

HS Facility SB Work Session  
May 25, 2016  
Discussion Agenda and Key Speaking Points

1. Introductions of those present
2. Review key aspects of the recent survey regarding the November 2015 election

**Chatfield School District**  
Executive Summary of Community Survey Results

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**Overview:**

The community survey was conducted in February/March of 2016.  
Total responses: 650, Response rate: 35%, Margin of error: +/- 3.9%  
Survey validity: Considered valid with 400 or more responses.

**Respondents:**

- ✓ There was great representation across all demographic groups (age, municipalities, non-parents)
- ✓ A 35% response rate is exceptional.

**Satisfaction:**

The survey identified the following as strengths of the school district:

- ✓ 79% of respondents were generally satisfied/very satisfied with the District.
- ✓ 72% of respondents feel the School District builds pride in the community.
- ✓ 71% of respondents feel the School District is delivering a high-quality educational experience.

**November Referendum Support:**

- ✓ 44% of survey respondents supported the \$19.75 million referendum.
- ✓ 38% of survey respondents did not support the \$19.75 million referendum.

**Non-Support of November Referendum:**

The survey identified the following top reasons for non-support of the November referendum:

- ✓ Too expensive
- ✓ Too focused on athletics
- ✓ Did not support new gym
- ✓ Did not support updates to outdoor athletics

**Next Steps:**

The majority of respondents believe the District should revise a plan and ask the voters again for support.

Non-parent/Non-Staff respondents support a referendum for 25% of the previous proposed amount.

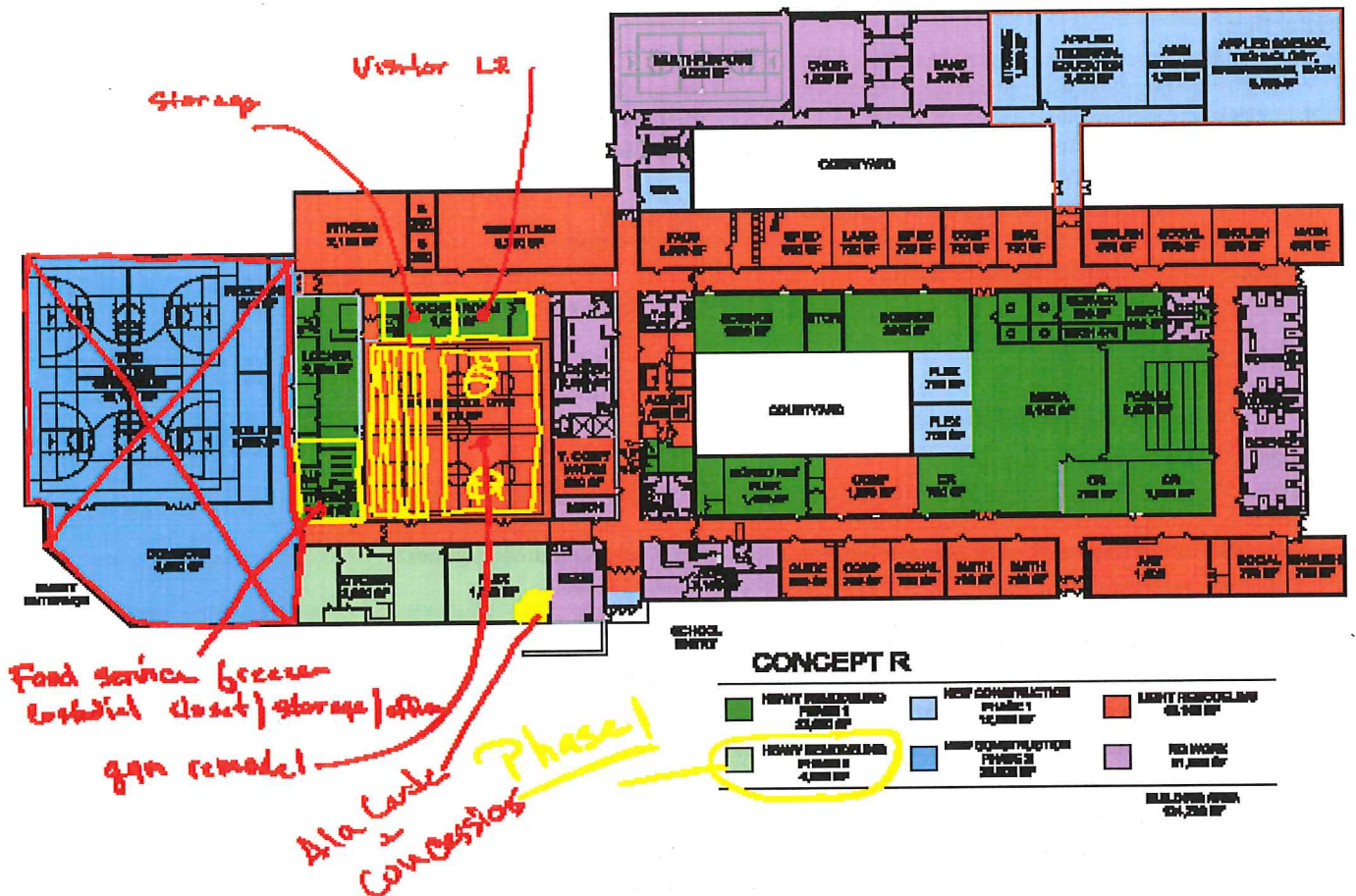
Parent respondents support a referendum for 75% of the previously proposed amount.

