

Joint Property Tax Advisory Committee

Saint Paul School District #625
651-767-8152

City of Saint Paul
651-266-8510

County of Ramsey
651-266-8008

AGENDA

Monday, June 23, 2025

8:30 a.m. – 10:00 a.m.

15 West Kellogg Boulevard, Saint Paul, MN 55102
Courthouse Room 220 – Board Conference Room

1. Call the Meeting to Order & Opening Remarks
2. Approve Agenda
3. Approval of the September 23, 2024 Minutes
4. SPPS Superintendent Stacie Stanley Welcome Remarks
5. Presentation on the general budget, State Legislature, and Federal Government results and potential impacts by Jurisdiction
 - a. City of Saint Paul
 - b. Ramsey County
 - c. Saint Paul Public School District
6. Other member discussion of other topics
7. Member Discussion of Agenda and Future Meeting Dates

Future meeting dates include:

 - a. September 15, 2025 (not yet on calendars) SPPS with gavel
 - b. January 26, 2026 (not yet on calendars)
 - c. March 23, 2026 (not yet on calendars)
 - d. June 22, 2026 (not yet on calendars)
8. Adjourn

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Monday, September 23, 2024

8:30 a.m. – 10:00 a.m.

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Courthouse Room 220 – Board Conference Room

| Jurisdiction | JPTAC Members | Present | Absent |
|-----------------------------|-----------------------------------|-------------------------------------|--------------------------|
| City of Saint Paul | Chair, Deputy Mayor Jaime Tincher | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| City of Saint Paul | Councilmember Mitra Jalali | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| City of Saint Paul | Councilmember Cheniqua Johnson | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| City of Saint Paul | Councilmember HwaJeong Kim | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Ramsey County | County Manager Ling Becker | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Ramsey County | Commissioner Mai Chong Xiong | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Ramsey County | Commissioner Rena Moran | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Ramsey County | Commissioner Victoria Reinhardt | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Saint Paul Schools District | Superintendent John Thein | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Saint Paul Schools District | Board Member Carlo Franco | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Saint Paul Schools District | Board Member Halla Henderson | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Saint Paul Schools District | Board Member Yusef Carillo | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

1. Call to Order:

The meeting was called to order at 8:30 a.m. by Chair Jaime Tincher, City of Saint Paul. A quorum was present.

2. Welcome and Introductions:

Chair Jaime Tincher opened the meeting with welcome remarks and introductions of the JPTAC members as well as staff present during the meeting. Introductions occurred and remarks were made by Interim Superintendent John Thein.

3. Approval of September 23, 2024 Agenda

Motion to approve the September 23, 2024 Agenda by Chair Jamie Tincher and seconded by Board Member Yusef Carillo. The motion was approved.

4. Approval of the June 24, 2024 Minutes

Motion to approve the June 24, 2024 Minutes by Chair Jamie Tinchler and seconded by Board Member Yusef Carillo. The motion was approved.

5. Presentation on the patterns of valuations, review taxation & budget models, and the impact of the joint levy

Tracy West, Director of Property Tax, Records and Election Services and County Auditor/Treasurer, Ramsey County came up to the table to present on taxation and budget models along with impacts each budget will have on the levy.

6. Budget Highlights by Jurisdiction

a. City of Saint Paul

Madeline Mitchell, Budget Manager, from City of Saint Paul presented the proposed 2025 Mayor's Budget to the Committee Members.

b. Ramsey County

Susan Earle, Director of Finance, from Ramsey County presented the 2025 Recommended Supplemental Budget by Ramsey County Manager to the Committee Members.

c. Saint Paul Public School District

Tom Sager, Executive Chief Financial Services Officer from Saint Paul Public Schools presented the FY25 Budget and Pay 2025 Property Tax Levy to the Committee Members.

7. Action Required: Adoption of Maximum Joint Levy

The Joint Resolution was listed in Committee Members packets on slide 10 labeled Joint Resolution. Commissioner Reinhardt moved to adopt the maximum joint levy and seconded by Councilmember Kim. The motion prevails by acclimation and the joint resolution was approved.

8. Joint Debt Book Presentation

Through JPTAC, an ad hoc sub-committee was formed called the Joint Debt Advisory Committee (JDAC). The JDAC works on cross-jurisdiction communication, planning, and coordination regarding debt issuances. JDAC's goal is to coordinate and monitor the impact of general obligation, property tax supported bonds in the City of Saint Paul. A report and presentation is prepared every two years.

Neal Youngmans, Debt Manager from the City of Saint Paul and Tom Sager, Executive Chief Financial Services Officer from Saint Paul Public Schools approached the table to give the presentation to the Committee Members.

Motion to approve the JDAC Report from 2023 by Chair Jamie Tinchler and seconded by Board Member Yusef Carillo. The motion was approved.

9. Update on SPPS Superintendent Search

Saint Paul Public Schools Board Chair Halla Henderson and Interim Superintendent John Thein provided Committee Members with an update on SPPS Superintendent

Search and that interviews should occur in January or February with the goal for the new Superintendent to start in Spring 2025.

10. Other member discussion of other topics

Committee Members made a request for common templates for presentations for future meetings.

11. Member Discussion of Agenda and Future Meeting Dates

Future meeting dates include:

- a. January 13, 2025 (confirmed and on calendars)
- b. March 24, 2025 (not yet on calendars)
- c. June 23, 2025 (not yet on calendars)
- d. September 15, 2025 (not yet on calendars) SPPS with gavel

The January 13, 2025 meeting was on Committee Members calendars.

In preparation for the January meeting, the request by Committee Members is to have the government relations staff as done in previous years to present their respected 2025 legislative platforms with an eye on issues that have direct links and impacts to the property tax base.

The committee will decide later whether to hold the March meeting, which is occasionally canceled to focus on legislative session.

12. Adjourn

Chair Jaime Tincher made a motion to adjourn, and it was seconded by Commissioner Victoria Reinhardt at 10:06 a.m. The motion was approved.



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CITY OF SAINT PAUL

2026 Budget Outlook JPTAC Meeting June 23, 2025



2026 City Budget Process

| Mayor's proposed budget development | March 2025 – July 2025 |
|--|-----------------------------|
| Release of Mayor's budget proposal | August 2025 |
| Council review of Mayor's proposed budget, including presentations by City departments | August 2025 – November 2025 |
| Maximum levy set | September 2025 |
| Truth in Taxation hearing | December 2025 |
| Budget and final levy adoption | December 2025 |



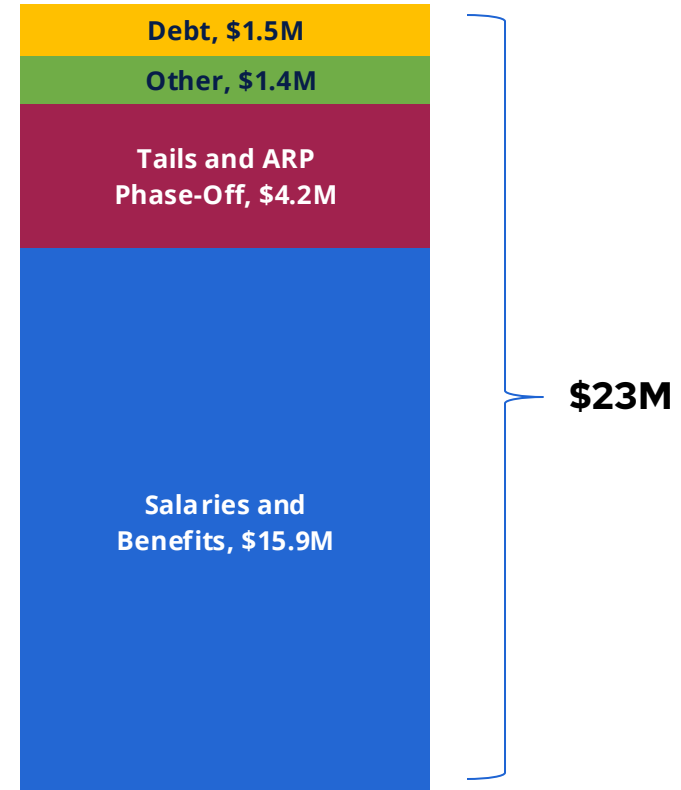
A Perfect Storm of Converging Challenges

- Inflationary cost growth
- Sunsetting of key funding sources
- Shifting tax burden
- Rising external risks and volatility



2026 Budget Environment

- Preliminary budget gap: **\$23 million**
- Expiring one-time funds
- Revenue challenges
- External risks and volatility





2026 Budget Gap: Increasing Inflationary Pressures

- Salary and benefit growth of \$16M due to:
 - COLAs and step increases (contractual obligations)
 - Rising health insurance premiums
 - Pension contributions and other benefits
 - New paid leave requirement
- Additional pressure on utilities, technology, and insurance

These are essential investments in our workforce and infrastructure - but they're expensive and growing.

| | |
|-------------------------------------|-------------------|
| Salary and benefit growth | 14,854,000 |
| New: Paid Leave | 1,023,000 |
| Other Inflationary Adjustments | 718,000 |
| Total Inflationary Pressures | 16,595,000 |

Not reflected: additional pressure due to tariffs.



