Hillsboro School District

School/Community Committee - Special School Board Meeting

Tuesday, November 15, 2022 at 7:00AM - High School Library

Meeting Minutes

In Attendance: Todd Blixt, Kyle Kvamme, & Tanner Naastad - ICON, Tucker Norton – Kraus Anderson, Gary Nysveen, Elliot Rotvold, Kari Matthys, Sarah Lovas, Gary Nysveen, Joel Thorsrud, Darin Oanes, Paul Geray, Michael Anderson, Andrea Dufner, Beth Melby-Christianson, Jason Pohlkamp, and Cole Short – Hillsboro Banner.
Ross Wilmes, Tucker Norton – Kraus Anderson, Mary Mattson, Tim Kozojed joined the call via Zoom.

1. Update of tasks from last meeting:
Supt. Suda reported to the group that the School Board met on Thursday, November 10th and approved moving forward with asking the community to vote on increasing the debt limit from 5% to 10%. In other school referendum voting some people were confused and voted against this part, so HPS is trying to avoid confusion with the voters. Discussion was held about being transparent to the community about the "why" of raising the debt limit. Asking the voters to increase to 10% would allow for higher construction costs if HPS seeks a referendum. ND school districts cannot go higher than 10%.
(Currently the Hillsboro School District has a 5% debt limit and has $2,906,648 of outstanding debt from our other building projects. That leaves $9,283,849 remaining of the 5% debt limit. The district would be asking the tax payers to increase that to a 10% debt limit. This would increase the amount of debt to about $21,474,346.)

Discussion was held on framing the debt limit question/vote as it would eventually lead to a potential referendum. Approving the debt limit could be a precursor to raising taxes.
Attached doc of Notice of Special Election
Attached doc of Official Ballot
Attached doc of Resolution Increase Debt limit

Kyle, from ICON, also discussed the MN School Building Bond Agricultural Credit approach that MN land owners are allowed to have their property tax deducted from their agricultural property in the amount equivalent to 70% of the taxes attributable to school district debt service for all ag property. (**Doc included in email**). Kyle will be talking about this with GF legislators and encouraged us to share this with our local legislators to get it on their radar for legacy fund use.

Todd Blixt and Kyle Kvamme shared with the group that ICON met with Supt. Suda, Principal Dryburgh and Principal Baesler to go through the High School square footage needs if a new building was constructed. (**Doc included in email**.)

The spreadsheet shows 74,347 sq ft is needed for a new HS. **74,347 sq ft x $400/sq ft = $29,738,880.00.**
Even with 10% debt limit increase, we would not be able to afford this.

2. Options:
Option 1 site map (Docs included in email.) was shared with the group. If we eliminate the square footage of Ag Ed room, music, and a gym, a new school would have **51,630 sq ft x $400/sq ft = $17,763,840.00.** This would

require the district to still hold classes at both buildings to accommodate the students' needs in those areas. At the current HS, ICON shows options of leasing the HS offices and demolishing or leasing the classroom areas. The reason not to demolish the old boiler area of the HS is because the boiler heats the whole building. Demolishing some of the old building would allow to sell the land for residential purposes.

Discussion was held on Option 1 not solving the entrance security, elevator and other accessibility issues at the HS.

Neither of these numbers include any capital maintenance on either of the buildings. At a previous meeting the preliminary number for deferred maintenance (without inflation increases) came to over $18,000,000 for both schools. The preliminary number for deferred maintenance (without inflation increases) came to over $18,000,000 (roughly $13,000,000 for HS building and roughly $5,000,000 for the elementary building). The setbacks of renovating the HS are that we spend over $12,000,000 and we haven't changed much of the building.

ICON stated that homes being built is about 3 years out in order for the district to see these new tax dollars.

Page 2, Site Plan Phase A shows the proposed new high school building with the ability for expansion depending on gross square footage needed. These plans do not go into detail of classrooms and office spaces, it just gives us an idea of square footage.

Page 3, Site Plan Phase B shows adding a main gym, commons area.

Page 4, Site Plan Phase C – proposed elementary and future expansion

Page 5, Site Plan Phase D – proposed high school and elementary schools for the future

3. Discussions after options presented:
Kyle discussed that when we go back out in the community now we should have those discussions about these options. He also discussed how one of tasks as a committee will be to develop a **survey** for the community to fill out to see where they are at with a potential school building project for the district. He shared the survey link for Grand Forks Schools who is going through this right now. (www.gfschoolsurvey.com)

It was asked that Supt. Suda ask the County auditor for a list of the property that is currently tax exempt or have payments in lieu of taxes? We would like to know the amount and the date they will go back on the tax rolls.

Kyle shared how districts communicate to patrons on tax calculators on if a referendum were approved, then how an individual can put their information in and how this would affect their taxes on their home or agriculture land.

Currently Hillsboro School District has an assessed property value of $231,000,000.

4. Next meeting date/time
   Tuesday, December 13th at 7:00 AM

5. Adjourn