3. New Financial Conditions – Good News
  - a. Interest rates have continued to fall since November 2015. They were good then, but are now at about a 52-year low. However, there is fear that interest rates will start to climb sooner rather than later which will negatively impact the cost effectiveness of future facility projects.
  - b. With lower than expected tax rates the 2008 school bond (elementary) became eligible sooner than expected for refinancing. This was done earlier this spring for an overall savings for taxpayers of about 12% or about \$2.6 million. This was a much better than expected outcome. The original projected savings was \$1.5 million. This was due to continually improving interest rates between the calling for the resale of the bonds and the actual sale.
  - c. The State of Minnesota developed a new program for this coming year that provides significantly more aid to schools for long term maintenance projects than in previous years. The school district can use this revenue to pay for bonded facility projects. In other words, Chatfield can now use a portion of this new state aid to fund financing for up to \$3 million worth of long term maintenance projects that were part of the building proposal in November 2015. This \$3 million of work can now be done at no expense to the taxpayers.

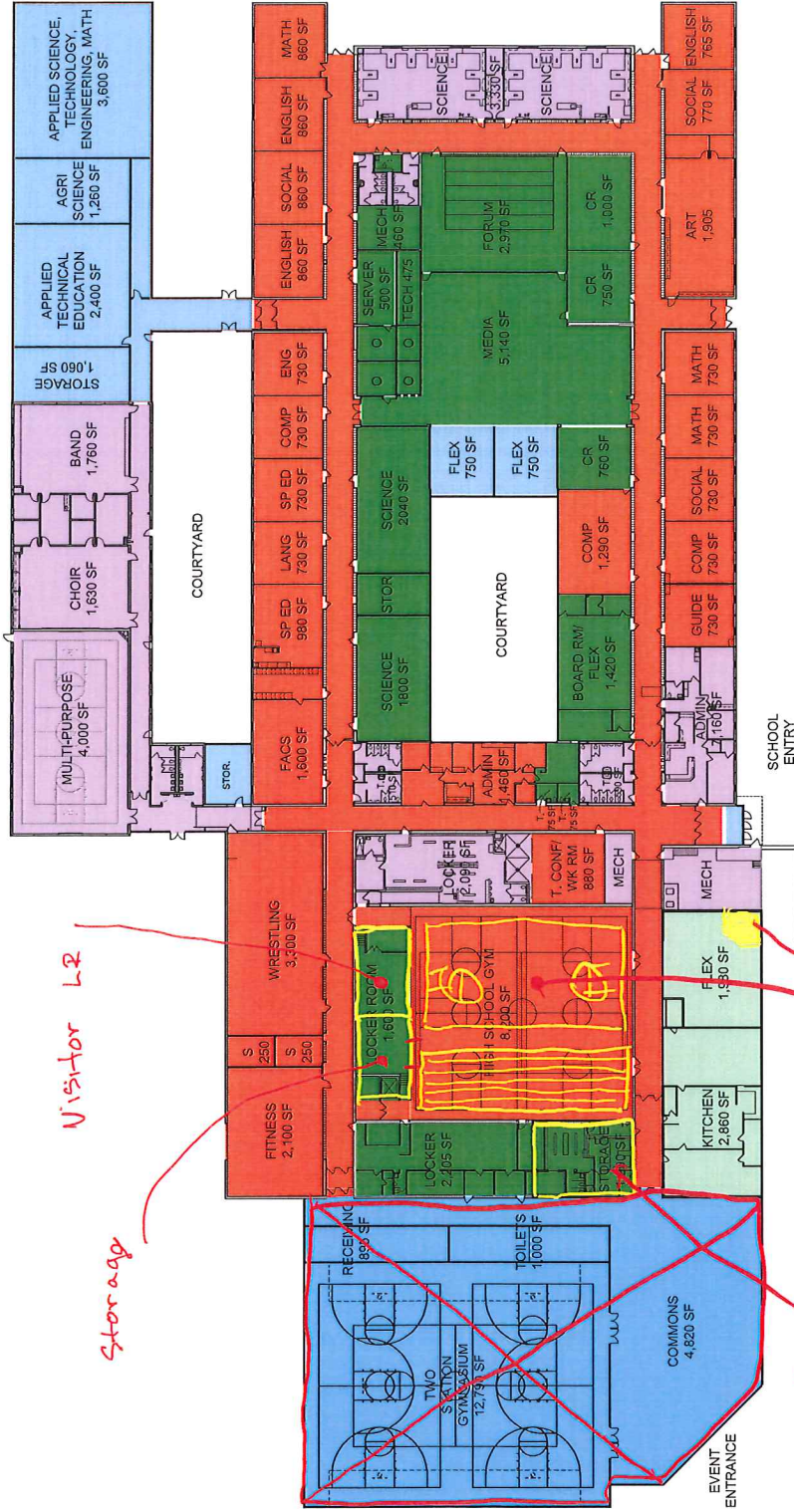
- d. There is new legislation that will provide tax relief to farmers on school facility bonds. It is widely held that this legislation is likely to be passed by the Governor in the near future. It is a 40% tax credit on existing school facility bond taxes as well as any new school facility bond taxes. In other words, in addition to the improvement listed above, farmers can expect their tax impacts to be lessened by 40% on the 2008 elementary school bond as well as any future projects. The tax impact on ag property is projected to be 80% less than what it would have been had the HS project (Q2) passed in November of 2015.