2026 Budget Gap: Expiring Lifelines, Tails, and Revenue Challenges

- Planned phase-offs of federal sources (\$2.4M)
- Tails or ongoing costs increases (\$1.9M)
- Removal of one-time revenue, existing debt obligations, and uncertainty around state aid (\$2.1M)

| | |
|-------------------------|------------------|
| Federal Funds Phase-Off | 2,363,000 |
| Other Tails | 1,878,000 |
| Revenue Challenges | 2,164,000 |
| Total | 6,405,000 |



Property Tax Stress

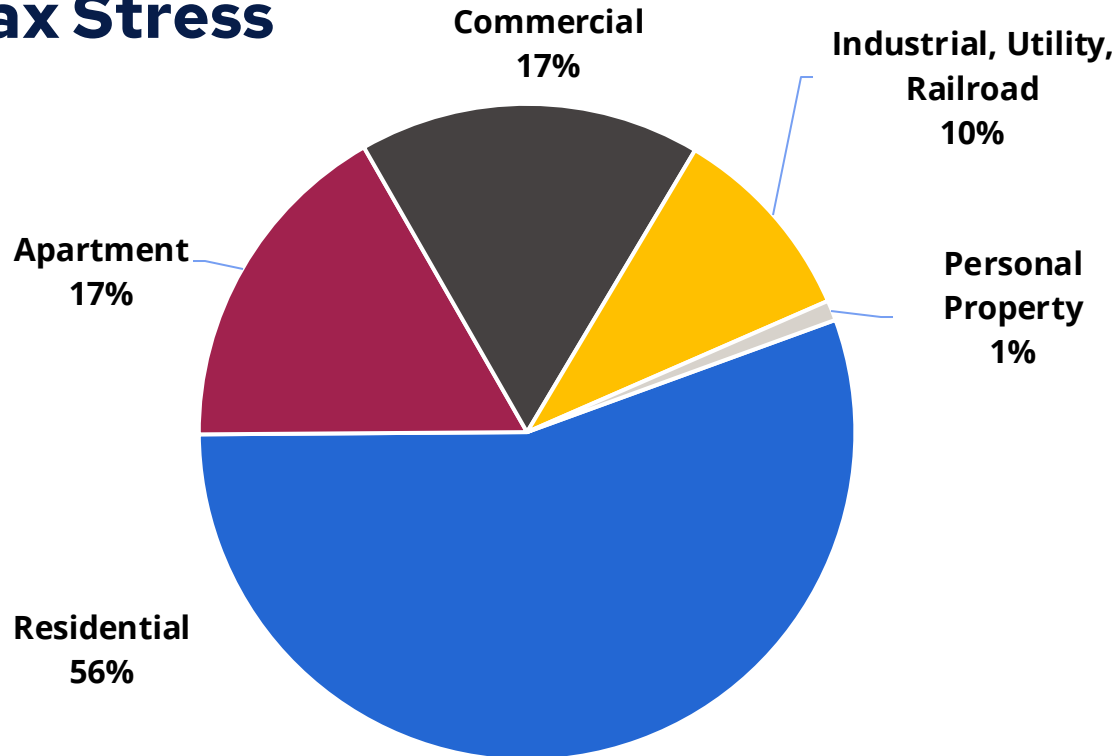
Declining commercial and apartment values are shifting the property tax burden to residential taxpayers:

Saint Paul Net Tax Capacities (2025-2026)

| | Residential | Commercial | Industrial, Utility, Railroad | Apartment | Personal Property | Total |
|----------|---------------|--------------|-------------------------------------|--------------|----------------------|---------------|
| 2025 | \$228,130,004 | \$68,781,212 | \$39,685,965 | \$67,868,451 | \$4,738,361 | \$409,203,993 |
| Est 2026 | \$240,201,666 | \$65,633,337 | \$40,094,932 | \$64,289,090 | \$4,761,100 | \$414,980,125 |
| % Change | 5.29% | -4.58% | 1.03% | -5.27% | 0.48% | 1.41% |



Property Tax Stress





External Uncertainty

- Federal risks
 - Reconciliation bill
 - Grant funding
 - Targeted hostility toward cities
- Tariffs and trade policy
- State policy and funding risks
 - Structural imbalance in the tails
 - Potential special session
- Funding and Cost Shifts for partner organizations



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CITY OF SAINT PAUL

Legislative Session Impacts



Legislative Session Impacts

- Preserving Local Government Aid
 - Penalty Forgiveness City of Baldwin and changes to Payable 2026 for Saint Paul
- Repeal of Local Cannabis Aid for Cities and Counties
 - 10% of total number of stores and funding related to the formula returned to the general fund
 - Impacts on Licensing, Safety, and Inspections
- Paid Family Medical Leave
 - Program starts 01/01/2026 - No changes to the program
 - Payroll tax lowered from 1.2% to 1.1% - starting at 0.88%
- Lack of investments in capital investment, economic development, downtown revitalization, housing infrastructure bonds, and unsheltered homelessness funding



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CITY OF SAINT PAUL

Federal Funding Impacts



Current National Landscape

- Unpredictability creating uncertainty
- Speed of executive orders is hitting implementation reality of federal employee firings
- Major contracts immediately terminated with less than 24-hour notice (State of Minnesota COVID/public health grants)
- Some of the major actions are halted through a preliminary injunction while lawsuits are underway



Current City Landscape

- \$259.1 million in multi-year receivable federal funding
 - \$192.2 million in grants actively under contract
 - \$66.8 million in grants awarded but currently in the negotiation/pre-award phase
- \$66.4 million in pending grant proposals
- FY25 approved budget: \$86.4 million in Federal revenue
 - \$67.3 million is for Water's Lead-Free Service Lines and McCarron's projects
- This data includes pass-through funding from the State and other partners



Saint Paul's Federal Grant Impact

- A combined \$7.3 million in nearly completed construction for Como Park Zoo & Conservatory geothermal upgrades and the North End Community Center;
- With state funding, funds the 10-year plan to replace 26,000 lead service lines to residential homes;
- Supports 28,400 high school intern hours with the city's year-round Right Track program;
- New forestry youth job program will fund approximately 1,800 trees scheduled to be planted, and 1,100 stumps planned for removal over five years;
- \$3 million annually in redevelopment grants for new affordable housing and business and economic development;
- Supports emergency response and public safety training programs and personnel;
- Supports personnel and resources for unsheltered work;
- And much more.



Risk Assessment of Grant Portfolio

- High-risk agencies defined as:
 - Cancelled contracts in the news
 - Agencies with fast-moving leadership
 - Agencies cut to the statutory minimum
- Risk factors internally:
 - Impact to city employees, services
 - Meets a statutory requirement
 - High monthly cashflow needs



Contingency Planning Scenarios

- Sudden contract termination – We receive 24-hour notice that a grant contract is cancelled
- No grant renewal – Contract expires as usual but there is no renewal contract to replace those funds
- Interruption in funding period – Contract expires and replacement funding is delayed or does not start when the contract ends
- Decrease in indirect rate – Indirect rate is capped at 15% and we are unable to fully recoup our administrative costs



Contingency Planning Components

- Short-term and long-term response
- Project timing and go/no go milestones
- FTE impacts including alternate funding sources, terminations, collective bargaining requirements
- Vendor contracts including term clauses for insufficient funding
- Back-up funding options
- Community impact



Mitigation Efforts

- Identified alternative funding sources for high-risk grants that have allowed them to move forward with the program this year
- Increased cadence of reimbursement requests to federal agencies to decrease our financial exposure
- Added termination language for cancelled grant agreements in vendor contracts
- Passed back-up bonding resolution for capital projects currently complete
- Increased scrutiny of federal grant applications and contracts for unacceptable immigration enforcement language



JPTAC Meeting

June 23, 2025



2026-27 Biennial Budget Background

Budget Process + Organizational Alignment

Seizing the moment:

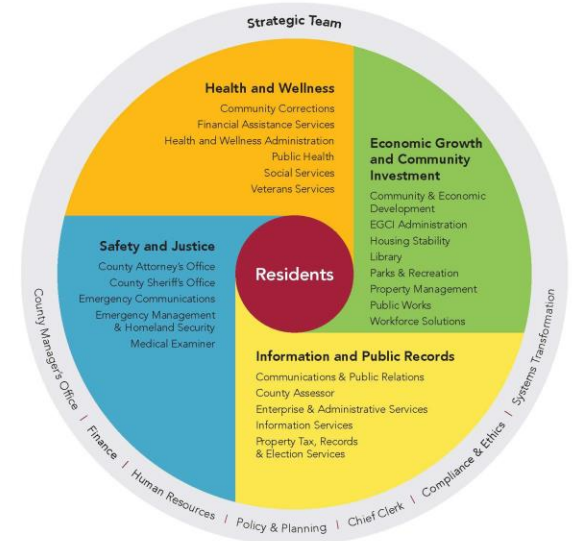
- An opportunity to review and refine the current organizational structure.

Building a stronger foundation for excellence:

- Ensuring the strong foundation is in place to achieve the organization's vision, mission, goals and strategic plan.

Unifying for impact:

- Applying a unified "One Ramsey County" approach to better serve our community through aligned systems, staff and services.



Ramsey County Biennial Budget 2026-27

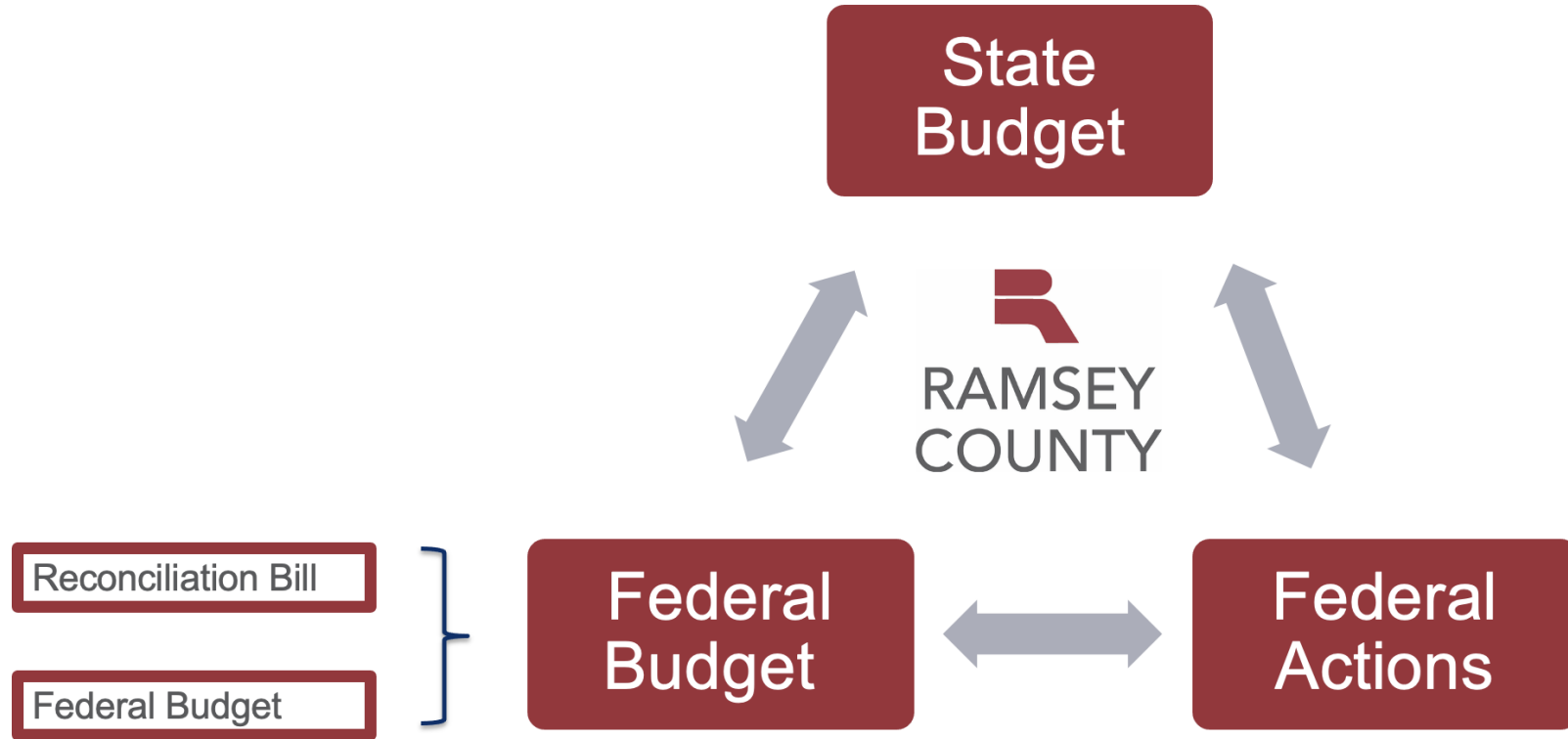
Ramsey County Core Comparators:

Key Drivers

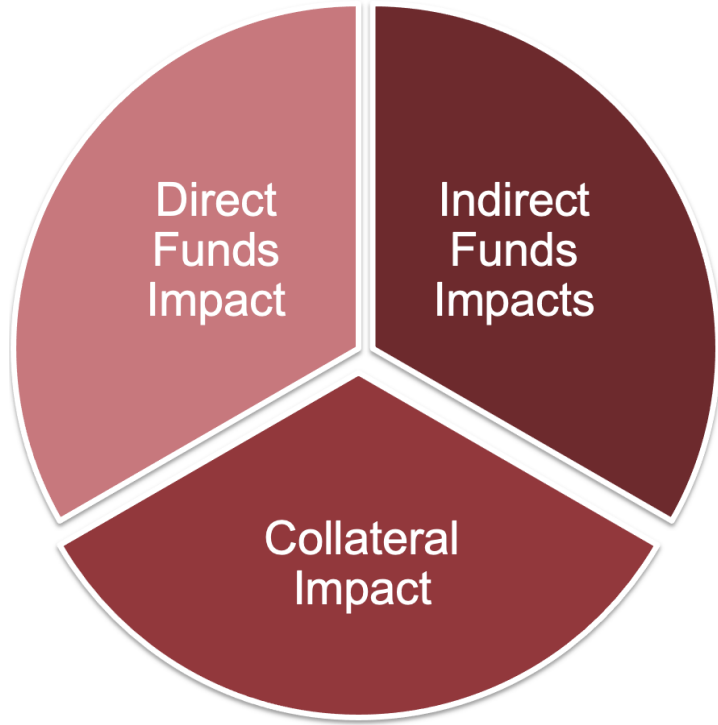
- Employee Investments & Legislative Mandates
 - Settled 21 labor contracts through 2027
 - Updated class and compensation
 - Implement Parental and Family Leave
- Investments in human services and county responsible core services.
- Reducing population in Adult Detention Center
- State Budget, Federal Budget, and Federal Actions



Unprecedented Times – Tri Realities



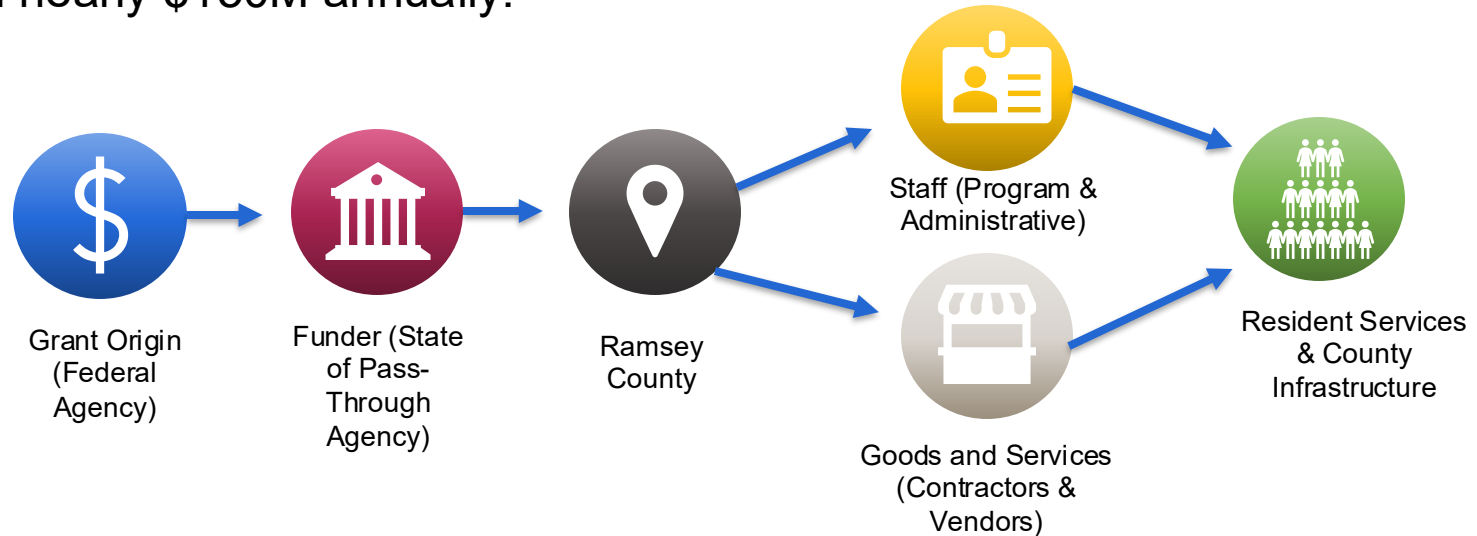
Prism of Impacts



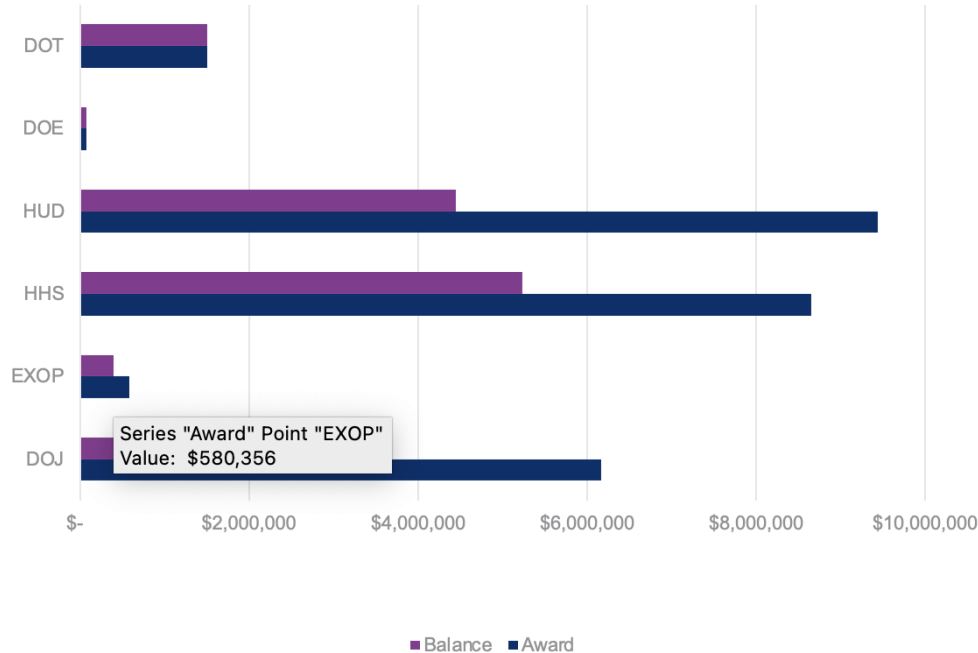
| Funding Type | Impacted Areas | Examples |
|----------------|--|---|
| Direct Funds | County investments | PH COVID Grant |
| Indirect Funds | Broader Ramsey County investments | <ul style="list-style-type: none">• Transportation projects funding to state, cities, etc.• Non- profits |
| Collateral | Effects to Ramsey County residents and employees | <ul style="list-style-type: none">• Reductions in federal staff impacting our services or services to residents• Data elimination• Demoralizing public service• Trauma and harm to community |

Federal Grants and Ramsey County

- Nearly 100 federal grants.
- Total nearly \$150M annually.



