



PMATM
SECURITIES

July 28, 2024

ISD 2689 Pipestone Area Public Schools

General Obligation Facilities Maintenance Bonds Roofing Project

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G.O. Facilities Maintenance Bonds

Purpose

- Fund the \$918,079 identified as cash shortage to complete the roofing project.

Mechanism

- General Obligation Facilities Maintenance Bonds

Authority

- Minnesota Statutes, Section 123B.595 and Chapter 475
- Legislature approved the cost of new roofs as an eligible use



Sources and Uses

Sources Of Funds

Par Amount of Bonds	\$920,000.00
Reoffering Premium	52,310.45
Total Sources	\$972,310.45

Uses Of Funds

Deposit to Project Construction Fund	918,078.97
Cost of Issuance	54,231.48
Total Uses	\$972,310.45



Bond Structure

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/01/2026	-	-	-	-	-
02/01/2027	90,000.00	5.000%	26,833.33	116,833.33	116,833.33
08/01/2027	-	-	20,750.00	20,750.00	-
02/01/2028	75,000.00	5.000%	20,750.00	95,750.00	116,500.00
08/01/2028	-	-	18,875.00	18,875.00	-
02/01/2029	80,000.00	5.000%	18,875.00	98,875.00	117,750.00
08/01/2029	-	-	16,875.00	16,875.00	-
02/01/2030	85,000.00	5.000%	16,875.00	101,875.00	118,750.00
08/01/2030	-	-	14,750.00	14,750.00	-
02/01/2031	90,000.00	5.000%	14,750.00	104,750.00	119,500.00
08/01/2031	-	-	12,500.00	12,500.00	-
02/01/2032	90,000.00	5.000%	12,500.00	102,500.00	115,000.00
08/01/2032	-	-	10,250.00	10,250.00	-
02/01/2033	95,000.00	5.000%	10,250.00	105,250.00	115,500.00
08/01/2033	-	-	7,875.00	7,875.00	-
02/01/2034	100,000.00	5.000%	7,875.00	107,875.00	115,750.00
08/01/2034	-	-	5,375.00	5,375.00	-
02/01/2035	105,000.00	5.000%	5,375.00	110,375.00	115,750.00
08/01/2035	-	-	2,750.00	2,750.00	-
02/01/2036	110,000.00	5.000%	2,750.00	112,750.00	115,500.00
Total	\$920,000.00	-	\$246,833.33	\$1,166,833.33	-



Tax Impact

- ▶ Estimated interest rates as of July 17, 2025, plus 0.50%.
- ▶ Assumes bond proceeds available in July 2026.
- ▶ No growth assumed in District net tax capacity.
- ▶ Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.

Project Amount
Term of Bond
Payment
Levy Increase at 105%
District NTC Value (Pay 25)
Additional NTC Tax Rate

LTFM Bonds

\$918,079
10
\$116,833
\$122,675
29,154,496
0.42%

Property Type	Est. Market Value	Estimated Annual Tax
Residential Homestead	\$75,000	\$2
	100,000	3
	125,000	4
	150,000	5
	200,000	7
	300,000	12
	400,000	16

Commercial -Industrial	\$100,000	\$6
	250,000	18
	500,000	39
	750,000	60
	1,000,000	81

Agricultural Homestead*	\$/acre	
	\$9,000	\$0.06
	10,000	0.06
	11,000	0.07
	12,000	0.08

* Homestead land limited to first \$3,800,000 in value. All additional land taxed like Ag non-homestead land.

Agricultural Non Homestead	\$9,000	\$0.11
	10,000	0.13
	11,000	0.14
	12,000	0.15



Ag2School Credit

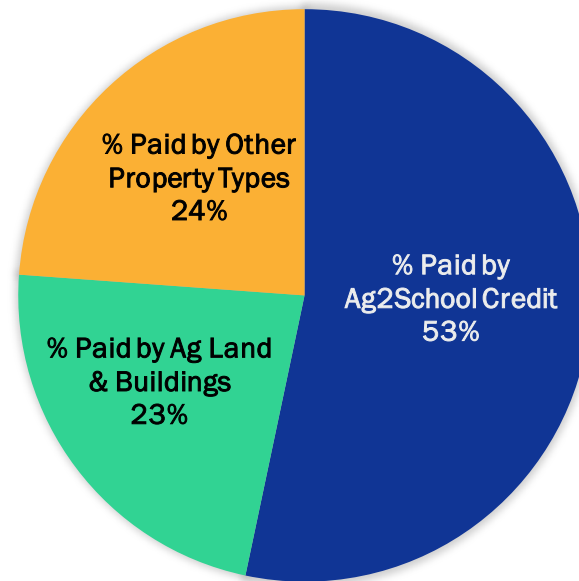
ISD No. 2689, Pipestone Area School District

Source of Debt Service Payments

(Assuming 70% Ag2School Credit)

(Based on Valuations for taxes payable in 2024)

The Ag2School credit will pay about \$490,000 of the \$920,000 project/bond



Notes:

1. The Ag2School credit applies to agricultural land and buildings. The house, garage and first acre of land do not benefit from the Ag2School credit.
2. The Ag2School credit does not increase or decrease the tax impact on all other property types.



Tentative Timeline

Date	Action Item
July 28, 2025	Board Considers Approval of LTFM Plan and Parameters Resolution
August 2025	LTFM plan submitted to MDE and notice published in newspaper
October 2025	Receive MDE approval of projects
Week of May 25, 2026	Rating Call
June 9, 2026	Rating Received & POS released to Market
June 16, 2026	Bond Pricing (Interest Rates Locked)
June 22, 2026	Board Considers Ratifying Resolution
July 15, 2026	Bond Closing



Board Resolution

- ▶ Approval of FY 2027 LTFM Plan
- ▶ Approval of proceeding with the bond sale subject to certain parameters
- ▶ Allows the submission of the State Credit Enhancement Application
- ▶ Allows for reimbursement of any project expenses

Bond Parameters:

- ▶ Authority given to the Superintendent or Business Manager AND a School Board Officer to execute the documents to complete the bond sale if:
 - ▶ Establishes a maximum par amount of \$975,000
 - ▶ Establishes a maximum true interest cost of 6.00%
 - ▶ Is executed prior to September 30, 2026
- ▶ Full Board ratifies the sale at its next Board Meeting



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