



School District 622

NORTH ST. PAUL | MAPLEWOOD | OAKDALE

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Public Hearing for Taxes Payable 2026 (Truth in Taxation)

**School Board Meeting
December 16, 2025**

*Presented by: Josh Anderson,
Director of Finance & Technology*

Minnesota State Law Requirements

Public Meeting

- Between November 25th & December 30th
- At 6 p.m. or later
- May be part of a regularly scheduled meeting
- Must allow for public comment
- May adopt final levy at same meeting

Presentation

- Current year budget
- Proposed property tax levy

Hearing Agenda



**Background
Information
on School
Funding**



**District's
Budget**



**Proposed
Pay 26 Tax
Levy**



**Public
Comment**

Background Information



Funding in Minnesota is highly regulated

State Sets:

- Formulas which determine revenue; most revenue based on specified amounts per pupil
- Tax policy for local schools
- Maximum authorized property tax levy
 - *Districts can levy less, but not more than amount authorized by state, unless approved by voters in November*

State also authorizes school boards to submit referendums for operating & capital needs to voters for approval.



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Basic General Education Formula

- Since 2002-03, state General Education Revenue formula has not kept pace with inflation.
- For Fiscal Year 2023-24, an increase of 4.00% or \$275 over previous year was approved.
- For Fiscal Year 2024-25, an increase of 2.00% or \$143 over previous year was approved.
- For Fiscal Year 2025-26, an increase of 2.74%, or \$199 over the previous year was approved **First year with the inflationary increase**

Per-pupil allowance for Fiscal Year 2025-26 of \$7,481 would need to increase by another \$1,420 (19%) to have kept pace with inflation since 2002-03, resulting in an allowance of \$8,901.



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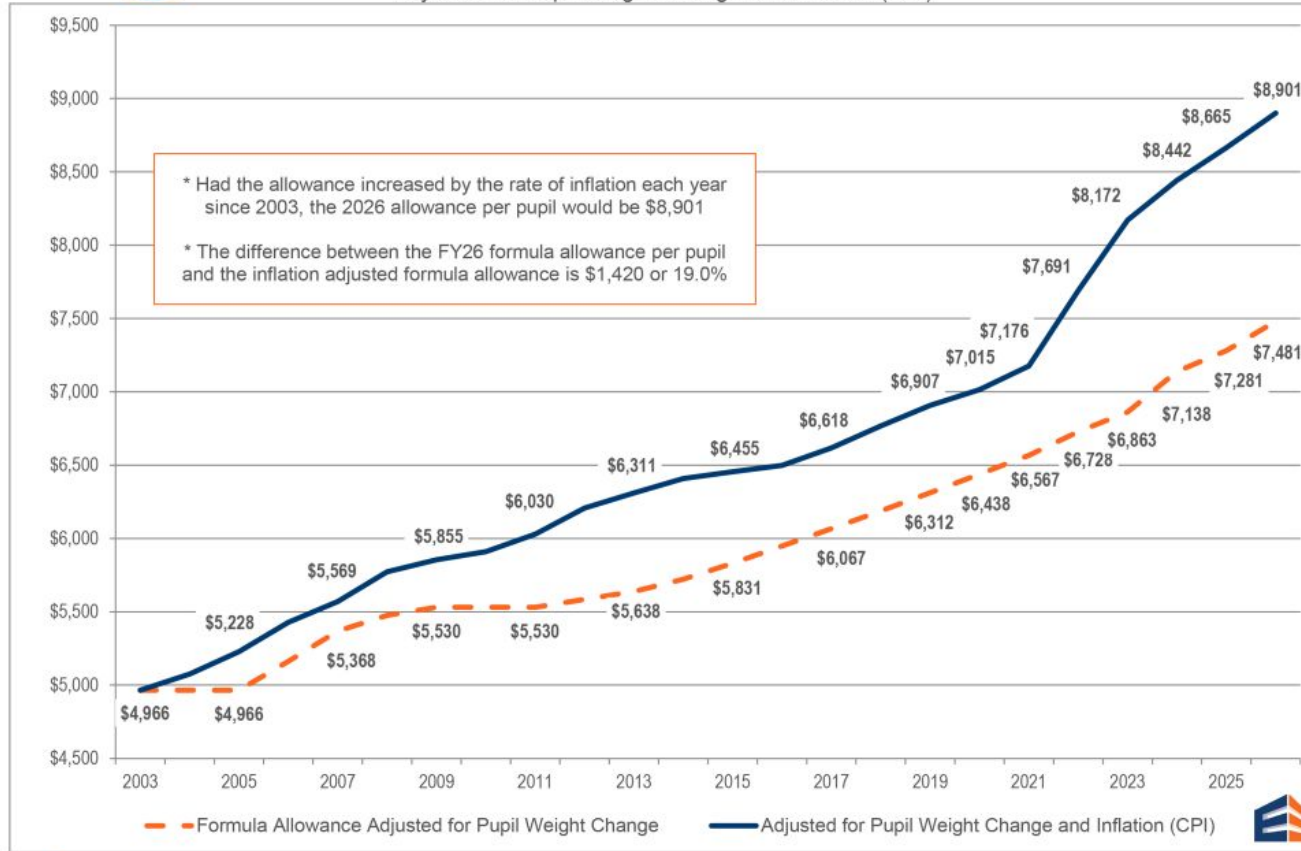
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General Education Formula Allowance, 2003-2026

Adjusted for Pupil Weight Change and Inflation (CPI)



Source: MDE June 2025 CPI Inflation Estimates and Minnesota Laws 2023

Special Education - Underfunding

According to MN Department of Education (MDE):

FY 2024 costs of providing programs were underfunded statewide by \$502.6 million

Even with recent funding, costs will be underfunded by \$455 million statewide by FY 2027

Primary options to bridge funding gap are to cut regular program budgets or increase referendum revenue, most districts have done both

Budget Information



School District compared to City/County levy cycles



School District:

- Budget year begins July 1st
- 2026 taxes provide revenue for 2026-27 fiscal year
- Budget adopted in June 2026



City/County:

- Budget year begins January 1st
- 2026 taxes provide revenue for 2026 calendar year budget



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Budget Information

Because approval of the school district budget lags certification of tax levy by six months, the state requires *only current year budget information be presented at this hearing.*

Fiscal Year 2026-27 budget will be adopted by our school board in June 2026.