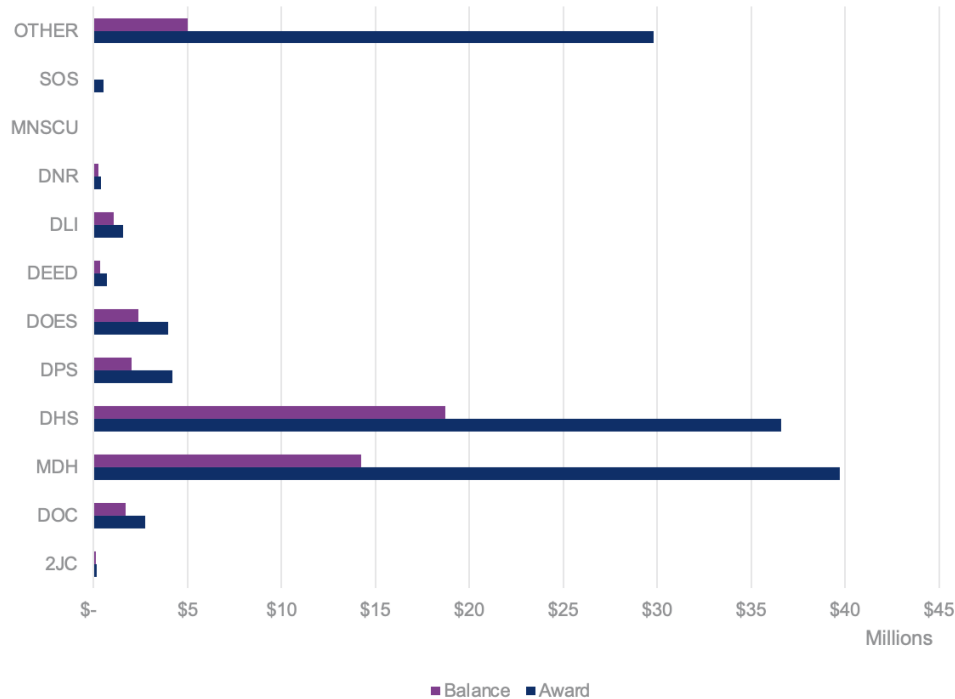
Direct Federal Awards by Agency FY25



Sources of Direct Awards

- DOT – U.S Treasury Department
- DOE – U.S Department of Energy
- HUD – Housing & Urban Development
- HHS – Health & Human Services
- EXOP – Executive Office of the President
- DOJ – U.S. Department of Justice

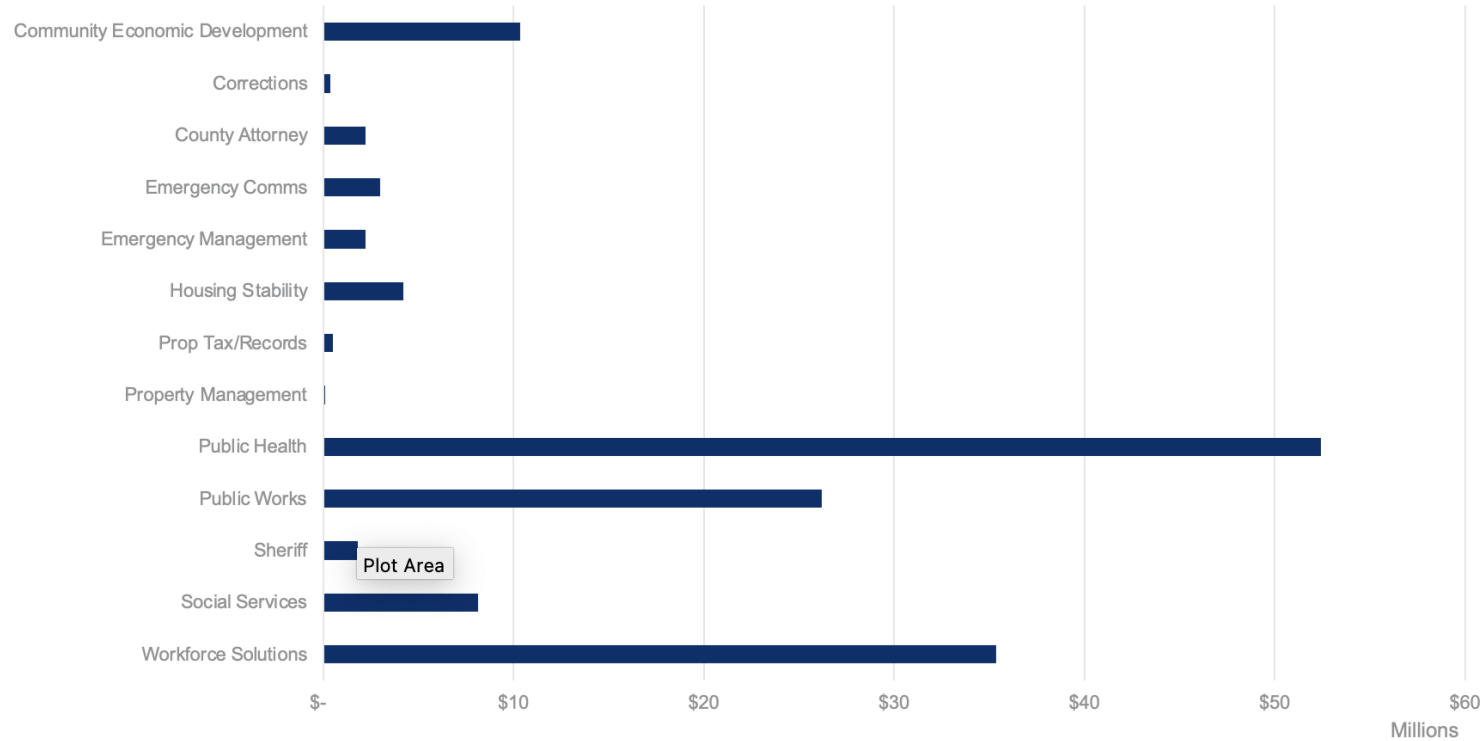
Pass-Through Awards FY25



Pass-Through Agencies

- Other
- SOS – Secretary of State
- MNSCU – MN State Colleges and Universities
- DNR – MN Department of Natural Resources
- DLI – MN Department of Labor & Industry
- DEED – MN Department of Employment & Economic Development
- DOES – MN Department of Economic Security
- DPS – MN Department of Public Safety
- DHS – MN Department of Human Services
- MDH – MN Department of Health
- DOC – MN Department of Corrections
- 2JC – 2nd Judicial Court

Funds by Department



Ongoing Complexities... Increasing Costs to County

- Newly established Long -Term Services and Supports Advisory Council is charged to identify savings of approximately \$180 million by December 2026.
- Potential reduction in reimbursement for MNChoices assessments.
- Increase costs in Anoka Metro Regional Treatment Center (AMRTC) daily per diem.
- Increases in costs and ongoing need for child protection services to prevent harm and better serve families and children.
- Repeal of Local Cannabis Aid; City and County sales tax redirected to state to help balance state deficit.

Defending and protecting county level funds - if special state session and in upcoming budgets

- Transportation Sales Tax
- Local Affordable Housing Aid
- Opioid Funds
- Serving as the community's social safety net – county core responsible.

Ramsey County Medicaid and SNAP

- In 2023, 37% of Ramsey County residents received Medicaid (Medical Assistance or MA) for at least one month of the year.
- There are currently 85,000 MA cases in Ramsey County.
- Currently there are 35,000 SNAP cases in Ramsey County.
- A significant number of these cases could lose eligibility due to work requirements.



What is the impact of Medicaid proposals Ramsey County residents?

- Complex new requirements could cause:
 - Eligible individuals to lose and/or not access coverage, disproportionately impacting vulnerable groups.
 - “Enrollment churn” with enrollees losing coverage as soon as their eligibility is reverified.
 - Longer waits for essential services, while the county completes required paperwork.
 - Less time with county staff.
 - Greater frustration.
- As a result, MN Department of Human Services (MN DHS) estimates that up to 253,000 Minnesotans could lose Medicaid coverage under these new requirements.

What is the impact of SNAP proposals Ramsey County residents?

- Increased administrative burden and longer wait times for people seeking an eligibility determination for benefits.
- In the 2022–2023 school year, 27.8% of Minnesota kindergarteners — more than 18,000 children — entered school with the support of SNAP.
- Children under the age of 18 are also the largest age group that benefits from the Supplemental Nutrition Assistance Program (SNAP) comprising 37% of the county's program participants.
- Adults 55 and older are the second-highest group after children, with 20% of SNAP program participants.
- As of 2023, 48% of the total black/African population in Ramsey County is on SNAP, additionally, 31% of all Asian, 71% of all American Indians and only 8% white residents are on SNAP.

Budget Timelines

Timeline for property value 2025, taxes payable 2026

| | |
|---|--------------|
| Every property valued and classified. | Jan. 2, 2025 |
| Value notice mailed. | March 2025 |
| Value is open to appeal until June 2025. <ul style="list-style-type: none">• All 2025 value appeals must go through MN Tax Court after this date.• MN Tax Court appeals are accepted until April 2026.• MN.gov/tax-court/ | June 2025 |
| Notice of estimated property tax mailed. | Nov. 2025 |
| County budget finalized. | Dec. 2025 |
| Property tax statement mailed. | March 2026 |

Property Tax Timeline

2025

- **June:** 2025 Estimated Market Values (payable 2026)
- **August**
 - Fiscal Disparity (payable 2026)
 - Finance Directors Meeting
- **September**
 - 1st Half Manufactured Home Taxes Due (payable 2025)
 - Proposed Levy (payable 2026)
- **October**
 - 2nd Half Property Taxes Due (payable 2025)
 - 1st Advance to Schools (payable 2025)
- **November**
 - 2nd Advance to Schools and Advance to Cities (payable 2025)
 - 2nd Half Manufactured Home Taxes Due (payable 2025)
 - TNT Notices Sent to Taxpayers
 - Special Assessment Certification – Multi Year
- **December**
 - Special Assessment Certification – Single Year
 - Final Levy

2026

- **March**
 - 2026 Tax Statements Sent to Taxpayers
- **May**
 - 1st Half Taxes Due (payable 2026)
 - 1st Advance to Schools (payable 2026)
- **June**
 - 2nd Advance to Schools and Advance to Cities (payable 2026)

2026-27 Budget - Public Process

| What | Date |
|---|--|
| County Manager Presents 2026-27 Budget including Organizational Alignment to the County Board | August 26 |
| County Service Team Budget Presentations to the County Board | September 17, 18, 19, and 22 nd |
| County Board First Public Hearing | September 22 |
| County Board Sets Max Levy | September 23 |
| County Board submits amendments to the County Manager proposed budget | October and November |
| Notice of Estimated Property Tax mailed to residents | November |
| Truth in Taxation Meeting | December 10 |
| County Board sets tax levies and approves 2026-27 budget | December 16 |



Saint Paul
PUBLIC SCHOOLS

Saint Paul Public Schools Update to Joint Property Tax Advisory Committee

June 23, 2025

Dr. Stacie Stanley, Superintendent

Tom Sager, Executive Chief of Financial Services

SPPS FY26 Adopted Budget

2025-26 Budget Overview

SPPS is estimating a budget shortfall for 2025-26 of approximately **\$51.1M**

To minimize the impact of this shortfall on students and schools, the Board of Education has agreed to use **\$35.5M** in reserve funds (fund balance). The remaining **\$15.6M** will come from a combination of budget cuts and new revenue.

