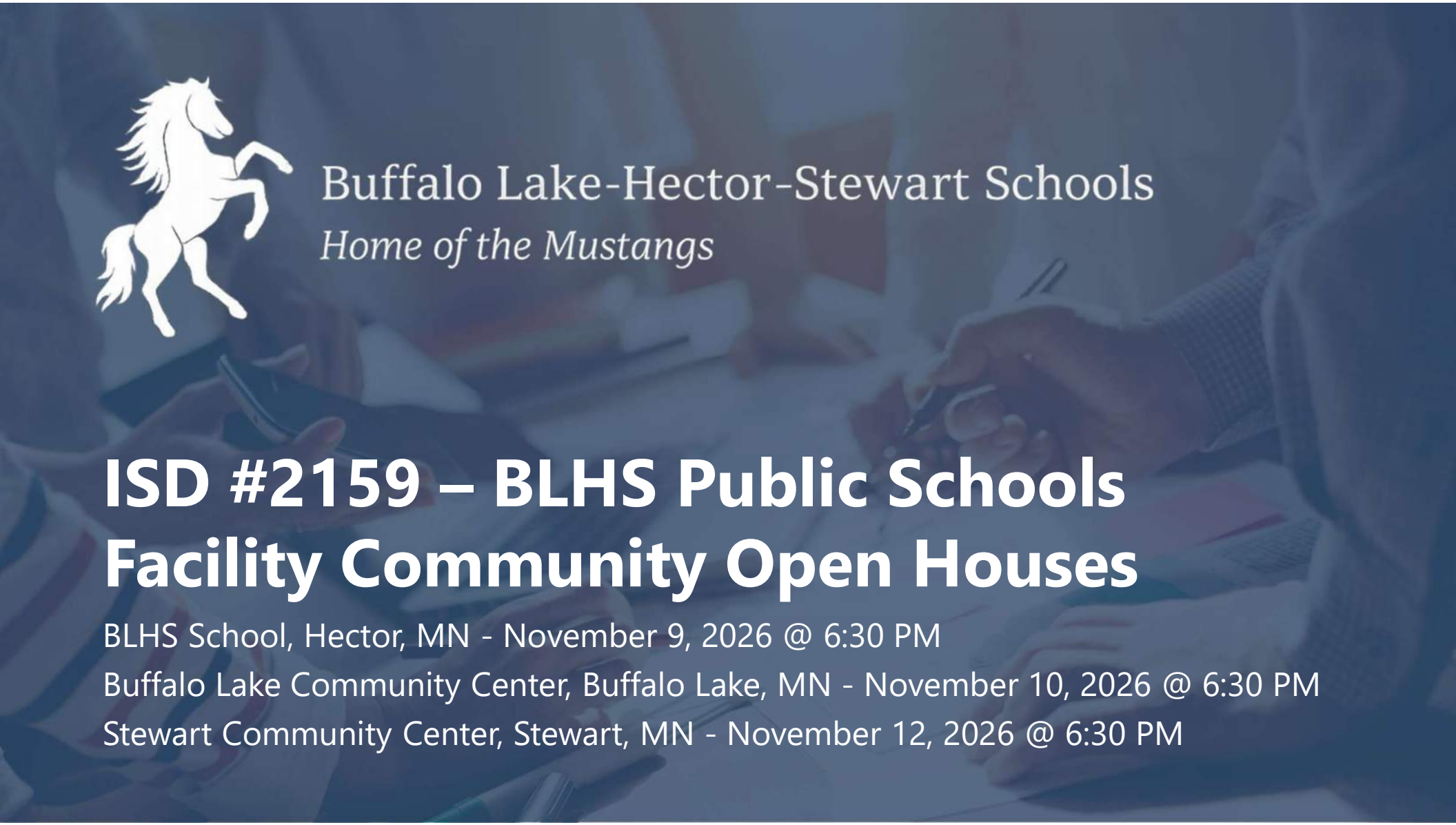


ISD #2159 – BLHS Public Schools Facility Community Open Houses

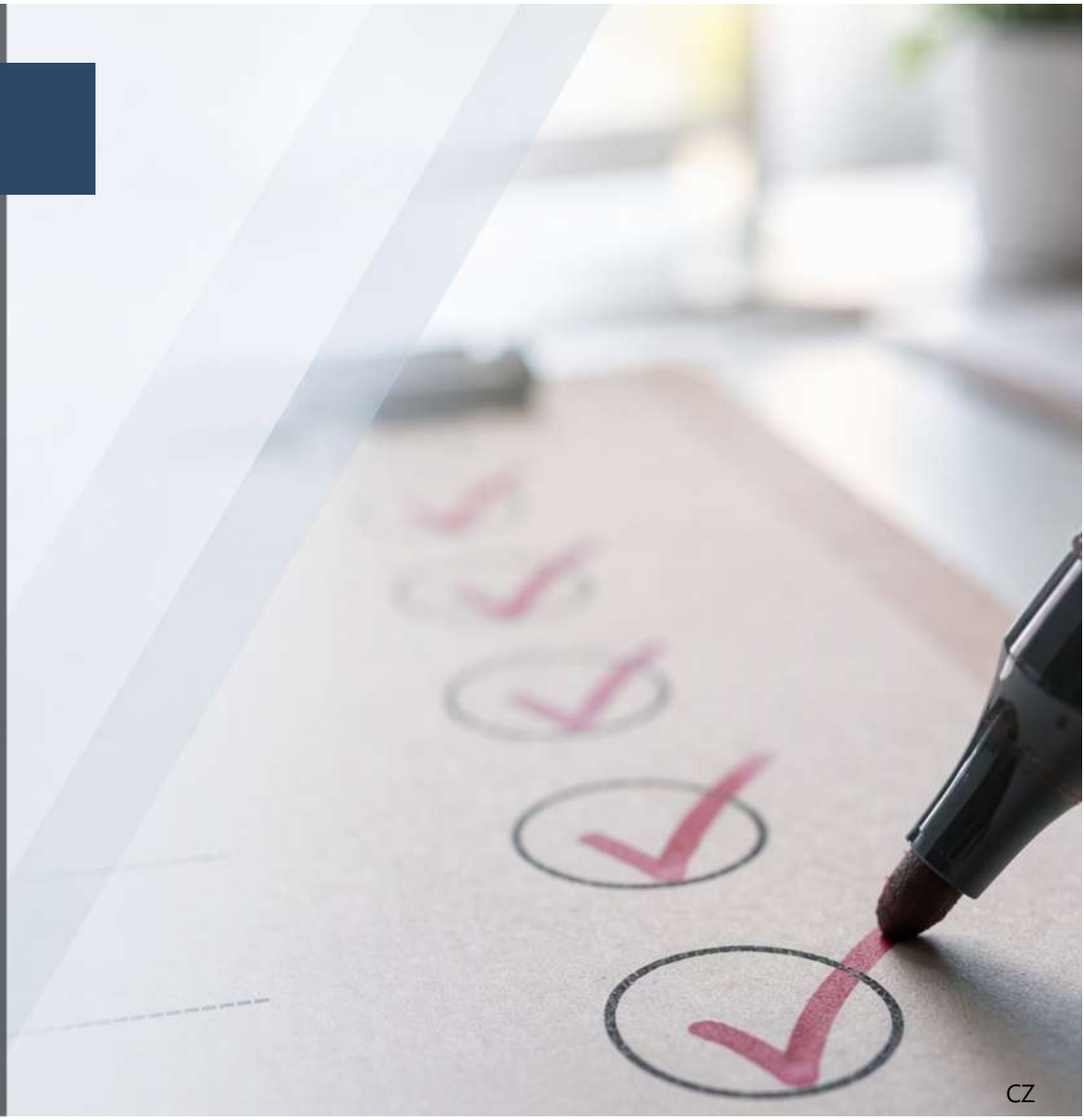
BLHS School, Hector, MN - November 9, 2026 @ 6:30 PM

Buffalo Lake Community Center, Buffalo Lake, MN - November 10, 2026 @ 6:30 PM

Stewart Community Center, Stewart, MN - November 12, 2026 @ 6:30 PM

Agenda

- Current State of the District
- The Process
- Guiding Principles
- Facility Condition Assessment
- Demographics
- Solutioning / Preferred Option
- Tax Impact
- Survey Results
- Questions & Answer



BLHS Mission:

"Delivering high-quality learning through exceptional staff, fostering safety, care, belonging, and opportunity."

The Current State of the District (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The District conducted a Strategic Planning effort that developed 5 priorities that were adopted by the School Board in August of 2026:

- **Priority #1: Increase Academic Achievement for ALL Learners**
  - Increase Academic Achievement for ALL Learners
  - Broden/expand future-focused learning opportunities
  - Develop Critical Thinkers, Problem Solvers, and Life Long Learners
- **Priority #2: High Quality Teaching & Supportive Learning Environment**
  - Retain consistent leadership and leadership structure
  - Retain, recruit, and develop highly qualified staff Birth to 12th Grade
- **Priority #3: Safe, Modern & Adequate Facilities**
  - Update Infrastructure (HVAC, Plumbing & Electrical)
  - Modernize learning spaces to support innovation
  - Develop a sustainable long-range facilities plan
- **Priority #4: Student Engagement & Belonging**
  - Expand student participation in activities and leadership opportunities
  - Strengthen student voice and relationships
  - Foster a strong culture of belonging and inclusion
- **Priority #5: Community Connections, Trust and Fiscal Responsibility**
  - Maintain fiscally responsible budgeting practices that align resources with strategic priorities, maximize operations efficiency, and protect long-term district sustainability
  - Continue to cultivate meaningful partnerships to increase district support

The Current State of the District (Cont'd.)

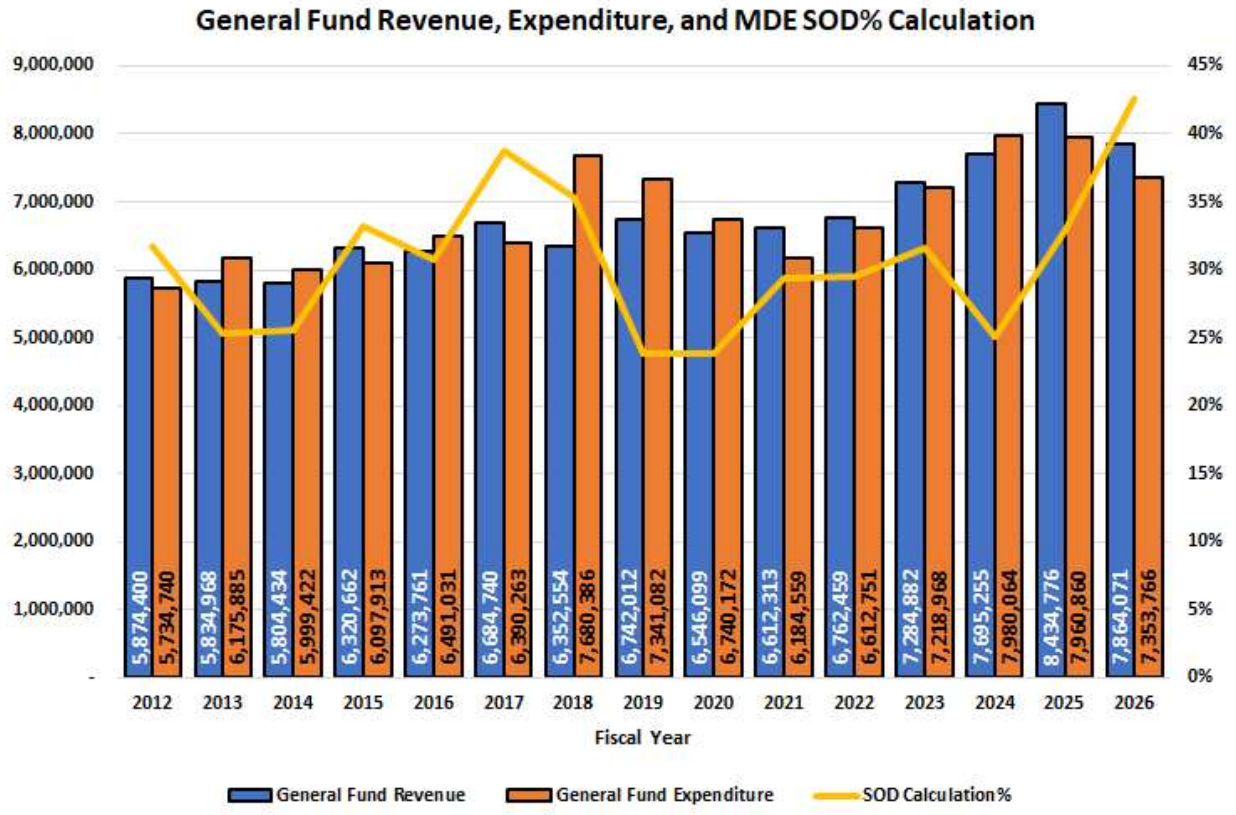
Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

Operationally, BLHS is heading in the right direction and not deficit spending its General Fund revenue budget

(Information contained in this slide is based on Districts Audited Financials)

