



St. Louis Park Public Schools, ISD 283

Public Hearing for Taxes Payable in 2026

DECEMBER 9, 2025

PRESENTED BY:

PATRICIA MAGNUSON,

EXECUTIVE DIRECTOR OF BUSINESS SERVICES

Minnesota State Law Requirements

A Public Meeting...

- Between November 25th & December 28th
- At 6:00 PM or later
- May be part of regularly scheduled meeting
- Must allow for public comments
- May adopt final levy at same meeting

...and Presentation of:

- Current year budget
- Proposed property tax levy



FY2027 Budget Planning Timeline for Operating Fund Budgets

Operating Funds: General, School Nutrition, Community Service

	Date	Who	Outcome
	Grey shading denotes FAC Meeting		Orange shading denotes School Board (Bold = school board budget-related action)
Data Gathering	July 2025	Individual Budget Managers	Review FY2025 Actuals and FY2026 Budget
	September 17, 2025	Budget Managers	Review YTD Expenditures
	September 29, 2025	Finance Advisory Committee	1. Overview of plan/expectations 2. Understand Budget Timeline
	September 30, 2025	School Board Regular Meeting	Approve Preliminary Pay 2026 Levy
	October 20, 2025	Finance Advisory Committee	Begin budget analysis & FY2027 enrollment projections
	October 22, 2025	Budget Managers	Review YTD Expenditures
	November 10, 2025	Finance Advisory Committee	Enrollment focus
	November 19, 2025	Budget Managers	Review YTD Expenditures
	November 25, 2025	School Board Regular Meeting	Fall Enrollment Report
	December 8, 2025	Finance Advisory Committee	1. FY2027 enrollment projections 2. FY2027 Fund Balance assumptions 3. FY2027 other assumptions
	December 9, 2025 	School Board Regular Meeting	1. Tax Hearing 2. Approve final Pay 2026 levy 3. Accept FY2025 Audit Results
	December 17, 2025	Budget Managers	Review YTD Expenditures
	January 21, 2026	Budget Managers	Review YTD Expenditures

Hearing Agenda



Background
Information on
School Funding



District's Budget



District's Proposed
Tax Levy for Taxes
Payable in 2026



Public
Comments

MN Legislature Must Set Funding for Minnesota Public Schools

Minnesota Constitution ARTICLE XIII

MISCELLANEOUS SUBJECTS

Section 1

“UNIFORM SYSTEM OF PUBLIC SCHOOLS. The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state.”



As a Result, Funding 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 board to submit referendums for operating & capital needs to voters for approval



Change in Tax Levy does not Determine Change in Budget



Tax levy is based on many state-determined formulas plus voter approved referendums



Some increases in tax levies are revenue neutral, offset by reductions in state aid



Expenditure budget is limited by state-set revenue formulas, voter-approved levies & fund balance



An increase in school taxes does not always correlate to an equal increase in budget



Difference in 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 Jan. 1st
- 2026 taxes provide revenue for 2026 calendar year budget



Because approval of school district budget lags certification of tax levy by six months, state requires only current year budget information be presented at this hearing. Fiscal Year 2026-27 budget will be adopted by School Board in June 2026.

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

Our District's Funds:

- General *
- School Nutrition
- Community Education *
- Building Construction
- Debt Service *
- Internal Service (self funded)
- Custodial
- OPEB Trust

