

# Public Sector Advisors





Independent School District No. 832  
(Mahtomedi Public Schools)

*School Improvement Projects  
& Tax Abatement Financing*

December 10, 2015

PRESENTERS:

Rochel Manders, Director of Business Services

Stacy Childers, Vice President

# Introduction

- Financing of school building parking lot reconstruction needs
- Estimated total bonded amount: \$8,175,000
- School district will levy annual debt service through tax abatement

# Tax Abatement Basics

- Defined in Minnesota Statutes 469.1812 to 469.1815 (as amended)
- NOT an actual abatement of taxes
- Permits levy of taxes for application toward development purposes
- Adopted by resolution at a noticed meeting (does not require property owner consent)
- Abatement resolution indicates terms: amount, length, public benefit, etc.

# Tax Abatement Eligible Costs

- Improvements to private property
- Finance or provide public infrastructure
- Acquire or construct public facilities

If bonds are issued, eligible costs only include

- **public improvements that benefit the property,**
- acquisition and conveyance of land or other property,
- reimbursements to the property owner for the cost of improvements made to their property, or
- costs of issuance

# Project Summaries

- Extensive improvements and reconstruction of parking lots, sidewalks and pathways, including exterior lighting projects
  - Provide safe and reliable access to buildings
  - Meet accessibility requirements for students, staff and the community
  - Improved pedestrian and bicycle access