Fiscal Year	General Fund Revenue	General Fund Expenditure	MDE SOD Expenditure	Fund Balance	SOD Calculation%
2012	5,874,400.00	5,734,740.00	5,002,540.00	1,586,094.00	31.71%
2013	5,834,968.00	6,175,885.00	5,320,286.00	1,347,535.00	25.33%
2014	5,804,434.00	5,999,422.00	5,023,465.00	1,282,495.00	25.53%
2015	6,320,662.00	6,097,913.00	5,149,192.00	1,712,426.00	33.26%
2016	6,273,761.00	6,491,031.00	5,226,493.00	1,607,675.00	30.76%
2017	6,684,740.00	6,390,263.00	5,343,335.00	2,069,642.00	38.73%
2018	6,352,554.00	7,680,386.00	5,565,716.00	1,966,388.00	35.33%
2019	6,742,012.00	7,341,082.00	6,146,990.00	1,463,749.00	23.81%
2020	6,546,099.00	6,740,172.00	5,651,104.00	1,349,883.00	23.89%
2021	6,612,313.00	6,184,559.00	5,473,304.00	1,607,912.00	29.38%
2022	6,762,459.00	6,612,751.00	5,764,815.00	1,701,878.00	29.52%
2023	7,284,882.00	7,218,968.00	6,461,614.00	2,039,483.00	31.56%
2024	7,695,255.00	7,980,064.00	6,712,558.00	1,680,079.00	25.03%
2025	8,434,776.00	7,960,860.00	6,775,410.00	2,230,189.00	32.92%
2026	7,864,071.00	7,353,766.00	6,198,263.00	2,639,948.00	42.59%



LS

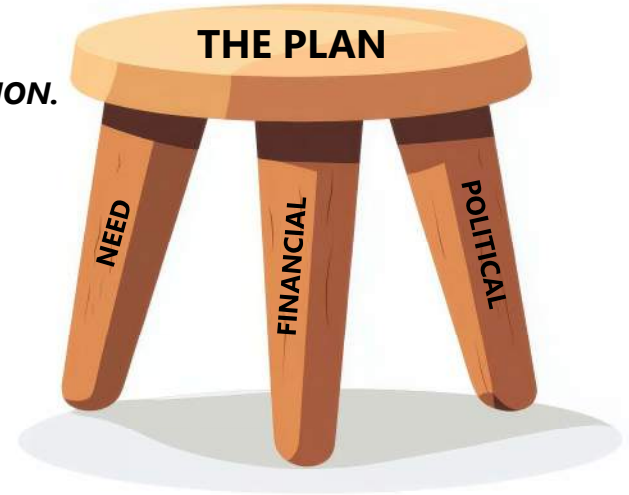
Strategic Approach to Facilities Planning

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The "three-legged stool" approach to the school district's facility planning decision-making requires every decision to be made based on a balance of *NEED*, *FINANCIAL*, and *POLITICAL* merit.

The goal is to create a plan that considers and balances all these elements:

- **NEED:**
  - Create facility solutions that directly align spaces to efficiently provide a ***VISION FOR EDUCATIONAL ACHIEVEMENT***.
  - Design ***FLEXIBLE***, ***EQUITABLE***, and ***SAFE EDUCATIONAL ENVIRONMENTS***.
  - ***INCORPORATE INPUT*** from the community, staff, etc.
- **POLITICAL:**
  - Foster ***COMMUNITY TRUST*** through ***TRANSPARENT, ONGOING COMMUNICATION.***
  - ***ENGAGE*** stakeholders early and often – and ***LISTEN*** to public sentiment.
  - Build a strong, ***FACT-BASED*** case for facility needs.
  - Address inquiries and questions with ***FACTS.***
- **FINANCIAL:**
  - Provide ***FISCALLY RESPONSIBLE, DATA-DRIVEN SOLUTIONS*** with clear ROI.
  - Develop financial solutions that are sensitive to district tax-payers.
  - Cost of waiting – 4% - 6% inflationary costs year after year
    - It will ***NEVER*** be cheaper than ***TODAY***!



CZ

Communication and Decision-Making Process

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

ICS

School Board

- Represent district and community interests
- Adopt committee structure and model for on-going project communications
- Provide input as required
- Final decision-making authority for project-related issues (with recommendation from Facilities Steering Committee)

Project Team (BLHS Admin. / ICS)

- Meet regularly to monitor and review scope & ongoing activities throughout the project process
- Review overall project budget
- Review construction progress & status
- Evaluate & recommend/approval of pending change items
- Evaluate items necessary for POC and or Board review/approval

Facilities Steering Committee (*Planning*, Design and Construction Phases)

- Monitor and review scope & on-going activities throughout the project process
- Represent the City Council
- Provide direction on non-board required items
- Review design progress & status
- Review construction progress & status
- Establish model for ongoing public communications related to the project
- Monitor overall project budget
- Evaluate & recommend/approval of pending change items

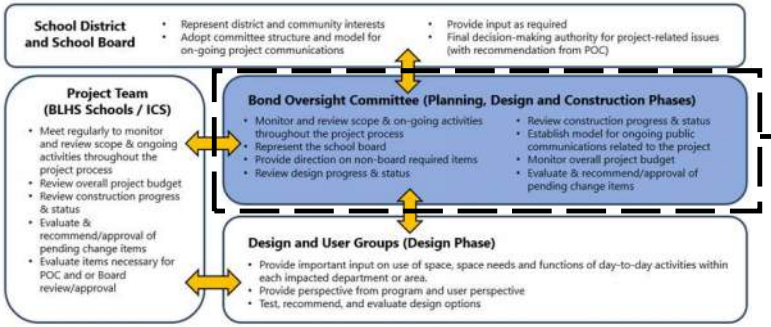
Design and User Groups (Design Phase)

- Provide important input on use of space, space needs and functions of day-to-day activities within each impacted department or area.
- Provide perspective from program and user perspective
- Test, recommend, and evaluate design options

CZ

Communication and Decision-Making Process

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs



Facilities Steering Committee
(Membership of 15-18)

School Board Representation

David Vacek, Board Chair
Jennifer Macik, Board Clerk
Carly Kubesch, Board Treasurer

- **Direct connection back to the School Board as a whole**
- **Also serves as additional Community Representation**

Appropriate Staff

Logan Swan, Superintendent
Robert Timm, Buildings & Grounds
Eileen Koeberl, Business Manager
Jesse Westbrock, Elem. Principal
Kevin Elton, High School Principal
Jill Grams, Teacher
Molly Kramer, Teacher
Michelle Melberg, Teacher

- **District staff to provide history and information as the Project Oversight Committee evaluates data and options / solutions throughout the process**

Community Representation

Sherri Broderius, Community Member
Matt Melberg, Community Member
Cory Danielson, Community Member
Laura Bergstaller, Community Member
Missy & Matt Maiers, Comm. Members.
Dan Edwards, Hector Mayor
Matt Rath, Buffalo Lake Mayor
Jason Pierce, Stewart Mayor

- **Forward thinking individual(s) in the community that can bring additional ideas and perspective**
- **Recognizable and respected within the District's communities**
- **Is a current resident within the District**

ICS

Chris Ziemer
Michael Hubbard
Eryn Wood
Rapp Strategies

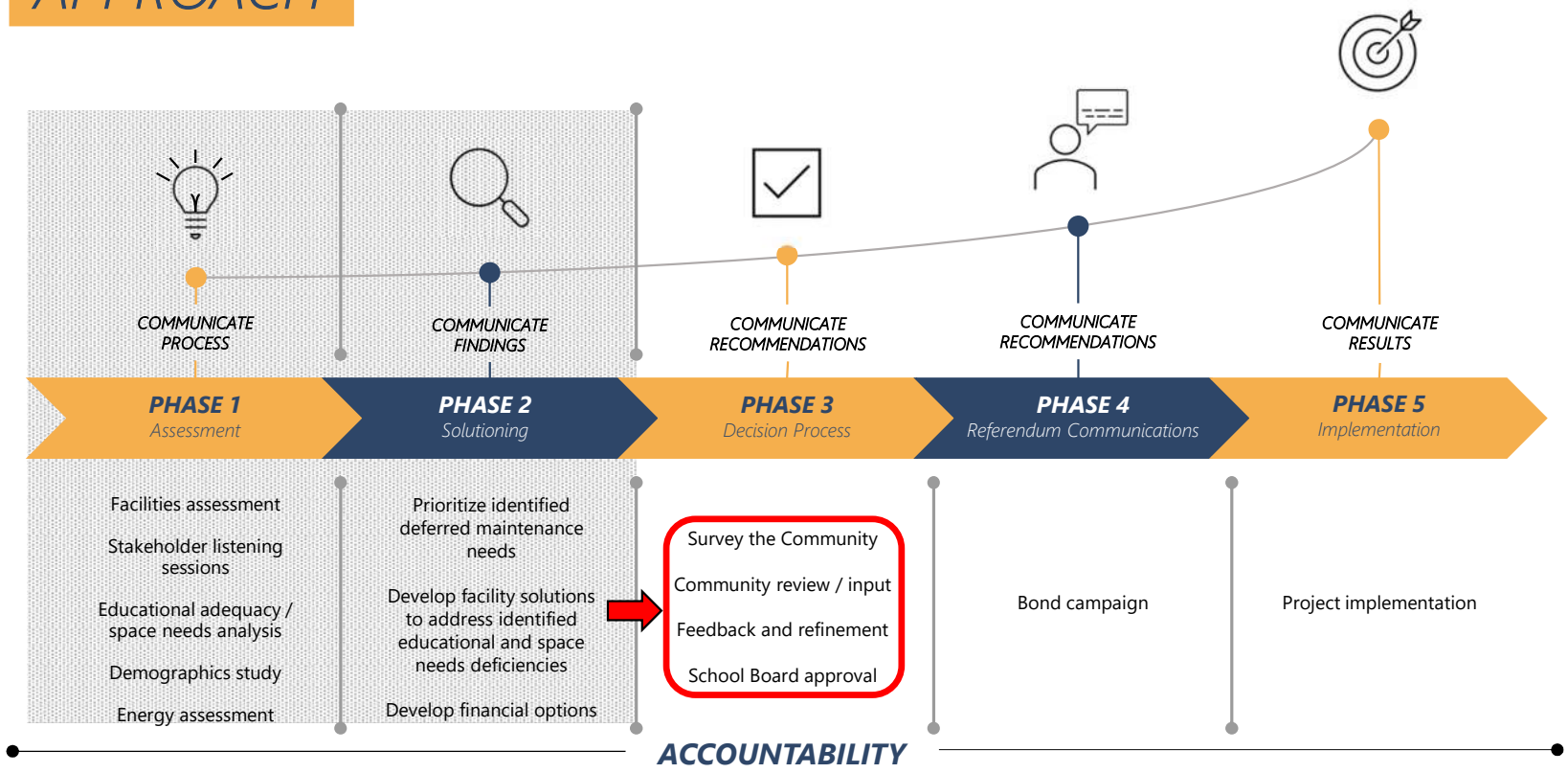
- **Will engage additional expertise as needed**

CZ

Well Thought Out and Intentional Process

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

FIVE-PHASE APPROACH



CZ

Facilities Condition Assessment

- Current State of the District
- The Process
- Guiding Principles
- Facility Condition Assessment
- Facility Educational Adequacy
- Demographics
- Solutioning / Preferred Option
- Tax Impact



Facility Condition Assessment

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

ICS was conducted a Facility Condition Assessment in the Spring of 2025

Building Systems that were Evaluated:

- **Exterior Envelope**
  - Walls (Brick/Sealants)
  - Windows
  - Roofs
- **Interior**
  - Accessibility
  - Building Finishes (Flooring, Walls, Ceilings)
  - Doors / Hardware
- **Site**
  - Accessibility
  - Available Parking (Visitor & Staff)
  - Drop-Off / Pick-Up (Parents & Buses)
- **Mechanical**
  - Boilers
  - HVAC Systems
  - Plumbing Systems
  - Fire Protection
- **Electrical**
  - Panels
  - Distribution
  - Fire Alarm
- **Security**
  - Entry
  - Card Reader / Camera

Facility Condition Assessment – Exterior

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Exterior Envelope:

- **Walls**
  - Areas of significant tuckpointing and sealant repairs/replacement needed.
    - The immediate need areas are being address last summer (2025).
    - Areas not addressed should be monitored.
  - Areas of windows that were infilled with wood



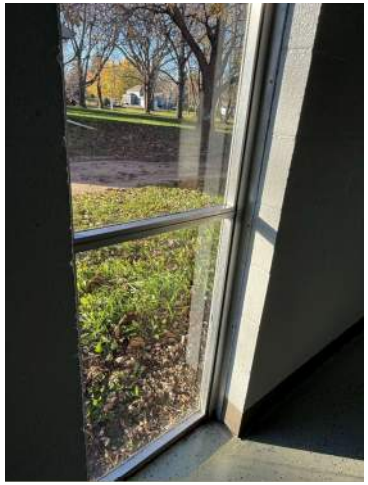



Facility Condition Assessment – Exterior

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Exterior Envelope:

- **Doors / Windows**
  - Exterior doors appear to be a mix a hollow metal, reinforced fiberglass panel and aluminum.
    - Oder door systems (i.e., auditorium) should be replaced with new hardware.
  - Windows throughout the building have reached the end of their useful life cycle and are no longer energy efficient
    - Many areas where the original window opening was partially closed up with paneling or glass block. Due to the efficiencies of new window systems these areas should be looked at opening up the original opening and installing new window systems.