Causes for budget shortfall:

- Increased expenses, including employee wages and benefits and rising costs of goods and services
- No anticipated increases to state, federal or local revenue to adjust for inflation, apart from the base funding formula and the local operating levy

FY26 Budget Shortfall Progress (Reductions)

| Description | Amount | Running Total |
|--|------------------|---------------|
| Estimated FY26 budget shortfall | - | -\$51.1M |
| Use of assigned and unassigned fund balance | \$35.5M | -\$15.6M |
| Division of Schools & Learning | \$6.4M | -\$9.2M |
| Division of Administration & Operations | \$3.8M | -\$5.4M |
| Divisions of Finance, Human Resources and Equity, Strategy & Innovation | \$1.3M | -\$4.1M |
| Additional reductions (Board of Education, General Counsel, and districtwide supplemental pay) | \$650,000 | -\$3.45M |

FY26 Budget Shortfall Progress (Expenses)

| Description | Amount | Running Total |
|--|---------------|----------------|
| Additional districtwide expenses (transportation, substitute teaching, utilities, technology, teacher supplemental pay, ECFE and BOE student engagement) | \$6.4M | -\$9.9M |

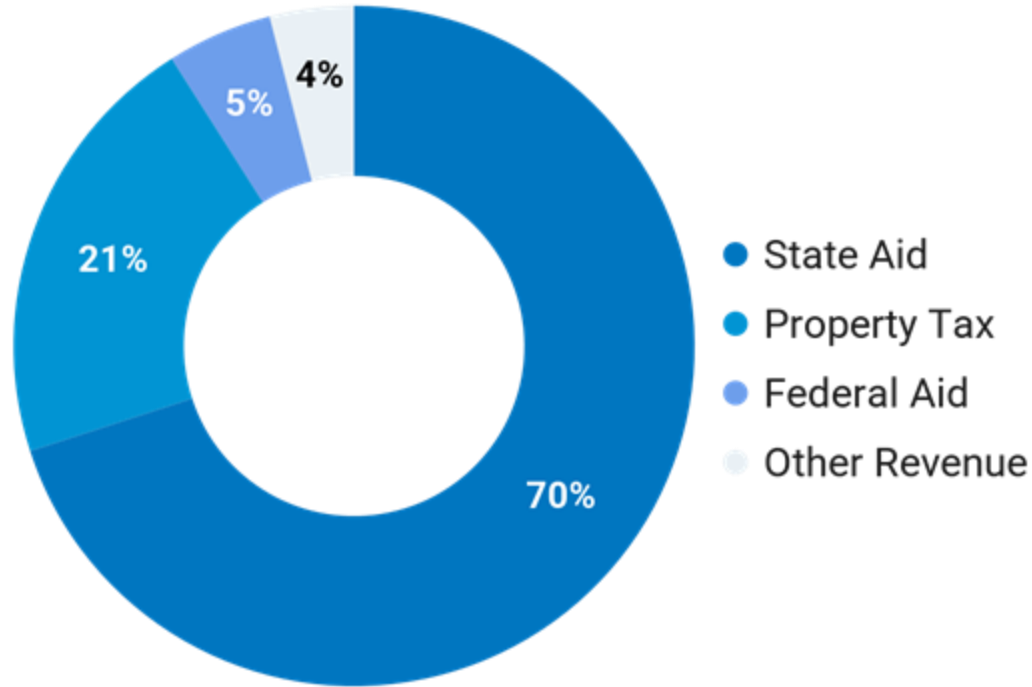
FY26 Budget Shortfall Progress (Revenue)

| Description | Amount | Running Total |
|---|---------------|---|
| Revised per pupil aid, voluntary Pre-K, Medical Assistance funds, interest earnings | \$5.4M | -\$4.5M |
| Revenue from iPad sales | \$4.5M | \$0 |
| Inflation Reduction Act federal rebate for geothermal | \$2M* | *Funds anticipated but not yet received |

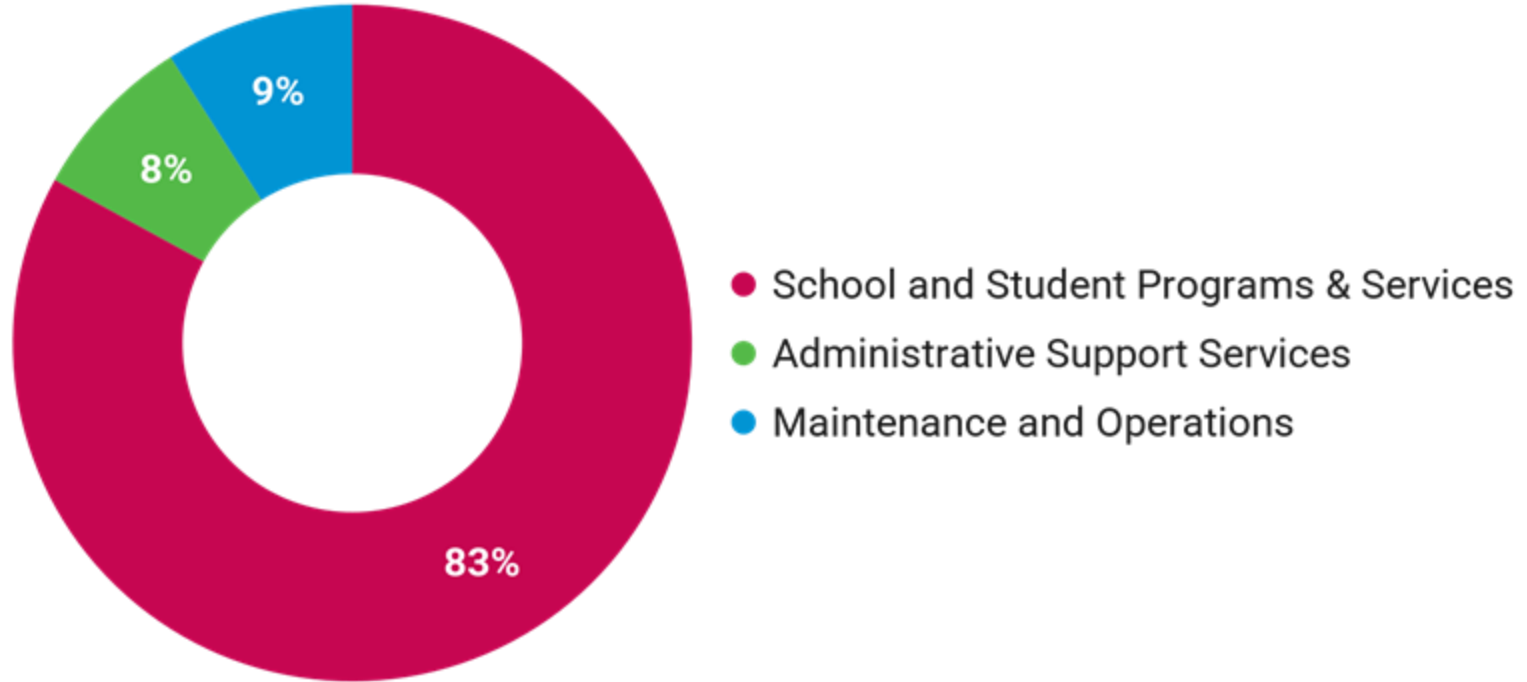
Summary All Funds

| | Estimate Beginning Fund Balance | Revenue | Expense | Net Change in Fund Balance | Estimate Ending Fund Balance |
|------------------------------|---------------------------------------|----------------------|------------------------|-------------------------------|------------------------------------|
| General Fund | \$164,439,780 | \$731,543,107 | \$767,046,514 | -\$35,503,407 | \$128,936,373 |
| Food Service | \$820,021 | \$33,016,123 | \$33,016,123 | \$0 | \$820,021 |
| Community Service | \$11,290,833 | \$29,920,109 | \$31,364,108 | -\$1,443,999 | \$9,846,834 |
| Building Construction | \$64,835,670 | \$85,000,000 | \$118,891,454 | -\$33,891,454 | \$30,944,216 |
| Debt Service | \$36,948,685 | \$68,881,067 | \$79,133,310 | -\$10,252,243 | \$26,696,442 |
| Total - All Funds | \$278,334,989 | \$948,360,406 | \$1,029,451,509 | -\$81,091,103 | \$197,243,886 |

FY26 General Fund Revenue Sources



FY26 General Fund Expenditures



FY26 Investments Aligned to Board Budget Guidelines

Board Budget Guideline: Reserve at least 5% of annual operating expense in the unassigned fund balance

| Fund Balance for FY26 Budget | |
|------------------------------------|--------------------------------------|
| Description | Amount |
| Estimated FY26 Deficit Spend | \$35.5M |
| Estimated FY26 Ending Fund Balance | \$39.2M |
| Percent of Operations | 5.35% (19 days of operating expense) |

Voter-Approved Referendum

SPPS Five-Year Trend for Annual Property Tax Levy

- In the past five levy cycles, the SPPS total levy has increased on average 3.6 percent per year.
- The Consumer Price Index (inflation) for this same period has averaged 4.5 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 |
| Saint Paul | \$5,914 |
| South Washington County | \$5,905 |
| Rosemount Apple Valley Eagan | \$4,624 |
| Statewide | \$4,160 |
| Centennial | \$4,032 |
| Anoka Hennepin | \$3,560 |

