



Sebeka Public School

Independent School District # 820

M.S. 123B.71

REVIEW AND COMMENT PROPOSAL

2025 Bond Referendum

&

Capital Projects Levy

Submitted by:

David J Kerkvliet, Superintendent



Positive Review And Comment Document from MDE



SEBEKA PUBLIC SCHOOL

David J Kerkvliet - Superintendent
Amie Westberg - K-12 Principal
Rachel Kern - K-12 Counselor
Jon Lillquist - Dean of Students/Activities Director

Independent School District 820
200 1st Street NW
P.O. Box 249
Sebeka, MN 56477
218-837-5101

10/11/24

To: Education Commissioner Willie Jett & Review and Comment Team
Minnesota Department of Education
400 NE Stinson Blvd.
Minneapolis, MN 55413

Dear Commissioner Willie Jett Minnesota Department of Education Review and Comment Team,

I am writing to formally submit the required documentation for the Minnesota Department of Education's Review and Comment process as it relates to Sebeka Public School District's upcoming bond and capital projects referendum. The purpose of this bond referendum and capital projects levy is to address critical facility needs within our district including building roof needs, transportation needs, and ground facility upkeep, as well as technology and curriculum support. This will ensure that we continue to provide a safe and effective learning environment for our students. Our goal is to protect our school district facilities as it is a tremendous asset to our community. Our small school is experiencing declining enrollment, and due to the inflationary costs of addressing our needs, we want to approach our voters for budgetary assistance.

The proposed bond referendum will cost \$1,950,000 with the project costing \$1,792,898.62 and the difference being the bond issuance and other related finance costs. The capital projects levy will provide \$50,000 per year of technology and curriculum support over the next 10 years for a total cost of \$500,000. The sale of bonds and tax levy will finance the projects and will be on a single ballot question. The date of the special election will be Tuesday, February 11th, 2025. The local publication deadline will be a minimum of 20 days in advance of the special election.

The Sebeka School Board has approved the review and comment document that is being submitted to the commissioner of education.

Enclosed you will find all required documentation, including the proposed plans, cost estimates, and an overview of the district's financial status. We believe that these projects are essential for the continued success of our students, and we are committed to ensuring that the community is fully informed as we move forward with this process.

We respectfully request your prompt review and approval of our submission. If you require any further information or have any questions, please do not hesitate to contact me directly. We appreciate your time and attention to this important matter.

Thank you for your consideration.

Sincerely,

Dave Kerkvliet
Superintendent-Sebeka Public School District

An Equal Opportunity Employer

Eric Nelson-Board Chair
Rodney Huttunen-Director

Charles Funk -Vice Chair
Kayla Frame-Director

JoAnn Olson-Clerk
Kayla Frame-Director

Nate Erickson -Treasurer
Cheri Kangas -Director

Positive Review And Comment Document from MDE

10/11/24

To: Education Commissioner Willie Jett & Review and Comment Team
Minnesota Department of Education
400 NE Stinson Blvd.
Minneapolis, MN 55413

Dear Commissioner Willie Jett Minnesota Department of Education Review and Comment Team,

In accordance with MN Statute 121.15 and MN Statute 123B.17, ISD #545, Sebeka Public School District, hereby submits the following facility plan for review and comment by MDE (Minnesota Department of Education).

Due to declining enrollment and inflationary cost pressure, the Sebeka School board has evaluated the district's needs, had roof assessments, and developed a plan to address needs to ask for voter support. The end goal is to be able to address facility, transportation, and technology needs. Currently our LTFM dollars are bonded out from previous projects and we are right at our 13% board policy on our fund balance. Due to significant declining enrollment we are projected to deficit spend forcing us into making tough decisions on cost contaminants. The items in this plan are too costly to be supported by our general fund and would lead us towards statutory operating debt. With taxpayer support, we would be able to protect our school building as the main community asset that it is, provide safe transportation vehicles, and keep up with technology needs while relieving some budget pressures in order to avoid statutory operating debt.