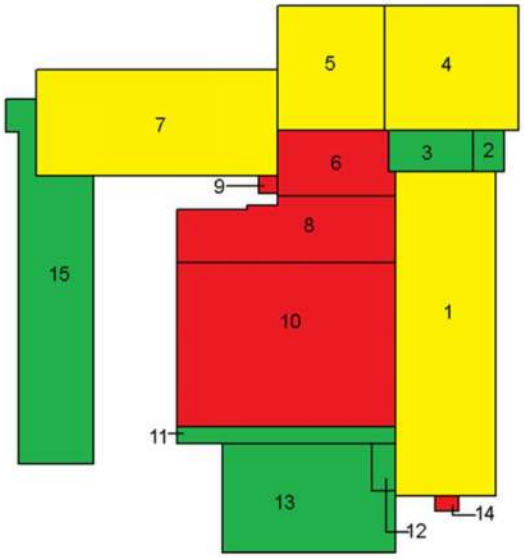
CZ

Facility Condition Assessment – Exterior (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Exterior Envelope:

- **Roofs**
  - Roofing ranges in age from 0-33 years with fifteen (15) roof areas; four (4) areas requiring attention in the near future (totaling 17,785 SF)
    - Existing roofing areas requiring replacement are predominantly EPDM roofing systems w/ one area consisting of an older gravel surface BUR.
    - Roofs are being replace with built-up roofing (BUR) systems – good quality roof system



TREMCO
Roofing and Building Maintenance

Building Name	Buffalo Lake Hector High School				
Building Address	220 3rd St W, Hector, MN 55342				
Roof Number	Installation Date	Membrane Type	Square Ft.	Condition	Recommendation
1	2011	Gravel Surfaced BUR	11,520	Good	Restore Eventually
2	2025	Gravel Surfaced BUR	450	Good	Maintain
3	2025	Gravel Surfaced BUR	1,250	Good	Maintain
4	2011	Gravel Surfaced BUR	5,920	Good	Restore Eventually
5	2011	Gravel Surfaced BUR	4,736	Good	Restore Eventually
6	2011	Gravel Surfaced BUR	2,669	Good	Restore Eventually
7	2011	Gravel Surfaced BUR	8,946	Good	Restore Eventually
8	2006	Ballast EPDM	4,819	Fair	Replace
9	2006	Fully Adhered EPDM	100	Fair	Replace
10	2006	Ballast EPDM	12,740	Fair	Replace
11	2024	Gravel Surfaced BUR	1,300	Good	Maintain
12	2024	Gravel Surfaced BUR	392	Good	Maintain
13	2024	Fully Adhered KEE	6,200	Good	Maintain
14	1993	Ballast EPDM	126	Poor	Replace
15	2024	Gravel Surfaced BUR	8,386	Good	Maintain

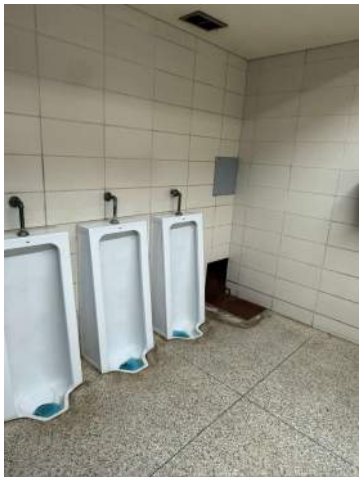
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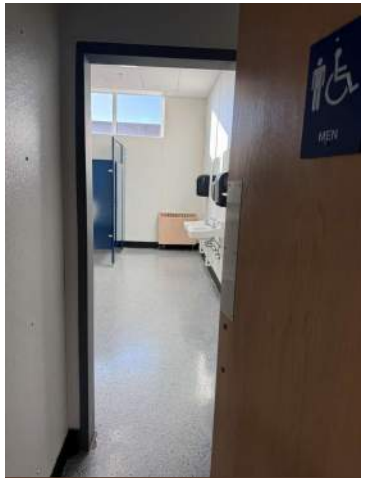
Facility Condition Assessment – Interior

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Interior:

- **Accessibility**
  - All levels are accessible via an elevator that is centrally located
    - Elevator must be accesses through the band room on the upper level which is less than ideal.
  - Toilet rooms area a mix of partially accessible compliant to non-compliant. Enough space appears to be in place to completely renovate these spaces and provide compliant accessible toilet rooms
  - Locker room showers should be upgraded to meet accessibility requirements.
  - The concessions room should be updated to comply with accessibility requirements.
  - Other areas throughout the building lack accessibility (i.e., science casework, sinks in casework, etc.)







CZ

Facility Condition Assessment – Interior (Cont'd.)

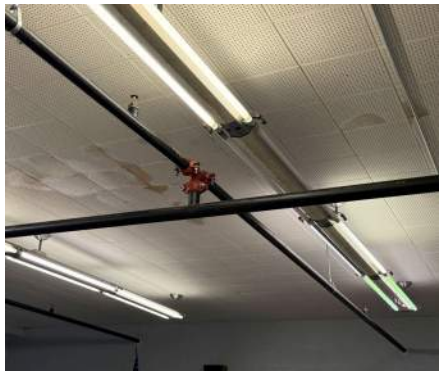
Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Interior (Cont'd.):

- **Building Finishes (Flooring, Walls, Ceilings)**
  - The building contains significant flooring and ceilings that are of a vintage that would suggest that they are containing hazardous materials (i.e., asbestos). Areas should be abated as finishes are upgraded throughout the building.
  - Wall finishes in some areas show numerous layers of paint and should be tested for lead.
  - The building contains significant flooring and ceilings that are of a vintage that would suggest that they are containing hazardous materials (i.e., asbestos). Areas should be abated as finishes are upgraded throughout the building.
  - Wall finishes in some areas show numerous layers of paint and should be tested for the presence of lead.







CZ

Facility Condition Assessment – Interior (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Interior (Cont'd.):

- **Doors / Hardware**
  - Interior wood doors are showing significant wear and tear and should be replaced
  - Door hardware is a mix of knob and level types. All knob hardware should be replaced with lever type to conform to accessibility needs.









CZ

Facility Condition Assessment – Mechanical

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

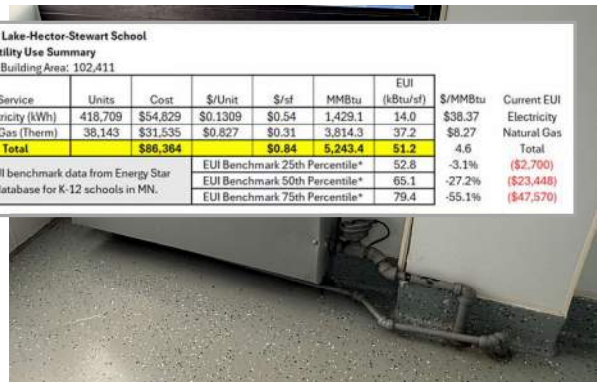
Mechanical:

- **Boilers and Steam Piping / Radiators**
  - The building is currently served by a steam boiler system
    - One of the two (2) boilers is operating off the original burner. If the boilers are to remain in service, the original burner should be replaced.
    - Some tubes have been replaced, but all tubes should be replaced if the boilers are to remain in service. This continues to be an items that is address annually
    - Steam piping and condensate lines are original and have been repaired where accessible and as needed. Not all radiation is hooked up to the steam system.
    - The 1962 classroom wing is serviced by a hot water system which utilizes a heat exchanger in the boiler room.









Buffalo Lake-Hector-Stewart School
2024 Utility Use Summary
Building Area: 102,411

Service	Units	Cost	$/Unit	$/sf	MMBtu	EUI (kBtu/sf)	$/MMBtu	Current EUI
Electricity (kWh)	418,709	$54,829	$0.1309	$0.54	1,429.1	14.0	$38.37	Electricity
Nat. Gas (Therm)	38,143	$31,535	$0.827	$0.31	3,814.3	37.2	$8.27	Natural Gas
Total		**$86,364**		**$0.84**	**5,243.4**	**51.2**	4.6	Total
*EUI benchmark data from Energy Star database for K-12 schools in MN.			EUI Benchmark 25th Percentile*			52.8	-3.1%	($2,700)
			EUI Benchmark 50th Percentile*			65.1	-27.2%	($23,448)
			EUI Benchmark 75th Percentile*			79.4	-55.1%	($47,570)

CZ

Facility Condition Assessment – Mechanical (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

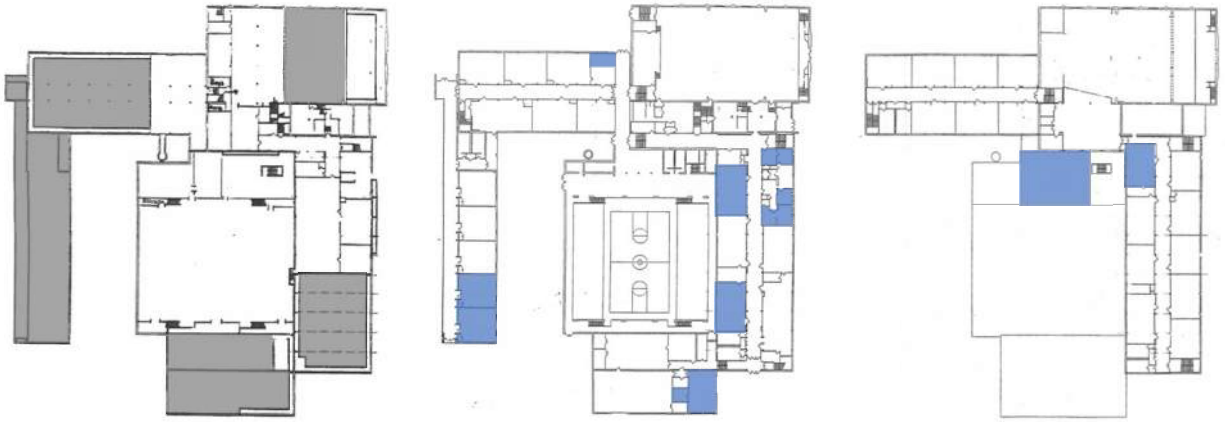
Mechanical:

- **HVAC Systems**
  - The building is served by a combination of unit ventilators and radiators in the classroom spaces and air-handling units in the bigger spaces (i.e., gyms, cafeteria, etc.).
    - Very few spaces have air conditioning. Those few areas that have access to AC are served by residential window units.
    - The existing unit ventilators do not provide the current code requirements for fresh air to the rooms they serve. Additionally, there were signs that quite a few unit ventilators do not function.
    - The building lacks a controls system with the presence of pneumatics still being utilized.

Key:

Room Equipped w/ AC

Unexcavated



Lower Level **Main Level** **Upper Level**

CZ

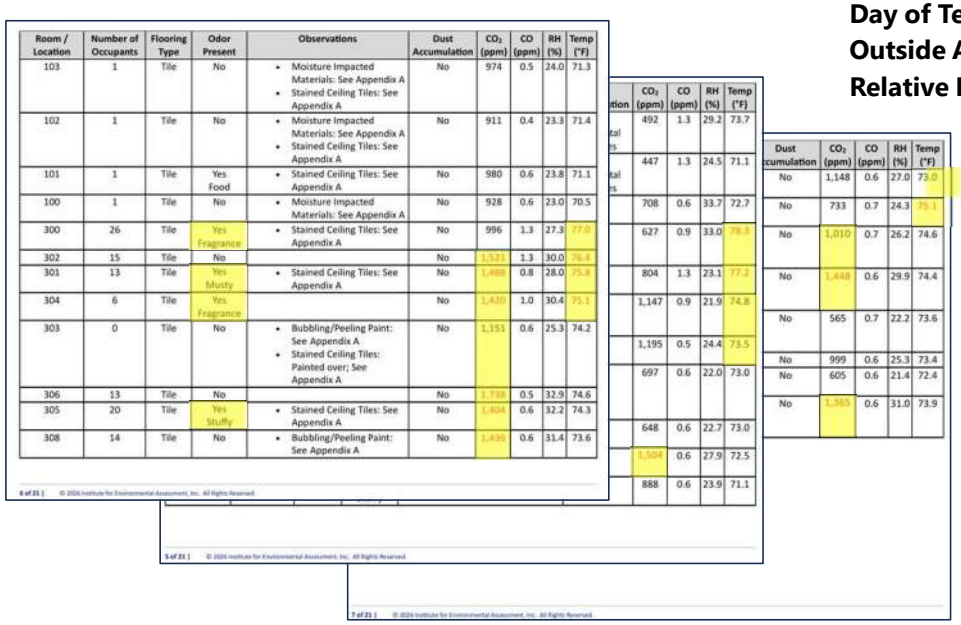
Facility Condition Assessment – Mechanical (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Mechanical:

- **Indoor Air Quality (IAQ):**
  - **The District hired IEA to conduct air testing throughout the existing facility in April of 2026**
  - **Several rooms exhibited signs of poor indoor air quality (odors, high CO_2 and high room temperatures (above the typical range of 68° F – 74° F) and CO level above 1,000 ppm in many locations throughout the school).**





Room / Location	Number of Occupants	Flooring Type	Odor Present	Observations	Dust Accumulation	CO_2 (ppm)	CO (ppm)	RH (%)	Temp (°F)
103	1	Tile	No	• Moisture Impacted Materials: See Appendix A • Stained Ceiling Tiles: See Appendix A	No	974	0.5	24.0	71.3
102	1	Tile	No	• Moisture Impacted Materials: See Appendix A • Stained Ceiling Tiles: See Appendix A	No	911	0.4	23.3	71.4
101	1	Tile	Yes Food	• Stained Ceiling Tiles: See Appendix A	No	980	0.6	23.8	71.1
100	1	Tile	No	• Moisture Impacted Materials: See Appendix A	No	928	0.6	23.0	70.5
300	26	Tile	Yes Fragrance	• Stained Ceiling Tiles: See Appendix A	No	996	1.3	27.3	77.0
302	15	Tile	No		No	1,521	1.3	30.0	76.4
301	13	Tile	Yes Musty	• Stained Ceiling Tiles: See Appendix A	No	1,488	0.8	28.0	75.8
304	6	Tile	Yes Fragrance		No	1,420	1.0	30.4	75.1
303	0	Tile	No	• Bubbling/Peeling Paint: See Appendix A • Stained Ceiling Tiles: Painted over; See Appendix A	No	1,151	0.6	25.3	74.2
306	13	Tile	No		No	1,738	0.5	32.9	74.6
305	20	Tile	Yes Stuffy	• Stained Ceiling Tiles: See Appendix A	No	1,404	0.6	32.2	74.3
308	14	Tile	No	• Bubbling/Peeling Paint: See Appendix A	No	1,430	0.6	31.4	73.6

CO_2 (ppm)	CO (ppm)	RH (%)	Temp (°F)
492	1.3	29.2	73.7
447	1.3	24.5	71.1
708	0.6	33.7	72.7
627	0.9	33.0	78.3
804	1.3	23.1	77.2
1,147	0.9	21.9	74.8
1,195	0.5	24.4	73.5
697	0.6	22.0	73.0
648	0.6	22.7	73.0
1,504	0.6	27.9	72.5
888	0.6	23.9	71.1

Dust Accumulation	CO_2 (ppm)	CO (ppm)	RH (%)	Temp (°F)
No	1,148	0.6	27.0	73.0
No	733	0.7	24.3	75.1
No	1,010	0.7	26.2	74.6
No	1,448	0.6	29.9	74.4
No	565	0.7	22.2	73.6
No	999	0.6	25.3	73.4
No	605	0.6	21.4	72.4
No	1,365	0.6	31.0	73.9

Day of Testing Readings:
Outside Air Temp: 36.1° F
Relative Humidity: 62.1%

CZ

Mechanical (Cont'd.)

