INDEPENDENT SCHOOL DISTRICT NO. 625
Saint Paul, Minnesota
TRUTH IN TAXATION HEARING MEETING OF THE BOARD OF EDUCATION
Administration Building
360 Colborne Street
Saint Paul, Minnesota 55102

December 1, 2026
6:00 PM

A G E N D A

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF THE ORDER OF THE MAIN AGENDA**
4. **PAY27 LEVY: PRESENTATION OF PROPOSAL** **2**
5. **PUBLIC TESTIMONY**
6. **ADJOURNMENT**

#BoldSubject#

Truth in Taxation Hearing
Pay 27 Levy Information

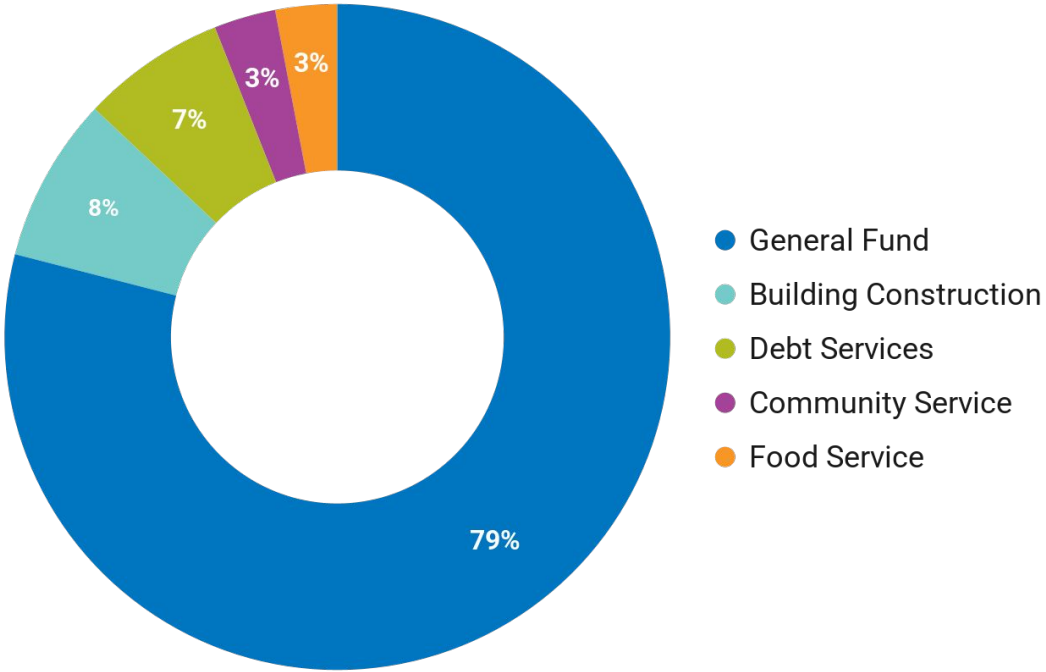
Special Meeting of the Board of Education
December 1, 2026
Tom Sager, Senior Executive Officer of Financial Services

The Basics

- School levy authority is established in law.
- The proposed school levy funds the 2027-28 school year. The FY28 budget will be adopted in June 2027.
- 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.