Ballot Question:

School District Question 1

Approval of Bond Issue and Capital Project Levy Authorization

The school board of Independent School District No. 820 (Sebeka Public School) has proposed a project for the acquisition and betterment of school sites and facilities, including roof replacements; repairs and updates to the school building facade; the acquisition and installation of lighting improvements; resurfacing the track; the acquisition of a Bobcat loader; renovations to music rooms; remodeling and updates to locker rooms; the construction of a handicap-accessible ramp at the school facility; the acquisition, installation, replacement, support and maintenance of software, educational software, software licenses, computers, improved technology equipment, networks, infrastructure, the costs of technology related personnel and training; the purchase and replacement of school buses and school-related transportation vehicles; and the acquisition of curriculum, textbooks and materials. To provide funds for a portion of the project costs, the school board has proposed to issue general obligation school building bonds in an amount not to exceed \$1,950,000. To provide funds for the remaining portion of the project costs, the school board has proposed a capital project levy authorization in the amount of 0.936% times the net tax capacity of the school district. The proposed capital project levy will raise approximately \$50,000 for taxes payable in 2026, the first year it is to be levied, and would be authorized for ten (10) years. The estimated total cost of the projects to be funded by the capital project levy authorization is approximately \$500,000. The projects to be funded have received a positive review and comment from the Commissioner of Education.

Positive Review And Comment Document from MDE

In addition to the bond proceeds authorized by the ballot question, the district is participating in the Solar for Schools grant program provided by the Minnesota Department of Commerce. We completed a RFP (Request for proposals) bidding process where 13 companies bid on our project. We are working with Solar Connection out of Rochester, Minnesota on a 338 KW rooftop solar array with a projected cost of \$601,818. 60% of the funding will be supported by state grant money with the other 40% being supported with Federal Rebates and a Region 5 grant program. It is projected that we will save \$30,000 to \$40,000 per year in energy costs. This project, in combination with the LED lighting project in this bond proposal will significantly increase our energy efficiency and help retain funds to be used to support our classrooms.

Roof Area G	\$70,000
Roof Area K	\$60,000
Roof Area H	\$115,000
Roof Area C	\$35,000
Roof Area D	\$155,000
Roof Area L	\$95,000
Tuckpointing Area D & G	\$85,000
Bus Lease Payoff	\$151,764.02
Bus Purchase 2025	\$130,000
Bus Purchase 2026	\$136,000
Bus Purchase 2027	\$142,000
Transportation & Custodial Supplies	\$125,000
Van Purchase 2025	\$45,000
Van Purchase 2027	\$50,000
LED Lighting in Older Building Sections	\$137,750
Handicap Sidewalk Ramp	\$6,000
Bobcat Upgrade	\$37,667
Track Structural Spray	\$47,500
Air Handlers/Air Conditioning Splits	\$70,000
Asphalt Replacement-Playground Tennis Courts	\$40,000
Girls Locker Room Lockers	\$44,449
Ceiling Tiles-Band Room	\$14,719
Bond Total	\$1,792,849
Technology Support	\$25,000
Curriculum Support	\$25,000

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Capital Projects Levy Total (\$50,000 per year X 10)	\$500,000
Bond Issuance and other related fees	\$157,151
Total with Bond Issuance and Other related Fees	2,450,000

The district will not be adding to existing space so there will not be an increased need for additional staffing. With the energy efficient parts of the proposal we will be reducing operating costs.

Review and Comment Statement

District Information

Sebeka Public School Independent school District # 820 200 1st St. NW Sebeka, MN 56477	Dave Kerkvliet Superintendent dkerkvliet@g.sebeka.k12.mn.us 218-837-5101 ext 125
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Sebeka School Board