- **Plumbing Systems**
  - The existing building domestic water system consists of galvanized piping. This piping should be replaced w/ copper along with the plumbing fixtures.
  - There are signs that the buildings wastewater system is failing (water coming back into the boiler room.
  - The boiler room shows continued signs of standing water (in front of electrical panels, by the boilers, etc.). Drain tile should be installed around the perimeter of the boiler room and a new sump installed to eliminate this standing water.







- **Fire Protection**
  - The building has fire protection that is exposed throughout and appears to be well maintained.

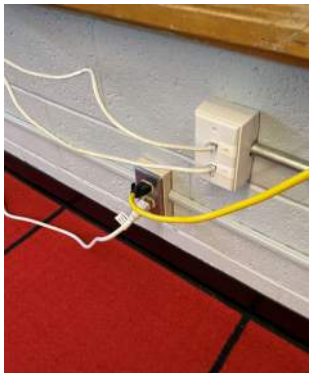
Facility Condition Assessment – Electrical

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Electrical:

- **Panels:**
  - There are numerous panels in the building that are at the end of their useful life cycle (i.e., panels w/ still utilizing panels). The building's power distribution system should be upgraded to provide safe power to the building.
    - Panels are showing signs of rust due to the presence of standing water in the boiler room.
    - Many panels have poor labeling or are lacking labeling.
- **Power Distribution**
  - The building has many outlets that have older plug layouts and should be upgraded.
  - Additional power is lacking in many of the classrooms.





CZ

Facility Condition Assessment – Electrical (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Electrical:

- **Lighting**
  - The building consists of a mix of T8, T12, compact fluorescent lighting and LED. Lighting should be upgraded to LED throughout.
  - Additionally, manual switching is predominant throughout the building and should be upgraded to switching with occupancy sensors that are tied to a building management system.







- **Fire Alarm**
  - Fire alarm currently passes inspection.

CZ

Facility Condition Assessment – Other

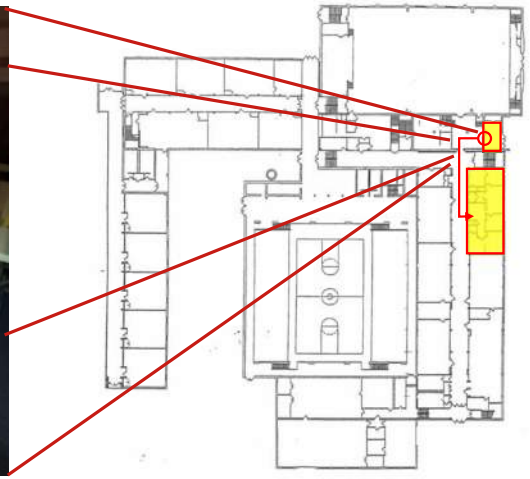
Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Other Considerations:

- **Site**
  - The facility site lacks sufficient drop-off and pick-up areas for buses and parents
  - The facility lacks sufficient parking areas for staff and visitors
- **Building Security**
  - The building does not have a secure entrance that is contiguous with the main office. This configuration allows visitors to be routed through the office and verified prior to allowing access to the rest of the building. The current configuration requires







Demographics

INFORMATION PROVIDED BY:

Applied Insights north

JOHN POWERS



Demographics Findings – Overview

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Applied Insights north

1. Renville County, where roughly three-quarters of the BLHS district's population lives, has lost population and is anticipated to continue to do so through 2030. McLeod County (21% of district population lives there) has gained population and is expected to modestly increase by 2030.

    a) Between 2000 and 2020 both counties had influxes of adults in the family generation age groups and, also, in number of young children.
    b) These gains spurred what is likely a short-term increase in the number of young school-age children in the district over the last several years.
    c) However, both counties had losses via net in/out migration of persons living in the US over the 2020-2025 time frame which may be signaling the end or at least dampening of those earlier gains.
    d) Both counties are projected to have fewer children ages 0-14 in 2030 than in 2020.

2. The number of K-12 student students living within the BLHS school district, regardless of where they go to school, declined -20.5% over the past ten years.

    a) Most grade groups declined over the period but the K-2 group, after hitting a low in 2022/23 began a three-year rise. That rise does not correlate with changes in births but does mesh with the influx of young adult households noted above.

Demographics Findings – Overview (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Applied Insights north

3. Enrollment at BLHS steadily and dramatically declined.

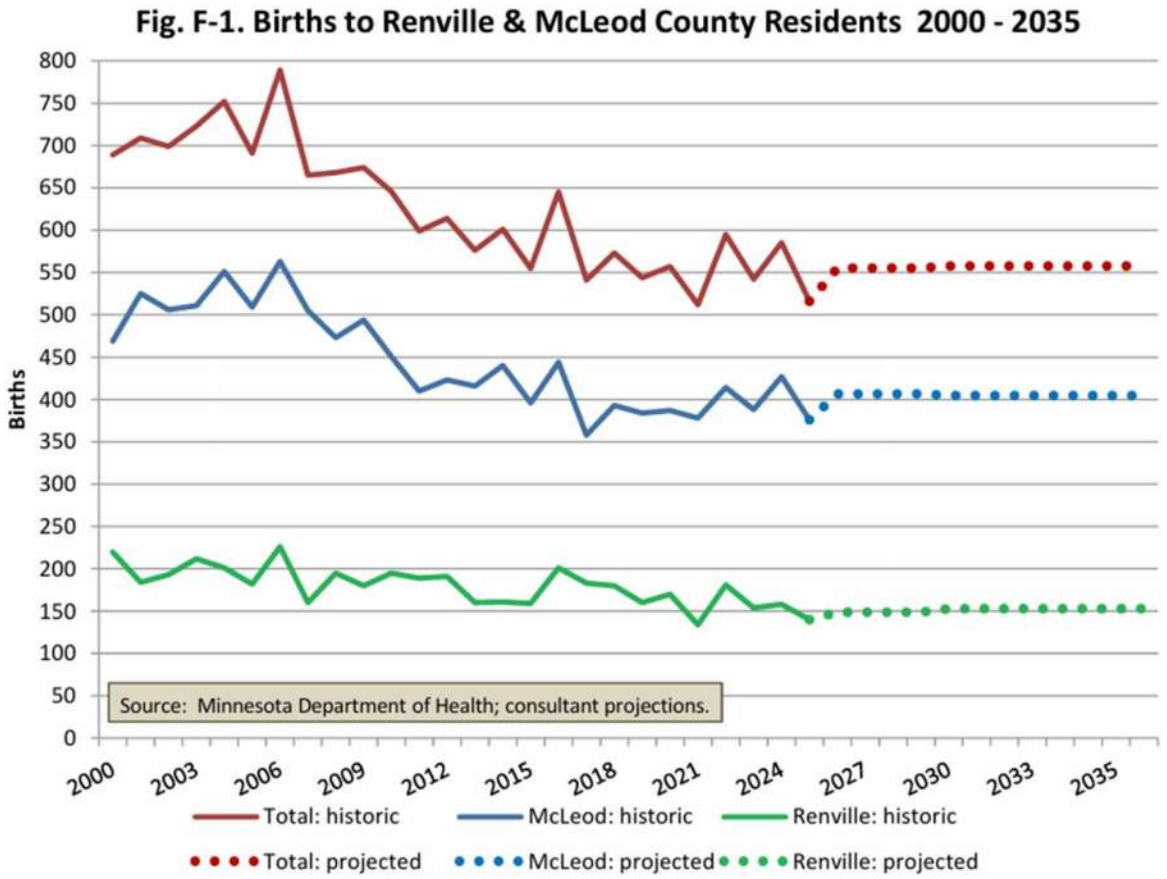
    a) K-12 enrollment dropped -18.1% from 579 in 2016/17 to 425 in 2025/26.
    b) The decline reflected fewer students living in the district and a consistent level in the number who open enroll out to other districts notably Hutchinson.

4. There are currently no economic or residential development activities that will meaningfully impact population or student levels meaning changes in population will rely on turnover of households from older to younger residents.

Demographics Findings – Supporting Data (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
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Applied Insights north



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Demographics Findings – Supporting Data

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

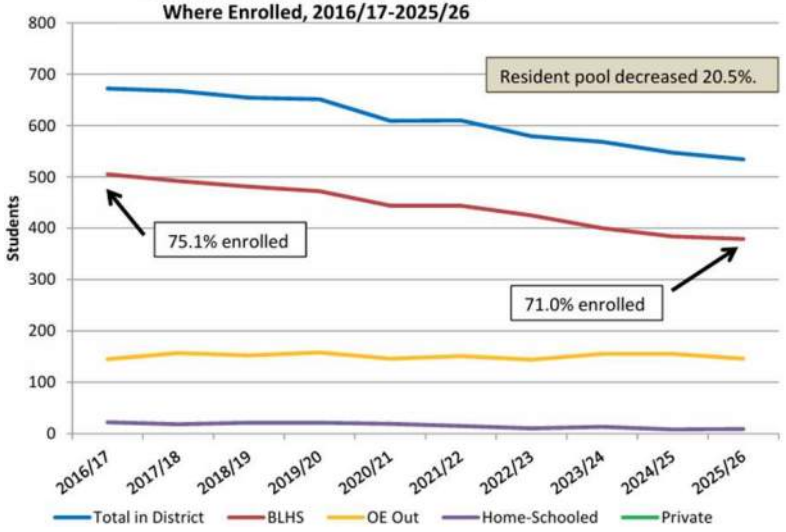
Applied Insights north

Table A-1. Analysis of District's Pool of Resident K-12 Students

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Change
Pool											
Total	672	667	654	651	609	610	579	568	547	534	-20.5%
Enrolled	505	492	481	472	444	444	425	400	384	379	-25.0%
OE Out	145	157	152	158	146	151	144	155	155	146	0.7%
Private											
Home Sch.	22	18	21	21	19	15	10	13	8	9	-59.1%
Percent of Pool											
Enrolled	75.1%	73.8%	73.5%	72.5%	72.9%	72.8%	73.4%	70.4%	70.2%	71.0%	
OE Out	21.6%	23.5%	23.2%	24.3%	24.0%	24.8%	24.9%	27.3%	28.3%	27.3%	
Private	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Home Sch.	3.3%	2.7%	3.2%	3.2%	3.1%	2.5%	1.7%	2.3%	1.5%	1.7%	

Source: MDE, district.

Fig. A-1. BLHS K-12 Resident Students Where Enrolled, 2016/17-2025/26



Key Takeaways:

1) Population within the District declined by 20.5% over the last 10 years
2) Enrollment has declined by 4.1% over the last 10 years
3) Students open enrolling out has stayed fairly level over the last 10 years
4) Students lost to Home Schooling is very low – likely due to lack of access to high-speed internet access

CZ

Demographics Findings – Supporting Data (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Applied Insights north

Table C-1. K-12 Open Enrollment Exchange by Major Student Origins/Destinations

	2017/18		2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2024/25		2025/26	
	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out
Hutchinson	3	66	3	72	2	74	1	78	1	72	2	74	0	79	2	81	3	72
Glencoe Silver Lake	0	4	1	4	2	10	0	9	3	9	1	11	2	13	1	10	3	11
GFW	2	10	3	11	3	12	3	8	8	9	6	8	4	6	2	5	2	5
BOLD	3	25	4	21	5	18	14	15	16	14	18	17	21	15	20	17	25	15
ACGC	1	5	1	4	1	3	1	2	0	4	0	5	3	7	3	7	13	7
All Other Districts	0	21	0	14	0	13	0	13	0	13	1	10	2	14	4	16	0	14
Charters	0	26	0	26	0	28	0	21	0	30	0	19	0	21	0	19	0	22
Total	9	157	12	152	13	158	19	146	28	151	28	144	32	155	32	155	46	146
Net exchange		-148		-140		-145		-127		-123		-116		-123		-123		-100

Source: MDE, district.