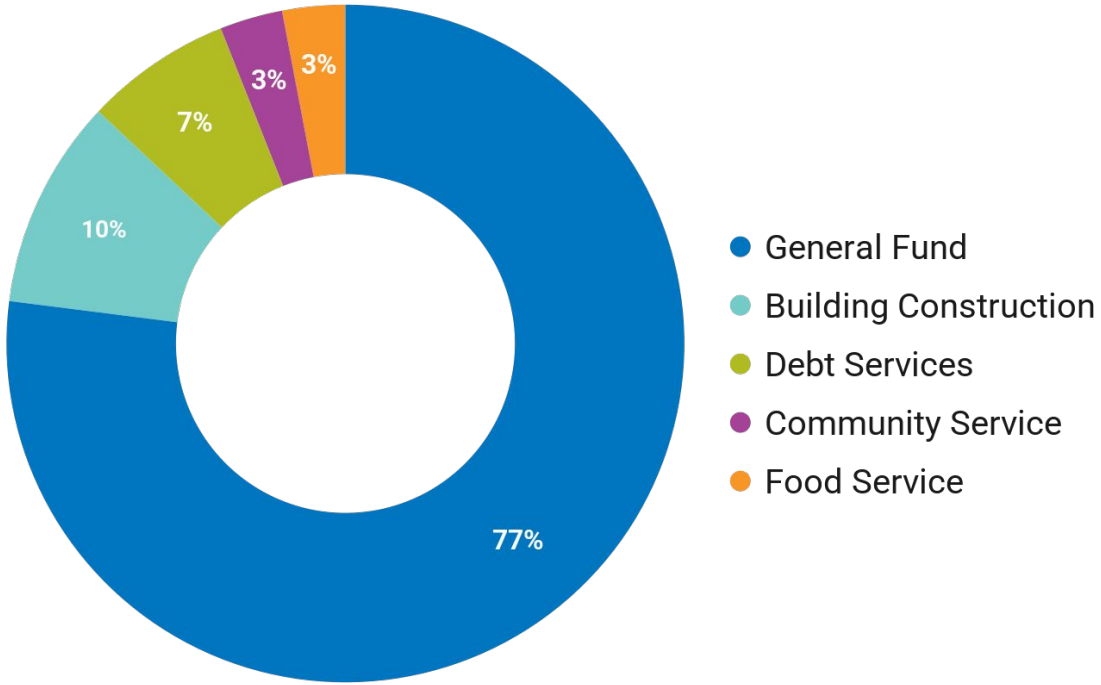
FY27 Total Revenue by Fund

Total Budgeted 2026-27 Revenues: $1,035,089,447

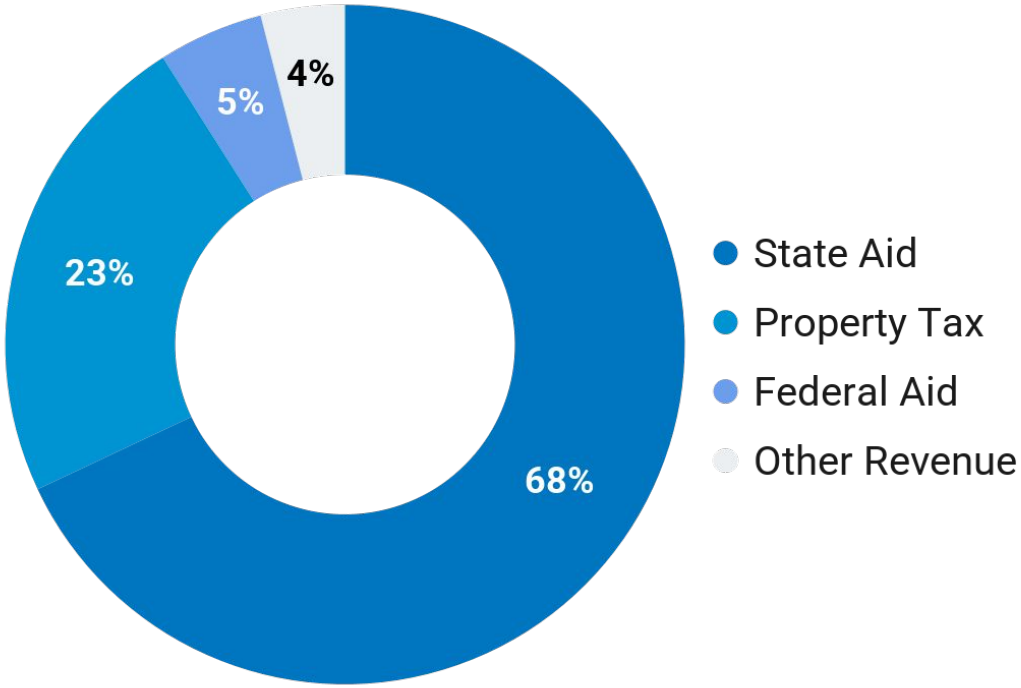


All Funds: Expenditure by Fund

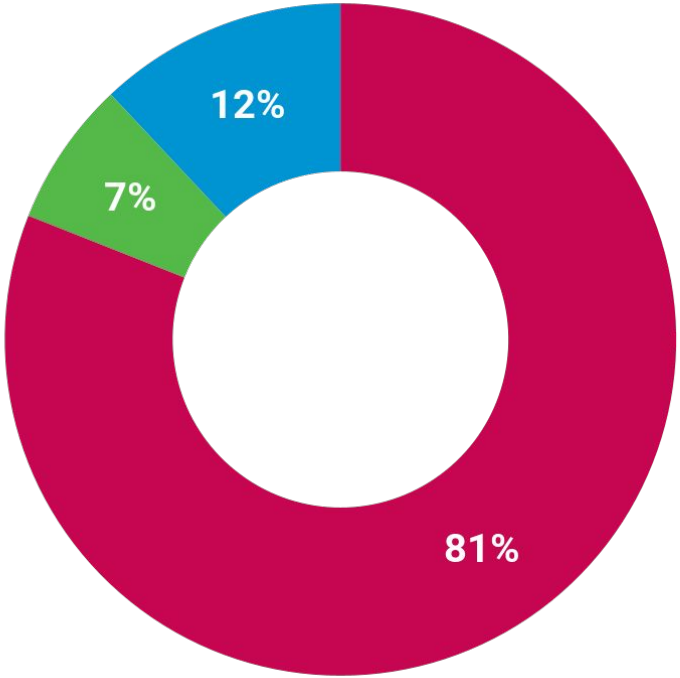
Total Budgeted 2026-27 Expenditures $1,064,333,209



2026-27 General Fund Revenue Sources $814,477,651



2026-27 General Fund Expenditures $814,463,530

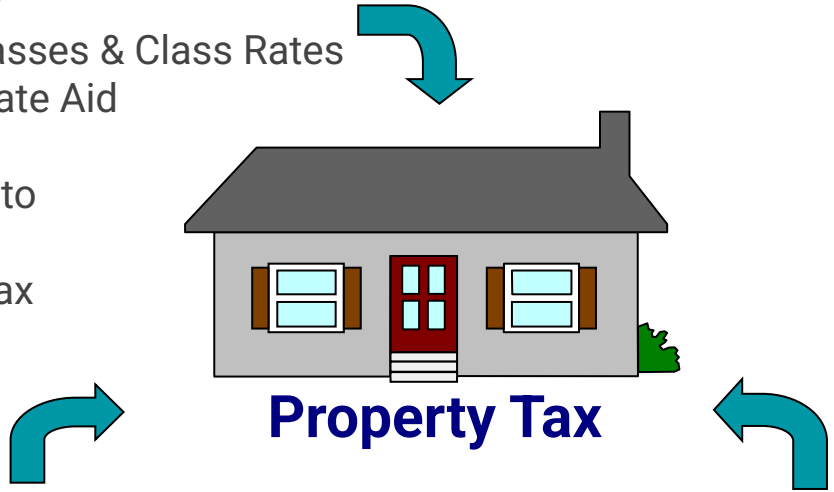


- School and Student Programs & Services
- Maintenance and Operations
- Administrative Support Services

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



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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

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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

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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 [11]
- 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 26 Levy	SPPS Proposed Pay 27 Levy	Difference
General	$185,829,424	$190,472,794	$4,643,370
Community Service	$2,978,697	$3,388,752	$410,055
Debt Service	$64,924,265	$72,849,610	$7,925,345 [12]
OPEB Debt Service	$0	$0	$0
Total – All Levy Categories	**$253,732,386**	**$266,711,156**	**$12,978,771**
Percent Change			**5.12%**