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Our District's Funds

School district budgets are divided into separate funds, based on purposes of revenue, as required by law.

- General
- Food Service
- Community Service
- Building Construction
- Debt Service
- Medical
- Dental
- OPEB* Trust
- OPEB* Debt Service

**Other Post-Employment Benefits*



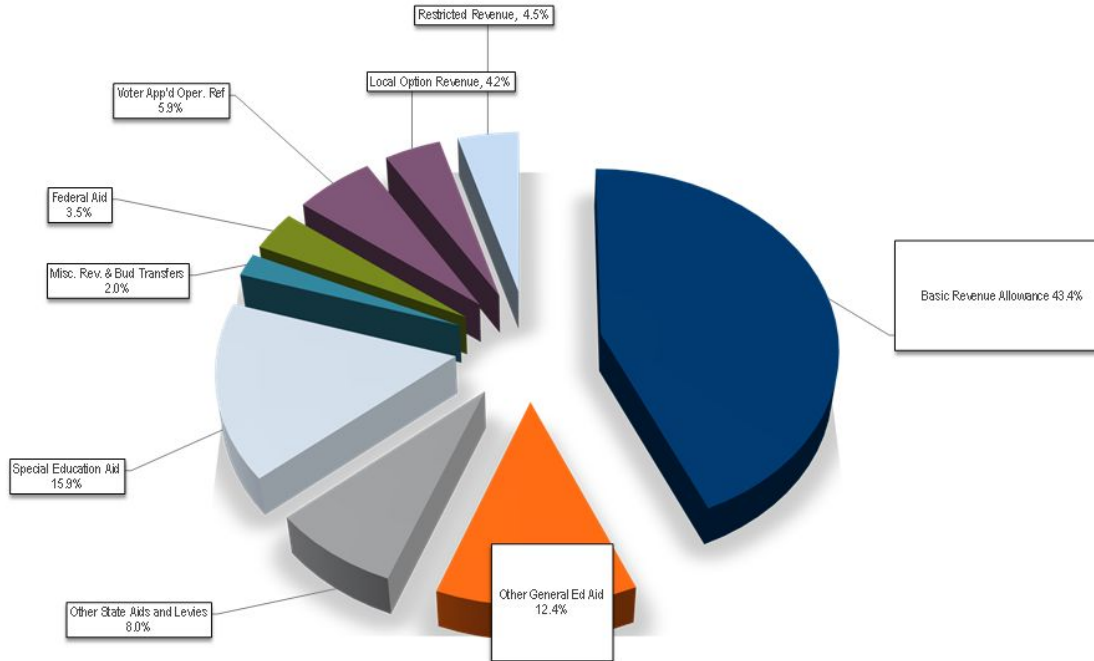
FY 26 Approved Budget

*approved at the June 2025 Board Meeting

| Fund | Revenue | Expenditures |
|----------------------------|----------------------|-----------------------|
| General Fund | \$196,332,655 | \$ 199,317,629 |
| Food Service Fund | \$9,833,000 | \$ 9,547,347 |
| Community Education Fund | \$12,996,793 | \$ 12,845,145 |
| Building Construction Fund | \$1,500,000 | \$ 15,000,000 |
| Debt Service Fund | \$27,355,476 | \$ 27,355,476 |
| Self-Insured Health Fund | \$25,021,174 | \$ 25,021,174 |
| Self-Insured Dental Fund | \$2,263,572 | \$ 2,263,572 |
| OPEB Trust Fund | \$1,400,000 | \$ 1,400,000 |
| OPEB Debt Service Fund | \$1,975,516 | \$ 1,975,516 |
| Total All Funds | \$278,678,186 | \$ 294,725,859 |

Revenue: General Fund

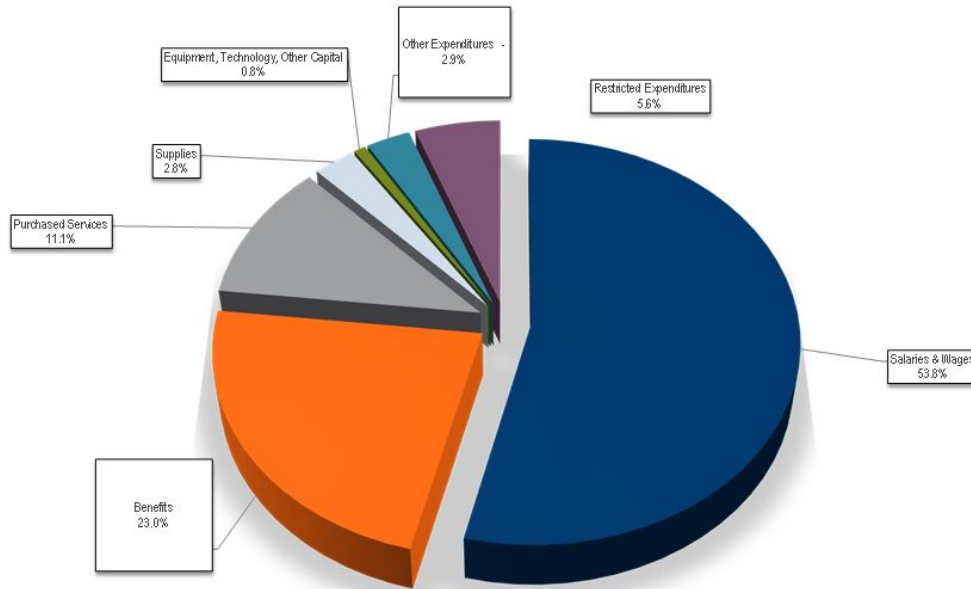
North St. Paul - Maplewood - Oakdale Public School District
Fiscal Year 2025-26 General Fund Revenue



General Fund Expenditures

North St. Paul - Maplewood - Oakdale Public School District

Fiscal Year 2025-26 General Fund Expenditures



Pay 26 Tax Levy Information



Background

- Every owner of taxable property pays property taxes to various “taxing jurisdictions” (county, city/township, school district, special districts) in which property is located.
- Each taxing jurisdiction sets own tax levy, often based on limits in state law.
- County sends bills, collects taxes from property owners & distributes funds back to other taxing jurisdictions.