*funds whose revenue includes a levy component

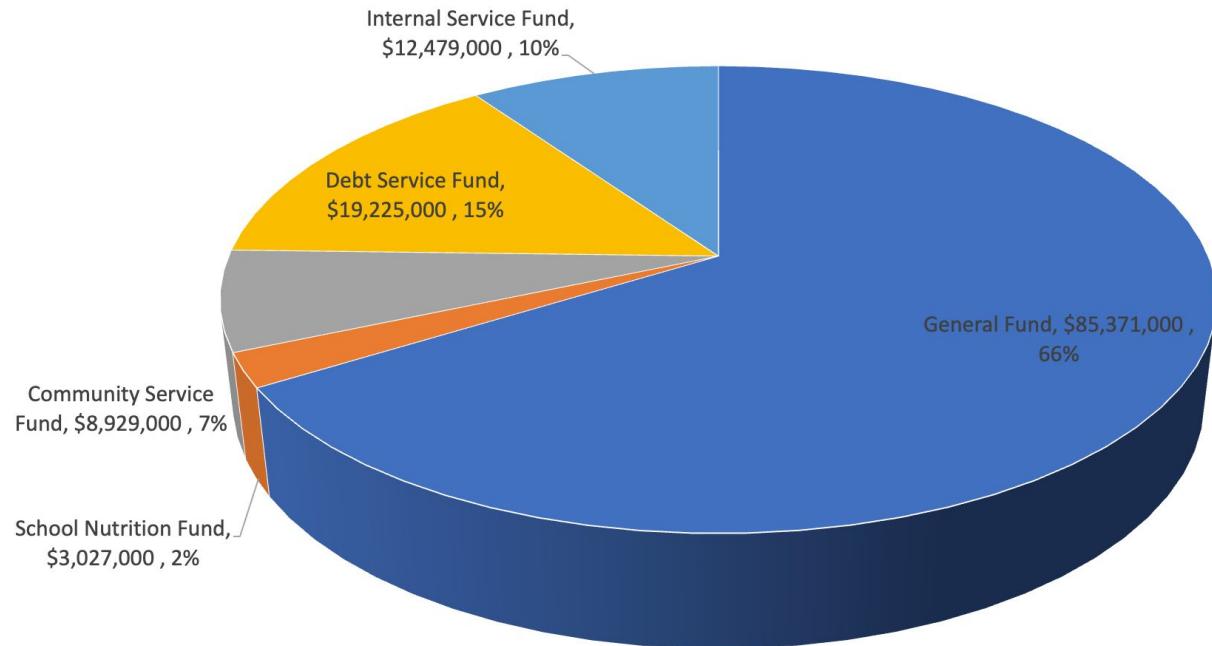


District Revenues and Expenditures

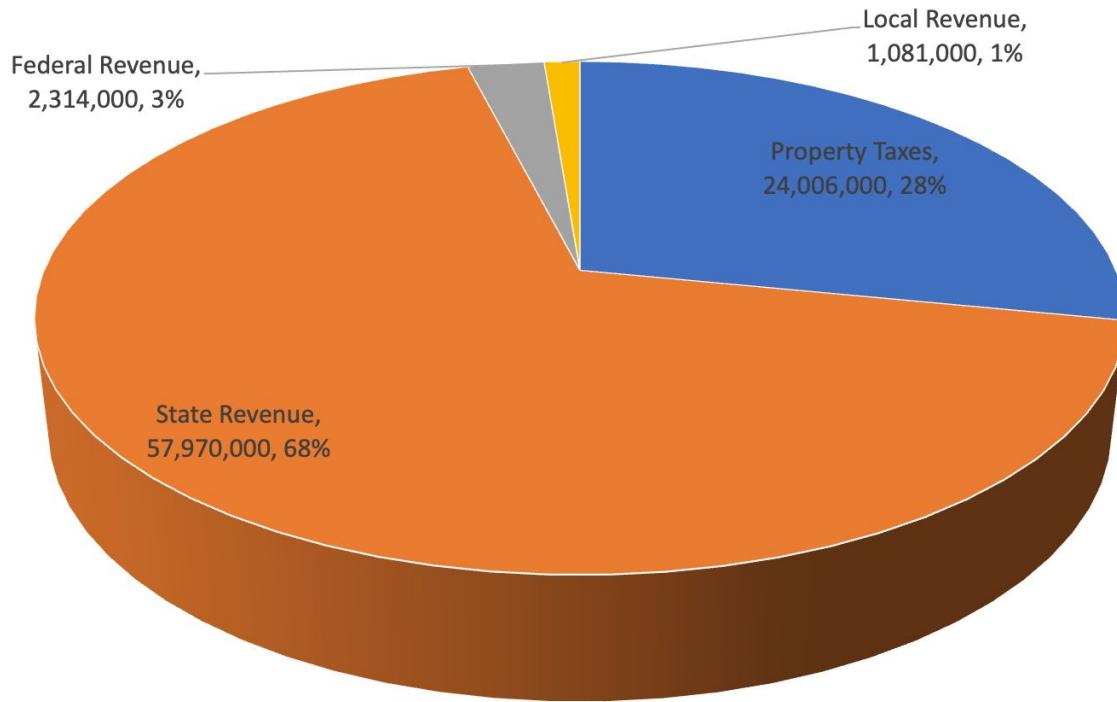
Actual for FY2025 and Budget for FY2026

Fund	Fiscal Year 2025 (June 1, 2024 - June 30, 2025)				Fiscal Year 2026 (June 1, 2025 - June 30, 2026)			
	Beginning Fund Balance	Revenues / Transfers In	Expenditures/ Transfers Out	Ending Fund Balances	Revenues / Transfers In	Expenditures/ Transfers Out	Ending Fund Balances	
General Unrestricted	5,285,046	71,003,286	70,191,234	6,097,099	71,606,000	71,639,000	6,064,099	
Fund Balance Policy %	8.27%			8.80%			8.49%	
General Other	6,382,648	14,385,365	16,003,247	4,764,765	13,765,000	14,543,000	3,986,765	
School Nutrition	854,608	3,327,349	2,998,455	1,183,502	3,027,000	3,090,000	1,120,502	
Community Service	1,274,657	9,319,840	8,461,239	2,133,258	8,929,000	8,064,000	2,998,258	
Debt Service	3,451,037	19,095,219	18,763,369	3,782,887	19,225,000	18,855,000	4,152,887	
Internal Service	3,895,952	11,022,939	11,249,608	3,669,283	12,479,000	13,549,000	2,599,283	
Building Construction	89,211,516	9,728,072	45,359,122	53,580,466			53,580,466	
Trust & Agency	(2,949,725)	300,904	203,822	(2,852,643)	Not Budgeted			(2,852,643)
Custodial	121,695	10,000	6,940	124,755				124,755