Key Drivers of the Pay 2027 SPPS Levy

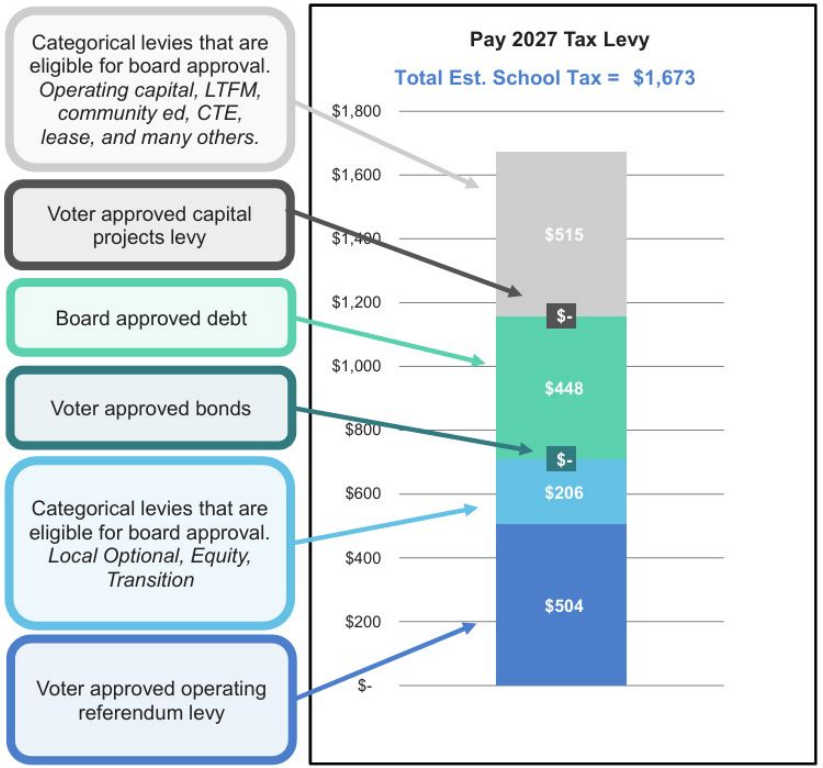
- Slightly lower enrollment count compared to what was used last year and from the September Preliminary Levy certification. This impacted the General Fund levy amount.
- Increase to Community Service/Education Fund

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- Continued investment in SPPS Builds initiative as outlined and Board approved in July 2026

SPPS: Estimated Pay 2027 Total School Taxes for Residential Homestead

Home Value= $290,300



Estimated Tax Impacts- Pay 2027

Property Value Increase
0.38%

Types of Property	Pay 2026 Value	Pay 2027 Est. Value	Pay 2026	Pay 2027	$ Change	% Change
Residential Homestead	$149,400	$150,000	$791	$784	($7)	-0.88%
	199,200	200,000	1,105	1,101	(4)	-0.36%
	249,100	250,000	1,420	1,418	(2)	-0.11%
	289,200	290,300	1,672	1,673	1	0.06%
	348,700	350,000	2,047	2,051	5	0.23%
	398,500	400,000	2,361	2,368	8	0.32%
	498,100	500,000	2,988	3,002	14	0.45%

Total Property Taxes Per Student

School System	Total Property Taxes Per Student
Minneapolis	$7,964
White Bear Lake	$7,788
South Washington County	$6,529
Roseville	$6,493
St. Paul	$5,991
Rosemount Apple Valley Eagan	$5,418
State Wide	$4,396
Centennial	$4,130
Anoka Hennepin	$3,723

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Source: Minnesota Department of Educational Financial Profiles - 2025

Property Taxes as a Percent of Total Budget

School System	Total District Revenue from Property Taxes
White Bear Lake	32.84%
South Washington County	29.56%
Minneapolis	29.13%
Roseville	27.12%
Rosemount Apple Valley Eagan	26.19%
Saint Paul	23.39%
State Wide	20.91%
Centennial	20.63%
Anoka Hennepin	18.84%

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Source: Minnesota Department of Educational Financial Profiles - 2025

Property Taxes as a Percent of General Fund

School System	General Fund Revenue from Property Taxes
South Washington County	25.24%
Rosemount Apple Valley Eagan	23.30%
White Bear Lake	23.08%
Minneapolis	21.66%
Roseville	20.39%
Saint Paul	18.64%
Anoka Hennepin	17.99%
State Wide	16.43%
Centennial	15.87%

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Source: Minnesota Department of Educational Financial Profiles - 2025

Debt Service Tax Revenue Per Student

School System	Debt Service Revenue per Pupil Served
Minneapolis	$3,684
White Bear Lake	$3,640
South Washington County	$2,104
Saint Paul	$2,013
Roseville	$1,894
State Wide	$1,667
Centennial	$1,266
Rosemount Apple Valley Eagan	$1,248
Anoka Hennepin	$365

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Source: Minnesota Department of Educational Financial Profiles - 2025

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, 2026; 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 27 Levy Calendar

	Date	Action
X	August-early September	District submits levy information to MDE
X	September 8	Preliminary run by MDE
X	September 21	JPTAC Meeting
X	September 22	Pay 27 Levy authorized at Regular Board of Education Meeting
X	September 30	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 1	Date for Public Truth in Taxation Hearing
	December 15	BOE certifies Pay 27 levy
	December 30	SPPS certifies Pay 27 levy to Ramsey County

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Truth in Taxation Hearing

Thank You