



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

November 7, 2013

AGENDA ITEM: 9.12

TOPIC: RESOLUTION RELATING TO THE INTENTION OF THE SCHOOL BOARD TO ENTER INTO A LEASE PURCHASE AGREEMENT; AMENDING AN APPROVING RESOLUTION ADOPTED FOLLOWING A PUBLIC HEARING HELD IN ACCORDANCE WITH SECTION 147(F) OF THE INTERNAL REVNUUE CODE OF 1986, AS AMENDED

BACKGROUND: Last month, the School Board submitted a review and comment proposal to the Minnesota Department of Education (MDE) whereby the School District proposed to fund a \$3.3 million purchase of the Ice Arena from the Forest Lake Area Athletic Association. The proposed project would be funded via a capital lease purchase using Certificates of Participation brokered by Springsted, Inc. not to exceed \$3.0 million. The MDE has provided a positive review and comment for the proposed project to the school district.

PROCESS: This resolution amends an earlier resolution pursuant to IRS regulations and changes the financing method from Tax Abatement Bonds to lease purchase.

Approval of an additional resolution is anticipated for the December School Board Meeting.

RECOMMENDATION: Approval of the attached resolution.