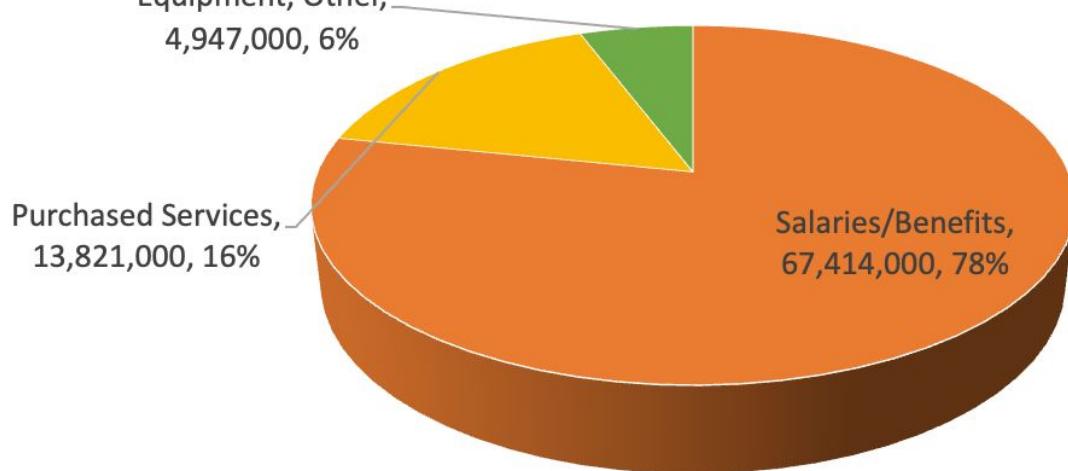
FY2026 All Funds Revenue Budget



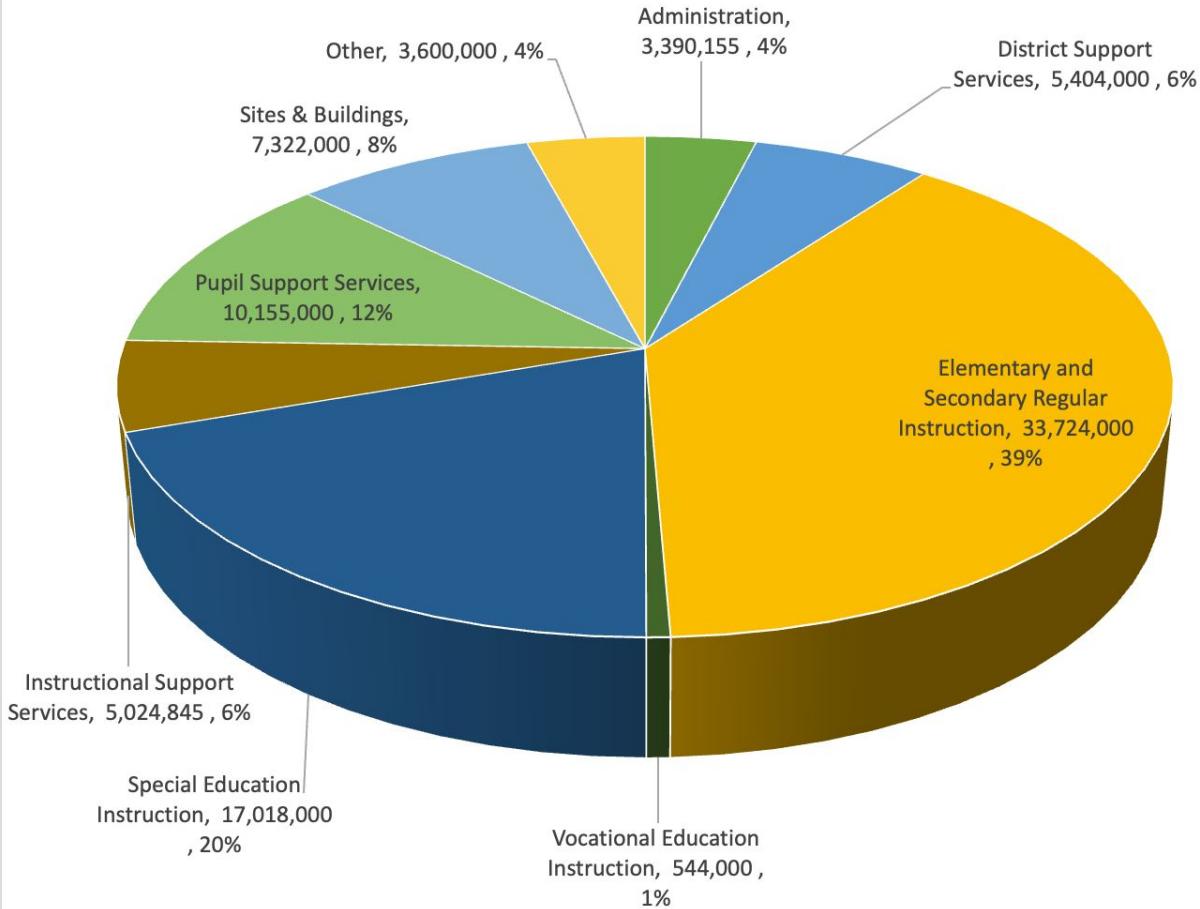
FY2026 General Fund Revenue Budget by Source