4. Draft Plan Idea

- a. In response to the community input from the recent survey (see above), several new project concept drawings (with corresponding costs) have taken shape for SB and community consideration. The District is in the process of developing another survey to assess the viability of these plans in terms of voter tax tolerance and facility priorities. Currently, the draft plan sketched below seems to accomplish the most in terms of meeting needs as established by the HS Facility Task Force as well as honoring the feelings of the community as per this winter's survey. This plan is projected to be 71% cheaper for residential/commercial property owners and 80% cheaper for ag property owners compared to Q2 on the November 2015 ballot. From a design stand point the most notable change is the absence of new square footage for a new gym, locker rooms, and fitness area.



Note: To add the gym and commons (which includes a considerable amount of site work) would cost about \$7 million. Obviously this would mean that the City has chosen a new location for the pool. Depending upon what the next community survey reveals, this could potentially be a second question on the ballot along with the primary plan, something done at a later time, or simply scrapped as an idea.



**CONCEPT**

HEAVY REMODELING PHASE 1 23,850 SF	NEW CONSTRUCTION PHASE 1 12,280 SF	LIGHT REMODELING 49,140 SF
HEAVY REMODELING PHASE 2 4,690 SF	NEW CONSTRUCTION PHASE 2 22,900 SF	NO WORK 21,360 SF

BUILDING AREA  
134,200 SF

Visitor LR

Storage

Food service greener  
custodial closet storage office  
gym remodel

Phase 1  
Alta Clark  
Concessions