



# **Saint Paul Public Schools**

## **Special Meeting**

**Tuesday, September 25, 2018 6:00 PM**

**SAINT PAUL PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 625**

**BOARD OF EDUCATION**



**Zuki Ellis**  
*Chair*



**Steven Marchese**  
*Vice Chair*



**Jeanelle Foster**  
*Clerk*



**Jon Schumacher**  
*Treasurer*



**John Brodrick**  
*Director*



**Mary Vanderwert**  
*Director*



**Marny Xiong**  
*Director*



**ADMINISTRATION**  
**Dr. Joe Gothard**  
*Superintendent*

**BOARD OF EDUCATION COMMITTEES**

**Committee of the Board – Steven Marchese, Vice Chair**

**SPPS VISION STATEMENT**

*Imagine every student*  
Inspired, challenged, and cared for by exceptional educators  
*Imagine your family*  
Welcomed, respected, and valued by exceptional schools  
*Imagine our community*  
United, strengthened, and prepared for an exceptional future  
**Saint Paul Public Schools: Where imagination meets destination**

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**MISSION of the Saint Paul Public Schools – PREMIER EDUCATION FOR ALL**

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**Long-Range Goals Adopted by the Board:**

**HIGH ACHIEVEMENT**

Learners will meet the highest district and state standards through a learning journey that is academically rich and rigorous.

**MEANINGFUL CONNECTIONS**

Learners will understand the relationship between their lives and the lives of others, and the relevance of their educational experiences to their roles in society.

**RESPECTFUL ENVIRONMENT**

The learning environment will be safe, nurturing and equitable for our diverse learners.

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

**September 25, 2018  
6:00 PM**

**A G E N D A**

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF THE ORDER OF THE MAIN AGENDA**
- IV. OLD BUSINESS**
  - A. Action on the Pay19 Levy
- V. ADJOURNMENT**



# Proposed Pay19 Levy Board of Education

Marie Schrul  
Chief Financial Officer  
September 25, 2018



# Purpose



To provide Pay19 Levy information to the Board of Education and to set the maximum levy ceiling

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# Planning Assumptions

(staff estimate)



- All figures in this report are based on Administration's best estimates, using the statutory authorized amounts
- MDE provided updated Pay19 levy calculations on September 19
- MDE continues to make adjustments to the SPPS numbers through September
- Most districts certify their maximum levy



# The Basics



- School levy authority is established in law
- School budgets are a combination of state, federal and local funding, including the voter approved referendum
- Unlike cities and counties, Pay19 school levy funds the 2019-2020 school year
- Levies contribute to approximately 20% of SPPS budget \*
- Levy can only move down after October 1



# Proposed Pay19 Levy Ceiling

(for certification on 9/25/18)



Levy Category	Certified Pay18 Levy	SPPS Estimated Pay19 Levy Ceiling as of 9/19/18	Difference
Operating	\$50,250,404	\$53,967,603	\$3,717,199
Pension/OPEB/Contractual	38,930,211	39,544,458	614,247
Facilities	62,657,568	64,258,911	1,601,343
Community Service	<u>3,626,763</u>	<u>3,779,160</u>	<u>152,397</u>
<b>Total – All Levy Categories</b>	<b>\$155,464,946</b>	<b>\$161,550,132</b>	<b>\$6,085,186</b>
<b>Percent Change</b>			<b>3.91%</b>





# Estimated Pay19 Levy Ceiling

(with additional Referendum funding request)



Levy Category	Certified Pay18 Levy	Estimated Pay19 Levy Ceiling (with additional funding request)	Difference
Operating	\$50,250,404	\$ 72,467,603*	\$ 22,217,199*
Pension/OPEB/Contractual	38,930,211	39,544,458	614,247
Facilities	62,657,568	64,258,911	1,601,343
Community Service	<u>3,626,763</u>	<u>3,779,160</u>	<u>152,397</u>
<b>Total – All Levy Categories</b>	<b>\$155,464,946</b>	<b>\$ 180,050,132</b>	<b>\$ 24,585,186</b>
<b>Percent Change</b>			<b>15.81%</b>

\*The SPPS estimated Pay19 Levy Ceiling amount includes the \$18.6m funding request to increase the Operating Levy in November 2018.



# Estimated Annual Property Tax Impact from 2018 to 2019



## Assuming a 0% Increase in Market Value

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Home Estimated Market Value	Estimated change at 3.91% levy increase without School Referendum	Estimated change at 15.81% levy increase with School Referendum
\$75,000	\$ (5.25)	\$ 48.98
100,000	(9.41)	62.89
186,200	(24.10)	110.53
200,000	(26.47)	118.14
300,000	(43.53)	173.39
400,000	(60.57)	228.64
500,000	(76.03)	285.49

Source: Ramsey County

Median home market value is \$186,200

9/24/18



# Estimated Annual Property Tax Impact Home from 2018 to 2019



Assuming a 7.1% Increase in Market Value

Home Estimated Market Value	Estimated change at 3.91% levy increase without School Referendum	Estimated change at 15.81% levy increase with School Referendum
\$75,000	\$ 13.21	\$ 67.44
100,000	27.61	99.91
186,200	44.81	179.44*
200,000	48.09	192.70
300,000	68.05	284.97
400,000	88.02	377.23
500,000	97.86	459.38

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Source: Ramsey County. The median home market value is \$186,200.

\*The estimated tax impact for the Referendum funding request on an average homeowner would be approx. \$11/mo (\$179.44-\$44.81=\$134.63/12=\$11.22)



# Estimated Annual Property Tax Impact Commercial/Industrial from 2018 to 2019



Assuming a 6.1% Increase in Market Value

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Commercial/ Industrial Estimated Market Value	Estimated change at 3.91% levy increase without School Referendum	Estimated change at 15.81% levy increase with School Referendum
200,000	\$ (34.82)	\$ 122.29
495,450*	(107.36)	286.03
500,000	(108.09)	288.59
1,000,000	(230.29)	566.20

Source: Ramsey County

\*Median commercial/industrial market value is \$495,450



achievement



# Pay 19 Levy Calendar

	Date	Action
X	August-early Sept	District submits levy information to MDE
X	September 7	MDE provides preliminary calculations
X	September 11	COB discusses Pay19 levy
X	September 18	Pay19 Levy Update to BOE
X	September 24	JPTAC (Joint Property Tax Advisory Committee) adopts joint levy resolution
X	September 25	BOE to set Pay19 levy ceiling (Special BOE meeting at 6pm)
	October 1	SPPS provides Pay19 levy ceiling data to Ramsey County and MDE.
	Oct 7 – Oct 22	SPPS mails notice of referendum to each taxpayer in the district
	November 6	General Election/Operating Levy (Referendum) increase vote
	November 7	MDE adjusts the Pay19 levy ceiling based on Nov 6 election results
	Oct 1 – Nov 10	Ramsey County calculates taxes and prepares tax statements
	November 15	Anticipated Ramsey County mailing of tax statements
	December 4	Proposed Date for Public Hearing
	December 18	BOE certifies Pay19 levy
	December 28	SPPS certifies Pay19 levy to Ramsey County

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# Requested Action



- Approve the maximum Pay19 levy ceiling as authorized and reported by the Minnesota Department of Education (MDE)
- The Taxation and Budget Hearing has been set by the SPPS Board of Education for December 4, 2018 at 6:00 pm (360 Colborne Street, Rooms A & B)

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# Questions