Table C-2. K-12 Open Enrollment: Average Exchanges by Year Group

	9-Year Average			First 3-Year Average			Middle 3-Year Average			Last 3-Year Average		
	In	Out	Net	In	Out	Net	In	Out	Net	In	Out	Net
Hutchinson	2	74	-72	3	71	-68	1	75	-74	2	77	-75
Glencoe Silver Lake	1	9	-8	1	6	-5	1	10	-9	2	11	-9
GFW	4	8	-4	3	11	-8	6	8	-2	3	5	-2
BOLD	14	17	-3	4	21	-17	16	15	1	22	16	6
ACGC	3	5	-2	1	4	-3	0	4	-4	6	7	-1
All Other Districts	1	14	-13	0	16	-16	0	12	-12	2	15	-13
Charters	0	24	-24	0	27	-27	0	23	-23	0	21	-21
Total	25	151	-126	12	156	-144	24	147	-123	37	152	-115

Table C-3. K-12 Open Enrollment Exchange Summary

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
In	9	12	13	19	28	28	32	32	46
Out	157	152	158	146	151	144	155	155	146
Net	-148	-140	-145	-127	-123	-116	-123	-123	-100

Table C-4. Kindergarten Open Enrollment Exchange

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
In	1	1	1	1	1	2	3	1	4
Out	10	4	6	7	4	9	12	12	10
Net	-9	-3	-5	-6	-3	-7	-9	-11	-6

Demographics Findings – Supporting Data (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
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Grade	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
K	30	23	31	28	31	27	29	28	30	28	30
1	30	27	22	30	27	30	26	28	27	29	27
2	39	29	26	21	29	26	29	25	27	26	28
3	27	38	29	26	21	29	26	29	25	27	26
4	24	26	38	29	26	21	29	26	29	25	27
5	26	22	25	36	27	24	20	27	24	27	23
6	29	25	21	24	35	26	23	19	26	23	26
7	30	30	25	21	24	36	26	23	19	26	23
8	31	28	29	25	21	24	35	26	23	19	26
9	36	31	28	29	25	21	24	35	26	23	19
10	40	35	31	28	29	25	21	24	35	26	23
11	47	39	35	31	28	29	25	21	24	35	26
12	36	45	37	34	30	27	28	24	20	23	34
Total	425	398	377	362	353	345	341	335	335	337	338
K – 6	176	165	171	170	161	157	159	163	162	162	161
7 – 12	249	233	206	192	192	188	182	172	173	175	177

Potential Solutions

- Facility Guiding Principles
- Scenario #1: IAQ
- Scenario #1A: IAQ + LTFM
- Scenario #1B: IAQ + LTFM + Program
- Scenario #2: New + Existing Gym
- Scenario #3: New Building Existing Site
- Scenario #3A: New Building New Site



Facility Guiding Principles

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BLHS Schools Facilities will.....

1) Meet and exceed the educational needs of all students through adaptable learning environments to promote lifelong learners.
   - Focus on practical use of spaces needed for efficient and effective delivery of education.
   - Meet current needs and be ready for future growth:
     - Technology infrastructure that can be expanded
     - Flexible space to meet current and future needs
   - Career technical education (CTE) opportunities to provide exposure to multiple post-secondary pathways
2) Provide a safe and secure environment for all students and staff while being welcoming to the public.
   - Establish a clearly defined and inviting public entrance
   - Ensure distinct separation between public access and secure employee areas.
3) Support the health and wellbeing of students and staff.
   - Provide HVAC systems that address indoor air quality (IAQ) and provide a comfortable learning environment
   - Ensure access to natural light
4) Manage finances responsibly.
   - Ensure budget process identifies all construction and soft costs
   - Ensure proposed solution(s) are within the approved budget
   - Ensure facility solutions will have efficient building systems to reduce operational costs
5) Address extracurricular/recreational opportunities.

New Building (Scenario #3 & #3A)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Benefits:

1. Completely new Building

Challenges:

1. Scenario #3 (Existing Hector Site) has limited buildable footprint; however north end of site could be freed up for ballfields (phy. ed. & practice use only)
2. Scenario #3A requires land acquisition and added site development – land acquisition could take time along with unknown utility costs depending upon availability

Budget Estimate – Scenario #3

Demolition & Site	$	8,280,000
New Building / Building Addition	$	54,427,532
Program / Building Flow Improvements	$	0
Finishes	$	0
Code / Accessibility Improvements	$	0
Exterior Improvements	$	0
Mechanical	$	0
Electrical	$	0
FF&E / Technology	$	1,600,000
Subtotal Estimated Project Cost:	**$**	**64,427,532**
Professional Services (Design/Mgmnt.)	$	9,958,053
Fees, Permits, Testing, etc.	$	1,751,775
Land Costs	$	1,552,000
Contingency (8% - Design & Constr.)	$	3,221,377
Total Estimated Soft Costs:	**$**	**16,453,205**
Total Estimated Project Costs:	**$**	**80,880,738** *

* ***District would fund this project through a bond referendum***

Budget Estimate – Scenario #3A

Demolition & Site	$	14,780,500
New Building / Building Addition	$	54,547,032
Program / Building Flow Improvements	$	0
Finishes	$	0
Code / Accessibility Improvements	$	0
Exterior Improvements	$	0
Mechanical	$	0
Electrical	$	0
FF&E / Technology	$	1,600,000
Subtotal Estimated Project Cost:	**$**	**70,927,532**
Professional Services (Design/Mgmnt.)	$	10,808,741
Fees, Permits, Testing, etc.	$	1,876,775
Land Costs	$	750,000
Contingency (8% - Design & Constr.)	$	3,546,377
Total Estimated Soft Costs:	**$**	**16,981,893**
Total Estimated Project Costs:	**$**	**87,909,425** *

* ***District would fund this project through a bond referendum***

Invest in the Existing (#1 – IAQ)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs



Benefits:

1. The facilities mechanical and electrical systems will be updated and provide ventilation and lighting up to current code standards for an improved educational environment for students and staff
2. Minimal finishes upgraded in support of IAQ work (i.e., ceilings and paint)

Challenges:

1. This scenario does not address any of the identified LTFM needs outside of those that qualify for IAQ funding
2. This scenario does not address any of the identified programmatic short comings of the existing facility
3. Existing site is limited

Budget Estimate

Demolition & Site	$	635,000
New Building / Building Addition	$	0
Program / Building Flow Improvements	$	0
Finishes	$	2,400,000
Code / Accessibility Improvements	$	0
Exterior Improvements	$	0
Mechanical	$	13,700,500
Electrical	$	1,016,000
FF&E / Technology	$	0
Subtotal Estimated Project Cost:	**$**	**17,751,500**
Professional Services (Design/Mgmnt.)	$	3,155,228
Fees, Permits, Testing, etc.	$	903,272
Land Costs	$	0
Contingency (8% - Design & Constr.)	$	887,575
Total Estimated Soft Costs:	**$**	**4,058,500**
Total Estimated Project Costs:	**$**	**22,697,575** *

* ***District would need to fund Boilers with separate funds outside of IAQ eligible funding***

CZ

Invest in the Existing Facility (#1A – IAQ + LTFM)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs



Benefits:

1. The facilities mechanical and electrical systems will be updated and provide ventilation and lighting up to current code standards for an improved educational environment for students and staff
2. Upgraded finishes
3. Replacement of windows / roofing
4. Parking lot replacement & bus drop-off / pick-up lane

Challenges:

1. This scenario does not address any of the identified programmatic short comings of the existing facility
2. Existing site is limited

Budget Estimate

Demolition & Site	$	2,620,000
New Building / Building Addition	$	0
Program / Building Flow Improvements	$	2,916,000
Finishes	$	3,220,000
Code / Accessibility Improvements	$	2,165,000
Exterior Improvements	$	3,765,500
Mechanical	$	16,945,000
Electrical	$	2,118,000
FF&E / Technology	$	475,000
Subtotal Estimated Project Cost:	**$**	**34,225,000**
Professional Services (Design/Mgmnt.)	$	5,311,197
Fees, Permits, Testing, etc.	$	1,276,375
Land Costs	$	0
Contingency (8% - Design & Constr.)	$	1,711,250
Total Estimated Soft Costs:	**$**	**8,298,822**
Total Estimated Project Costs:	**$**	**42,523,822** *

* ***District can fund this project through IAQ and LTFM Bonding***

CZ

Invest in the Existing (#1B: IAQ + LTFM + Prog. Needs)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs



Benefits:

1. The facilities mechanical and electrical systems will be updated and provide ventilation and lighting up to current code standards for an improved educational environment for students and staff
2. Upgraded finishes
3. Replacement of windows / roofing
4. Parking lot replacement & bus drop-off / pick-up lane
5. Renovations to improve flow / circ.
6. Building Additions to address secure entry, CTE and Fitness space

Challenges:

1. Not all building flow issues can be addressed with existing building footprint / configuration
2. Classroom additions could trigger storm shelter requirements
3. Existing Site is limited

Budget Estimate

Demolition & Site	$	2,977,750
New Building / Building Addition	$	4,766,250
Program / Building Flow Improvements	$	2,916,000
Finishes	$	3,220,000
Code / Accessibility Improvements	$	2,165,000
Exterior Improvements	$	3,765,000
Mechanical	$	16,945,500
Electrical	$	2,118,000
FF&E / Technology	$	755,000
Subtotal Estimated Project Cost:	**$**	**39,629,000**
Professional Services (Design/Mgmnt.)	$	6,122,445
Fees, Permits, Testing, etc.	$	1,357,435
Land Costs	$	0
Contingency (8% - Design & Constr.)	$	1,981,450
Total Estimated Soft Costs:	**$**	**9,461,330**
Total Estimated Project Costs:	**$**	**49,090,330** *

* ***District can fund this project through IAQ and LTFM Bonding + a referendum would be needed to supplement the non-voter approved portions of this project***

CZ

Scenario #2 – New Building + Keep Existing Gym

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs



Benefits

1. Majority of the existing building is replaced with new construction.
2. Keeps the existing Gym and renovates Support Spaces and CTE Classrooms into Kitchen, Receiving and Mechanical.
3. Reconfigures the site

Challenges:

1. Working with existing Varsity Gym and support spaces (i.e., structural reinforcement,
2. Existing site is limited

Facilities Steering Committee's Preferred Option

Budget Estimate

Demolition & Site	$	5,997,540
New Building / Building Addition	$	44,756,352
Program / Building Flow Improvements	$	0
Finishes	$	0
Code / Accessibility Improvements	$	0
Exterior Improvements	$	726,000
Mechanical	$	0
Electrical	$	0
FF&E / Technology	$	1,475,000
Subtotal Estimated Project Cost:	**$**	**52,954,892**
Professional Services (Design/Mgmnt.)	$	8,059,410
Fees, Permits, Testing, etc.	$	1,609,549
Land Costs	$	439,500
Contingency (8% - Design & Constr.)	$	2,647,745
Total Estimated Soft Costs:	**$**	**12,756,204**
Total Estimated Project Costs:	**$**	**65,711,096** *

* ***District would fund this project through a bond referendum***

CZ

Financial Impact

PRESENTED BY:

BAIRD

MICHAEL HOHEISEL
RILEY FISCHER



Agricultural Land Assessed Value Information

Baird was asked at a previous meeting,

“What is the Assessed Value of an Average Acre of Ag Land Worth?”

See 30 Different Parcels on the next slide!

Ag Land Property Valuations – Quick Sample

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

County	PID	Acres	2024 Assessed Value	2025 Assessed Value	% Change	HSTD OR NO	Pay 2025 RMV	Pay 2026 RMV	RMV Change	Pay 2025 Per Acre Value	Pay 2026 Per Acre Value
Sibley	14-0604-000	160.09	1,970,200	1,832,300	-7.00%	NH	0	0	0	12,307	11,445
Sibley	14-0703-000	80	901,100	838,000	-7.00%	NH	0	0	0	11,264	10,475
Sibley	14-0706-010	76.24	913,800	849,800	-7.00%	NH	0	0	0	11,986	11,146
Sibley	14-0707-010	106.86	1,272,000	1,183,000	-7.00%	HSTD	0	0	0	11,903	11,071
Sibley	14-0708-000	80	969,300	901,400	-7.01%	HSTD	0	0	0	12,116	11,268
Sibley	14-0701-010	61.05	1,003,800	960,600	-4.30%	HSTD	115,300	148,500	28.79%	14,554	13,302
Sibley	14-0508-010	150.35	1,858,800	1,728,700	-7.00%	NH	0	0	0	12,363	11,498
Sibley	14-0507-000	77.25	975,200	906,900	-7.00%	HSTD	0	0	0	12,624	11,740
Sibley	14-0503-000	80.47	952,100	885,400	-7.01%	HSTD	0	0	0	11,832	11,003
Sibley	14-0501-000	80.45	1,003,100	932,800	-7.01%	NH	0	0	0	12,469	11,595
SIBLEY TOTAL										**12,342**	**11,454**
Renville	14-01160-00	480	6,288,000	5,872,500	-6.61%	HSTD	0	0	0	13,100	12,234
Renville	14-01150-00	155	1,925,700	1,791,000	-6.99%	HSTD	0	0	0	12,424	11,555
Renville	14-01050-00	154	1,900,300	1,767,200	-7.00%	HSTD	0	0	0	12,340	11,475
Renville	14-00230-00	152	1,900,200	1,767,300	-6.99%	NH	0	0	0	12,501	11,627
Renville	14-00210-00	211	2,607,900	2,425,500	-6.99%	NH	0	0	0	12,360	11,495
Renville	14-00160-00	160	1,997,300	1,862,400	-6.75%	NH	0	0	0	12,483	11,640
Renville	14-00180-00	120	1,436,200	1,335,900	-6.98%	NH	0	0	0	11,968	11,133
Renville	14-00150-00	80	747,100	694,700	-7.01%	HSTD	0	0	0	9,339	8,684
Renville	14-00030-00	155	1,782,000	1,657,300	-7.00%	NH	0	0	0	11,497	10,692
Renville	14-00010-00	155	1,874,600	1,743,400	-7.00%	NH	0	0	0	12,094	11,248
RENVILLE TOTAL										**12,011**	**11,178**
Mcleod	120070200	78.5	883,800	835,100	-5.51%	NH	0	0	0	11,259	10,638
Mcleod	030320600	155	1,684,100	1,592,200	-5.46%	HSTD	0	0	0	10,865	10,272
Mcleod	030290300	160	1,914,900	1,934,700	1.03%	HSTD	123,400	123,400	0	11,197	11,321
Mcleod	030290225	79.49	856,900	809,800	-5.50%	HSTD	0	0	0	10,780	10,187
Mcleod	030200120	80	580,700	558,400	-3.84%	NH	0	0	0	7,259	6,980
Mcleod	030200200	160	2,329,100	2,368,400	1.69%	HSTD	286,500	286,500	0	12,766	13,012
Mcleod	030170200	159.32	2,207,800	2,146,400	-2.78%	NH	0	0	0	13,858	13,472
Mcleod	030090250	149.37	1,529,600	1,445,300	-5.51%	NH	0	0	0	10,240	9,676
Mcleod	030170500	40	430,800	406,900	-5.55%	NH	0	0	0	10,770	10,173
Mcleod	030160475	70	749,300	707,800	-5.54%	NH	0	0	0	10,704	10,111
MCLEOD TOTAL										**10,970**	**10,584**
ALL COUNTY AVERAGE					**-5.96%**					**11,774**	**11,074**