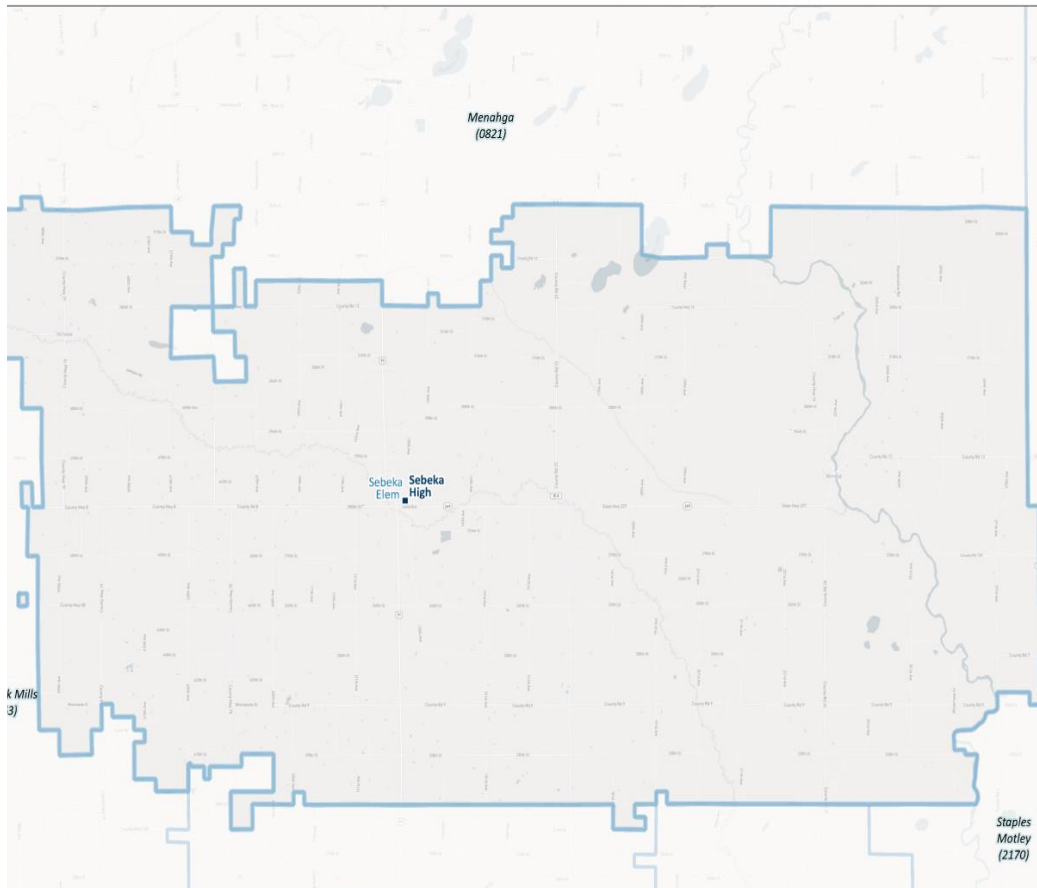
Eric Nelson-Chair	Rod Huttunen-Director
Charles Funk-Vice Chair	Kayla Frame-Director
JoAnn Olson -Clerk	Cheri Kangas-Director
Nathan Erickson-Treasurer	

Review and Comment Checklist

1. The geographic area and population served:

Located in West Central Minnesota, 40 miles south of the Mississippi Headwaters is a small town with a population of 710 called Sebeka. The Sebeka Public School district boundaries also include the small town of Nimrod. The area is largely agricultural land with no lakes inside district boundaries. Sebeka School is the heart of the town of Sebeka as it is the largest employer in the community. Currently the district employs approximately 100 staff including, teachers, administration, paraprofessional, food service, custodial, and bus drivers.

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Currently there are approximately 452 students enrolled in K-12. The following chart shows the past five years of enrollment and projections for the next five years.

