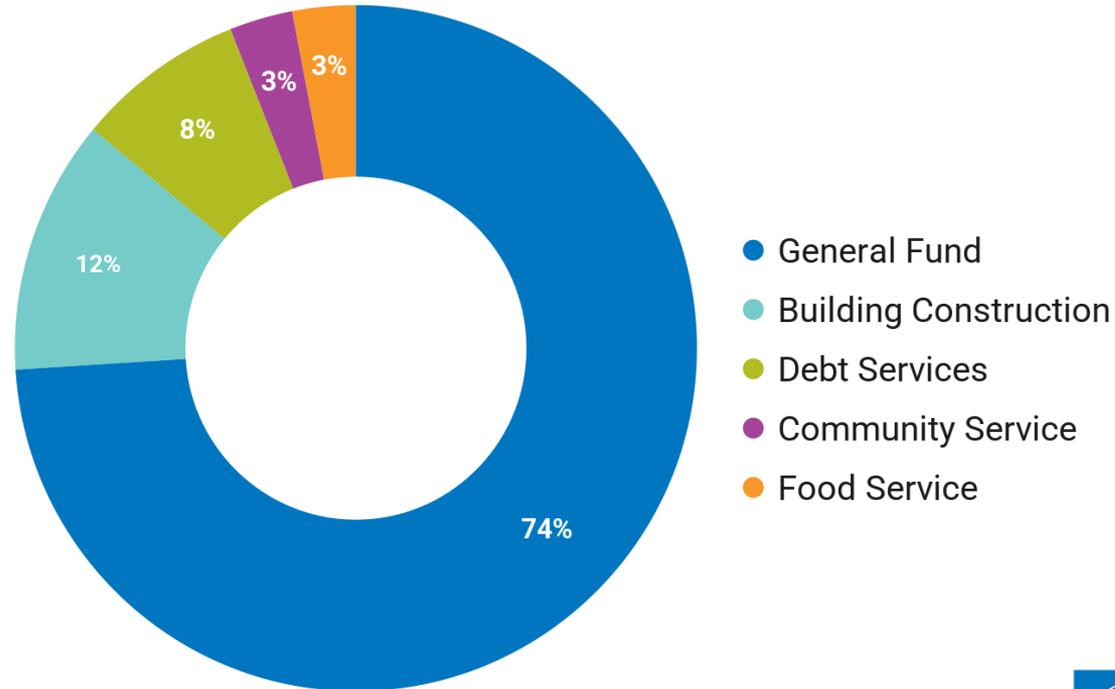
# All Funds: Revenue by Source

**Total Budgeted 2025-26 Revenues: \$948,360,406**

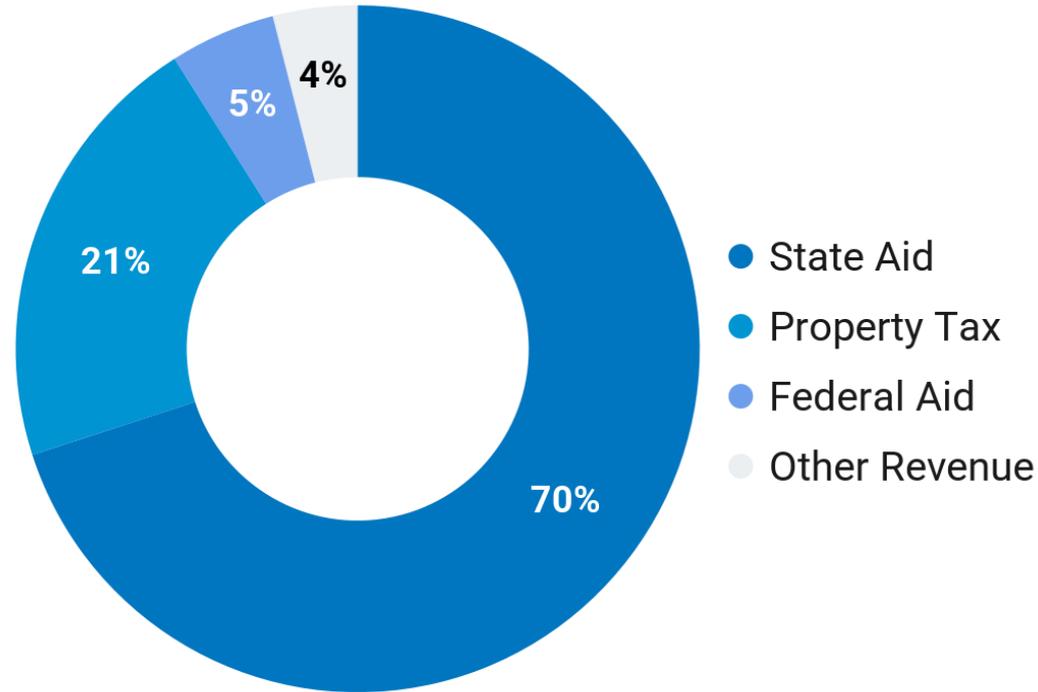


# All Funds: Expenditure by Fund

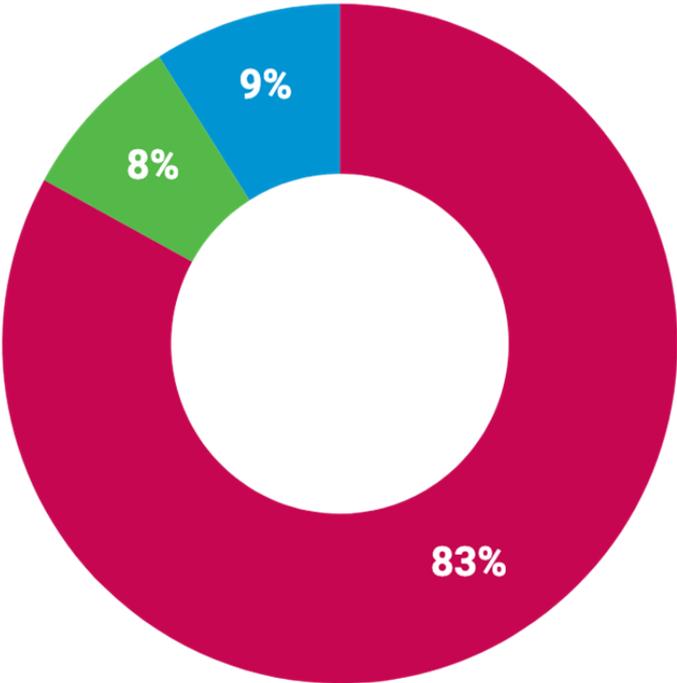
Total Budgeted 2025-26 Expenditures \$1,029,451,509



# 2025-26 General Fund Revenue Sources \$731,543,107



# 2025-26 General Fund Expenditures \$767,046,514

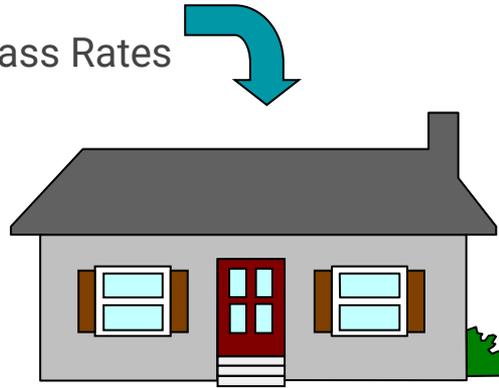


- School and Student Programs & Services
- Administrative Support Services
- Maintenance and Operations

# 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

# Major Levy Categories

- **General Fund:** Includes voter approve referendum, operating capital, retiree health insurance, pensions, unemployment, A & I, lease levy, LTFM
- **Community Service:** Includes Community Ed, ECFE, School Aged Care, and ABE
- **General Debt Service:** Includes debt service revenue for bond payment schedules
- **OPEB Debt Service:** SPPS does not have any revenue in this area

# 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

# Levy Recap

Levy Category	Certified Pay 25 Levy	SPPS Proposed Pay 26 Levy	Difference
General Operating	\$152,301,361	\$185,829,424	\$33,528,063
Community Service	\$3,398,591	\$2,978,697	\$-419,895
General Debt Service	\$65,148,490	\$64,924,265	\$-224,224
OPEB Debt Service			
<b>Total – All Levy Categories</b>	<b>\$220,848,442</b>	<b>\$253,732,386</b>	<b>\$32,883,943</b>
<b>Percent Change</b>			<b>14.89%</b>

# Key Drivers of the Pay 2026 SPPS Levy

- Slightly higher enrollment count compared to what was used last year
- November Voter Approved Referendum
- Employee Pension (OPEB) Adjustments
- Continued investment in SPPS Builds initiative as outlined and Board approved in July 2025

