

DESCRIPTION OF PROPOSED SCHOOL CONSTRUCTION PROJECT

Staples-Motley School District, ISD #2170-01, is proposing a two-question bond referendum on May 14, 2019. The first ballot question would authorize \$48,220,000 in bonding authority to finance the conversion of the existing high school to a grade 5-12 facility and improvements to the elementary school which would serve grades Early Childhood (EC)-4 students. The second ballot question would authorize \$10,450,000 in bonding authority to finance an activities center addition to the elementary school.

In addition to the projects proposed in the two question referendum, the school district plans to issue \$3.5 million in long term facilities maintenance bonds to finance deferred maintenance at the elementary school and \$2.5 million in capital facilities bonds to complete other deferred maintenance projects at both school sites.

The district has supplied cost estimates to operate and staff the additional building space and believes existing revenues will be sufficient to fund any operational cost increases associated with the proposed facility additions. In addition, the school board believes the proposed projects are in the best long-term interest of the district.

If the bond referendum is successful and bonds are sold, the debt service on the bonds will be eligible for debt service equalization under Minnesota Statutes, section 123B.53, subdivision 3, if the bond schedule is approved. The amount of debt service equalization aid, if any, the district receives is determined annually and is dependent upon property wealth, student population, and other statutory requirements.

Review and Comment Statement

Based on the department's analysis of the school district's required documentation and other pertinent information from sources of the Minnesota Department of Education, the Commissioner of Education provides a positive review and comment.

Additional Information is Available

Persons desiring additional information regarding this proposal should contact the school district superintendent's office.

Mary Cathryn Ricker,
NBCT Commissioner

April 12, 2019

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