

School Board Meeting:

June 26, 2023

Subject:

Review and Comment document for submission to the Minnesota Department of Education

Presenter:

**Ryan L. Tangen, Director
Finance and Operations**

SUGGESTED SCHOOL BOARD ACTION:

Recommend board approval of the review and comment document for submission to the Minnesota Department of Education.

DESCRIPTION:

As required by Minnesota Statute 123B.71, a school board proposing to construct, expand, or remodel a facility in excess of \$2,000,000 is required to submit a proposal of the proposed projects for review and comment to the Commissioner of Education. In summary, the attached document outlines the required following information about the district and the proposed projects:

1. Geographic Area and Student Population
2. Existing facilities
3. Deficiencies of the facilities
4. Project description
5. Specifications of project financing including sources and uses, proposed bond payment schedule, and tax impact on local taxpayers
6. Documentation Obligating the school district and contractors to comply with certain terms.

The proposal is to issue bonds in the amount of \$41,500,000 to pay for the total project costs of \$41,909,200. The issue would be for 20 years and would wrap around our existing debt which is scheduled to be retired after fiscal year 2043-44. Based on our current debt payment schedule and the retirement of existing debt, the estimated property tax impact is neutral for school district residents.

ATTACHMENT(S):

- BHM Review and Comment 6.22.23