MH/RF

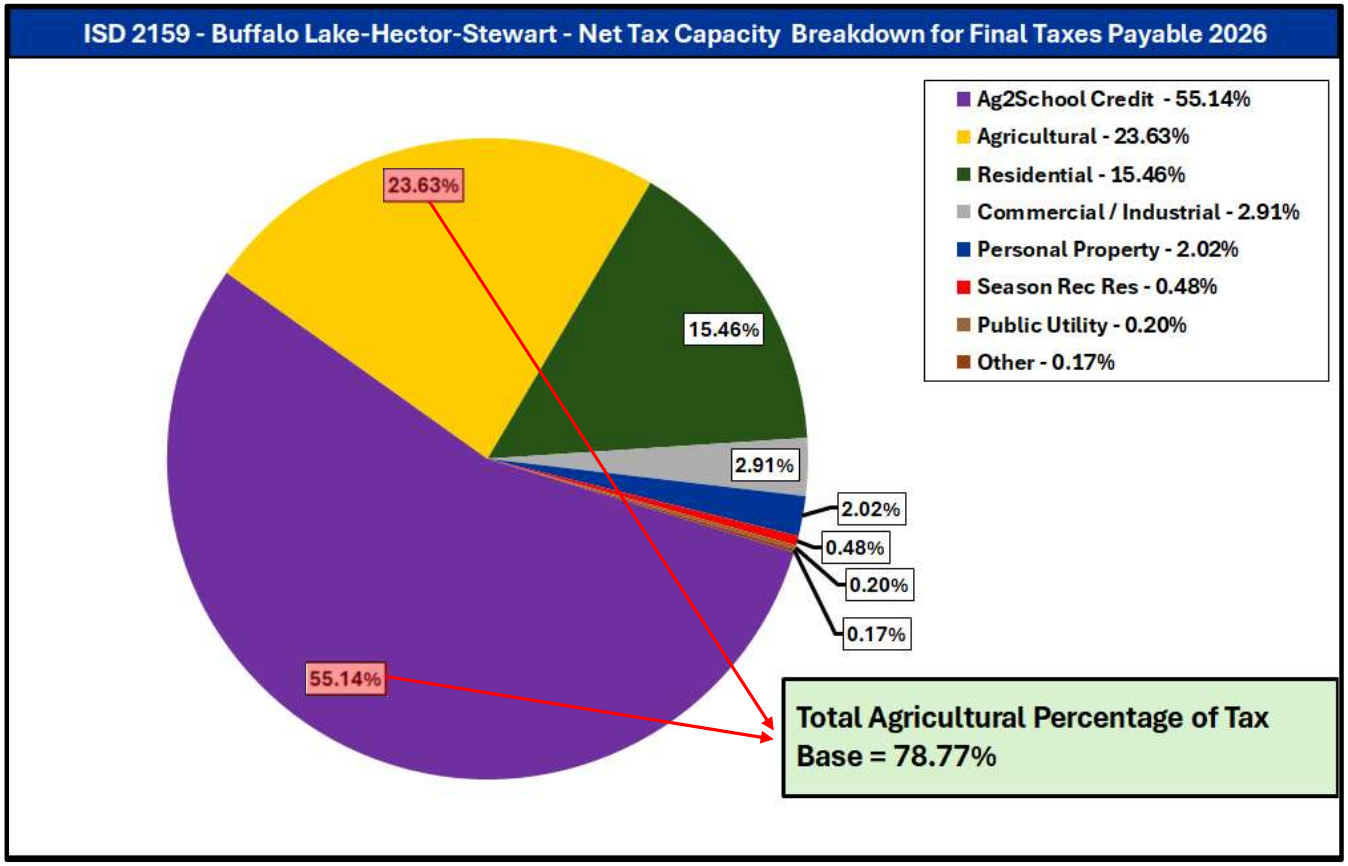
Ag Land Property Valuations – Quick Sample

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

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55.14% of the debt service is estimated to be paid outside of local sources

(78.77% x 70% Ag2School Credit = 55.14%)



MH/RF

Estimated Annual Tax Impact Summary

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

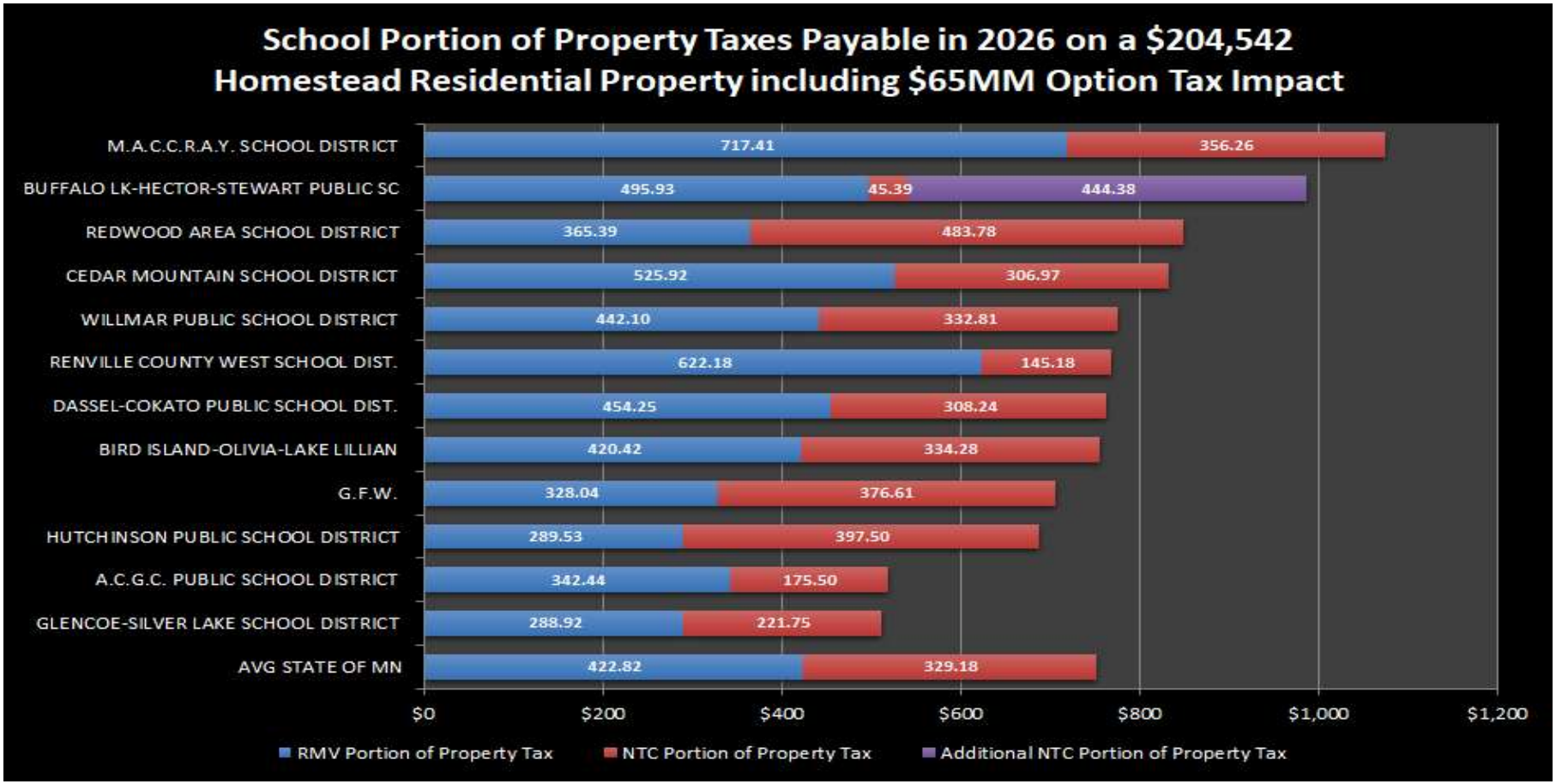
Type of Property	Estimated Market Value	$22,700,000 G.O. Bonds 20YR Term	$42,525,000 G.O. Bonds 25YR Term	$49,095,000 G.O. Bonds 25YR Term	$65,715,000 G.O. Bonds 25YR Term	$80,885,000 G.O. Bonds 25YR Term	$87,910,000 G.O. Bonds 25YR Term
		Est. Annual Tax Impact	Est. Annual Tax Impact	Est. Annual Tax Impact	Est. Annual Tax Impact	Est. Annual Tax Impact	Est. Annual Tax Impact
Residential Homestead	100,000	59.79	101.91	117.65	157.45	193.70	210.59
	150,000	111.94	190.78	220.24	294.74	362.61	394.22
	175,000	137.96	235.13	271.44	363.26	446.91	485.86
	200,000	164.08	279.64	322.83	432.03	531.52	577.85
	204,542	**168.77**	**287.63**	**332.06**	**444.38**	**546.71**	**594.36**
	250,000	216.22	368.51	425.43	569.33	700.43	761.48
	275,000	242.24	412.86	476.63	637.85	784.73	853.12
	300,000	268.36	457.38	528.02	706.62	869.34	945.11
	400,000	372.64	635.11	733.20	981.21	1,207.16	1,312.37
	500,000	476.92	812.84	938.39	1,255.80	1,544.98	1,679.63
Commercial/ Industrial	250,000	406.61	692.99	800.03	1,070.64	1,317.19	1,431.98
	500,000	884.96	1,508.28	1,741.24	2,330.21	2,866.82	3,116.66
	1,000,000	1,841.68	3,138.85	3,623.66	4,849.36	5,966.09	6,486.03
	2,500,000	4,711.84	8,030.57	9,270.91	12,406.81	15,263.89	16,594.13
Seasonal Rec	250,000	239.18	407.64	470.60	629.79	774.82	842.34
	500,000	478.36	815.29	941.21	1,259.58	1,549.63	1,684.68
	1,000,000	1,076.31	1,834.39	2,117.72	2,834.04	3,486.67	3,790.54
Ag Homestead* (average value per acre)	10,000	1.44	2.45	2.82	3.78	4.65	5.05
	11,000	**1.58**	**2.69**	**3.11**	**4.16**	**5.11**	**5.56**
	12,000	1.72	2.94	3.39	4.53	5.58	6.06
Ag Non-Homestead** (average value per acre)	10,000	2.87	4.89	5.65	7.56	9.30	10.11
	11,000	3.16	5.38	6.21	8.31	10.23	11.12
	12,000	3.44	5.87	6.78	9.07	11.16	12.13
	Ag2School Credit %	70%	70%	70%	70%	70%	70%

MH/RF

$65 Million (Option #2) – Residential Tax Impact

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

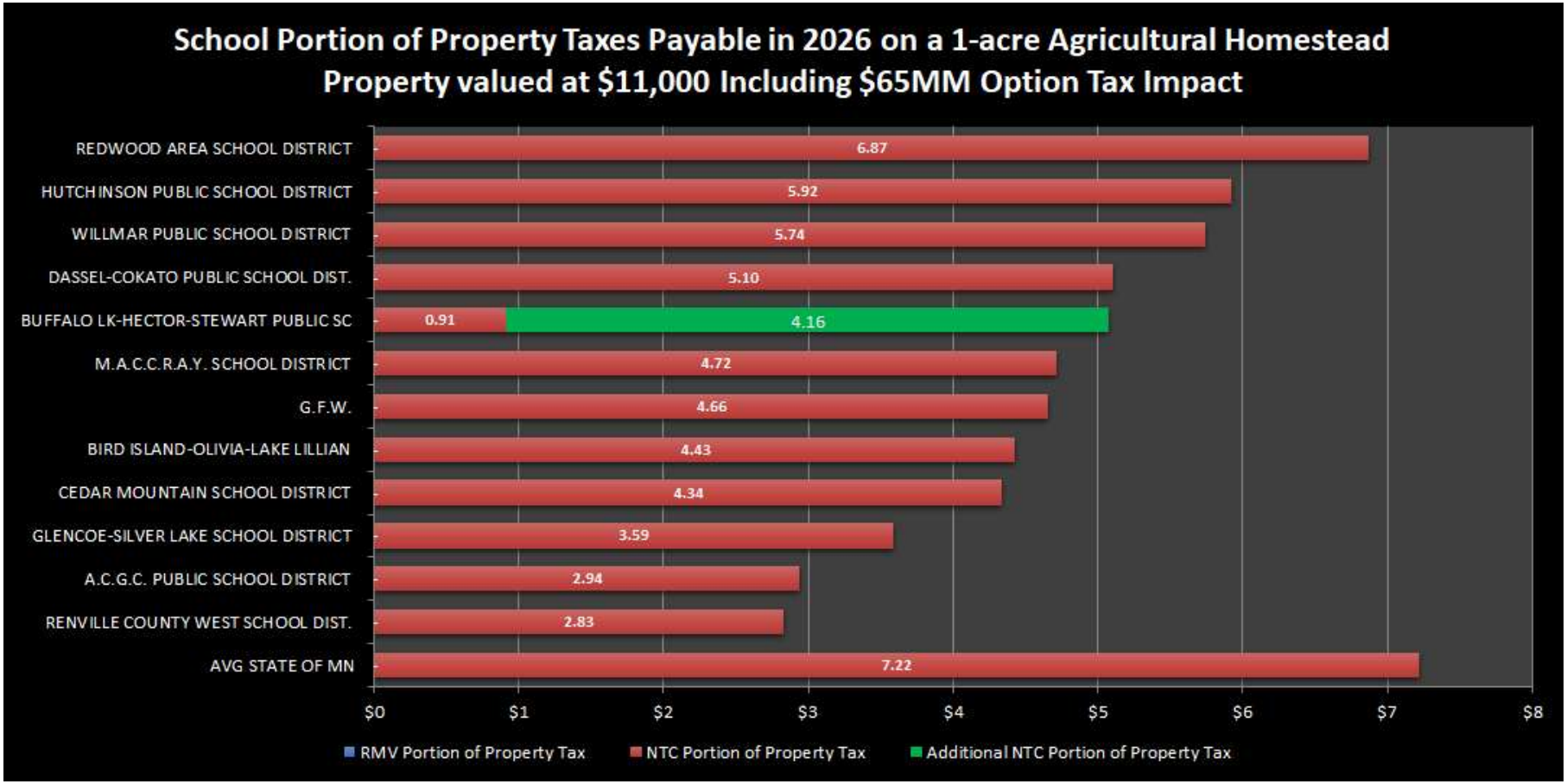


MH/RF

$65 Million (Option #2) – Ag Tax Impact (Homestead)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD



