INDEPENDENT CONSOLIDATED SCHOOL DISTRICT NUMBER 11

A REPORT BY YOUR SCHOOL BOARD

TO YOU AS A TAXPAYER AND A PARENT

On Tuesday, October 18th, between 4:00 o'clock in the afternoon and 9:00 o'clock in the evening, you, as a qualified voter of Independent Consolidated School District No. 11 will be asked to vote for the sale of bonds not to exceed $100,000 toward the financing of a better education for your children and your neighbor's children in our school district.

Your School Board and your Superintendent are confident that we are progressing towards a much needed and long postponed improvement and development of our school system. This proposed bond issue is a vital part of the over-all program. We want you to know the facts well in advance. That is the reason why we have prepared this analysis at this time. We hope that you will read this report, that you will talk it over with your friends, ask us questions, and certainly feel free to come to our School Board meetings each Tuesday evening at 8:00 o'clock at the Hill School.

What is School District Number 11?

Independent Consolidated School District No. 11 is a new school district combining the area that was formerly split up into nine separate common school districts. Those separate districts no longer exist. We are one district now working, not for the good of a single district, but for the good of everyone within the entire district. We want to think in terms of the whole district. Only by doing that can the most and the best be obtained from your "educational tax dollar." The bond issue we propose will fall equally on taxpayers throughout the entire district. It is a project belonging to everyone in our school district.

Why a Bond Issue?

Most things in life that we desire cost money. An improved school system also costs money. Your current taxes now pay for maintenance -- the daily expenses of heat, salaries, insurance, all the many items that are involved in running your schools from day to day. But when we wish to build a new school, or remodel an existing school, or buy new equipment, or buy a new piece of land for a new school -- all that must be paid for out of funds raised from the sale of bonds. It is true that we can add a few tax mills on your tax bill each year for new equipment, etc., but tax receipts are at least one year behind the budget which is turned over to the County Auditor as a basis for levying taxes. We, as your Board, know that we must have money now to continue to build our educational plant.

Will $100,000 build a new Secondary School?

No, it will not. The Board voted to sell approximately $850,000 worth of bonds. However, we ran into a law which the 1949 legislature passed which has altered our plans at present. Briefly, here are the facts!

When the Hennepin County nine-man Survey Committee made its study and recommended our new School District, they said in effect, "This District will be a good one and you can borrow up to $1,443,137.00." That, however, was under the old law. Monies and credits were included in determining the limits of

debt, and we have a lot of those monies and credits in our district. Wayzata, for instance, issued their bonds under that old law. But, as we have said, the old law was changed. Now we cannot incur a "net debt" which is more than 50% of our last assessed property valuation. That valuation is now approximately $1,700,000.00. So our limit is now no more than $850,000.00.

However, it isn't all as simple as that. The new law has created a great deal of doubt in many people's minds as to what those two words "net debt" mean. No one seems to know. Particularly the people who would want to buy our bonds -- they aren't sure. The law just isn't clear. So, that means that we're going to have to get a court to tell us for sure what the legislature meant -- but didn't say.

The practical result is that we can't go ahead with the full bond issue until everyone is told by our courts what the law means.

What has Happened to the New Secondary School?

School Site - As you authorized us by vote at the special election in May, we have gone ahead and signed an agreement to purchase the school site located on the Ed Fries farm - just north of Highway 12 and west of the Orono Town Road. We have until December 31st to complete that purchase. We agreed to purchase that area which includes 40-42 acres from Mr. Fries for $15,000.00. That represents the first item for which the bond proceeds will be used.

Architects Plans and Specifications -- After many meetings we engaged Glynne Shifflet, Backstrom and Associates as architects. Their entire office pitched in and has come up with a set of plans and specifications which exceeded many of our highest expectations. Those plans and specifications call for a school costing in the neighborhood of $750,000 including architects fees. Our contract with the architects provided that when plans and detailed specifications are completed and turned over to us, we must pay them 75% of their fees. These fees and this contract are the same as used by most of our architects on public buildings. This means that within a few weeks we will owe the architects $31,000. Again, that must be paid out of the money raised from the bond issue.

Attorney's Fees -- Lawyers, like architects, must be paid. Under our arrangement with our attorney, if the bonds are sold, we will owe him $1,000 to cover legal fees to the date of the issuance of the bonds.

Will We Build the New Secondary School? -- The answer to that question is emphatically "Yes". Just as soon as the legal points are cleared up by the courts we will ask you to vote again on a new bond issue up to our determined legal limit. The bond issue we now propose will probably be a 20 year bond issue to fit in, as nearly as possible, with the balance to be issued later, to actually construct the new school.

Let's sum up so far: We have accounted for $47,000 of the proposed bond issue. What about the remaining $53,000?

Is the School District Actually Operating Now as a Unit?

