

School Board Meeting:

August 11, 2014

Subject:

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

Presenter:

**Gary Kawlewski,
Dir. of Finance & 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. Construction project description
5. Specifications of project financing including sources and uses, proposed bond payment schedule, and tax impact on local taxpayers
6. Documentation Obliging the school district and contractors to comply with certain terms.

The proposal is to issue bonds in the amount of \$33,050,000 to pay for the total project costs of \$33,075,000. The issue would be for 15 years and would wrap around our existing debt which is scheduled to be retired after fiscal year 2023-24. The estimated tax impact on a \$200,000 residence is \$7.33 per month or \$88 per year and \$9.58 per month or \$115 per year on a \$250,000 home.

ATTACHMENT

-Review and Comment 8.11.14