



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

June 28, 2012

AGENDA ITEM: 8.1

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.

RECOMMENDATION: Approval of the resolution to borrow \$17,500,000 through Aid Anticipation Certificates in the Springsted, Inc. Aid Anticipation Pool Series 2012.

The resolution will be provided at the School Board meeting.