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School District Property Taxes

- Each school district may levy taxes in over 40 different categories
- Maximum levy amounts (calculated by MDE) for each category are set by:
 - State law
 - Voter approval
- Property Tax Process
 - Key steps in process are summarized on next slide
 - Any of these steps may affect taxes on a parcel of property, but district has control over only 1 of 6 steps

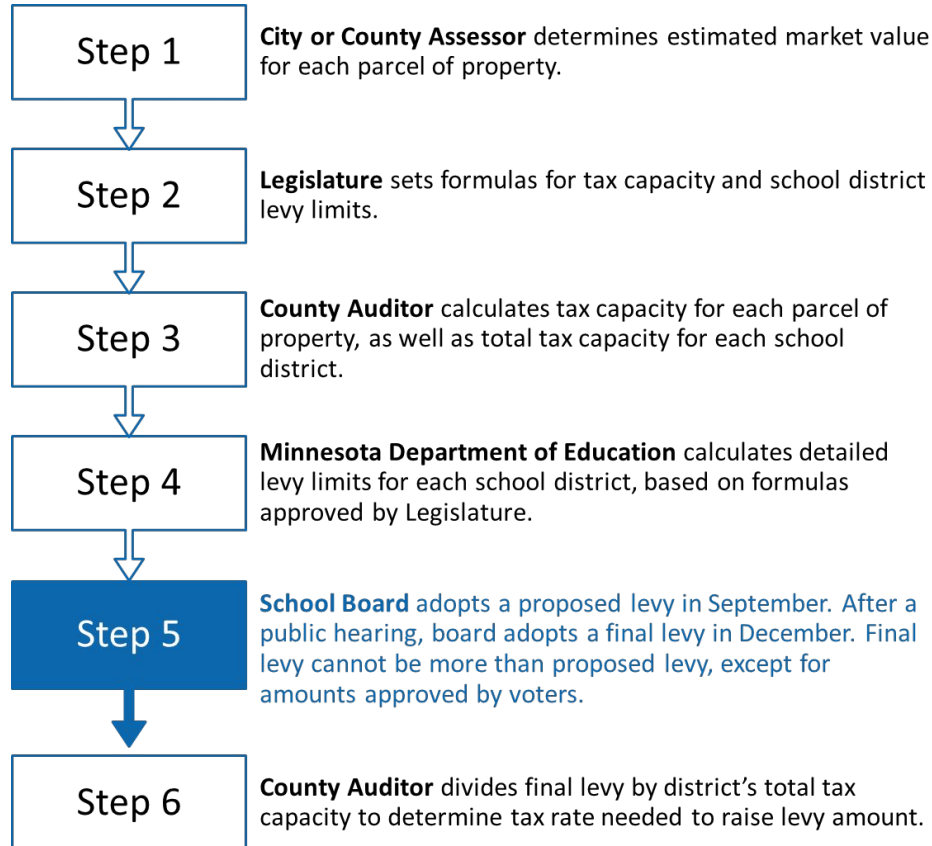


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School District Property Tax Process



Pay 2026 Overview

- Proposed Payable 2026 tax levy is an increase from 2025 of \$1,947,199.52 or 2.86%
- Changes by levy category and reasons for major increases & decreases in levy are included on following slides



**ISD 622 North St. Paul-Maplewood-Oakdale Schools
Proposed Levy Certification 2025 Pay 2026**

| | Proposed | | Final | | % Change |
|---|----------------------|----------------------|----------------------|-------------------|------------|
| | Pay 2025 | Pay 2026 | Pay 2026 | \$ Change | |
| General Fund (Fund 1) | | | | | |
| Operating Referendum | \$ 11,399,300 | \$ 11,927,889 | \$ 11,927,889 | \$ 528,589 | |
| Local Optional | \$ 8,089,775 | \$ 8,273,903 | \$ 8,273,903 | \$ 184,128 | |
| Equity | \$ 1,374,667 | \$ 1,410,636 | \$ 1,410,636 | \$ 35,969 | |
| Transition | \$ 150,248 | \$ 153,664 | \$ 153,664 | \$ 3,416 | |
| Operating Capital | \$ 1,537,951 | \$ 1,445,607 | \$ 1,445,607 | \$ (92,344) | |
| Q Comp | \$ 951,541 | \$ 984,645 | \$ 984,645 | \$ 33,105 | |
| Achievement & Integration | \$ 898,809 | \$ 901,405 | \$ 901,405 | \$ 2,596 | |
| Reemployment Insurance | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ - | |
| Safe Schools | \$ 402,751 | \$ 411,906 | \$ 411,906 | \$ 9,156 | |
| Safe Schools - Intermediate | \$ 167,813 | \$ 171,628 | \$ 171,628 | \$ 3,815 | |
| Ice Arena | \$ 270,602 | \$ 172,825 | \$ 172,825 | \$ (97,776) | |
| Career & Technical | \$ 702,292 | \$ 713,038 | \$ 713,038 | \$ 10,746 | |
| Annual OPEB | \$ 1,400,000 | \$ 1,400,000 | \$ 1,400,000 | \$ - | |
| Long Term Facilities Maintenance (LTFM) | \$ 5,953,425 | \$ 5,715,538 | \$ 5,781,640 | \$ (171,785) | |
| Building/Land Lease | \$ 2,109,242 | \$ 1,562,061 | \$ 2,366,645 | \$ 257,403 | |
| Econ Dev Abatement (Woodbury) | \$ 336,550 | \$ 448,165 | \$ 448,165 | \$ 111,615 | |
| <i>Adjustments and Abatements</i> | \$ 1,293,743 | \$ - | \$ 1,278,351 | | |
| General Fund Total Levy | \$ 37,138,707 | \$ 35,792,910 | \$ 37,941,946 | \$ 803,239 | 2.2 |

