

Haakon School District 27-1  
Board of Education Community Information Meeting Minutes  
May 16, 2016

The Board of Education of the Haakon School District 27-1 met in session for a community information meeting on May 16, 2016 at 6:00 p.m. at the Fine Arts Gym. President Scott Brech called the meeting to order with the following members present: Paulette Ramsey, Jake Fitzgerald, Brad Kuchenbecker, Mark Radway, Anita Peterson, Scott Brech, and Doug Thorson. Also present: Supt/Elementary Prin. Keven Morehart, Business Manager Britni Ross, Secondary Principal Mandie Menzel, Toby Morris with Dougherty & Associates, Tim Cheever with Upper Deck Architecture, Twila Hook, Kit Graham, Pat Westerberg, April Schofield, Marvin Eide, Vicki Eide, Donna Staben, Tina Staben, Bob McDaniel, Larry Gabriel, Karen Nelson, Peggy Palecek, Greg Arthur, Don Haynes, Marion Matt, Tanya McIlravy, Cindy Miller, Cynthia Finn, Casey Seager, Floren Falzone, Sandy Kelly and Del Bartels.

The meeting was opened with the Pledge of Allegiance.

16-158 President Scott Brech turned the floor over to Toby Morris with Dougherty & Associates to discuss the financial implications of recent legislation on the proposed building project. The previous resolution which did not get referred to ballot included a proposal to issue capital outlay certificates under the current \$3.00/1000 levy. There would not have been a new tax, and that levy would have been able to generate enough revenue to pay for the debt service as well as funds for operation. No general obligation bond would be required. Recent legislation has made this original proposal impossible to fund.

2016 legislation greatly impacted capital outlay funding by changing the revenue from a valuations-based formula to a student enrollment-based formula. This change will be implemented in 2021. The current formula provided revenue by multiplying the valuation by a maximum of \$3.00 per \$1000. The new formula to be implemented in 2021 changes the revenue to \$2800 per student. This new formula would not provide enough revenue to pay both the debt service as proposed and the operating budget which includes curriculum, technology, busses, athletic uniforms, band equipment, as well as building and grounds improvements.

The proposed new structure would eliminate the capital outlay certificate plan and would implement a general obligation bond. The mill levy to pay the general obligation bond

1482

BOE Minutes 05/16/16

Haakon School District 27-1

would be approximately \$1.47/\$1000 and the normal capital outlay levy would be adjusted accordingly to generate enough to pay the operating expenditures, which is a historical average of about \$350,000. A general obligation bond will require a vote of the people and requires 60% to pass. The board of education will consider a proposal at the June board meeting to proceed with an election and set the date, time, and polling places for said election.

Adjournment at 6:40 p.m. Will meet for the next regular meeting on June 13, 2016 at 7:00 p.m.

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Britni Ross, Business Manager

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Scott Brech, Vice President