FY2026 General Fund Budget Expenditures by Object



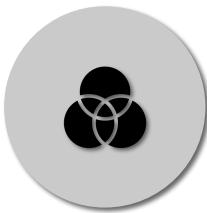
General Fund Expenditures by Program



Payable 2026 Property Tax Levy



Determination of levy



Compare 2025 to 2026 levies



Reasons for changes in tax levy



Impact on taxpayers

Property Tax 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

Sample Parcel Specific Notice

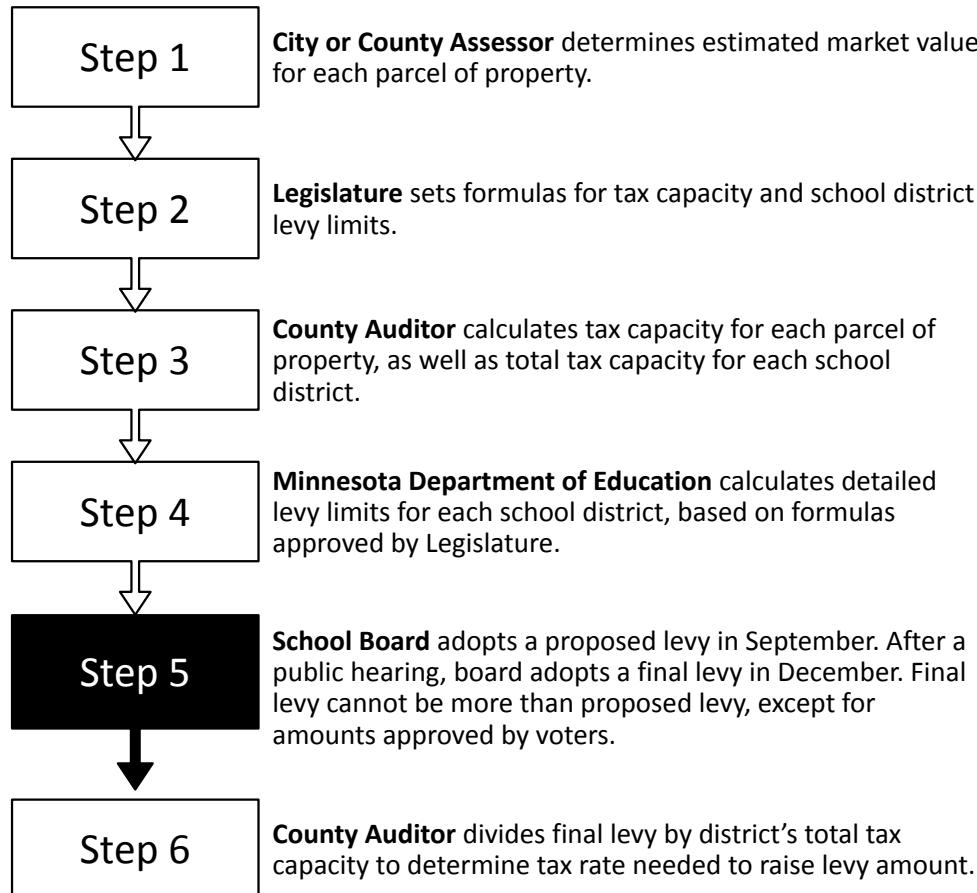
Mailed to every property owner between November 11 and November 24

