

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

MINUTES

June 24, 2024

8:30 a.m. – 10:00 a.m.

15 West Kellogg Boulevard, Saint Paul, MN 55101

Courthouse Room 220, Board Conference Room

Jurisdiction	JPTAC Members	Present	Absent
Ramsey County	Chair Johanna Berg	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ramsey County	Commissioner Trista Martinson	<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 type="checkbox"/>	<input checked="" 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"/>
City of Saint Paul	Councilmember Mitra Jalali	<input type="checkbox"/>	<input checked="" 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"/>
City of Saint Paul	Deputy Mayor Jaime Tincher	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Additional Staff Members Present:

Ramsey County – Jennifer O’Rourke, Patrick Chapman, Alex Kotze, Susan Earle, Tracy West, Ling Becker, Ami Wazlawik, Jolie Wood, Basil Bell, Kathleen Murphy, Ling Becker

Saint Paul Schools District – Jackie Turner, Jim Grathwol and Tom Sager

City of Saint Paul – Melanie Johnson, Eric Petersen, Shannon Forney, Jon Grebner, John McCarthy, Jay Willms and Madeline Mitchell.

1. Call to Order: Chair Johanna Berg called the meeting to order at 8:30 a.m.

2. Welcome and Introductions

Chair Johanna Berg opened the meeting with welcome remarks and introductions of the JPTAC members as well as staff present during the meeting.

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3. Approval of June 24, 2024 Agenda

Motion to approve the June 24, 2024 Agenda by Commissioner Trista Martinson and seconded by Councilmember HwaJeong Kim. The motion was approved.

4. 2024 Legislative Update by Jurisdiction

The Legislative Update was presented by Jennifer O'Rourke (Director of Government Relations for Ramsey County), Eric Petersen (Intergovernmental Relations Associate for City of Saint Paul) and Jim Grathwol (contract lobbyist for St. Paul Public School District).

Jennifer O'Rourke presented a review of the 2024 legislative session, beginning with slides that set the stage for 2024. She explained how it was a supplemental budget year, a bonding bill year, new Senator Majority Leader Erin Murphy from Saint Paul was in leadership. Director O'Rourke noted that it was expected at the outset that the session would move quickly, with small budget bills and limited legislative days. House Speaker Hortman had fulfilled two of the top three priorities almost right away, those being the technical tax bill and school resource officer fixes. Ensuing events resulted in a more complicated session that ran to the very end without a bonding bill.

Director O'Rourke explained and reviewed the budget targets set by the legislators and the Governor, which were very low, and noted that some funds that were not being spent quickly enough (e.g., MN Housing budget) were proposed to be re-purposed for other programming (Family Homelessness Prevention program). Director O'Rourke reviewed the Ramsey County priorities that passed, including a lower-than-hoped for \$3.4 million amount secured statewide pilot money for the African American Family Preservation Act, and a timeline extension for MNChoices. Ramsey County priorities that did not pass included the county's bonding requests, allowing the use of SNAP for hot meals (which failed due to federal rules on waivers), and youth mental health urgent care funding.

Director O'Rourke also summarized the legislative changes that staff expect will have county budget impacts, including changes to allow the use of Local Affordable Housing Aid for more unsheltered work. While this is a positive change but will mean that the county will need to use same amount of money to cover a wider scope of work. Another example allows pop-up polling places on college campuses. The county will be challenged to cover the costs of operating additional polling sites.

For the City of Saint Paul, Eric Peterson started his remarks noting that \$85 million of the budget targets were in final omnibus bill, which all Government Relations staff continue to review as its close to 1500 pages long containing over 70 articles, or issue areas. Saint Paul priorities that passed included limited funding for unsheltered homelessness work; a law

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requiring licenses to sell scrap copper, which is intended to reduce copper wire theft and will become effective January 1; removal of limits on utility fees that Saint Paul may charge, through its franchise agreements with Xcel; a package of tenants rights measures, including one that will allow tenants to use their EITN number to rent an apartment; a more streamlined cannabis business licensing process, especially for social equity applicants; and an exemption from environmental review for city comprehensive plans.

Mr. Peterson noted the city priorities that did not pass, including 11 projects in bonding requests; legislation that would have allowed local governments to ban handguns and other weapons from city- and county-owned/leased buildings, libraries, parks, etc.; and an open meeting law change that would have allowed boards and commissions to meet in a hybrid format; and statewide guaranteed income.

Mr. Jim Grathwol then presented, talking about the education parts of the session and how Saint Paul Schools were affected. Spending targets for education were set at \$43M in FY24-25; \$18M FY26-27.

He reminded JPTAC members that in the 2023 session leadership adopted a \$2.2 B target for K-12 education which was equal to 40% of the ongoing \$5.2B in the forecast and proportionate to the K-12 total share of the state budget. That budget target allowed the 2023 omnibus education finance bill to include a statutory inflationary increase for the general education formula in the planning estimate (FYs 26-27) for the first time.

Combined with significant special education and English Learner funding increases, the 2023 funding increases were historic and proportionate to the actual total state investment in K-12 education. The challenge for school boards is to “square the circle” in the narrative about historic state investments in K-12 finance as there will be a painful round of budget cuts coming for many school districts.

SPPS was not affected by the failure of the 2024 Legislature to enact a bonding bill due to having their own statutory bonding authority. Higher ed institutions are included in the state omnibus bonding bill, but schools are not.