Yes, it is. Because the new elementary school at Hill was started prior to consolidation, the people living within the former Hill District are going to bear the major burden of paying for that school -- they have given to the new district a school for which they will eventually pay almost $200,000. We are all benefiting by that new school. Our 7th and 8th grade pupils are now being taken care of in the Old Hill School House. Their education has been centralized,

improved, and specialized in that one building. We feel sure that everyone concerned will benefit by this. Kindergarten and other elementary education has been regrouped, new teachers have been added - everyone is benefiting. The work of our new Superintendent has been vital in the over-all coordination of educational opportunities throughout the district. Yes, the School District is operating as a coordinated unit, and we feel sure that very material advances have been, and will continue, to be made.

What Money Will We Receive From Taxes to Pay our Bills This Year and During the Spring of 1950?

The money we receive from taxes will be only that received from budgets voted by each former Common School District back in the summer of 1948. While those budgets might have been sufficient for the system then, they have not been, and will not be sufficient to remodel and revamp our presently planned system. It's like saying that the same amount of money can feed a 12 year old school boy as a one year old baby. Or like saying that the oats that feeds a horse will also provide enough energy to operate a modern car. This new educational set-up of ours is "a horse of a different color." It will cost you as a taxpayer more, but you as a parent and a taxpayer will be getting more for your "educational tax dollar."

Here are some of the items involved:

New Equipment - On some items of new equipment we felt that we had no alternative but to go ahead even before the bond issue. Kindergarten equipment, desks, chairs, kitchen ware, kitchen equipment, janitorial equipment, office equipment, file cabinets, classroom furniture, new teachers' chairs and desks, towel racks and other lavatory equipment, a district typewriter, and mimeograph machine -- these and many more items of equipment which we vitally needed either have been, or must be purchased within the next few months. Old equipment had to be replaced. New tools to make our educational system run smoothly had to be purchased. These items alone total over $10,000 as we see it today. But school has just started. We feel that an additional $2500 may have to be spent before the end of this school year.

We have also studied the transportation problem. We are now forced to use buses or pay a trucking or delivery service for many things which could be easily and more efficiently handled by a station wagon, if we had one. This would cost approximately $2500. We feel that it would pay for itself within a year in what the district could save. Small trucking connected with our school lunch program alone would reach a substantial figure.

Repairs, Remodeling and Improvements -- A complete survey has been made of existing elementary schools. It is apparent that repairs and improvements can not be postponed in some cases much longer. Estimates of vitally needed repairs, painting, etc. at Maple Plain run close to $3500. Work on ventilation and heat control at the Long Lake School and the completion of the basement of the Stubbs Bay School are vitally needed.

Completion of the Hill Elementary School -- As work progressed on the new elementary school, it became clear to your Board that certain changes should be made -- changes which would greatly improve the school and which would eventually have to be done. We felt that we could make those changes at less expense now, when carpenters, plumbers, masons, and the contractor were on the job, rather than to start all over and get the necessary people back on the job. So, we ourselves voted unanimously to make a series of changes which in the aggregate totaled approximately $3000.00.

As far as the contracts that were entered into by the Hill School Board, we now find that we need about $26,000 more to pay the bills. This is not a question of the old school board entering into contracts in excess of the assets they had. When consolidation actually took place the Hill School District turned over to your new district about $13,000 in cash. There was the old school house at Crystal Bay which would bring about $8500. There was the school house at Upper Crystal Bay which they figured on selling for about $6500. And then too, the combined budgets voted by Upper Crystal Bay and Hill back in 1948 totaled $28,500 -- an amount well in excess of strictly operating costs which were estimated. This budget money, these school houses, the cash turned over -- yes, the new elementary school at Hill -- all these are now assets of the entire district -- your district. Our problem is to pay these bills now. We can pay ourselves back later and put the money so received back into the new secondary school.

Do We Plan to Sell the Old School Houses which are not Being Used?

Yes, we do, if you authorize us to do so. One of the questions you will vote on at the election on October 18th, will be whether you are for or against the sale of the school houses and school sites at Armstrong, Spurzem, Reiser, Grove Center and Upper Crystal Bay. We will never use these school houses again. We must carry insurance on them. They are an expense which does not seem to us to be warranted. They are assets, which, if sold, will help to pay for our new secondary school.

Let's sum up the whole situation. We, your School Board, unanimously recommended the sale of bonds not to exceed $100,000, the proceed to be used as follows:

Purchase of site for new secondary school	$15,000.00
Architects fees for new secondary school	31,000.00
Attorney's fees	1,000.00
New Equipment for our school system	15,000.00
Repairs, remodeling, and painting	4,000.00
Change orders on Hill Elementary School	3,000.00
Completion of Hill Elementary School	26,000.00
Reserve for unforeseen contingencies	5,000.00
Total	$100,000.00

It is now equally up to each one of you. If you want to provide the gas to run the car, you should vote "Yes" on October 18th. If the gas is not provided, the car won't run. At the very last, we ask that you put a lot of thought on this matter. The future of the educational system for your children is at stake.

Respectfully submitted,

BOARD OF EDUCATION

H. R. Ross
H. R. Ross, Chairman

Winifred Bryant
Winifred Bryant, Clerk

Edmund B Walsh.
Edmund Walsh, Treasurer

Elmer H. White
E. H. White

Russell Johnson
Russell Johnson

Donald Willis