MH/RF

Estimated Monthly Tax Impact Summary

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

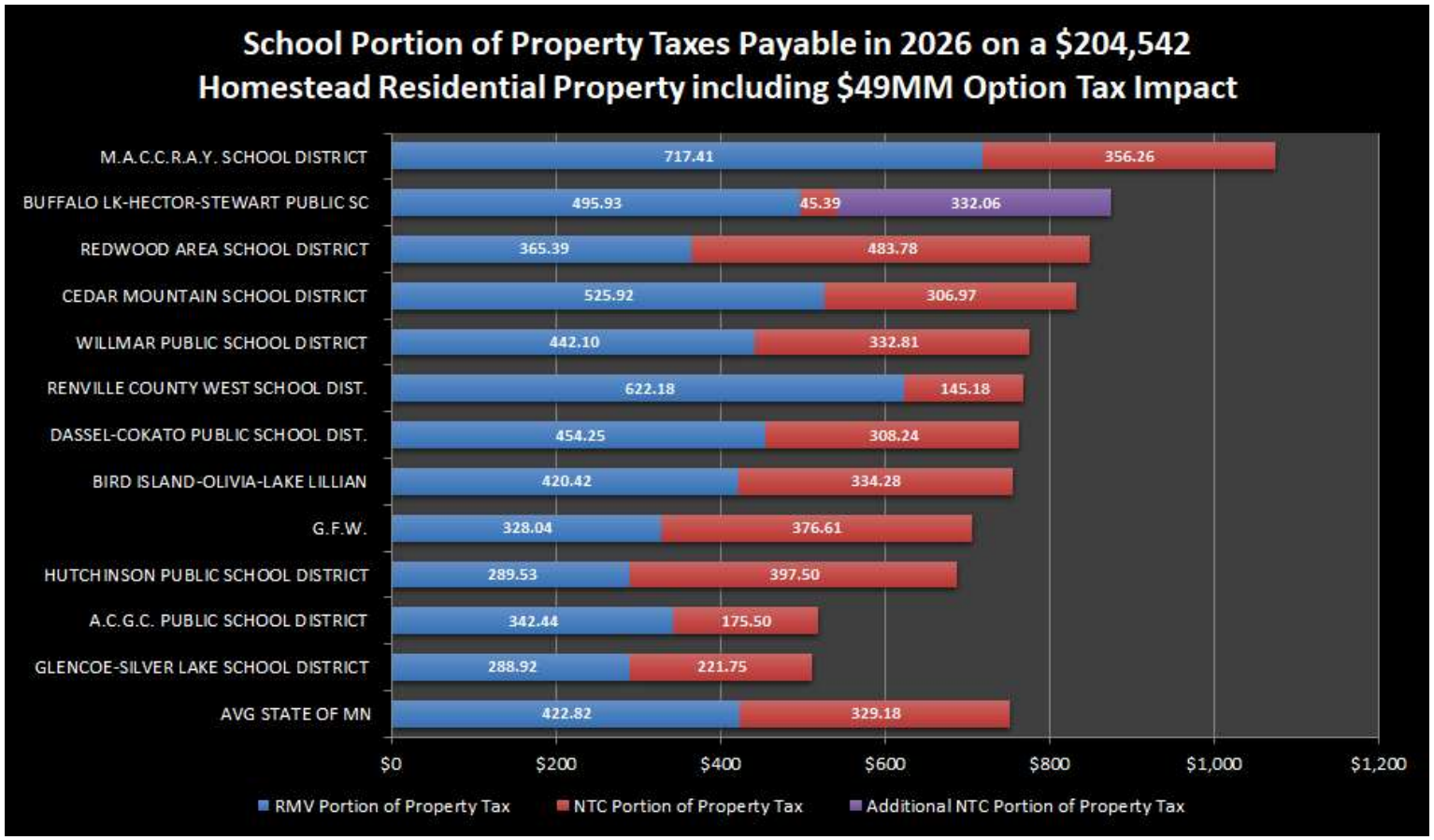
Type of Property	Estimated Market Value	$22,700,000 G.O. Bonds 20YR Term	$42,525,000 G.O. Bonds 25YR Term	$49,095,000 G.O. Bonds 25YR Term	$65,715,000 G.O. Bonds 25YR Term	$80,885,000 G.O. Bonds 25YR Term	$87,910,000 G.O. Bonds 25YR Term
		Est. Monthly Tax Impact	Est. Monthly Tax Impact	Est. Monthly Tax Impact	Est. Monthly Tax Impact	Est. Monthly Tax Impact	Est. Monthly Tax Impact
Residential Homestead	100,000	4.98	8.49	9.80	13.12	16.14	17.55
	150,000	9.33	15.90	18.35	24.56	30.22	32.85
	175,000	11.50	19.59	22.62	30.27	37.24	40.49
	200,000	13.67	23.30	26.90	36.00	44.29	48.15
	204,542	**14.06**	**23.97**	**27.67**	**37.03**	**45.56**	**49.53**
	250,000	18.02	30.71	35.45	47.44	58.37	63.46
	275,000	20.19	34.41	39.72	53.15	65.39	71.09
	300,000	22.36	38.12	44.00	58.89	72.45	78.76
	400,000	31.05	52.93	61.10	81.77	100.60	109.36
	500,000	39.74	67.74	78.20	104.65	128.75	139.97
Commercial/ Industrial	250,000	33.88	57.75	66.67	89.22	109.77	119.33
	500,000	73.75	125.69	145.10	194.18	238.90	259.72
	1,000,000	153.47	261.57	301.97	404.11	497.17	540.50
	2,500,000	392.65	669.21	772.58	1,033.90	1,271.99	1,382.84
Seasonal Rec	250,000	19.93	33.97	39.22	52.48	64.57	70.20
	500,000	39.86	67.94	78.43	104.97	129.14	140.39
	1,000,000	89.69	152.87	176.48	236.17	290.56	315.88
Ag Homestead* (average value per acre)	10,000	0.12	0.20	0.24	0.32	0.39	0.42
	11,000	**0.13**	**0.22**	**0.26**	**0.35**	**0.43**	**0.46**
	12,000	0.14	0.25	0.28	0.38	0.47	0.51
Ag Non-Homestead** (average value per acre)	10,000	0.24	0.41	0.47	0.63	0.78	0.84
	11,000	0.26	0.45	0.52	0.69	0.85	0.93
	12,000	0.29	0.49	0.57	0.76	0.93	1.01
	Ag2School Credit %	70%	70%	70%	70%	70%	70%

MH/RF

$49 Million (Option #1B) – Residential Tax Impact

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

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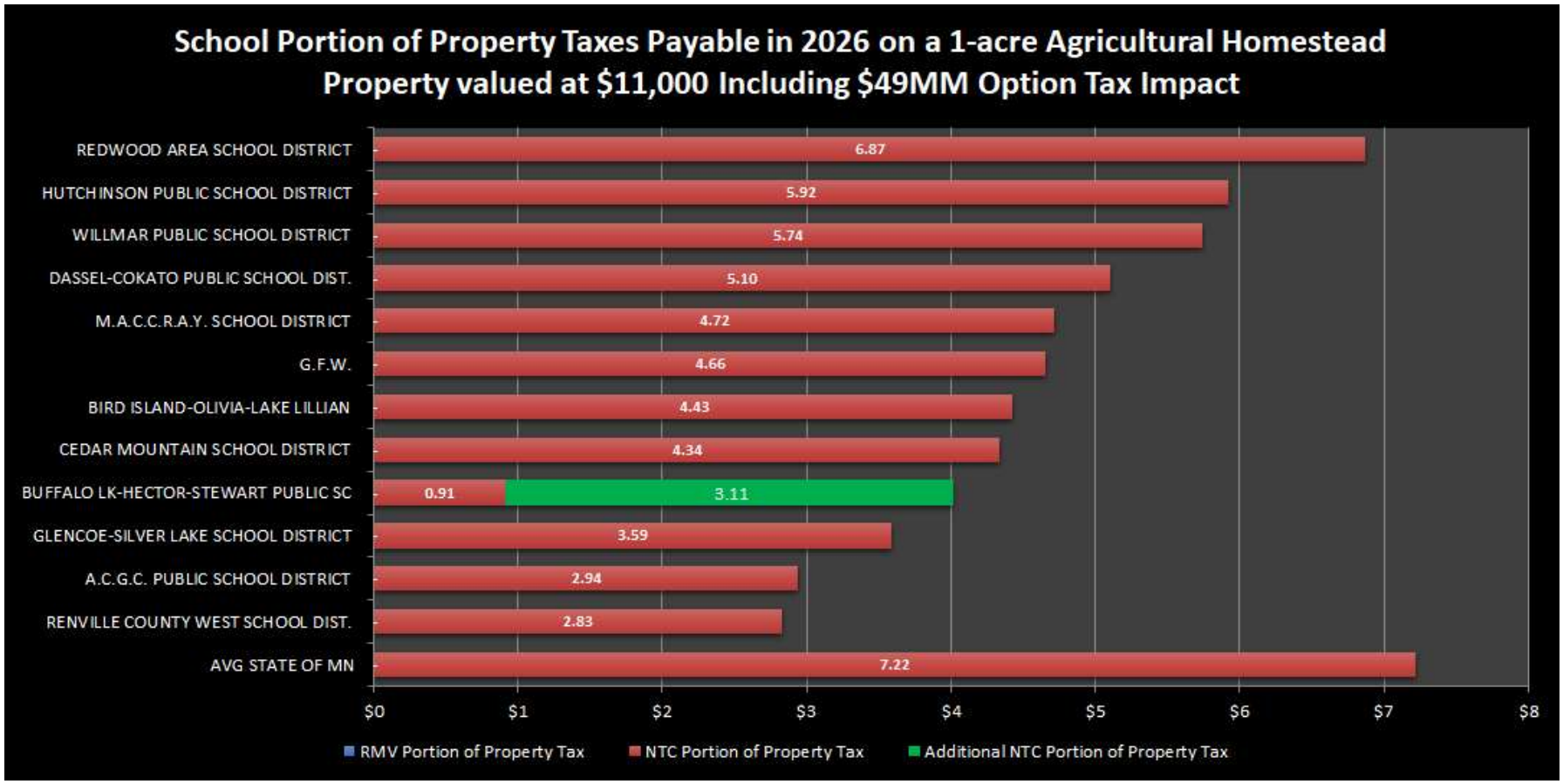


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$49 Million (Option #1B) – Ag Tax Impact (Homestead)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

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Total Property Taxes

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD



BLHS SCHOOL PORTION OF PROPERTY TAX IS CURRENTLY A VERY SMALL PERCENTAGE OF THE TOTAL ANNUAL PROPERTY TAX BILL.

MH/RF

Taxes Payable 2026 – Property Tax (6 real parcels)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

% Taxes Paid Before Option 2 SBB						
PID	**030290225**	**030170200**	**14-00210-00**	**14-00150-00**	**14-0708-000**	**14-0508-010**
Value	**809,800**	**2,146,400**	**2,425,500**	**694,700**	**901,400**	**1,728,700**
Acres	**79.49**	**159.32**	**211.00**	**80.00**	**80.00**	**150.35**
County	**Mcleod**	**Mcleod**	**Renville**	**Renville**	**Sibley**	**Sibley**
County Tax	80.98%	80.98%	72.66%	72.65%	75.91%	75.86%
City/Town Tax	13.62%	13.62%	18.90%	18.90%	17.92%	17.90%
School Tax	2.87%	2.87%	3.72%	3.72%	3.26%	3.26%
Remainder	2.53%	2.53%	4.72%	4.72%	2.91%	2.98%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

% Taxes Paid After Option 2 SBB						
PID	**030290225**	**030170200**	**14-00210-00**	**14-00150-00**	**14-0708-000**	**14-0508-010**
Value	**809,800**	**2,146,400**	**2,425,500**	**694,700**	**901,400**	**1,728,700**
Acres	**79.49**	**159.32**	**211.00**	**80.00**	**80.00**	**150.35**
County	**Mcleod**	**Mcleod**	**Renville**	**Renville**	**Sibley**	**Sibley**
County Tax	71.56%	71.56%	62.06%	62.05%	66.03%	65.99%
City/Town Tax	12.04%	12.04%	16.14%	16.15%	15.59%	15.58%
School Tax	14.16%	14.16%	17.77%	17.77%	15.85%	15.84%
Remainder	2.24%	2.24%	4.03%	4.03%	2.53%	2.59%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

MH/RF

Taxes Payable 2026 – Property Tax (6 real parcels)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

$ Amount of Taxes Paid in Pay 2026						
PID	**030290225**	**030170200**	**14-00210-00**	**14-00150-00**	**14-0708-000**	**14-0508-010**
Value	**809,800**	**2,146,400**	**2,425,500**	**694,700**	**901,400**	**1,728,700**
Acres	**79.49**	**159.32**	**211.00**	**80.00**	**80.00**	**150.35**
County	**Mcleod**	**Mcleod**	**Renville**	**Renville**	**Sibley**	**Sibley**
County Tax	3,765.94	9,981.82	7,797.84	2,232.93	3,456.34	6,629.74
City/Town	633.50	1,679.16	2,028.45	580.98	815.95	1,564.82
ISD VA	0.00	0.00	0.00	0.00	0.00	0.00
ISD Other	133.38	353.50	399.45	114.41	148.45	284.70
Special Taxing Districts	117.82	312.28	506.68	145.12	132.42	260.52
Net Tax After Credits	4,650.64	12,326.76	10,732.42	3,073.44	4,553.16	8,739.78
Ag Credit	0.00	0.00	0.00	0.00	0.00	0.00
Ag2School Credit	75.00	198.78	224.63	64.34	83.48	160.09
Option 2 D/S Calculation						
TC Total	8,098	21,464	24,255	6,947	9,014	17,287
Tax Rate for New Debt	25.192%	25.192%	25.192%	25.192%	25.192%	25.192%
Gross Tax	2,040.01	5,407.10	6,110.20	1,750.05	2,270.76	4,354.85
Ag2 School Reduction	(1,428.01)	(3,784.97)	(4,277.14)	(1,225.04)	(1,589.53)	(3,048.40)
Net New Tax	612.00	1,622.13	1,833.06	525.02	681.23	1,306.46
Per Acre Tax	7.70	10.18	8.69	6.56	8.52	8.69

Steering committee discussed around $10/acre for Non-Homestead Ag land, based on assessed values, you can see this tax impact range is from $6.56 - $10.18 per acre.