| | Proposed | | Final | | % Change |
|--|---------------------|---------------------|---------------------|---------------------|--------------|
| | Pay 2025 | Pay 2026 | Pay 2026 | \$ Change | |
| Community Service (Fund 4) | | | | | |
| Basic Community Education | \$ 525,203 | \$ 474,767 | \$ 474,767 | \$ (50,436) | |
| Early Childhood Education | \$ 318,350 | \$ 268,799 | \$ 268,799 | \$ (49,551) | |
| Home Visiting | \$ 10,254 | \$ 9,906 | \$ 9,906 | \$ (347) | |
| Adults with Disabilities | \$ 8,440 | \$ 7,589 | \$ 7,589 | \$ (851) | |
| School-age Care | \$ 700,000 | \$ 700,000 | \$ 700,000 | \$ - | |
| <i>Adjustments and Abatements</i> | \$ 14,657 | \$ (17,328) | \$ (17,328) | | |
| Community Service Fund Total Levy | \$ 1,576,903 | \$ 1,443,733 | \$ 1,443,733 | \$ (133,170) | (8.4) |

| | Proposed | | Final | | % Change |
|-------------------------------------|----------------------|----------------------|----------------------|---------------------|------------|
| | Pay 2025 | Pay 2025 | Pay 2026 | \$ Change | |
| Debt Service (Fund 7) | | | | | |
| Voter Approved Debt Service | \$ 15,067,760 | \$ 16,801,813 | \$ 16,911,903 | \$ 1,844,143 | |
| Non-Voter Approved Debt Service | \$ 12,287,716 | \$ 11,977,330 | \$ 11,565,529 | \$ (722,187) | |
| <i>Adjustments and Abatements</i> | \$ - | \$ - | | | |
| Debt Service Fund Total Levy | \$ 27,355,476 | \$ 28,579,143 | \$ 28,477,432 | \$ 1,121,956 | 4.1 |

| | Proposed | | Final | | % Change |
|--|---------------------|---------------------|---------------------|----------------------|------------|
| | Pay 2025 | Pay 2026 | Pay 2026 | \$ Change | |
| OPEB Debt Service (Fund 47) | | | | | |
| Debt Service | \$ 2,104,384 | \$ 2,104,893 | \$ 2,104,893 | \$ 509 | |
| <i>Adjustments and Abatements</i> | \$ (128,868) | \$ (99,330) | \$ 25,798 | | |
| OPEB Debt Service Fund Total Levy | \$ 1,975,516 | \$ 2,005,563 | \$ 2,130,691 | \$ 155,175.00 | 7.9 |

| | Proposed | | Final | | % Change |
|------------------------------|-------------------|----------------------|----------------------|---------------------|-------------|
| | Pay 2025 | Pay 2026 | Pay 2025 | \$ Change | |
| Grand Total All Funds | 68,046,603 | \$ 67,821,349 | \$ 69,993,802 | \$ 1,947,200 | 2.86 |

North St Paul-Maplewood Oakdale Dis

Proposed Property Tax Levy Summary by Tax Type

| | Final Pay 2025 | Proposed Pay 2026 | \$ Change | % Change |
|---|-------------------|----------------------|------------------|--------------|
| Referendum Market Value Voter Approved | | | | |
| Operating Referendum | 11,399,300 | 11,927,889 | 528,590 | 4.6% |
| Adjustments and Abatements | 149,126 | 314,010 | 164,884 | 110.6% |
| RMV Voter Total Levy | 11,548,426 | 12,241,900 | 693,474 | 6.0% |
| Referendum Market Value Non-Voter Approved | | | | |
| Local Optional | 8,089,775 | 8,273,903 | 184,128 | 2.3% |
| Equity | 1,374,667 | 1,410,636 | 35,969 | 2.6% |
| Transition | 150,248 | 153,664 | 3,416 | 2.3% |
| Adjustments and Abatements | 299,622 | 320,384 | 20,762 | 6.9% |
| RMV Non-Voter Total Levy | 9,914,312 | 10,158,587 | 244,275 | 2.5% |
| Net Tax Capacity Voter Approved | | | | |
| Voter Approved Debt Service | 15,585,623 | 16,601,813 | 1,016,190 | 6.5% |
| Adjustments and Abatements | (517,863) | 310,090 | 827,953 | - |
| NTC Voter Total Levy | 15,067,760 | 16,911,903 | 1,844,143 | 12.2% |
| Net Tax Capacity Non-Voter Approved | | | | |
| Non-Voter Approved Debt Service | 12,948,579 | 11,572,577 | (1,376,001) | -10.6% |
| OPEB Debt Service | 2,104,384 | 2,104,893 | 509 | 0.0% |
| Operating Capital | 1,537,951 | 1,445,607 | (92,344) | -6.0% |
| Q Comp | 951,541 | 984,645 | 33,105 | 3.5% |
| Achievement and Integration | 898,809 | 901,405 | 2,596 | 0.3% |
| Reemployment Insurance | 100,000 | 100,000 | - | 0.0% |
| Safe Schools | 402,751 | 411,906 | 9,156 | 2.3% |
| Safe Schools Intermediary | 167,813 | 171,628 | 3,815 | 2.3% |
| Ice Arena | 270,602 | 172,825 | (97,776) | -36.1% |
| Career & Technical | 702,292 | 713,038 | 10,746 | 1.5% |
| Annual OPEB | 1,400,000 | 1,400,000 | - | 0.0% |
| Long Term Facilities Maintenance | 5,953,425 | 5,781,640 | (171,785) | -2.9% |
| Building/Land Lease | 2,109,242 | 2,366,645 | 257,403 | 12.2% |
| Econ Dev Abatement | 336,550 | 448,165 | 111,615 | 33.2% |
| Basic Community Education | 525,203 | 474,767 | (50,436) | -9.6% |
| Early Childhood Education | 318,350 | 268,799 | (49,551) | -15.6% |
| Home Visiting | 10,254 | 9,906 | (347) | -3.4% |
| Adults with Disabilities | 8,440 | 7,589 | (851) | -10.1% |
| School-age Care | 700,000 | 700,000 | - | 0.0% |
| Adjustments and Abatements | 69,922 | 645,379 | 575,457 | 823.0% |
| NTC Non-Voter Total Levy | 31,516,105 | 30,681,413 | (834,692) | -2.6% |
| Total Voter Approved | 26,616,186 | 29,153,803 | 2,537,617 | 9.5% |
| Total Non-Voter Approved | 41,430,417 | 40,840,000 | (590,417) | -1.4% |
| Total Referendum Market Value | 21,462,738 | 22,400,486 | 937,748 | 4.4% |
| Total Net Tax Capacity | 46,583,865 | 47,593,317 | 1,009,451 | 2.2% |
| Total Property Tax Levy All Funds | 68,046,603 | 69,993,803 | 1,947,200 | 2.86% |