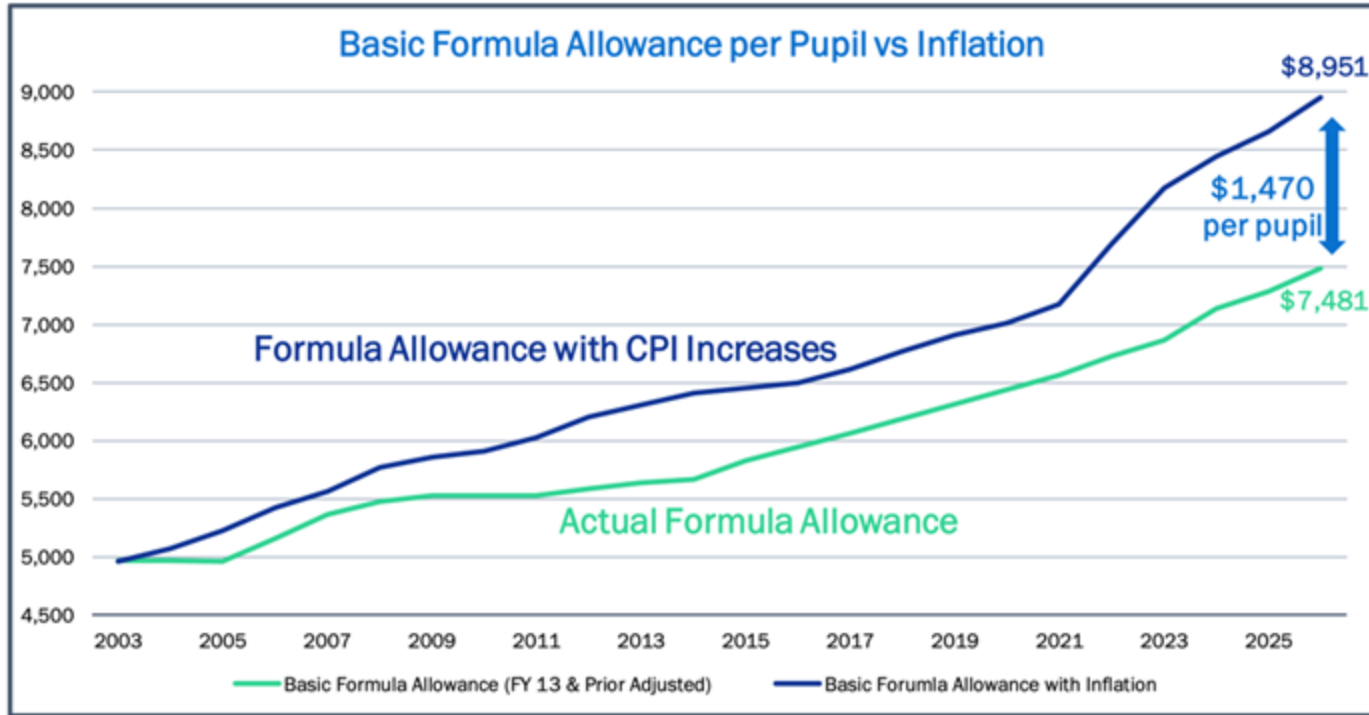
Source: Minnesota Department of Educational Financial Profiles - 2024

Debt Service Tax Revenue Per Student

| School System | Total Property Taxes Per Student |
|------------------------------|----------------------------------|
| Minneapolis | \$3,485 |
| White Bear Lake | \$3,398 |
| South Washington County | \$2,061 |
| Saint Paul | \$1,732 |
| Roseville | \$1,669 |
| Statewide | \$1,536 |
| Centennial | \$1,299 |
| Rosemount Apple Valley Eagan | \$630 |
| Anoka Hennepin | \$362 |

Source: Minnesota Department of Educational Financial Profiles - 2024

Basic Formula Allowance Trends



¹ Inflation is based on consumer price index

² Basic formula allowance includes changes made by legislature in 2023 and is adjusted for FY 2014 and earlier due to pupil weight changes

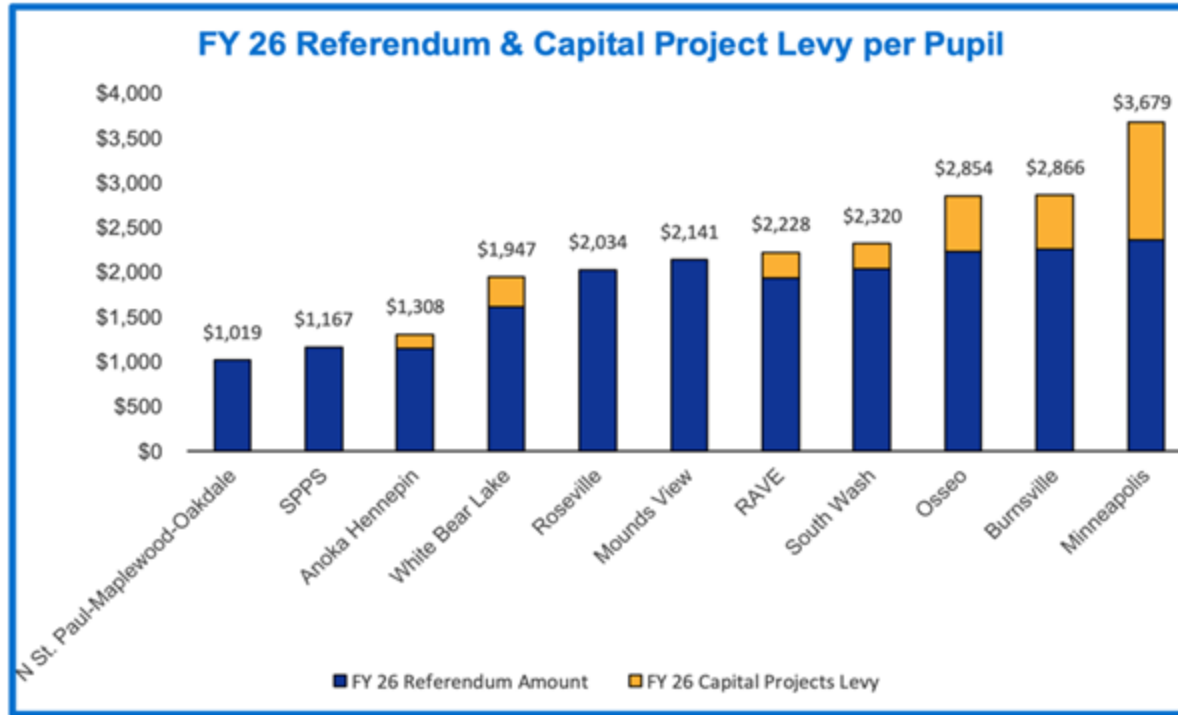
³ FY24-25 & FY25-26 are based on estimated inflation forecasts updated in December 2024 by the State of Minnesota

Formula Impact for SPPS

$$\begin{array}{c} \$1,470 \text{ inflation adjusted} \\ \text{decrease in formula} \\ \times \\ 34,649 \text{ pupils} = \$50,934,030 \end{array}$$

Based on December 2024 inflation estimates

Operating Referendum Comparison



If SPPS had the same amount per pupil as the average of the districts in the chart, it would have an additional 1,073 per pupil or \$37.1 million.

Data sourced from Minnesota Department of Education

Tax Impacts for Increase

ISD 625, SPPS

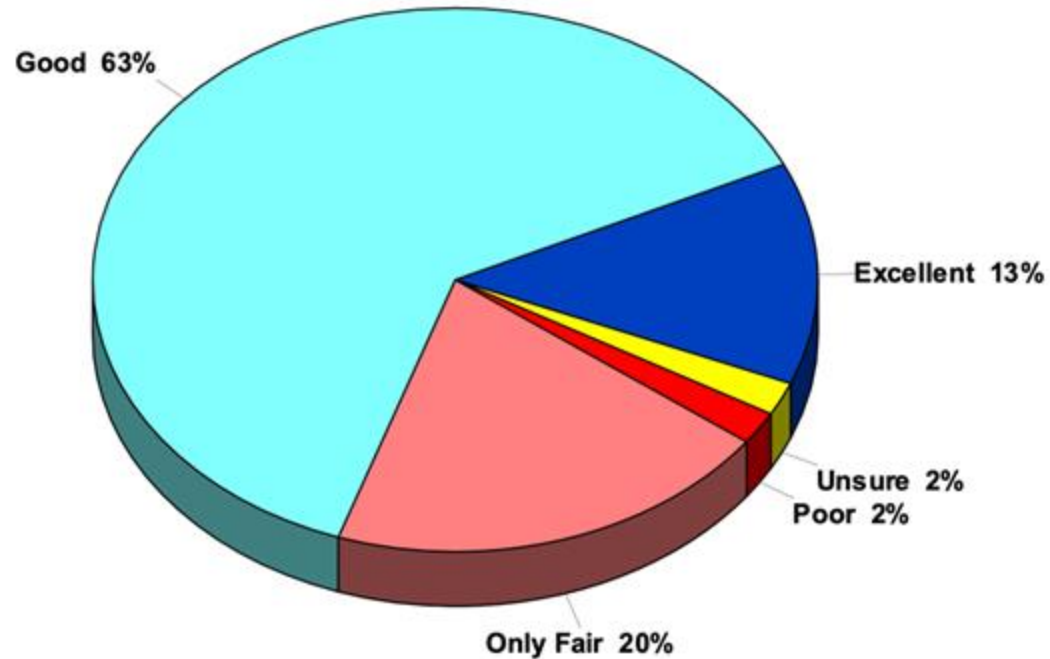
| ISD 625, SPPS | | Referendum Revenue | | | | | |
|-------------------------|-------------|----------------------|---------|--------------|---------|--------------|---------|
| | | Scenario A | | Scenario B | | Scenario C | |
| Referendum Increase | | \$500 | | \$750 | | \$1,073 | |
| Additional Revenue | | \$17,333,855 | | \$25,996,105 | | \$37,178,377 | |
| Additional Aid | | \$0 | | \$0 | | \$0 | |
| Additional Levy | | \$17,333,855 | | \$25,996,105 | | \$37,178,377 | |
| Tax Rate Increase | | 0.049840% | | 0.074747% | | 0.106900% | |
| | | Estimated Tax Impact | | | | | |
| | | Annual | Monthly | Annual | Monthly | Annual | Monthly |
| Referendum Market Value | \$100,000 | \$50 | \$4 | \$75 | \$6 | \$107 | \$9 |
| | \$150,000 | \$75 | \$6 | \$112 | \$9 | \$160 | \$13 |
| | \$200,000 | \$100 | \$8 | \$149 | \$12 | \$214 | \$18 |
| | \$250,000 | \$125 | \$10 | \$187 | \$16 | \$267 | \$22 |
| | \$289,200 | \$144 | \$12 | \$216 | \$18 | \$309 | \$26 |
| | \$300,000 | \$150 | \$12 | \$224 | \$19 | \$321 | \$27 |
| | \$350,000 | \$174 | \$15 | \$262 | \$22 | \$374 | \$31 |
| | \$400,000 | \$199 | \$17 | \$299 | \$25 | \$428 | \$36 |
| | \$500,000 | \$249 | \$21 | \$374 | \$31 | \$534 | \$45 |
| | \$1,000,000 | \$498 | \$42 | \$747 | \$62 | \$1,069 | \$89 |

*Assumes APU of 34,649 & Pay 2025 valuations as provided by Ramsey County plus 1.00%.