# Before and After Voter Approved Referendum

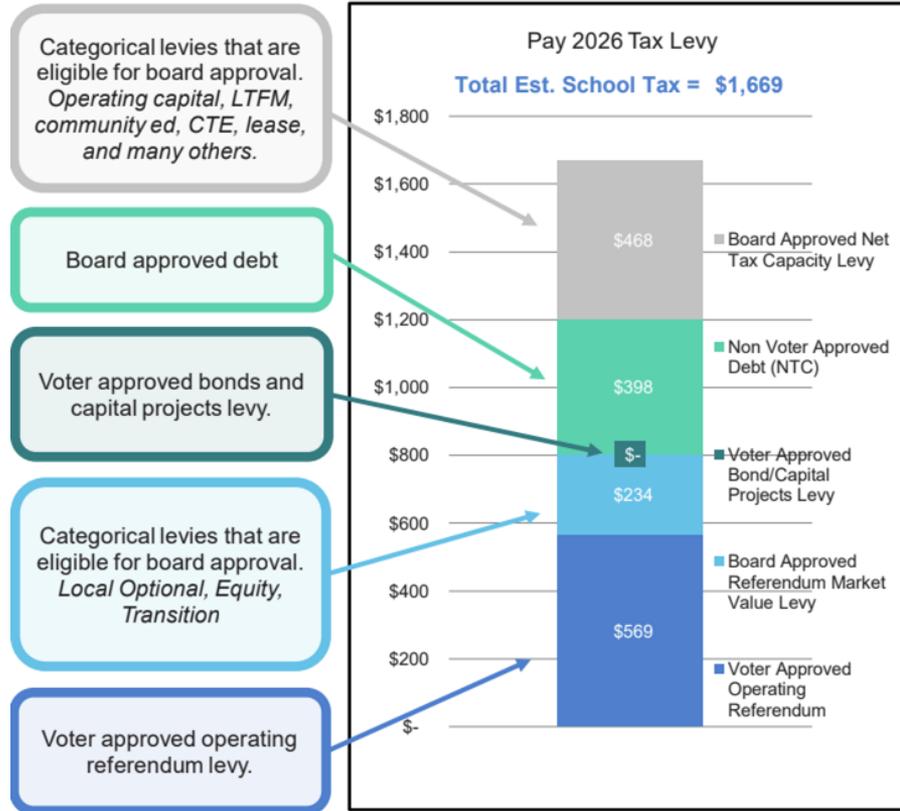
- Preliminary Pay 26 levy certification showed a total levy decrease of 1.98 percent.
- During referendum communication, the property taxes for a median valued home in Saint Paul was estimated to increase by \$309/year.
- The actual increase on a median valued home's taxes will be \$291/year.
- Over 65 percent of voters supported this referendum.

# Estimated Tax Impacts - Pay 2026 Levy Total School Taxes

Types of Property	Pay 2025 Value	Pay 2026 Est. Value	Pay 2025	Pay 2026	\$ Change
Residential Homestead  (Value Increase 5.05%)	\$119,000	\$125,000	\$504	\$636	\$132
	166,600	175,000	770	951	180
	214,200	225,000	1,036	1,265	229
	275,300	289,200	1,378	1,669	291
	309,400	325,000	1,569	1,894	325
	404,600	425,000	2,101	2,523	422
	499,800	525,000	2,633	3,170	537
Commercial / Industrial**  (Value Increase 1.6%)	\$98,400	\$100,000	\$516	\$597	\$81
	246,100	250,000	1,400	1,598	198
	492,100	500,000	2,971	3,355	384
	984,300	1,000,000	6,113	6,870	757

# SPPS: Estimated Pay 2026 Total School Taxes for Residential Homestead

Home Value= \$289,200



# SPPS's Five-Year Trend For Annual Property Tax Levy

- Prior to the successful referendum vote, in the past five levy cycles, the SPPS total levy has increased on average 3.5 percent per year.
- The Consumer Price Index (Inflation) for this same period has averaged 4.9 percent per year.

# 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

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%
Statewide	20.23%
Anoka Hennepin	18.54%

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%
Statewide	15.88%

Source: Minnesota Department of Educational Financial Profiles - 2024

# 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

Source: Minnesota Department of Educational Financial Profiles - 2024

# Child Tax Credit

- MN families may qualify for a Child Tax Credit of \$1,750 per qualifying child with no limit on the number of children claimed. They can receive a refund even if they do not owe tax.
- If a qualifying child is older than 17, filers may not claim them for the Child Tax Credit, but may be able to claim them for the Credit for Qualifying Older Children.
- For more information, visit MDR's [Child Tax Credit webpage](#).

# Residential Property Tax Refund

- Some homeowners, who meet certain qualifications, may apply for a Homestead Credit Refund through MDR.
  - Requirements: Total household must be less than \$139,320; must be MN resident (or part-year resident); must have owned and occupied your home on January 2, 2025; your property must be classified as your homestead; and your homestead must have no delinquent property taxes.
- For more information visit: [Homeowner's Homestead Credit Refund | Minnesota Department of Revenue](#)

# 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 Board Meeting to Authorize Pay 26 Levy
X	October 1	Submit data to Ramsey County and MDE. Cities and Counties also certify by this date.
X	October 1 – November 10	Ramsey County calculates taxes and prepares tax statements
X	November 12	Anticipated Ramsey County mailing of tax statements
	December 2	Date for Public Truth in Taxation Hearing
	December 16	BOE certifies Pay 26 levy
	December 30	SPPS certifies Pay 26 levy to Ramsey County



**Saint Paul**  
PUBLIC SCHOOLS

# Truth in Taxation Hearing

## Thank You