The 2024 legislature:

- A) Streamlined the administration of the voluntary pre-K program for MPS and SPPS.
- B) Extended the “compensatory revenue hold harmless” provision adopted last year. Enactment of “Universal free meals” means free and reduced lunch data is no longer collected.

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Free and reduced lunch data was the cornerstone to the compensatory revenue formula which concentrated revenue to school sites based on site based concentrations for Free/Reduced Lunch eligible students.

C) Clarified details, definitions and deadlines under the READ act adopted in 2023. Provided additional revenue (\$31.4M) and repurposed last year's appropriations to support teacher stipends for READ Act training.

D). SRO revisions

The 2023 legislature enacted revisions to statutory definitions of appropriate "use of force" for School Resource Officers. Those definitions were revised and located solely in the Criminal Code and excised from the Education code. The revisions clarified that SRO's operate under a policy adopted by the Police Officers Standards and Training Board (POST Board) and do not engage in school discipline.

E). Expanded school related health services that are "Medicaid Billable" under current state and federal law. School based health services delivered under an Individual Education Plan have been Medicaid billable in the past. The 2023 Legislature expanded the list of eligible services that qualify for Medicaid Reimbursement. The 2024 legislature fine-tuned the expanded list to include services delivered within and "adjacent" to an IEP: skills training, crisis counseling. We expect federal approval of a state plan amendment by the Center for Medicaid Services to make these services Medicaid Reimbursable for the 2024-2025 school year.

In short, schools will have increased federal support through this Medicaid Reimbursement program to address students' mental health needs within an IEP and prior to a formal mental diagnosis.

County Commissioner Rena Moran asked about mental health staff in schools in reference to a new Medicaid reimbursement for schools on mental health. Mr. Grathwol responded that there are employment shortages for many positions, including teachers. The schools will need to build up their pipeline and focus on recruitment. He said he will consult with SPPS Human Resources and get back to her later this week. The school district did not receive additional resources to recruit, but they can use existing social work staff, and they could look for partnerships/collaboration with other organizations to have more of their social workers posted in Saint Paul schools.

5. Updates on County Manager and Superintendent Searches.

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Commissioner Trista Martinson shared the application for county manager had just closed on Friday, June 21 and she expected the first round of interviews to begin next week. Interim Superintendent John Thein shared the district would begin evaluating RFPs for a search firm. He said their conservative planning had them with a new superintendent by the end of the coming school year, so June of 2025.

6. Discussion of Ideas for Future Agendas.

Chair Johanna Berg invited Ramsey County Workforce Solutions Director Ling Becker to the table. Director Becker proposed that the three jurisdictions use this JPTAC venue to collaborate more closely on workforce matters. The city and county operate a joint powers agreement for workforce services, and the county has worked closely with school district as well (e.g., Earn and Learn). Director Becker mentioned a group that has been meeting weekly since the pandemic. These collaborative efforts have garnered local and national attention, with the Department of Labor calling their alignment efforts a “showcase example.”

Director Becker distributed a memo on the collective impact of this work to committee members. She advocated for greater coordination on these issues so the three jurisdictions are not working in silos, for layering resources so they are not duplicating their efforts. She used the example of Drivers License Academies and funding in the legislative workforce/economic development committees where the groups could come together.

County Commissioner Moran and City Councilmember Cheniqua Johnson supported the idea of greater collaboration and coordination. Councilmember Johnson asked Director Becker for more specificity on what she would like to see discussed in future meetings. Councilmember Johnson also emphasized the need for more discussion in between meetings. She suggested also looking at where the strategic priorities of the three entities intersect, shared evaluation and measurement of program performance, and how to get workforce services into schools.

County Commissioner Martinson noted that the timing for the last item mentioned is good, as she had recently been at an Association of MN Counties (AMC) meeting where the League of Minnesota Cities (LMC) proposed paying a consultant to look at how to get students more interested in doing government work. The AMC, LMC and the MN School Boards Association have often partnered on these civic projects along with Citizens League.

Saint Paul Public Schools Board Member Franco voiced his support for further collaboration as well.

Deputy Mayor Jamie Tincher said that she was supportive of the idea and requested more clarity on how workforce decisions are made. Director Becker said that her department is

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limited from spending money on schools and is required to focus on adult employment, but that a common event calendar for would be helpful, for example, showing where schools are holding family events or sports events. The point of this would be for tabling and getting more information out to families and students about opportunities.

Committee agreed to consider advancing these conversations in preparation for the September meeting. They also supported earlier planning and coordination of legislative platforms and plans for the end of ARPA money.

City of Saint Paul Budget Manager Madeline Mitchell approached the table to discuss ARPA deadlines. She stated that the US Treasury Department has issued guidance on what constitutes an obligation of funds, determining that a budget no longer counts as an obligation. This requires Saint Paul to move some funds around to cover payroll. Ms. Mitchell will share this information in writing with the committee.

7. Upcoming Meeting Dates:

In September, the three entities will strive to present the key areas that they are focusing on in their draft legislative platforms. The city of Saint Paul takes over hosting and staffing the meeting for the next year, starting with the September 23rd meeting at 8:30 a.m. The other dates are:

- January 13, 2025
- March 24, 2025
- June 23, 2025

The committee did not object to the earlier meeting date in January. While prepping for this meeting, staff suggested this change to better coordinate with the start of the 2025 legislative session.

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

Chair Berg made a motion to adjourn at 9:56 a.m. The motion was approved.