



**FOREST LAKE AREA SCHOOLS
FOREST LAKE, MN 55025**

May 31, 2012

AGENDA ITEM: 10.1

**TOPIC: Approve Aid Anticipation Borrowing for Cash Flow
Purposes**

BACKGROUND: The State of Minnesota has delayed State Aid Payments for school districts through the legislative process. The school district borrowed fifteen million dollars during 2011-2012. That will be repaid and we expect to borrow seventeen million five hundred thousand for the 2012-2013 school year.

PROCESS: The school district would like to participate in Springsted Aid Anticipation Pool Series 2012. Determination of the specific interest rate will occur in August, 2012. The lengthy resolution from our bond counsel will be provided at the next board meeting and has the same format as we used in previous years. Attached is an example of the resolution.

RECOMMENDATION: First Reading.