 <p>Spruce County Jane Smith, Auditor-Treasurer 345 12th Street East, Box 78 Spruceville, MN 55555-5555 (555) 345-6789 www.co.spruce.mn.us</p> <p>TAXPAVER(S): John and Mary Johnson 123 Pine Rd S Spruceville, MN 55555-5555</p> <p>Property Information PIN Number: 01.234.56.789.R1 Property Address: 789 Pine Rd S Spruceville, MN 55555</p> <p>Property Description: Lot 1, Block 1, Spruce Acres Subdivision</p>	<table border="1"><thead><tr><th colspan="4">PROPOSED TAXES 2026</th></tr><tr><th colspan="4">THIS IS NOT A BILL. DO NOT PAY.</th></tr><tr><th>Step</th><th colspan="3">VALUES AND CLASSIFICATION</th></tr></thead><tbody><tr><td>1</td><td>Taxes Payable Year</td><td>2025</td><td>2026</td></tr><tr><td></td><td>Estimated Market Value</td><td>\$125,000</td><td>\$130,000</td></tr><tr><td></td><td>Homestead Exclusion</td><td>\$</td><td>\$33,0500</td></tr><tr><td></td><td>Taxable Market Value</td><td>\$125,000</td><td>\$116,950</td></tr><tr><td></td><td>Class</td><td>Res NHmstd</td><td>Res Hmstd</td></tr><tr><th>Step</th><th colspan="3">PROPOSED TAX</th></tr><tr><td>2</td><td>Property taxes before credits</td><td>\$1,562.46</td><td></td></tr><tr><td></td><td>School building bond credit</td><td>\$ 12.00</td><td></td></tr><tr><td></td><td>Agricultural market value credit</td><td></td><td></td></tr><tr><td></td><td>Other credits</td><td></td><td></td></tr><tr><td></td><td>Property taxes after credits</td><td>\$1,550.46</td><td></td></tr><tr><th>Step</th><th colspan="3">PROPERTY TAX STATEMENT</th></tr><tr><td>3</td><td colspan="3">Coming in 2026</td></tr><tr><td colspan="4">The time to provide feedback on PROPOSED LEVIES is NOW</td></tr><tr><td colspan="4"><i>It is too late to appeal your value without going to Tax Court.</i></td></tr></tbody></table>	PROPOSED TAXES 2026				THIS IS NOT A BILL. DO NOT PAY.				Step	VALUES AND CLASSIFICATION			1	Taxes Payable Year	2025	2026		Estimated Market Value	\$125,000	\$130,000		Homestead Exclusion	\$	\$33,0500		Taxable Market Value	\$125,000	\$116,950		Class	Res NHmstd	Res Hmstd	Step	PROPOSED TAX			2	Property taxes before credits	\$1,562.46			School building bond credit	\$ 12.00			Agricultural market value credit				Other credits				Property taxes after credits	\$1,550.46		Step	PROPERTY TAX STATEMENT			3	Coming in 2026			The time to provide feedback on PROPOSED LEVIES is NOW				<i>It is too late to appeal your value without going to Tax Court.</i>			
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<p>Proposed Property Taxes and Meetings by Jurisdiction for Your Property</p> <table border="1"><thead><tr><th>Contact Information</th><th>Meeting Information</th><th>Actual 2025</th><th>Proposed 2026</th></tr></thead><tbody><tr><td>State General Property Tax</td><td>No public meeting</td><td>\$0</td><td>\$0</td></tr><tr><td>County of Spruce Spruce County Courthouse 123 Spruce St Spruceville, MN 55555 www.co.spruce.mn.us (555) 123-4567</td><td>December 4, 7:00 PM</td><td>\$438.06</td><td>\$484.18</td></tr><tr><td>City of Spruceville Mayor's Office 456 Spruce St Spruceville, MN 55555 www.ci.spruceville.mn.us (555) 123-7654</td><td>December 2, 6:30 PM Spruceville City Hall</td><td>\$273.79</td><td>\$312.06</td></tr><tr><td>Spruceville School District 999 150 1st St N Spruceville, MN 55555 www.spruceville.k12.mn.us (555) 123-6789</td><td>December 9, 7:00 PM Spruceville High School Cafeteria</td><td></td><td></td></tr><tr><td>Voter Approved Levies Other Levies</td><td></td><td>\$289.35 \$340.11</td><td>\$296.68 \$374.60</td></tr><tr><td colspan="4"><i>Your school district was scheduled to hold a referendum at the November general election. If the referendum was approved by the voters, the school district's voter approved property tax for 2026 may be higher than the proposed amount shown on this notice.</i></td></tr><tr><td>Metro Special Taxing Districts</td><td></td><td>\$57.76</td><td>\$58.70</td></tr><tr><td>Spruceville Metropolitan Council www.spruce.metrocouncil.org (555) 555-5555 Spruceville, MN 55055</td><td>December 11, 7:30 PM Spruce Park Centre 500 Pine St.</td><td></td><td></td></tr><tr><td>Other Special Taxing Districts Tax Increment Tax</td><td>No public meeting</td><td>\$12.80 \$10.15</td><td>\$13.02 \$11.22</td></tr><tr><td>Total excluding any special assessments</td><td></td><td>\$1,422.02</td><td>\$1,550.46</td></tr><tr><td></td><td></td><td></td><td>9.6%</td></tr></tbody></table>		Contact Information	Meeting Information	Actual 2025	Proposed 2026	State General Property Tax	No public meeting	\$0	\$0	County of Spruce Spruce County Courthouse 123 Spruce St Spruceville, MN 55555 www.co.spruce.mn.us (555) 123-4567	December 4, 7:00 PM	\$438.06	\$484.18	City of Spruceville Mayor's Office 456 Spruce St Spruceville, MN 55555 www.ci.spruceville.mn.us (555) 123-7654	December 2, 6:30 PM Spruceville City Hall	\$273.79	\$312.06	Spruceville School District 999 150 1st St N Spruceville, MN 55555 www.spruceville.k12.mn.us (555) 123-6789	December 9, 7:00 PM Spruceville High School Cafeteria			Voter Approved Levies Other Levies		\$289.35 \$340.11	\$296.68 \$374.60	<i>Your school district was scheduled to hold a referendum at the November general election. If the referendum was approved by the voters, the school district's voter approved property tax for 2026 may be higher than the proposed amount shown on this notice.</i>				Metro Special Taxing Districts		\$57.76	\$58.70	Spruceville Metropolitan Council www.spruce.metrocouncil.org (555) 555-5555 Spruceville, MN 55055	December 11, 7:30 PM Spruce Park Centre 500 Pine St.			Other Special Taxing Districts Tax Increment Tax	No public meeting	\$12.80 \$10.15	\$13.02 \$11.22	Total excluding any special assessments		\$1,422.02	\$1,550.46				9.6%																								
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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

School District Property Tax Process



Approval of District's Tax Levy in 2025

(Payable 2026)



Overview of District's Proposed Tax Levy

- Proposed Payable 2026 tax levy is an increase from 2025 of \$530,483 or 1.21%
- Changes by levy category and reasons for major increases & decreases in levy are included on following slides



Comparison of Actual Tax Levy Payable in 2025 to Proposed Levy Payable in 2026

Fund	Payable 2026	Payable 2025	Dollar Change	Percent Change
General	\$ 23,409,532	\$ 23,571,284	\$ (161,752)	-0.69%
Community Service	\$ 1,137,035	\$ 1,216,057	\$ (79,022)	-6.50%
Debt Service	\$ 19,996,516	\$ 19,225,258	\$ 771,257	4.01%
TOTAL	\$ 44,543,082	\$ 44,012,599	\$ 530,483	1.21%