Explanation of changes

| | |
|--------------------|---|
| Category: | General Fund – Prior Year Adjustments |
| Change: | +\$1,278,351 |
| Use of Funds: | Various |
| Reason for Change: | Initial levies are based on estimates. In later years, amounts are updated and levies are retroactively adjusted. |

Explanation of changes

| | |
|----------------------|--|
| Category: | General – Long Term Facilities Maintenance and Debt Service Fund |
| Changes: | -\$171,875 (General - LTFM), +\$1,884,143 (Debt Service) |
| Use of Funds: | Health & Safety, Deferred Maintenance & Required Debt Service Payments |
| Reasons for Changes: | District is eligible for LTFM revenue based on state-approved project costs Levies are coordinated with other capital and debt service levies |

Tax impact

Many factors can cause a tax bill for an individual property to increase or decrease from year to year

- Changes in value of individual property
- Changes in total value of all property within District
- Increases or decreases in levy amounts caused by changes in state funding formulas, local needs & costs, voter-approved referendums & other factors



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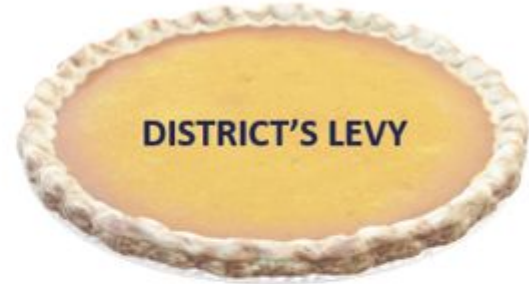
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Tax impact

Higher Market Value Increase = Bigger Slice



Lower Market Value Increase = Smaller Slice



Each Property Owner pays a portion of the pie



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The impact of property valuations - an example

- Two properties in the district
 - Both houses are valued at \$100,000
- Total levy of \$500
 - Each property would pay \$250 of the levy

\$100,000



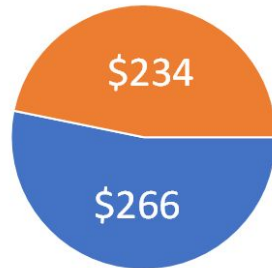
\$100,000



The impact of property valuations - an example

- Two properties in the district
 - Orange house value increases by 10%
 - Blue house increases by 25%
- Total levy of \$500
 - The school district will still generate the same amount of the levy even though values increased.
 - Orange house pays less, and blue house pays more.

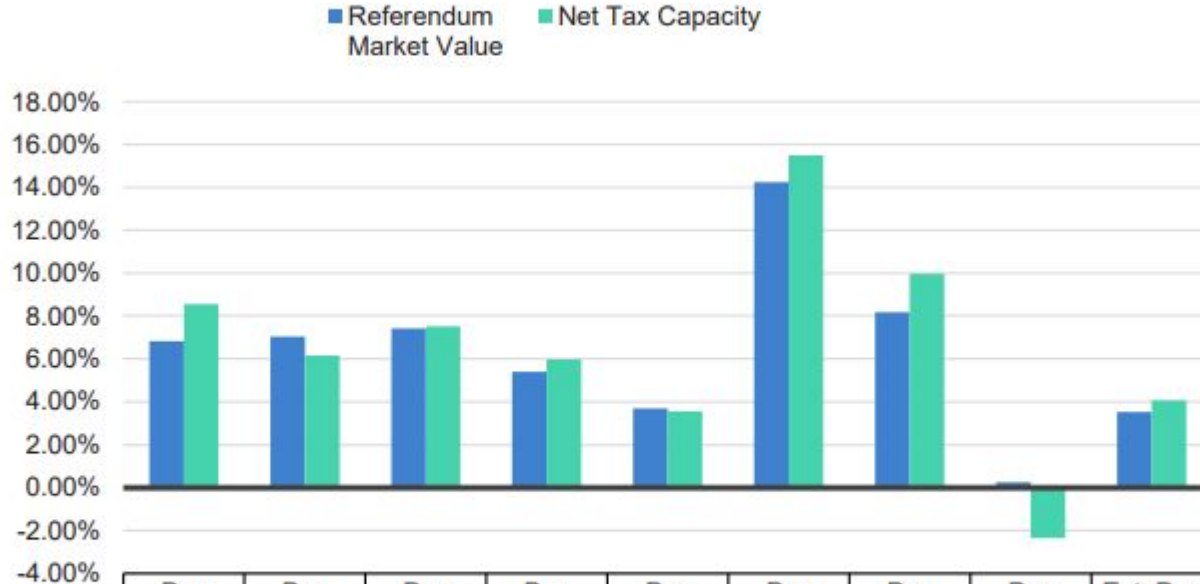
\$110,000



\$125,000



Property Value % Increase Trend



| | Pay 2018 | Pay 2019 | Pay 2020 | Pay 2021 | Pay 2022 | Pay 2023 | Pay 2024 | Pay 2025 | Est. Pay 2026 |
|---------------------------|----------|----------|----------|----------|----------|----------|----------|----------|---------------|
| ■ Referendum Market Value | 6.82% | 7.04% | 7.41% | 5.39% | 3.69% | 14.25% | 8.17% | 0.26% | 3.51% |
| ■ Net Tax Capacity | 8.55% | 6.15% | 7.52% | 5.97% | 3.55% | 15.49% | 9.96% | -2.35% | 4.05% |