MH/RF

Decision Point – Choosing the Best Path Forward

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

Potential 2027 Election

- $65,715,000 Voter Request

Discussions center on School Board level decisions and potential consolidation

- Potential consolidation candidates include – ACGC, BOLD, and GFW
- School Board approved projects can help fix facilities, but the needs are too large to all fit into that

Potential problem with consolidation

- Because BLHS has such low relative school portion of property taxes, most consolidation candidates will cost the average BLHS taxpayer additional money

MH/RF

Hypothetical Tax Impact Summary

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

Potential Consolidation With Full Debt Share Excluding New Bonds

Property Type	Ag Hstd (One Acre)
Estimated Market Value	11,000

	Final Pay 2026 (Base Year)	Impact of Consolidation Assuming Complete Share	$0MM Bond to Update Primary Building - 25-Yr Term (Pre-Consolidation)	Total	Change from Base Year
BLHS	0.90	2.10	0.00	3.00	2.10
GFW	4.58	(1.58)		3.00	(1.58)
BLHS	0.90	1.64	0.00	2.54	1.64
BOLD	4.41	(1.86)		2.55	(1.86)
BLHS	0.90	1.09	0.00	1.99	1.09
ACGC	2.90	(0.91)		1.99	(0.91)

MH/RF

Hypothetical Tax Impact Summary

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

Potential Consolidation With Full Debt Share Excluding New Bonds

Property Type	Res Hstd
Estimated Market Value	204,542

	Final Pay 2026 (Base Year)	Impact of Consolidation Assuming Complete Share	$0MM Bond to Update Primary Building - 25-Yr Term (Pre-Consolidation)	Total	Change from Base Year
BLHS	538.12	85.55	0.00	623.67	85.55
GFW	693.97	(70.30)		623.67	(70.30)
BLHS	538.12	93.14	0.00	631.26	93.14
BOLD	747.44	(116.19)		631.25	(116.19)
BLHS	538.12	(27.95)	0.00	510.17	(27.95)
ACGC	513.24	(3.07)		510.17	(3.07)

MH/RF

Hypothetical Tax Impact Summary – Consolidation

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD



The following 2 Slides assume the impact of *Consolidation* with any potential partners. This will require BLHS to invest in facility maintenance and program enhancements at the Hector site to cover primary/secondary grades because other districts may not have capacity for all BLHS students

MH/RF

Hypothetical Tax Impact Summary

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

Potential Consolidation With Full Debt Share Excluding New Bonds

Property Type	Ag Hstd (One Acre)
Estimated Market Value	11,000

Reminder – Annual Tax Impact for $65MM project is estimated to be $4.16

	Final Pay 2026 (Base Year)	Impact of Consolidation Assuming Complete Share	$49.1MM Bond to Update Primary Building - 25-Yr Term (Pre-Consolidation)	Total	Change from Base Year
BLHS	0.90	2.10	3.11	6.11	5.21
GFW	4.58	(1.58)		3.00	(1.58)
BLHS	0.90	1.64	3.11	5.65	4.75
BOLD	4.41	(1.86)		2.55	(1.86)
BLHS	0.90	1.09	3.11	5.10	4.20
ACGC	2.90	(0.91)		1.99	(0.91)

MH/RF

Hypothetical Tax Impact Summary

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

BAIRD

Potential Consolidation With Full Debt Share Excluding New Bonds

Property Type	Res Hstd
Estimated Market Value	204,542

Reminder – Annual Tax Impact for $65MM project is estimated to be $444.38

	Final Pay 2026 (Base Year)	Impact of Consolidation Assuming Complete Share	$49.1MM Bond to Update Primary Building - 25-Yr Term (Pre-Consolidation)	Total	Change from Base Year
BLHS	538.12	85.55	332.06	955.73	417.61
GFW	693.97	(70.30)		623.67	(70.30)
BLHS	538.12	93.14	332.06	963.32	425.20
BOLD	747.44	(116.19)		631.25	(116.19)
BLHS	538.12	(27.95)	332.06	842.23	304.11
ACGC	513.24	(3.07)		510.17	(3.07)

MH/RF

Survey Results

INFORMATION PROVED BY :

The Morris Leatherman Company
AFFORDABLE EXCELLENCE IN MARKET RESEARCH & INTERPRETATION

RAPP STRATEGIES

PETER LEATHERMAN
TODD RAPP



Survey Methodology

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company
RAPP STRATEGIES

Scientific Survey

- 400 sample of adults in BLHS
- October 6-16
- Sample reflects census demographics
- Margin of error is ± 5.0%

Online Survey

- 205 parents and staff completed survey, 78 other residents completed it
- Self-selected sample, so not representative of community
- We compare these results to scientific survey to see if school stakeholders are aligned

CZ

Finding where the Surveys Align and Differ

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company

RAPP STRATEGIES

The specific data you will see are results from the scientific survey. The following icons will denote alignment or differences between the scientific survey and the online surveys.



Staff/parent portion of online survey generally agrees with survey



Staff/Parent portion has a significantly different opinion

CZ

Atmospherics

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company
RAPP STRATEGIES

Quality of Education at BLHS	
Excellent	*14%*
Good	70%
Only Fair	12%
Poor	4%

84% positive

The Board and Administration Do a Good Job of Involving Residents in Decisions	
Strongly Agree	*20%*
Agree	62%
Disagree	12%
Strongly Disagree	*2%*

82% positive

Community Receives Good Value from its Investments in BLHS	
Strongly Agree	*19%*
Agree	68%
Disagree	9%
Strongly Disagree	*2%*

87% positive

Not asked in online survey

CZ

Financial Situation of the District

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company
RAPP STRATEGIES

BLHS is Adequately Funded	
Yes	25%
No	68%
Unsure	8%

BLHS spends tax money effectively and efficiently	
Strongly Agree	*8%*
Agree	69%
Disagree	13%
Strongly Disagree	*3%*

77%

But more were unsure

BLHS is a good investment, and I would support a property tax increase to protect that investment	
Strongly Agree	*13%*
Agree	52%
Disagree	23%
Strongly Disagree	*7%*

65%

CZ

School Building / Infrastructure

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company
RAPP STRATEGIES

Quality of Our Facilities	
Excellent	5%
Good	56%
Only Fair	27%
Poor	5%



Parents & Staff rated 70% "Only Fair" or "Poor" vs. 32%

Act Now, Or In a Few Years	
Now	77%
Later	19%

Not asked in online survey

Would You Support a Tax Increase For…	*Strong Support*	Somewhat Support	
Air quality, HVAC and plumbing	*46%*	32%	78% positive
Safety and Security Improvements	*46%*	28%	74% positive
CTE Space	*32%*	34%	66% positive
Space that Improves Accessibility	*34%*	28%	62% positive
Move Kitchen and Dining to Main Floor	*30%*	28%	58% positive

Agree Infrastructure, Safety & Security come first



CZ

Options

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company
RAPP STRATEGIES

New School; Keep Gym

- $65.7 million
- $47.50/month for $250K home
- $0.35/month per acre for $11K of value

Strong Support	*11%*	47%
Support	36%	
Oppose	32%	51%
Strongly Oppose	*19%*	

Remodeled School

- $49 million
- $35/month for $250K home
- $0.26/month per acre for $11K of value

Strong Support	*16%*	63%
Support	47%	
Oppose	25%	36%
Strongly Oppose	*11%*	

70% support doing something

Given a choice…

- 36% say build new
- 34% say remodel
- 28% say neither



Staff/Parents support building ***NEW* by 60% (a18% margin)**

CZ

Views on Consolidation

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company
RAPP STRATEGIES

Was Merging Buffalo Lake-Hector with Stewart the right decision?	
Yes	61%
No	28%
Don't Know	12%



How important is avoiding future consolidation with a neighboring district?		
Very important	*20%*	46%
Somewhat important	26%	
Not Too Important	32%	
Not at All Important	*15%*	
Don't Know	8%	

CZ

Best Ways to Receive Information

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

The Morris Leatherman Company
RAPP STRATEGIES

Mailed Newsletter	**30%**
Local Newspaper	**26%**
District Website	**13%**
Social Media	**10%**
Word of Mouth	**7%**



Parents
and Staff say:
Email is #1

CZ

Next Steps and Timeline

- Review of Potential 2027 Referendum Dates
- Preliminary Post-Referendum Timeline



Proposed Bond Referendum Timeline (Cont'd.)

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

Note: Targeted date represents a realistic duration for identification and creation of solutions that adequately address the needs that provide for consideration by the School Board and allow for public input. The timeline can be adjusted accordingly if it is determined that April 2027 isn't the best time to go out for a public vote.

Description	Days prior to election
Preferred day to submit the review and comment to MDE	(137 days)
Last day to submit the review and comment to MDE *	(115 days)
Last day to adopt resolution calling for election and notice to county auditor	(84 days)
Notice to Commissioner	(74 days)
First day to vote absentee	(46 days)
	Election Date:

2026		2027				
August 2026	**November 2026**	**February 2027**	**April 2027**	**May 2027**	**August 2027**	**November 2027**
3/27/2026 (Friday)	6/19/2026 (Friday)	9/25/2026 (Friday)	11/27/2026 (Friday)	12/25/202 (Friday)	3/26/2027 (Friday)	6/18/2026 (Friday)
4/18/2026 (Saturday)	7/11/2026 (Saturday)	10/17/2026 (Saturday)	12/19/2026 (Saturday)	1/16/2027 (Saturday)	4/17/2027 (Saturday)	7/10/2027 (Saturday)
5/19/2026 (Tuesday)	8/11/2026 (Tuesday)	11/17/2026 (Tuesday)	1/19/2027 (Tuesday)	2/16/2027 (Tuesday)	5/18/2027 (Tuesday)	8/10/2027 (Tuesday)
(Friday)	(Friday)	(Friday)	1/29/2027 (Friday)	(Friday)	(Friday)	(Friday)
6/26/2026 (Friday)	9/18/2026 (Friday)	12/25/2026 (Friday)	2/26/2027 (Friday)	3/26/2027 (Friday)	6/25/2027 (Friday)	9/17/2027 (Friday)
8/11/2026 (Tuesday)	**11/3/2026 (Tuesday)**	**2/9/2027 (Tuesday)**	**4/13/2027 (Tuesday)**	**5/11/2027 (Tuesday)**	**8/10/2027 (Tuesday)**	**11/2/2027 (Tuesday)**

Not enough time to execute planning w/ community and school board support

Provides for ample time to execute planning w/ community and school board support

*** Note: The last date to submit the Review and Comment is 48 days prior to the election, plus 60 days for the MDE to review, plus a 10-day window to publish the letter of approval. Verify this timeline with the district, bond counsel and the local newspaper.**

CZ

Preliminary Schedule upon Successful Referendum

Buffalo Lake-Hector-Stewart Schools
Home of the Mustangs

May 2027 – January/February 2028 – 10 months

- Project Design (Schematic Design, Design Development and Construction Documents
  - Panels are showing signs of rust due to the presence of standing water in the boiler room.
  - Many panels have poor labeling or are lacking labeling.

February – Early March 2028: - 1 – 1 1/2 months

- Bidding, Evaluation of Bids and Project Award

April – September 2028 (and beyond): 3 – 6 months

- Plan Review & Permitting (approximately 3 – 4 months)
- Material Procurement required to begin erection of building structure (i.e., rebar, steel, precast wall panels, precast plank, joist/decking, etc. – some of these items may take up to 6 months to procure)

June/July 2028 – November 2029 – 18 months (Site Work could begin earlier)

- Construct majority of the Building Addition (New Entry, Admin. Offices, Kitchen, etc.)

December 2029 – Coordinate over Winter Break (potential extended break in school calendar (?))

- Move into New Building (Offices, Classrooms, Support (i.e., Cafeteria, etc.)

January – August 2030 – 8 months

- Begin to demolish vacated portions of the building and complete the remaining building (New Gym, North Entry, Commons, etc.) and renovation of support spaces attached to the gym and tie-ins between building addition and the existing gym.


QUESTIONS?