# MS Sidewalk and Road



# MS Sidewalk and Road III



# MS Sidewalk and Road II



# HS Sidewalk by MAEF Wall



# HS West Parking Lot



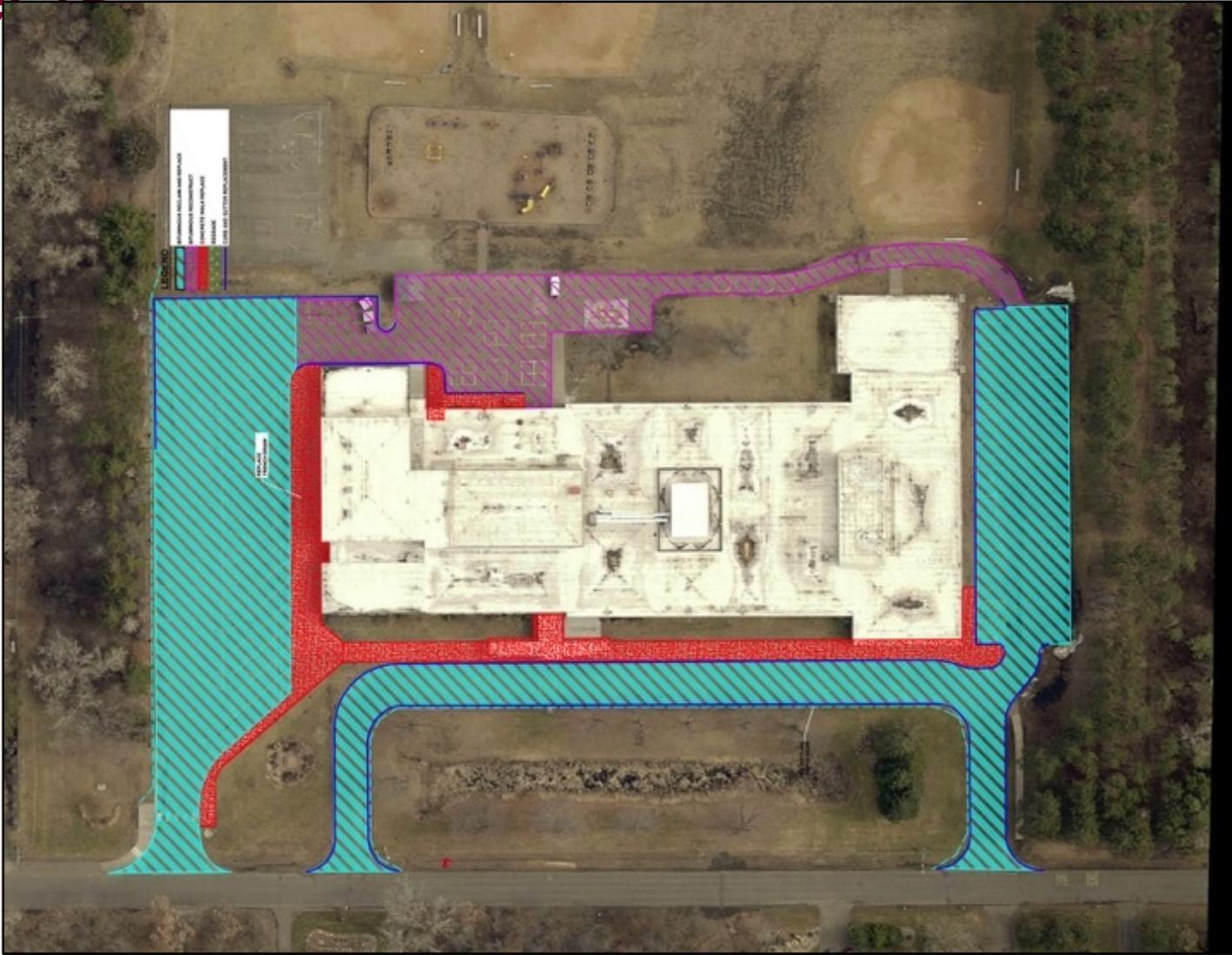
# OHA Sidewalk



# DEC Parking Lot



# OH Anderson Elementary School Projects



# District Education Center Projects



# High School & Middle School Projects



# Debt Structure

## Independent School District No. 832, Mahtomedi, Minnesota General Obligation Debt

### Aggregate Debt Service

Levy	Collect	1995B GO SBB (CABs) - FOS	2009A GO Txbl OPEB Bonds - FOS	2010A GO SBB Ref Bonds (Ref 02) - PS	2012A GO Ref Bonds (03B) - PS	2012A GO Ref Bonds (04A) - PS	2014A GO Refunding Bonds	2014B GO Refunding Bonds	2016A GO Abatement Bonds	TOTAL
2014	2015	1,235,000.00	329,007.50	1,399,050.00	315,575.00	50,407.50	1,886,400.00	13,090.00	-	5,228,530.00
2015	2016	935,000.00	329,332.50	1,559,250.00	328,250.00	50,070.00	1,886,400.00	13,090.00	127,526.88 *	5,228,919.38
2016	2017	-	329,207.50	2,866,500.00	-	44,620.00	1,886,400.00	13,090.00	358,847.50	5,498,665.00
2017	2018	-	323,632.50	-	-	294,060.00	3,951,400.00	13,090.00	536,922.50	5,119,105.00
2018	2019	-	321,632.50	-	-	-	3,948,800.00	13,090.00	837,130.00	5,120,652.50
2019	2020	-	319,132.50	-	-	-	3,558,000.00	398,090.00	846,900.00	5,122,122.50
2020	2021	-	321,132.50	-	-	-	3,961,000.00	-	840,340.00	5,122,472.50
2021	2022	-	321,695.00	-	-	-	3,964,250.00	-	832,667.50	5,118,612.50
2022	2023	-	321,470.00	-	-	-	3,966,500.00	-	833,867.50	5,121,837.50
2023	2024	-	-	-	-	-	4,342,500.00	-	778,357.50	5,120,857.50
2024	2025	-	-	-	-	-	4,343,250.00	-	777,730.00	5,120,980.00
2025	2026	-	-	-	-	-	4,346,250.00	-	775,730.00	5,121,980.00
2026	2027	-	-	-	-	-	4,346,000.00	-	772,312.50	5,118,312.50
2027	2028	-	-	-	-	-	4,352,250.00	-	767,787.50	5,120,037.50
2028	2029	-	-	-	-	-	4,349,250.00	-	772,125.00	5,121,375.00
2029	2030	-	-	-	-	-	4,347,000.00	-	-	4,347,000.00
Total		\$3,745,000.00	\$3,249,700.00	\$7,216,350.00	\$966,290.00	\$489,835.00	\$60,207,490.00	\$466,376.17	\$9,858,244.38	\$81,751,459.38

# Tax Impact

		<b>1st Year Levy</b>	<b>\$5,490,365</b>
		<b>Less Existing Levy</b>	<b>\$5,489,957</b>
		<b>Increase</b>	<b>\$409</b>
<b>Estimated Market Value (a)</b>		<b>TNTC</b>	<b>\$19,998,595</b>
		<b>Tax Rate Increase (b):</b>	<b>0.002%</b>
<b>Homestead Residential</b>			
100,000			0
200,000			0
300,000			0
400,000			0
500,000			0
600,000			0
700,000			0
800,000			0
900,000			0
1,000,000			0

# Schedule of Events

- Monday, November 16, 2015
  - Publication of Tax Abatement Public Hearing Notice
- Thursday, December 10, 2015
  - Public Hearing to consider Tax Abatement
  - Consider adoption of Tax Abatement Resolution
- Thursday, January 7, 2016
  - Set Sale of Bonds
- Thursday, February 11, 2016
  - Sale of Bonds
- March 15, 2016
  - Settlement of bonds, receipt of bond proceeds

# Questions

## **Stacy Childers**

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