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Estimated changes in taxes

North St Paul-Maplewood Oakdale Dis Estimated Tax Impacts - Pay 2026 Levy Total School Taxes

| Summary | | | |
|-------------------------|-------------------|-------------------|----------|
| | Pay 2025 | Est. Pay 2026 | % Change |
| Referendum Market Value | \$ 12,411,184,519 | \$ 12,847,281,358 | 3.51% |
| RMV Tax Rate | 0.14887% | 0.15106% | 1.47% |
| Net Tax Capacity | \$ 126,171,985 | \$ 131,284,412 | 4.05% |
| NTC Tax Rate | 32.00% | 31.38% | -1.95% |

Property Value Increase

0%

| Types of Property | Pay 2025 Value | Pay 2026 Est. Value | Pay 2025 | Pay 2026 | \$ Change | % Change |
|-----------------------|----------------|---------------------|----------|----------|-----------|----------|
| Residential Homestead | \$144,900 | \$144,900 | \$572 | \$568 | (\$4) | -0.66% |
| | 193,200 | 193,200 | 812 | 806 | (6) | -0.74% |
| | 289,900 | 289,900 | 1,294 | 1,283 | (10) | -0.81% |
| | 328,500 | 328,500 | 1,486 | 1,474 | (12) | -0.83% |
| | 386,500 | 386,500 | 1,774 | 1,760 | (15) | -0.84% |
| | 483,100 | 483,100 | 2,255 | 2,236 | (19) | -0.86% |
| | 579,700 | 579,700 | 2,782 | 2,757 | (25) | -0.89% |

Property Value Increase

3.5%

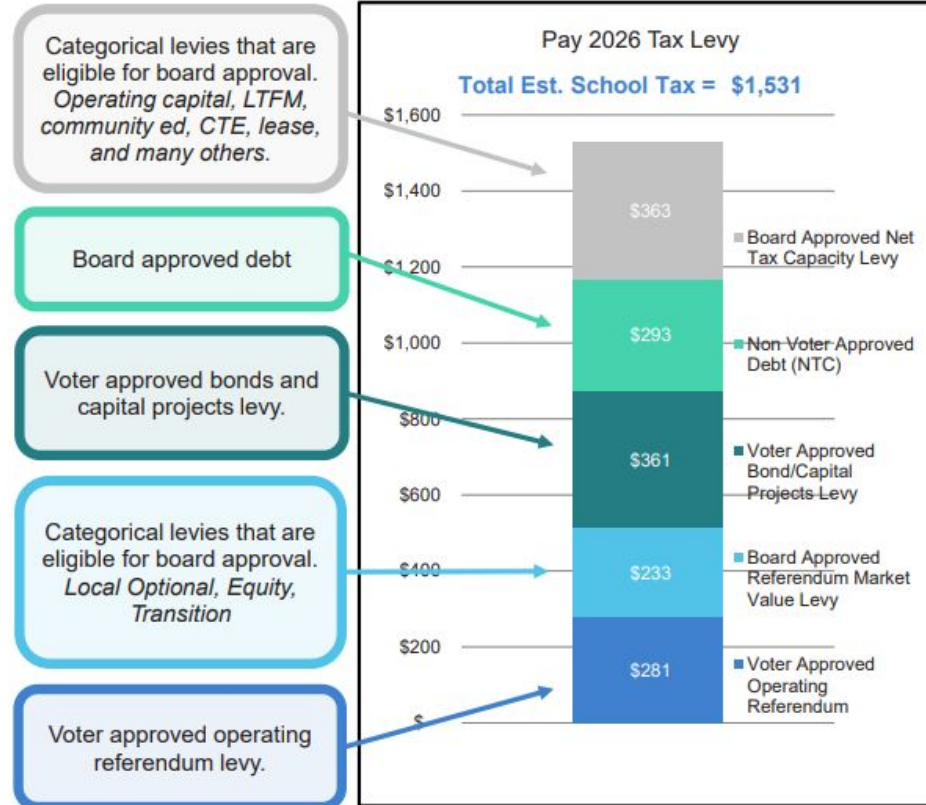
| Types of Property | Pay 2025 Value | Pay 2026 Est. Value | Pay 2025 | Pay 2026 | \$ Change | % Change |
|-----------------------|----------------|---------------------|----------|----------|-----------|----------|
| Residential Homestead | \$144,900 | \$149,972 | \$572 | \$593 | \$21 | 3.69% |
| | 193,200 | 199,962 | 812 | 840 | 27 | 3.38% |
| | 289,900 | 300,047 | 1,294 | 1,333 | 40 | 3.07% |
| | 328,500 | 339,998 | 1,486 | 1,530 | 44 | 2.98% |
| | 386,500 | 400,028 | 1,774 | 1,826 | 52 | 2.93% |
| | 483,100 | 500,009 | 2,255 | 2,319 | 64 | 2.85% |
| | 579,700 | 599,990 | 2,782 | 2,867 | 86 | 3.08% |