General Fund

Comparison of Actual Tax Levy Payable in 2025 to Proposed Levy Payable in 2026

	Proposed	Final	\$ Change	% Change
	Payable 2026	Payable 2025		
Referendum levy authority/Local optional	\$ 13,853,755	\$ 14,023,740	\$ (169,984)	-1.21%
Equity	\$ 225,153	\$ 232,943	\$ (7,791)	-3.34%
Transition	\$ 98,527	\$ 101,936	\$ (3,409)	-3.34%
Capital project referendum (voter approved)	\$ 4,157,873	\$ 4,145,195	\$ 12,677	0.31%
Operating capital	\$ 1,106,085	\$ 1,116,765	\$ (10,679)	-0.96%
Alternative teacher compensation	\$ 404,116	\$ 369,521	\$ 34,595	9.36%
Achievement and integration	\$ 250,475	\$ 232,805	\$ 17,669	7.59%
Reemployment insurance	\$ (220,991)	\$ 399,937	\$ (620,928)	155.26%
Safe schools	\$ 167,869	\$ 169,419	\$ (1,550)	-0.91%
Safe schools intermediate	\$ 69,945	\$ 70,591	\$ (646)	-0.91%
Career technical	\$ 154,715	\$ 227,461	\$ (72,746)	-31.98%
OPEB	\$ 171,184	\$ 440,208	\$ (269,024)	-61.11%
Long-term facilities maintenance	\$ 1,053,327	\$ 957,550	\$ 95,776	10.00%
Building leases	\$ 858,296	\$ 953,205	\$ (94,909)	-9.96%
Building leases Intermediate	\$ 262,194	\$ 277,258	\$ (15,063)	0.00%
TIF Adjustment	\$ (5,614)	\$ (374,020)	\$ 368,406	0.00%
Abatements	\$ 802,623	\$ 226,770	\$ 575,853	253.94%
Total	\$ 23,409,532	\$ 23,571,284	\$ (161,752)	-0.69%



Community Service Fund

Comparison of Actual Tax Levy Payable in 2025 to Proposed Levy Payable in 2026

	Proposed	Final	\$ Change	% Change
	Pay 2026	Pay 2025		
Community education levy	\$ 333,080	\$ 358,001	\$ (24,922)	-6.96%
Early childhood levy	\$ 167,073	\$ 216,643	\$ (49,570)	-22.88%
Home visitation levy	\$ 9,978	\$ 9,972	\$ 6	0.06%
School age care	\$ 587,127	\$ 616,464	\$ (29,337)	-4.76%
Adults with disabilities	\$ 5,324	\$ 5,753	\$ (429)	-7.46%
Abatements	\$ 34,453	\$ 9,223	\$ 25,230	273.56%
Total	\$ 1,137,035	\$ 1,216,057	\$ (79,022)	-6.50%



Debt Service Fund

Comparison of Actual Tax Levy Payable in 2025 to Proposed Levy Payable in 2026

	Proposed	Final	\$ Change	% Change
	Pay 2026	Pay 2025		
Scheduled Principal and Interest (105%)				
(Voter Approved)	\$ 18,144,060	\$ 17,591,760	\$ 552,300	3.14%
(LTFM/Capital Facilities)	\$ 2,180,903	\$ 2,179,066	\$ 1,837	0.08%
Reduction for Debt Excess				
(Voter Approved)	\$ (920,721)	\$ (619,644)	\$ (301,077)	51.41%
(LTFM/Capital Facilities)	\$ (110,670)	\$ (76,754)	\$ (33,916)	55.81%
Prior Year Levy Adjustments/Abatements				
(Voter Approved)	\$ 702,944	\$ 150,831	\$ 552,113	366.05%
Total	\$ 19,996,516	\$ 19,225,258	\$ 771,257	4.01%



Factors Impacting Individual Taxpayer School Taxes

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

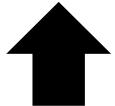
- Changes in value of individual property
- Changes in total value of all property within District
- Increases or decreases in levy amounts caused by changes in state funding formulas, local needs & costs, voter-approved referendums & other factors



What is happening with each slice?

- Each Property Owner pays a portion of the total levy

Higher Market Value Increase = Bigger Slice



Lower Market Value Increase = Smaller Slice



Four Year School Levy Comparison

- Examples include school district taxes only & are shown based on no change and a 3.5% increase in property value for residential homes over the past four years
 - Actual changes in value may be more or less than this for any parcel of property
 - Intended to provide a fair representation of what happened to school district property taxes over this period for typical properties
- Examples are for property in City of St. Louis Park
- Amounts for 2026 are preliminary estimates; final amounts could change slightly
- Estimates prepared by Ehlers (District's municipal financial advisors)