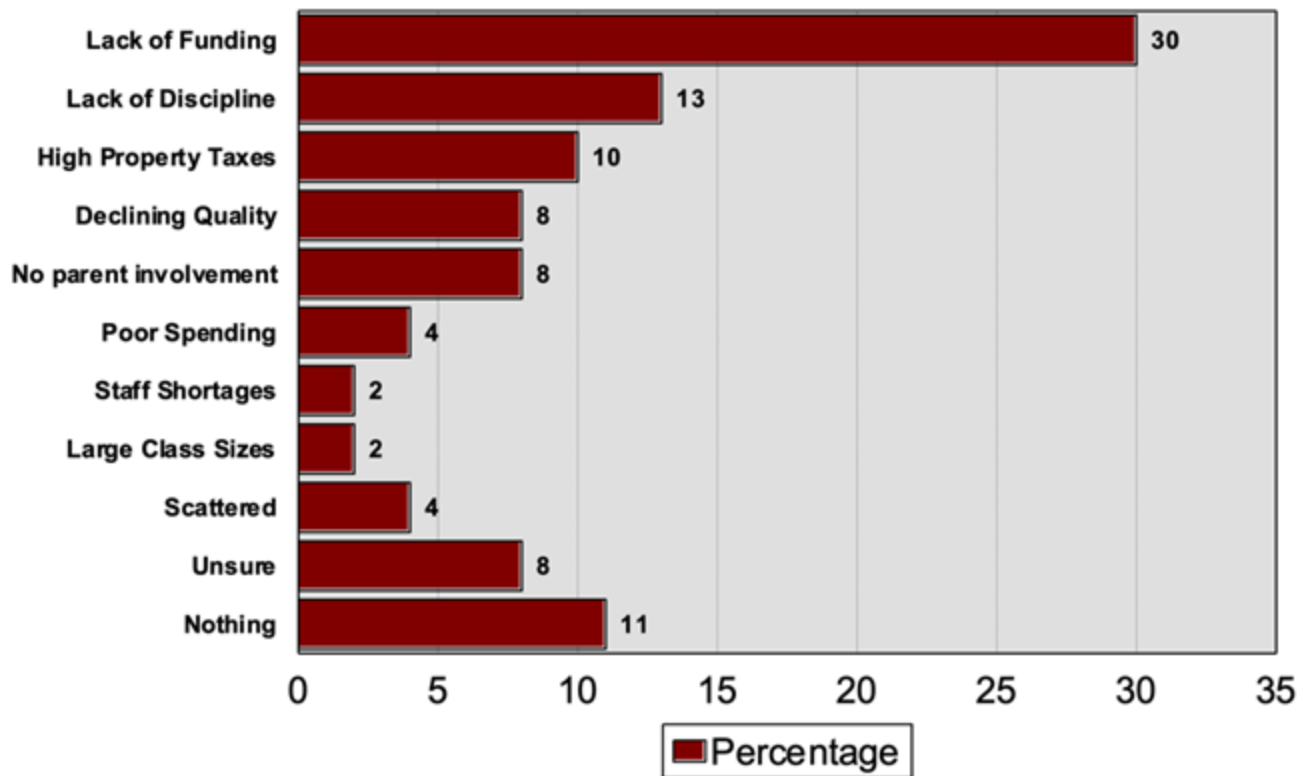
Community Survey Results

Survey conducted by Morris Leatherman Company

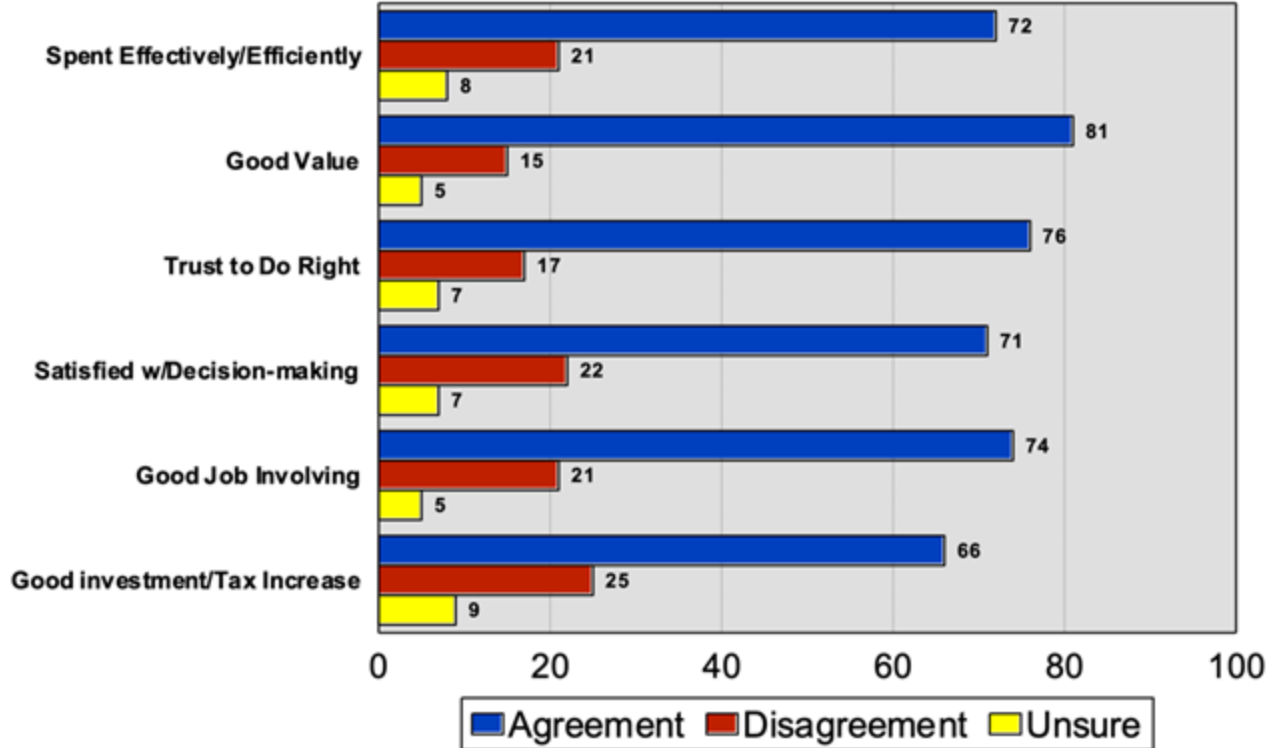
Quality of Education



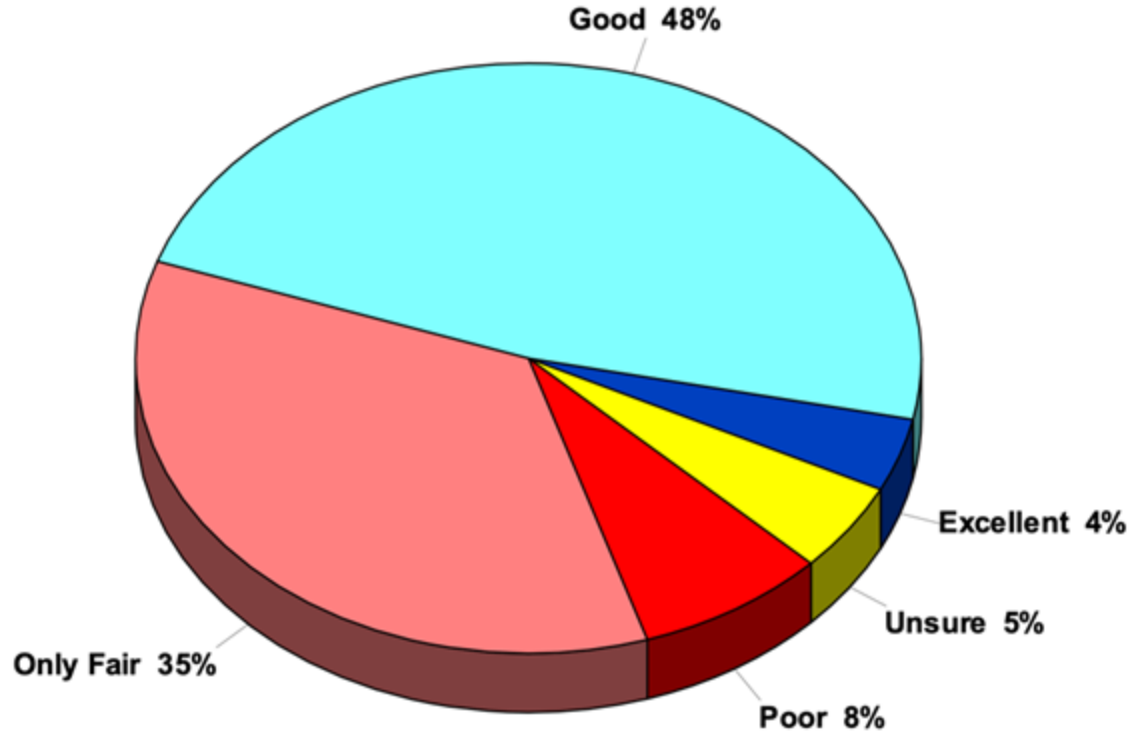
Most Serious Issue



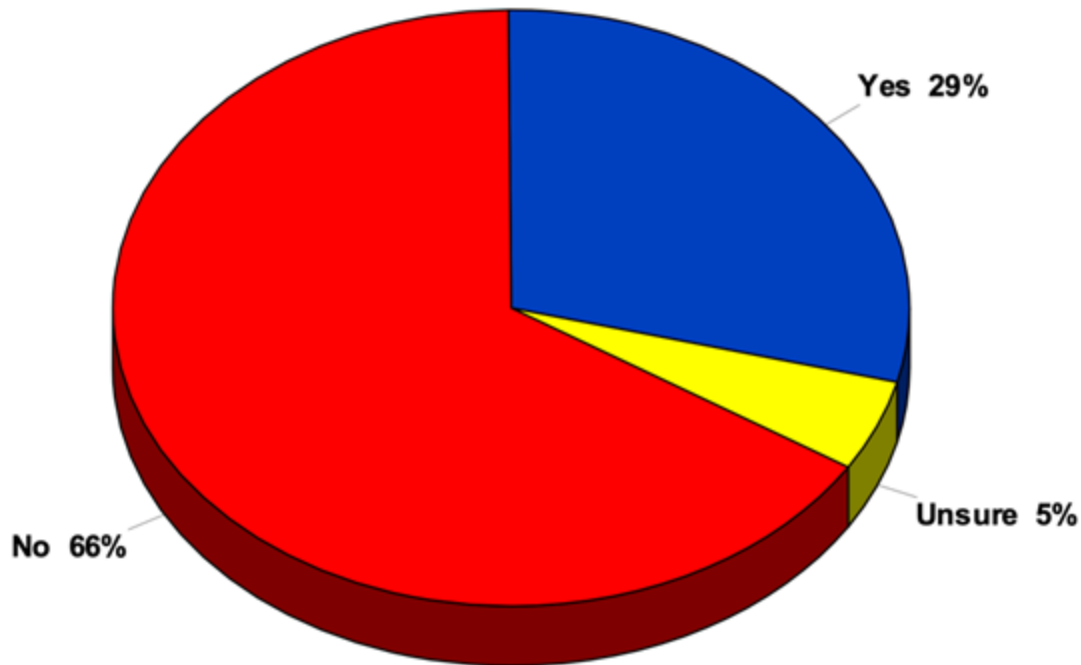
Specific School District Perceptions



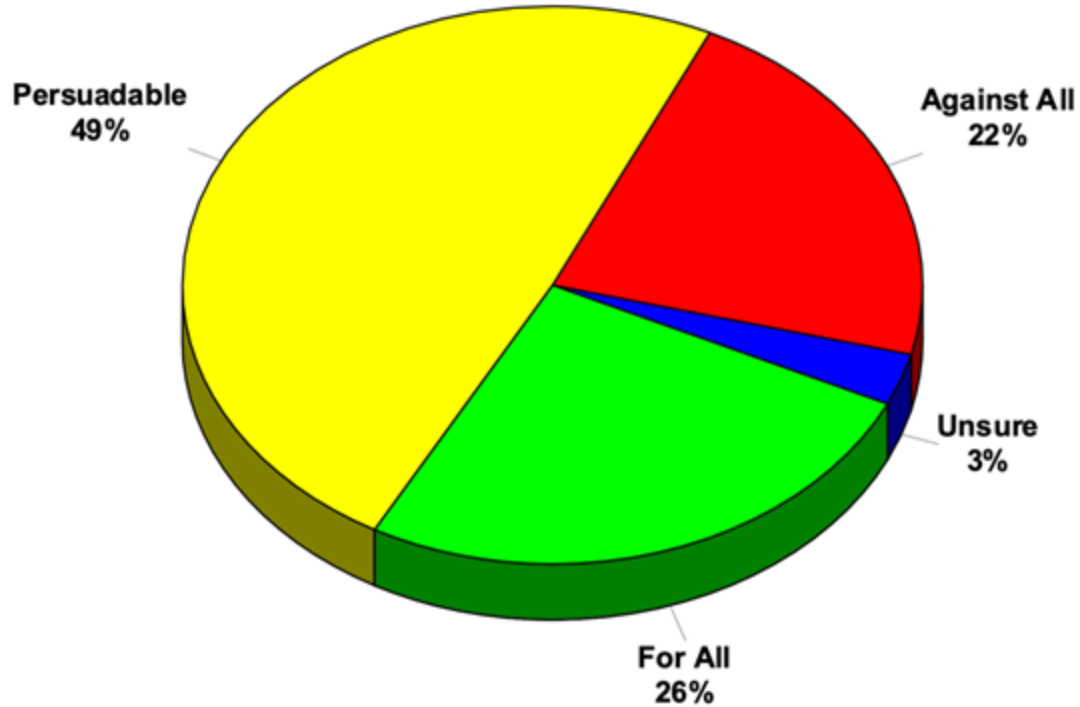
Financial Management



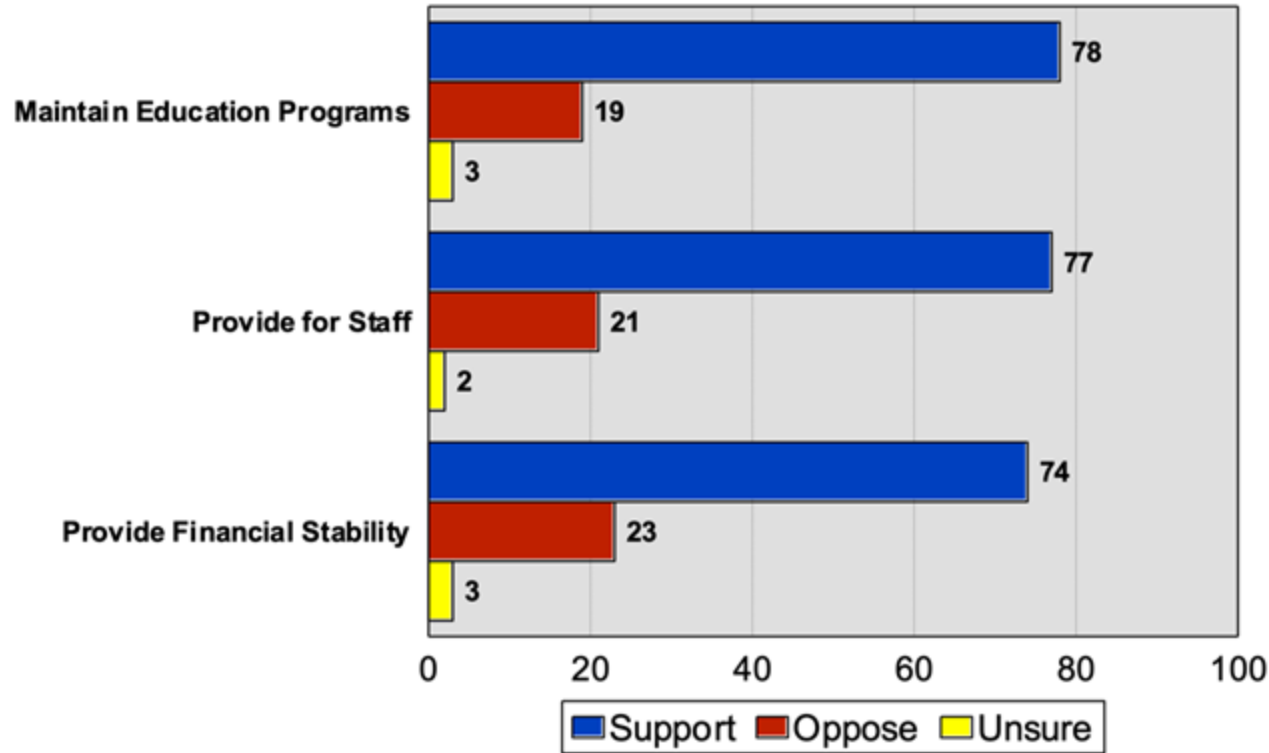
District Adequately Funded



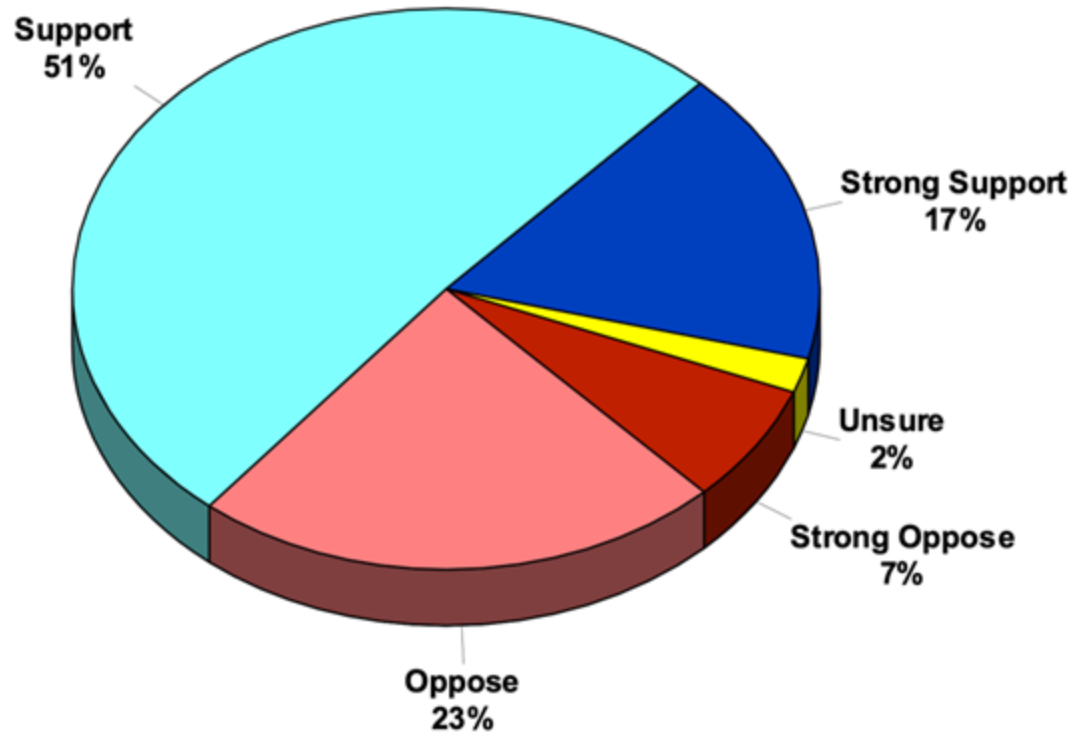
Referendum Predisposition



Property Tax Increase for...



\$37.1 Million Operating Levy



Legislative Impact on SPPS Finances

Changes After Special Session Compared to Original FY26 Adopted Budget

| Description | Amount |
|--|-------------------|
| Add Compensatory Funding | \$444,635 |
| Special Education Transportation Reimbursement Aid | -\$853,714 |
| Library Aid | -\$205,672 |
| Student Support Aid | \$445,875 |
| Net Change from Original FY26 Base/Budget | -\$168,876 |
| FY26 Revenue Adopted Budget | \$731,543,107 |
| Revised FY26 Revenue Budget | \$731,374,231 |