Property Value Increase

7%

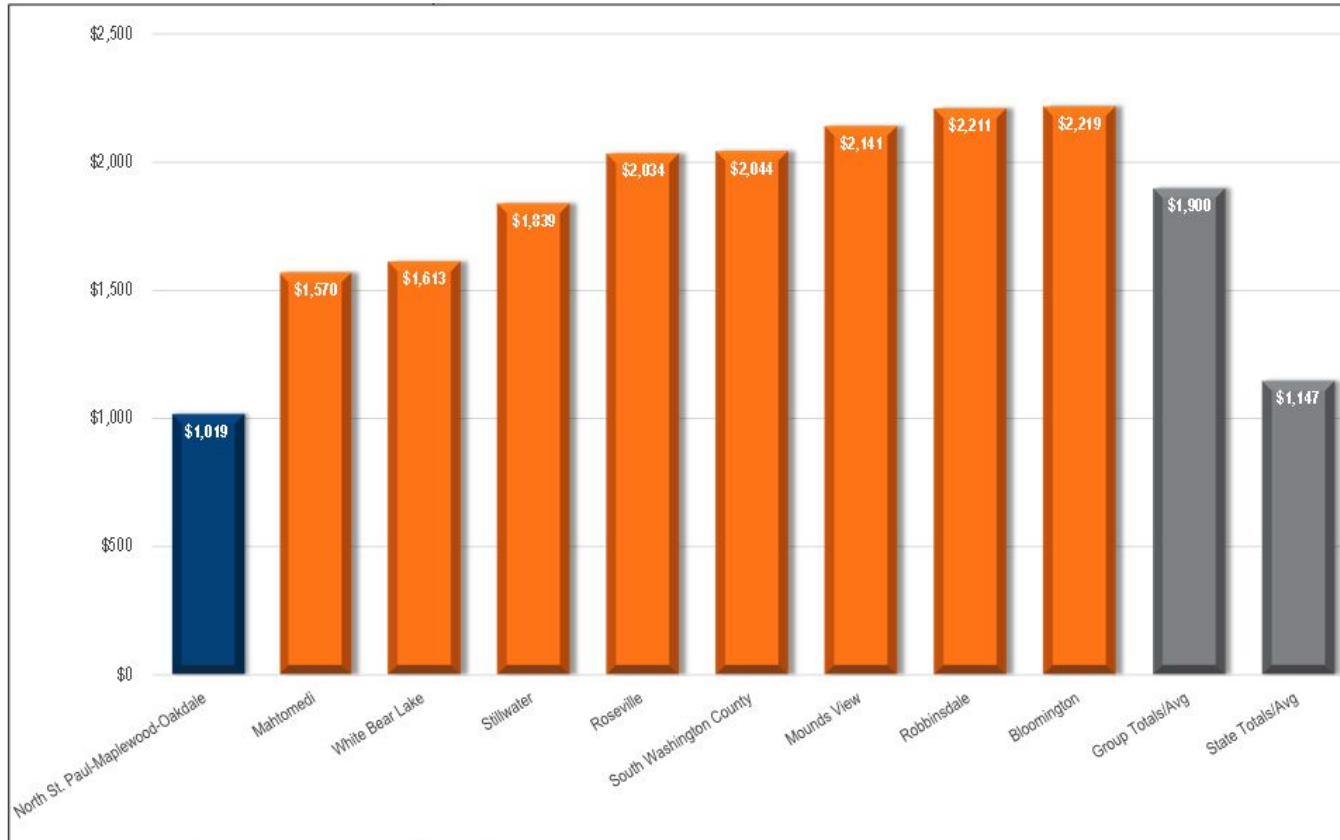
| Types of Property | Pay 2025 Value | Pay 2026 Est. Value | Pay 2025 | Pay 2026 | \$ Change | % Change |
|-----------------------|----------------|---------------------|----------|----------|-----------|----------|
| Residential Homestead | \$144,900 | \$155,043 | \$572 | \$618 | \$46 | 8.05% |
| | 193,200 | 206,724 | 812 | 873 | 61 | 7.49% |
| | 289,900 | 310,193 | 1,294 | 1,384 | 90 | 6.94% |
| | 328,500 | 351,495 | 1,486 | 1,587 | 101 | 6.81% |
| | 386,500 | 413,555 | 1,774 | 1,893 | 118 | 6.68% |
| | 483,100 | 516,917 | 2,255 | 2,416 | 161 | 7.12% |
| | 579,700 | 620,279 | 2,782 | 2,977 | 196 | 7.03% |

North St Paul-Maplewood Oakdale Dis
Estimated Pay 2026 Total School Taxes for Residential Homestead
Home Value = \$340,000



North St. Paul-Maplewood-Oakdale School District

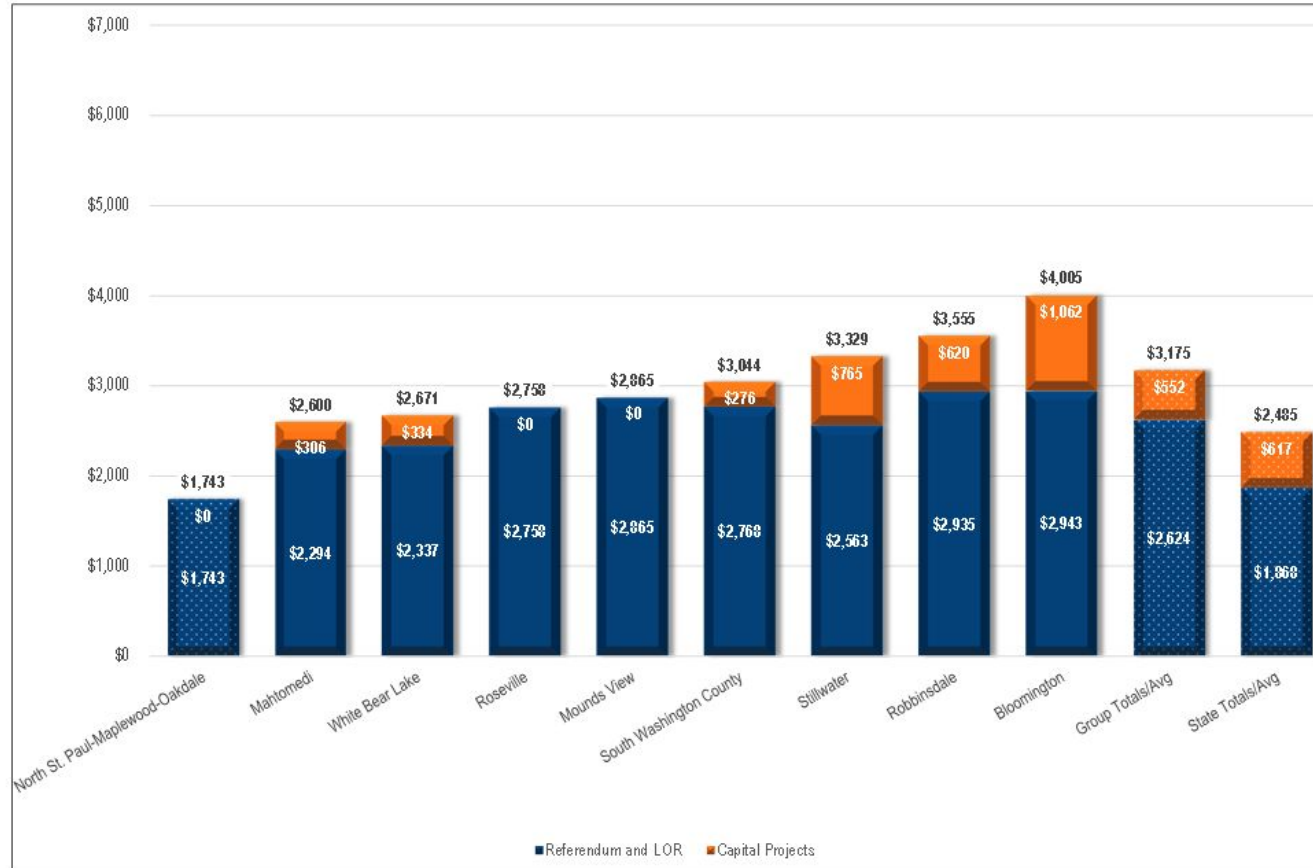
Voter Approved Referendum Authority Per Pupil Unit FY 2025-26 (Excludes Local Optional Revenue)