Grade	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Pre-K	49	38	37	38	41	41	38	40	39	42	40
Kindergarten	29	36	27	27	34	23	46	35	34	29	25
1	20	30	32	30	35	31	23	40	33	32	28
2	41	27	30	32	33	33	31	23	40	33	32
3	35	41	20	31	36	33	33	30	23	40	33
4	40	32	43	23	36	34	33	30	30	23	40
5	40	43	28	41	27	38	34	32	30	30	23

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6	46	45	41	34	43	26	38	34	32	30	30
7	42	45	45	45	36	41	26	36	34	32	30
8	41	45	41	47	46	31	41	25	36	34	32
9	54	41	45	46	43	44	31	40	25	36	34
10	37	55	41	44	43	42	44	30	40	25	36
11	46	33	55	42	47	39	42	40	30	40	25
12	39	38	32	52	44	46	39	40	40	30	39
TOTALS	559	549	517	532	544	502	499	475	466	456	447

2. List of existing school facilities:

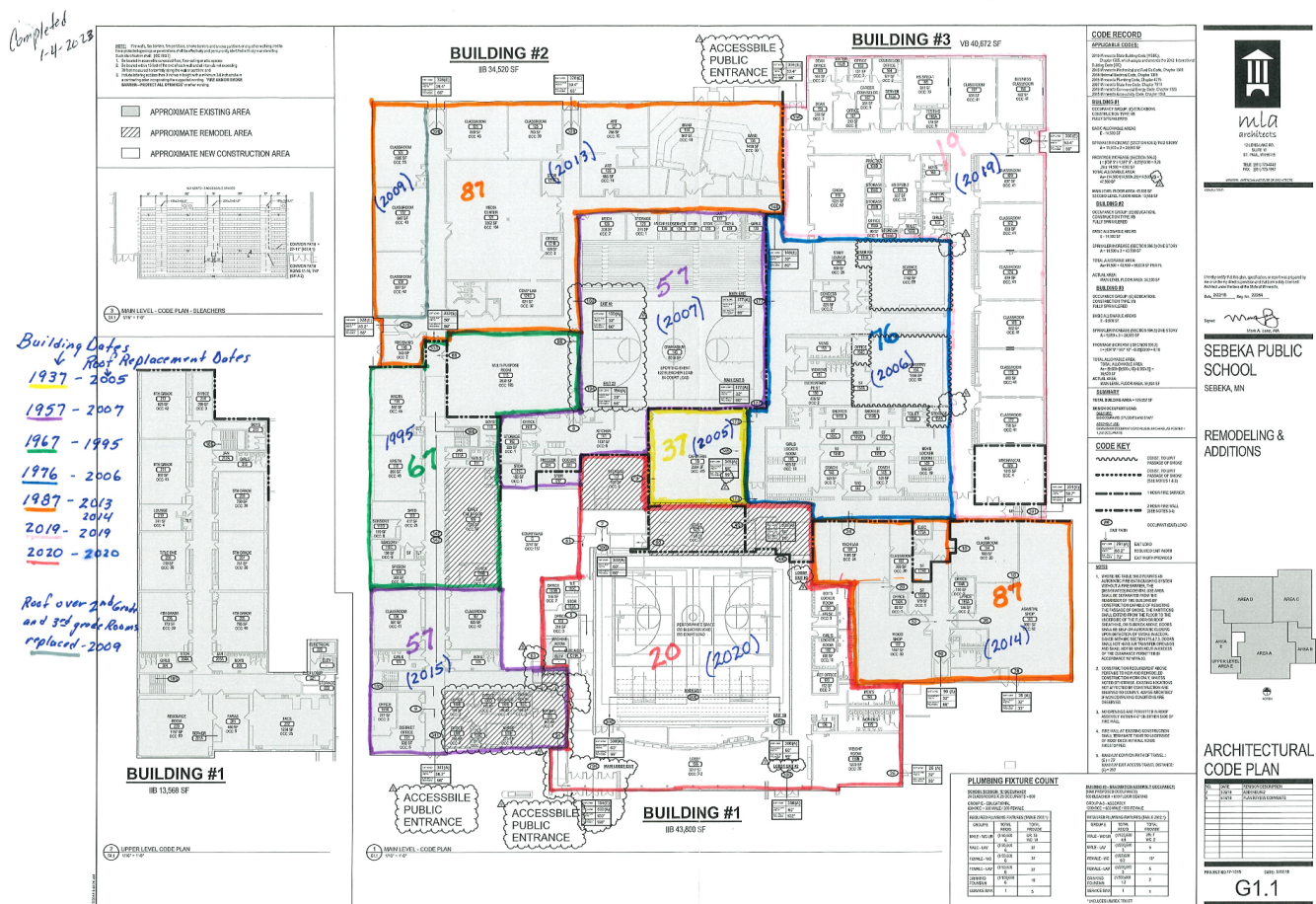
Sebeka Public School's main facility is housed in one building. The following is the main facility information. You can also refer to the included architecture map.