Estimated Changes in School Property Taxes, 2023 to 2026

Based on No Changes in Property Values

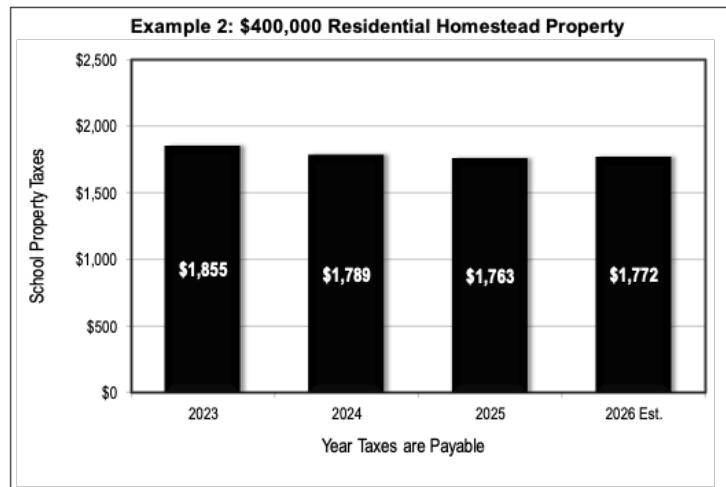
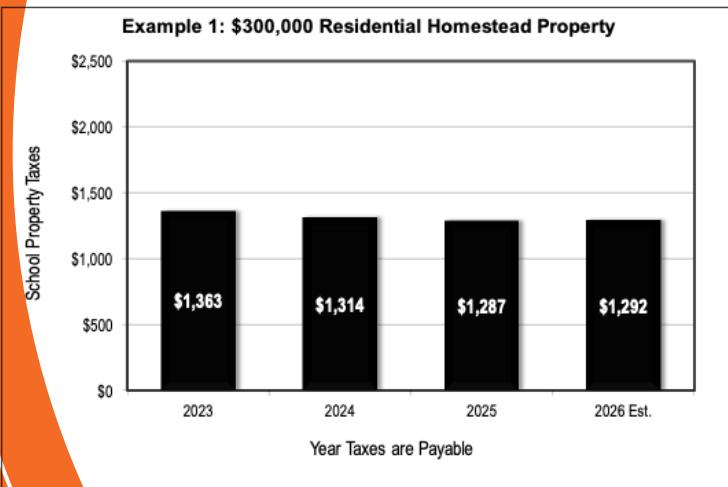
Type of Property	Estimated Market Value	Actual Taxes Payable in 2023	Actual Taxes Payable in 2024	Actual Taxes Payable in 2025	Estimated Taxes Payable in 2026	Change in Taxes 2023 to 2026	Change in Taxes 2025 to 2026
Residential Homestead	\$200,000	\$871	\$840	\$810	\$813	-\$58	\$3
	300,000	1,363	1,314	1,287	1,292	-71	5
	400,000	1,855	1,789	1,763	1,772	-83	9
	500,000	2,323	2,241	2,240	2,251	-72	11
	750,000	3,676	3,544	3,559	3,578	-98	19
	1,000,000	5,028	4,847	4,874	4,901	-127	27

General Notes

1. Amounts are based on school district taxes only, and do not include taxes for city or township, county, state, or other taxing jurisdictions.
2. Estimates of taxes payable in 2026 are preliminary, based on the best data available.
3. For all examples of properties, taxes are calculated based on no changes in estimated market value from 2023 to 2026.

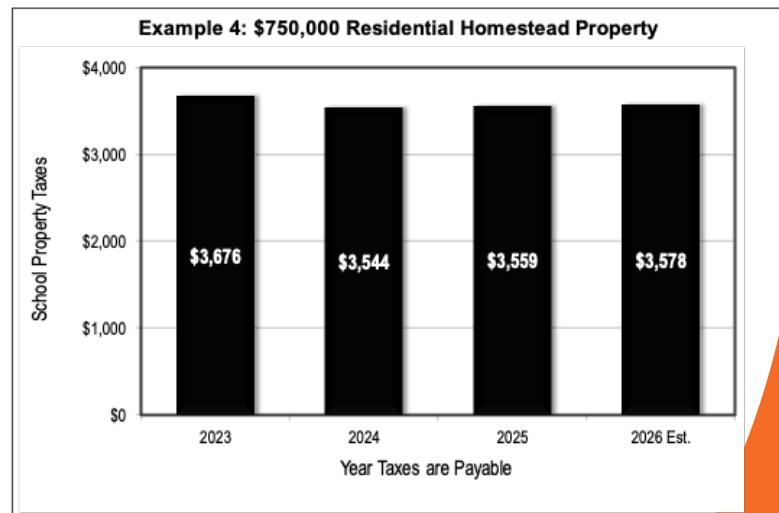
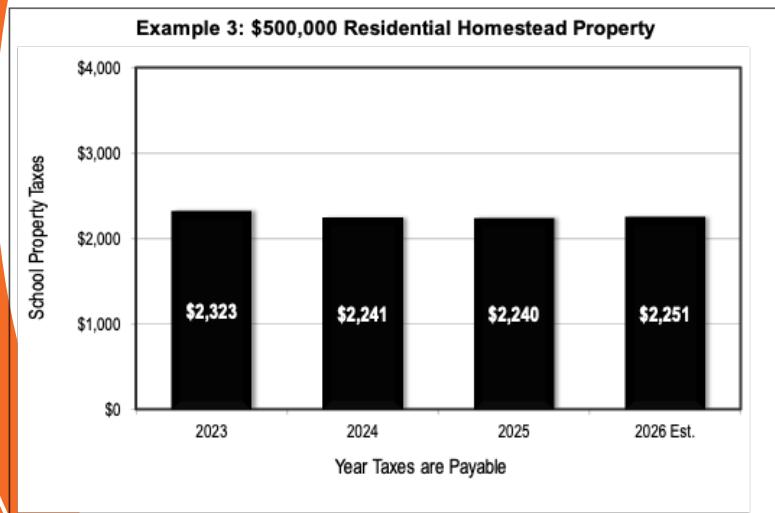
Estimated Changes in School Property Taxes, 2023-26