Source: MDE Pay 25 Levy Certification Report, MDE Phaseout Report 7/31/2025.

North St. Paul-Maplewood-Oakdale School District

Combined Referendum (Including LOR) and Capital Projects Revenue Per Pupil Unit



Source: Pay 2025 School Tax Report and MDE Pay 25 Levy Certification.

State Property Tax Refunds & Deferrals

Homestead Credit Refund

- Available for all homestead property, both residential and agricultural (house, garage and one acre (HGA) only)
- Refund is sliding scale, based on total property taxes and income (maximum refund is \$3,310 for homeowners and \$2,640 for renters)

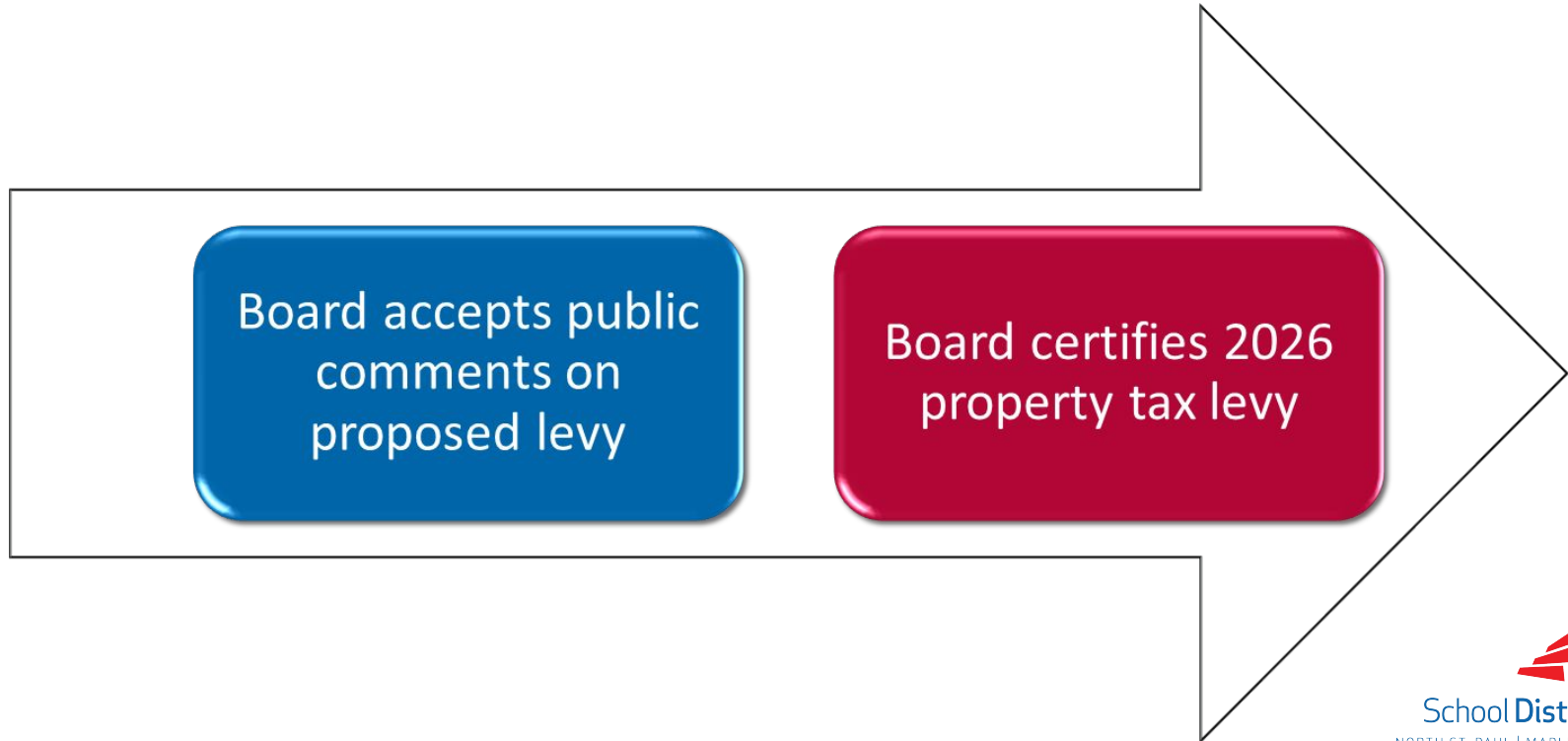
Special Property Tax Refund

- Available for all homestead property, both residential & agricultural (HGA only) with a gross tax increase of at least 12% and \$100 over prior year
- Refund is 60% of tax increase that exceeds greater of 12% or \$100 (max \$1,000)

Senior Citizen Property Tax Deferral

- Allows people 65 years of age or older with household income of \$96,000 or less to defer a portion of property taxes on their home
- Deferred property taxes plus accrued interest must be paid when home is sold or homeowner(s) dies

Next Steps





Public Comment

Questions?



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