Addition	Age(Year)	Square Footage
Addition 1	1937	3,517
Addition 2	1956	29,034
Addition 3	1966	18,588
Addition 4	1976	14,300
Addition 5	1987	28,765
Addition 6	1998	2,608
Addition 7	2000	2,400
Addition 8	2016	768
Addition 9	2019	19,615
Addition 10	2020	21,223

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The other buildings owned by the district are our Sebeka bus garage and our Nimrod bus garage. The following is the information for those facilities.

Addition	Age(Year)	Square Footage
Addition 1	1963	9,012
Addition 2	1981	2,106
Addition 3	1982	2,520



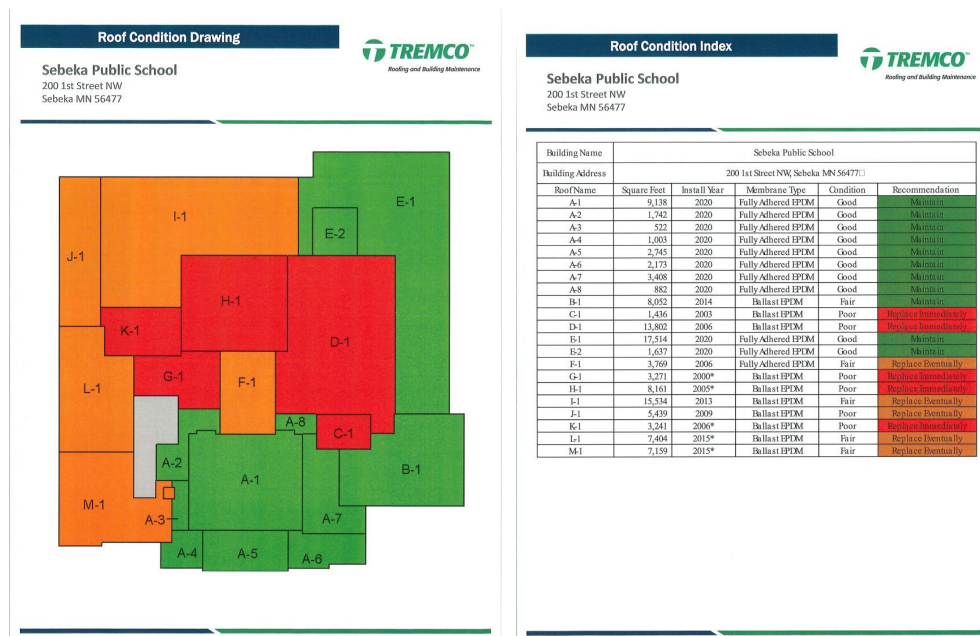
3. A List of capital deficiencies:

Technology and Curriculum: The school district has a 7-year curriculum review cycle. Curriculum adoption follows the Minnesota Department of Education's guidelines for implementation of the

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Minnesota State Standards in each curriculum area. Implementation of both the state standards and the READ Act are at the forefront of our staff development and our curriculum purchases. With inflationary pressures we need budget support for curriculum and technology. Updated textbooks are enhanced with technology subscriptions and when trying to provide one to one chromebooks, we need to replace them every 5 to 6 years. We leveraged some ESSER dollars for this support and need a revenue source to continue to stay updated.

Roofs: We had assessments completed by two companies that have identified sections that need to be replaced on our older building sections. The costs are beyond what our general fund revenue can support. Please refer to the provided roof assessment diagram:



Transportation: We have had to lease buses as the cost has increased dramatically since 2020 and we have older buses that need to be replaced including one that we can no longer use as it doesn't pass inspection. The supplies and parts for repairs are also a cost that we need support of. We also have school vans, one with high miles that we need budgetary support in replacing.

