

TRUTH-IN-TAXATION PUBLIC HEARING

Arlington High School
DECEMBER 14, 2004
6:00 p.m.

MINUTES

PRESENT

BOARD OF EDUCATION

John Brodrick, Anne Carroll, Toni Carter, Tom Conlon, Kazoua Kong-Thao, Al Oertwig, Elona Street-Stewart, Dr. Patricia Harvey, Superintendent of Schools

RAMSEY COUNTY BOARD OF COMMISSIONERS

Jim McDonough, Rafael, Ortega, Victoria Reinhardt, Janice Rettman, Jan Weisner, David Twa, County Manager

SAINT PAUL CITY COUNCIL

Mayor Randy Kelly, Dan Bostrum, Pat Harris, Lee Helgin, Kathy Lantry, Debbie Montgomery,

CALL TO ORDER

Toni Carter, Chair of the Saint Paul Public School Board of Education welcomed the audience to the Truth-in-Taxation meeting. She introduced Mr. Ray Faricy who opened the meeting and reviewed the ground rules and agenda for the evening, indicating that each of the three entities – City, County and School District – would make brief presentations as to the proposed taxes to be levied for the next year. The overall property tax summary and public comment portion would follow these presentations.

Budget presentations on proposed taxes payable in 2004 were made by:

Saint Paul School District

Toni Carter, Chair of the Board of Education

Ms. Carter indicated the proposed school district levy for taxes payable in 2005 is 1.2% lower than the levy certified last year. The general fund levies will decrease by \$1.1 million and the debt service levies will increase by \$0.2 million for a total dollar decrease proposed of \$0.9 million. She indicated the budget is closely aligned with the school district's plan for improvement which ensures every dollar spent is intended to help students perform better. As a result student achievement is rising with improvements in the Minnesota Comprehensive Assessments of third and fourth graders in both math and reading being cited. Ms. Carter stated that through wise management of resources and their use in areas directly impacting student achievement citizens of Saint Paul are receiving good return on their investment and that, despite facing large deficits due to in large part to flat State spending on education, the District will continue to improve and progress.

Ramsey County Board of Commissioners

Janice Rettman, Vice Chair County Board of Commissioners Budget Committee presenting on behalf of Tony Bennett, Chair

Ms. Rettman indicated the levy proposal reflects changes in the relationship between State and counties with reduced State services which must be picked up by the counties, a new reliance on property tax to pay States expenses (property taxes financed 35.8% of County budget in 2001; 39.5% in 05). More State expenses will be shifted to the County in 05 (increase of 1%): care of people with developmental disabilities and severe and persistent mental illness; Court ordered child support collections; other State health and human services costs and for State prisoners held in County correctional facilities. She indicate the budget concentrated on essential services: safety & human services and investment in technology (an increase of 1.2%) and covering inflationary cost increases (2.7%) for a total 4.9% increase over previous year levels to continue the mission of “working with you to enhance our quality of life.”

City of Saint Paul

Mayor Randy Kelly and Kathy Lantry, Council
President

Mayor Kelly spoke to the challenges faced in formulating the 2005 budget with further State reductions in the Local Government Aid which created a new budget hole that needs to be filled with new revenues or spending cuts. He indicated there would be no property tax increases in 2005 and that in order to achieve this the city eliminated 139 positions, reduced other spending and increased some fees and charges. He indicated the 2005 spending for city operations is 4% higher than in 2004 providing for maintaining or expanding current levels of city services in areas such as fire fighters, police officers, park and library operations. The increase will be addressed by adding assessments for streetlight maintenance to the existing Right of Way Maintenance Assessment.

Ms. Lantry indicated the Council had been able to find additional reductions in the budget while maintaining service levels and investing in the future of the community. She explained that even though there would be no increase in property taxes, most taxpayers will pay more in the coming year due to the rising market values on homes. She stated the City would continue to collaborate with the county and school district to look for better ways to serve the community.

Overall Property Tax Summary

Jeanne Vogt, Tax Specialist, Ramsey County
Property Records and Revenue

Ms. Vogt gave a brief overview on how property taxes are determined, the major factors impacting property taxes and an overview of the estimated percentage change in 2005 property taxes on homes in the various area of St. Paul.

Mr. Faricy resumed the podium and opened the meeting to public comments of which there were seven addressing questions on why cuts in school aid are not being pursued more diligently with the State, issues relating to under funding of the SPPS pension plan, the airport levy, the sewer maintenance levy billing, the impact on traffic of the proposed light rail, the phone calls related to snow plowing and the fact that property tax increases are taxing seniors out of their homes.

The meeting was adjourned at 6:50 p.m.