



January 23, 2023

To: Dr. Josh Swanson, Superintendent
From: Jason Mutzenberger, Executive Director of Business Services
Re: 2023A General Obligation Facilities Maintenance & Capital Facilities Bond Sale

The district is proposing to continue issuing facility maintenance bonds to fund deferred maintenance projects which will be completed over the next two years, in addition to funding the district-wide lighting upgrade project. The total amount of bonds to be issued is \$15,160,000 which will fund a portion of the proposed projects, along with the district's pay as you go tax levy. In total, we expect to spend approximately \$26 million over the next 2 fiscal years on these projects.

The majority of this bond issue, \$11,640,000, will fund the deferred maintenance needs as our buildings continue to age. We manage nearly 2 million square feet of facilities in addition to the outdoor fields and acreage that need continued investment to protect these community resources.

Included in this bond issue is a capital facilities bond for \$3,825,000, which will help fund a portion of the lighting upgrade. That project is expected to cost about \$4,700,000, with the balance of the project being paid for through the facility maintenance resources. This project will result in significant financial savings over time, anticipated to be \$9,800,000 over 20 years.

The board packet includes a presale report from our financial advisor which summarizes their understanding of the district's objectives for the structure and terms of this financing. The bonds are being issued for a term of 12 years and 10 months, which is considerably less than the district's typical 20-year bond issues.

The district has retained Ehlers & Associates, Inc. as its independent financial advisor for the bonds, and they will be in attendance at the board meeting to present the presale report. The board will be asked to approve the resolution authorizing the issuance of General Obligation Facilities Maintenance and Capital Facilities Bonds in the maximum aggregate principal amount of \$15,160,000.