Facilities & Grounds: Our track needs a structural spray coating and we will share this cost with a neighboring school that is a part of our paired sports program. We also need new asphalt in our tennis court area along with a handicap dip ramp in the concrete where our main crosswalk is. Our area U of M extension along with city and county grant support plans to fund painting and supplies for PickleBall. We use a Bobcat for a variety of reasons including snow removal. Our current bobcat is lighter duty so we would like to upgrade and ask for the difference for funding support. Our older locker rooms need new lockers. We would repurpose the girls lockers by moving them to the boys and then install new lockers in the girls locker room as the girls have been much more responsible when it comes to caring for them.

LED Lighting: The state of Minnesota will be ending the sale of fluorescent bulbs in 2026 and we would like to be proactive and convert our older building sections from fluorescent to LED to reduce energy costs and environmental waste that go along with fluorescent lighting.

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4. Estimated Costs and Implementation Plan:

Bond Referendum

Roof Rotation Plan (Older Building Sections) Herzog was the lowest quote.

- **2024 Roof Area G \$70,000**
- **2024 Roof Area K \$60,000**
- **2025 Roof Area H \$115,000**
- **2025 Roof Area C \$35,000**
- **2026 Roof Area D \$155,000**
- **2027 Roof Area L \$ 95,000**

Tuckpointing Area D & G \$85,000

Transportation Plan

- **Bus Lease Payoff \$151,764.02** (75,882.01 x 2) Estimated \$7,766.42 Interest Savings
 - Save interest by not leasing future buses
- **Bus Purchase 2025 \$130,000** (Phase out 2010 Blue Bird that doesn't pass inspection)
- **Bus Purchase 2026 \$136,000** (Phase out or designated spare - 2001 Blue Bird)
- **Bus Purchase 2027 \$142,000** (Phase out or designated spare - 2009 Blue Bird)
 - Factored in 5% inflation
- **Bus Parts, Supplies, Garage Tools such as an air compressor, Custodial Machinery Upkeep needs \$125,000** (5 year of budget support)
- **Van Purchase 2025 \$45,000** (Replace Van #5 Currently 184,000 miles)
- **Van Purchase 2027 \$50,000** (Replace Van #7 Currently \$98,929 miles)

LED Lighting Projects \$137,750 (See LED Light Project Schedule)

-Note: Fluorescent lights are being phased out and will no longer be sold in Minnesota. We will realize energy savings once this project is complete.

Handicap Sidewalk Ramp \$6,000

Bobcat \$37,667 \$52,667-\$15,000 For the old bobcat (2003 S130 with 1600 hours)

Track

- **Structural Spray Application 2026 \$47,500** (\$95,000 total with Menahga supporting half)
- Schools should set aside funds for Removal and Replacement of Polyurethane Base Mat for about 10 years beyond the structural spray application.
(Current price is \$160,000 total split in half between Menahga and Sebeka)

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Air Handlers/Splits (Kitchen Storage/Multipurpose Room Locker Rooms):
\$70,000

New asphalt in the outdoor phy ed courtyard (Old Tennis Court Area):

\$40,000 Additional money will be provided through Donna Anderson, U of M Extension SNAP-ED Health and Wellness Coordinator, utilizing county, city and area business support to paint and provide supplies for PickleBall.

New Lockers in the old girls locker room and repurpose girls lockers to boys locker room. \$44,499

Replace Acoustic Tiles in Band Room and Practice Room \$14,718.60

Total=\$1,792,898.62

Capital Projects Levy

Technology & Curriculum Budget Support: \$50,000 per year over 10 years

- Computers, Chromebooks, iPads, Servers, Interactive Screens, Textbooks

Total=\$500,000

Solar for Schools Grant

Solar Project-Cost Covered through programs \$601,818

(338 KW DC) Solar Connection won the RFP bidding process.

- 60% funded by the Solar for Schools grant, 30% Direct Pay Federal Rebates, 10% Low Adder with additional funding support from Region 5.
- The bond referendum can cover short term financing until the rebates are provided or by running an RFP for short term financing coverage.