Based on No Changes in Property Value



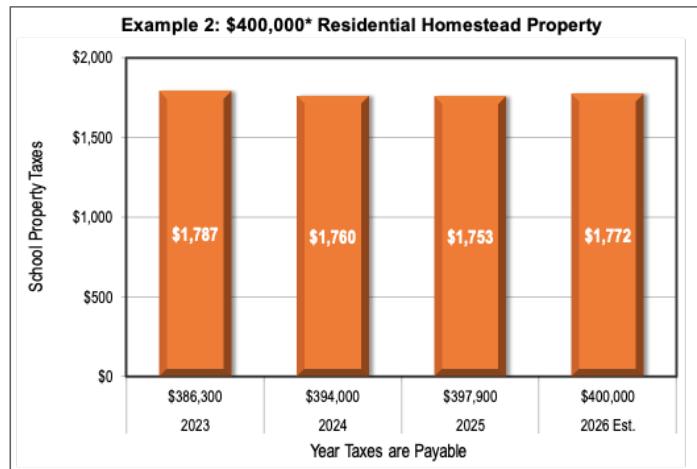
Estimated Changes in School Property Taxes, 2023-26

Based on No Changes in Property Value



Estimated Changes in School Property Taxes, 2023-26

Based on 3.5% Cumulative Changes in Property Value

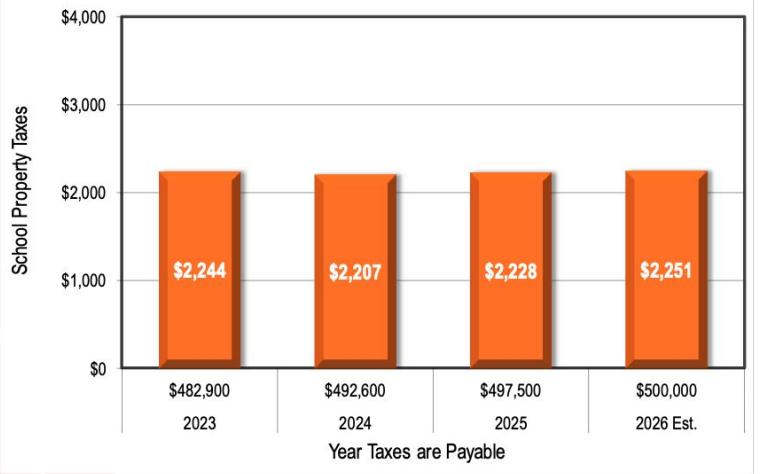


* Estimated market value for taxes payable in 2026. Taxes are calculated based on changes in market value of 2.0% from 2023 to 2024, 1.0% from 2024 to 2025 and 0.5% from 2025 to 2026.

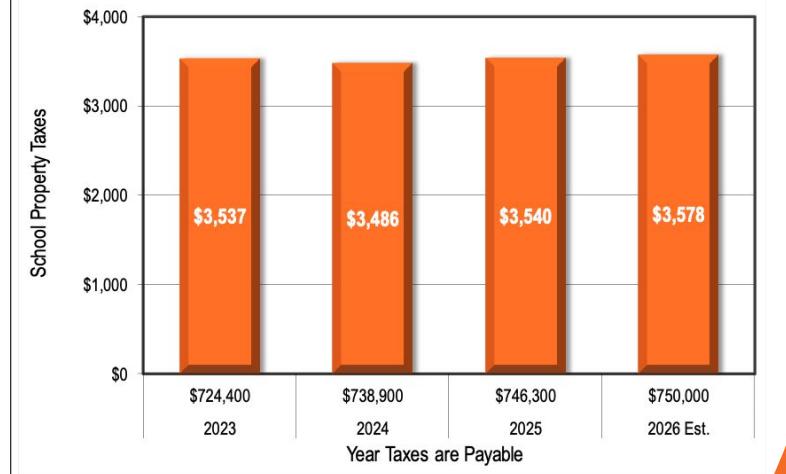
Estimated Changes in School Property Taxes, 2023-26

Based on 3.5% Cumulative Changes in Property Value

Example 3: \$500,000* Residential Homestead Property



Example 4: \$750,000* Residential Homestead Property



* Estimated market value for taxes payable in 2026. Taxes are calculated based on changes in market value of 2.0% from 2023 to 2024, 1.0% from 2024 to 2025 and 0.5% from 2025 to 2026.

Next Steps

Board accepts public
comments on
proposed levy

Board certifies 2026
property tax levy





**St. Louis Park Public
Schools, ISD 283
Public Hearing for Taxes
Payable in 2026**

PUBLIC COMMENTS