Total=\$0

LED Light Project

Room	Teacher	Fixtures qty	bulbs per fixture	Fixture Style	
105	Raina	18	2	Surface - egg crate	\$4,500.00
106	Kari	19	2	Surface - egg crate	\$4,750.00

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108	Sherri	10	2	Surface	\$2,500.00
Lower Staff	Bathroom	1	2	Surface	\$250.00
110	Preschool	26	2	Surface	\$6,500.00
111	Emily	20	2	Surface	\$5,000.00
113	Alicia	19	2	Surface	\$4,750.00
MPR		18	4	Recessed	\$4,500.00
1st grade hall		7	2	Surface	\$1,750.00
2nd grade and 3rd grade bathroom hall		13	4	Recessed	\$3,250.00
116	Jordan	12	4	Recessed	\$3,000.00
117	Jenny	12	4	Recessed	\$3,000.00
119	Nicole	14	4	Recessed	\$3,500.00
120	Carolyn	15	4	Recessed	\$3,750.00
Media Center		61	4	Recessed	\$15,250.00
Art Room	Ashton	24	4	Recessed	\$6,000.00
Band	Alycia	30	4	Recessed	\$7,500.00
Elem gym		35	6	Hanging	\$20,000.00
3rd grade bathroom		4	4	Recessed	\$1,000.00
Kindergarden Stairwell		1	2	Surface	\$250.00
214	Para room	1	4	Surface	\$250.00
213	Reggie	20	2	Surface	\$5,000.00
211	Vicki	19	2	Surface	\$4,750.00
6th grade hall		5	2	Surface	\$1,250.00
Upper Lounge		6	2	Surface	\$1,500.00
209	Jerome	20	2	Surface	\$5,000.00
207	Resource Room	20	2	Surface	\$5,000.00
208	Marissa	20	2	Surface	\$5,000.00
206	Ryan	18	2	Surface - egg crate	\$4,500.00
205	Ronnie	18	2	Surface - egg crate	\$4,500.00
		506			\$137,750.00

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5. Specification of the source of project financing:

The Sebeka Public School Board approved the submission of a Bond Referendum and Capital Project Review, along with Ballot language on October 15th, 2024. Pending voter approval, implementation is scheduled starting in fiscal year 2025 with continuing implementation beyond 2025 to complete the proposed projects. The project's financing is subject to a voter-approved levy under the guidelines for Bond Referendums and Capitol Project Levis. The following table shares the tax impact of our Bond Referendum and Capital Projects Levy.

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Sebeka Public School District No. 820

October 2, 2024

Analysis of Tax Impact

Possible February 2025 Election

Authorized Bond Amount	\$1,950,000
Tax Levies	15
Annual Capital Project Levy Revenue	\$50,000
Tax Levies	10

Type of Property	Estimated Market Value	Estimated Tax Impact for Taxes Payable in 2026*	
		Annual	Monthly
Residential Homestead	\$50,000	\$9	\$1
	100,000	19	2
	125,000	26	2
	150,000	35	3
	175,000	42	4
	200,000	50	4
	250,000	66	6
Commercial/Industrial	300,000	82	7
	\$50,000	\$22	\$2
	100,000	44	4
	250,000	125	10
Agricultural Homestead** (average value per acre of land & buildings)	500,000	273	23
	\$1,500	\$0.12	\$0.01
	2,000	0.15	0.01
	2,500	0.20	0.02
	3,000	0.23	0.02
Agricultural Non-Homestead** (average value per acre of land & buildings)	4,000	0.31	0.03
	\$1,500	\$0.23	\$0.02
	2,000	0.31	0.03
	2,500	0.38	0.03
	3,000	0.46	0.04
Seasonal Recreational Residential	4,000	0.61	0.05
	\$100,000	\$29	\$2
	200,000	59	5
	300,000	88	7
	400,000	117	10
	500,000	148	12

* The amounts in the table are based on school district taxes for the Capital Project Levy, and principal and interest payments new bonds only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the homeowner's Homestead Credit Refund ("Circuit Breaker") program. Owners of homestead property may qualify for a refund, based on their income and total property taxes. This would decrease the net effect of the proposed referendum for qualifying property owners.

** For all agricultural property, estimated tax impact includes a 70% reduction due to the School Building Bond Agricultural Credit for the school building bond portion. Average value per acre is the total estimated market value of all land & buildings divided by total acres. If the property includes a home, then the tax impact on the house, garage, and one acre of land will be calculated in addition to the taxes per acre, on the same basis as a residential homestead or non-homestead property. If the same property owner owns more than \$3.5 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.

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6. Document obligation the school district and contractor to comply:

Not applicable.

Narrative Description of the Project:

The purpose of this bond referendum and capital projects levy is to address critical facility needs within our district including building roof needs, transportation needs, and ground facility upkeep, as well as technology and curriculum support. This will ensure that we continue to provide a safe and effective learning environment for our students. Our goal is to protect our school district facilities as it is a tremendous asset to our community. Our small school is experiencing declining enrollment, and due to the inflationary costs of addressing our needs, we want to approach our voters for budgetary assistance.

The proposed bond referendum will cost \$1,950,000 with the project costing \$1,792,898.62 and the difference being the bond issuance and other related finance costs. The capital projects levy will provide \$50,000 per year of technology and curriculum support over the next 10 years for a total cost of \$500,000. The sale of bonds and tax levy will finance the projects and will be on a single ballot question. The date of the special election will be Tuesday, February 11th, 2025.

While the district will still need to implement cost containment measures, this bond referendum and capital projects levy will strengthen the district's fiscal stability by providing limited yet much-needed financial relief and help to protect our general fund operating capital to help avoid statutory operating debt.

Thank you for your consideration.

Sincerely,

Dave Kerkvliet
Superintendent-Sebeka Public School District

Positive Review And Comment Document from MDE

Description of Proposed School Construction Project

Sebekia Public School District, ISD #0820-01 is proposing a single question referendum on February 11, 2025, that would authorize \$1.95 million in bonding authority to finance: facility improvements, vehicle/equipment purchases and site improvements. The proposed projects would be scheduled for completion in calendar year 2025. Cost estimates by project component are as follows:

Project Cost Estimates	
Roof Replacement	\$ 530,000
Tuck-Pointing	\$ 85,000
Bus Lease Payoff	\$ 151,764
New Busses	\$ 408,000
New Vans	\$ 95,000
Custodial Supplies	\$ 125,000
Lighting Upgrades	\$ 137,750
HVAC Upgrades	\$ 70,000
Equipment - Skidsteer	\$ 37,667
Asphalt Replacement	\$ 40,000
Lockers - Girls	\$ 44,449
Interior Renovations	\$ 62,220
Sidewalk Improvements	\$ 6,000
Bond Issuance	\$ 92,897
Capitalized Interest	\$ 73,173
	\$ 1,958,920

In addition to the proposed bond authorization, the single-question referendum would authorize a capital projects levy tax rate of 0.936% on the district's net tax capacity (NTC). If approved by voters, the district would levy \$50,000, beginning with the Payable 2026 levy for a ten-year period. The annual levy amount in the nine subsequent years would be computed by multiplying 0.936% times the preceding year's NTC and would be authorized for annual certification by the school board. The estimated total cost of the capital projects to be funded over the ten-year period is \$500,000. Proposed expenditures include: computers, technology infrastructure, interactive screens and textbooks.

The proposed bond-funded and capital projects levy-related expenditures appear to be in the long-term interest of the school district. In addition, the school board is aware that capital projects levy proceeds are only authorized to fund the capital projects proposed in this review and comment submission and eligible under Minnesota Statutes, section 126C.10, subdivision 14.

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.



Willie L. Jett II
Commissioner

December 6, 2024

MINNESOTA DEPARTMENT OF EDUCATION

400 NE Stinson Blvd. ▪ Minneapolis, Minnesota 55413 ▪ 651-582-8200 ▪ mde.contactus@state.mn.us ▪ @MnDeptEd

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