



South St. Paul School Board - Committee-of-the-Whole  
Monday, September 26, 2022 5:00 PM  
Location: Fleming Field Airport  
1725 Henry Avenue  
South St. Paul, MN 55075

## Agenda

I.	<b>FINANCE</b> (B. Hoffman)	
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	• Public Relations/Community Engagement	
	• SSP Open Foundation	
	• Superintendent Executive	
	B.	
	C. Other Items Deemed Necessary by the School Board	



# SOUTH ST. PAUL PUBLIC SCHOOLS

## School Board Agenda Item

**Meeting Date:** September 26, 2022

**Place on Agenda:** Committee-of-the-Whole and Regular Board Meeting

**Action Requested:** Approval

**Attachment:** Pre-Sale Report  
Resolution Providing for Sale of GO School Building Refunding Bonds, Series 2022A

<b>Topic:</b> General Obligation School Building Refunding Bonds, Series 2022A
<b>Presenter(s):</b> Jodie Zesbaugh, Ehlers, Inc.
<p><b>Background:</b></p> <p>Over the past several months, the district has monitored the bond market with the help of our financial advisors to determine the optimal time to issue refunding bonds. Refunding bonds are similar to refinancing a home mortgage; the district can take advantage of lower interest rates to reduce the amount of interest paid on the district's debt.</p> <p>Preliminary estimates show that the refunding is estimated to reduce the district's debt services levies in future years by approximately \$573,000. Please note that this is not a savings to the district but is a reduction of our annual tax levies and will reduce the amount of taxes paid by property owners in our communities.</p> <p>Approval of the included resolution allows the district to move forward with the sale of general obligation school building refunding bonds. The final sale of the bonds will be presented to the school board at their October 24, 2022 meeting.</p>
<p><b>Recommendation:</b></p> <p>Approve the Resolution Stating the Intention of the School Board to Issue General Obligation School Building Refunding Bonds, Series 2022A, and Taking Other Actions with Respect Thereto.</p>
<p><b>Alternatives:</b></p> <p>Do not approve the resolution and direct administration with next steps.</p>

EXTRACT OF MINUTES OF A MEETING  
OF THE SCHOOL BOARD OF  
SPECIAL SCHOOL DISTRICT NO. 6  
(SOUTH ST. PAUL PUBLIC SCHOOLS)  
DAKOTA COUNTY, MINNESOTA

Pursuant to due call and notice thereof a regular meeting of the School Board of Special School District No. 6 (South St. Paul Public Schools), Dakota County, Minnesota, was held in the School District on September 26, 2022 at 6:00 o'clock p.m.

The following members were present:

and the following were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION STATING THE INTENTION OF THE SCHOOL BOARD TO ISSUE GENERAL OBLIGATION SCHOOL BUILDING REFUNDING BONDS, SERIES 2022A, IN THE APPROXIMATE PRINCIPAL AMOUNT OF \$10,085,000; AND TAKING OTHER ACTIONS WITH RESPECT THERETO**

BE IT RESOLVED by the School Board (the “Board”) of Special School District No. 6 (South St. Paul Public Schools), Dakota County, Minnesota (the “District”), as follows:

1. Background. It is hereby determined that:

(a) On January 29, 2014, the District issued its General Obligation School Building Bonds, Series 2014A (the “Series 2014A Bonds”), in the original aggregate principal amount of \$10,000,000 pursuant to Minnesota Statutes, Chapter 475, as amended (the “Act”) and a special election held May 21, 2013, to finance the acquisition and betterment of school sites and facilities, including the construction and equipping of additions and improvements to the Kaposia Education Center and the Lincoln Center Elementary School sites and facilities; the remodeling and repurposing of portions of the secondary building to provide additional capacity and program improvements; the construction and equipping of security improvements to all district facilities; the completion of deferred maintenance and facility improvements and repairs; and the acquisition and installation of technology and communications upgrades to various district facilities; and the purchase of the facility currently housing the district offices (collectively, the “Projects”). The Series 2014A Bonds are currently outstanding in the principal amount of \$9,920,000 of which \$9,920,000 is currently subject to redemption on February 1, 2023.

(b) The District is authorized by Section 475.67 of the Act to issue and sell its general obligation bonds to refund outstanding bonds when determined by the Board to be necessary and desirable for the reduction of debt service costs of the District.

(c) The Board hereby finds and determines that it is necessary and desirable for the reduction of debt service costs to the District that the District issue its General Obligation School Building Refunding Bonds, Series 2022A in the aggregate maximum principal amount of approximately \$10,085,000 (the “Bonds”), pursuant to the Act, specifically Section 475.67, subdivision 3, of the Act, to redeem and prepay the Series 2014A Bonds.

2. Covenant as to State Credit Enhancement.

(a) The District hereby covenants and obligates itself to notify the Commissioner of Education (the “Commissioner”) of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 (the “Credit Enhancement Act”) to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the paying agent for the Bonds (the “Paying Agent”), or any successor paying agent, three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner that it will be unable to make all or a portion of that payment. The Paying Agent is authorized and directed to notify the Commissioner if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds on deposit with the Paying Agent to make that payment. The District understands that as a result of its covenant to be bound by the provisions of the Credit Enhancement Act, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now and hereafter established by the Minnesota Departments of Management and Budget and Education pursuant to subdivision 2(c) of the Credit Enhancement Act and otherwise to take such actions as necessary to comply with that section. The Board Chair, Clerk, Treasurer, Superintendent, or Director of Finance of the District are authorized to execute any applicable Minnesota Department of Education forms.

3. Sale of Bonds. The Board has retained Ehlers and Associates, Inc. (the “Municipal Advisor”), to serve as the District’s independent municipal advisor with respect to the offer and sale of the Bonds and, therefore, is authorized by Section 475.60, subdivision 2(9), of the Act to sell the Bonds other than pursuant to a competitive sale.

4. Procedure for Review of Proposals and Selection of Purchaser. The Board hereby authorizes and directs the Superintendent or Director of Finance and any School Board member (the “Authorized Officials”), with the advice of the Municipal Advisor, to review proposals for the purchase of the Bonds and award the sale of the Bonds to the prospective purchaser (the “Purchaser”) based on the recommendation of the Municipal Advisor and the following parameter: the true interest cost of the Bonds shall not exceed 4.3 percent (4.300%).

5. Acceptance of Proposal. The Board will meet at a regular or special meeting on the first practicable date after acceptance by the Authorized Officials of the proposal of the Purchaser, to ratify such acceptance and take any other appropriate actions with respect to the Bonds.

6. Authority of Municipal Advisor. The Municipal Advisor is authorized and directed to assist the District in the preparation and dissemination of a Preliminary Official Statement to be distributed to potential purchasers of the Bonds. The Municipal Advisor is further authorized and directed to assist the District in the award and sale of the Bonds on behalf of the District after receipt of written proposals and to assist the District in the preparation and dissemination of a final Official Statement with respect to the Bonds.

6. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, is authorized to act as bond counsel for the District (“Bond Counsel”), and to assist in the preparation and review of necessary documents, certificates, and instruments related to the Bonds. The officers, employees, and agents of the District are hereby authorized to assist Bond Counsel in the preparation of such documents, certificates, and instruments.

(The remainder of this page is intentionally left blank.)

The motion for the adoption of the foregoing resolution was duly seconded by Member \_\_\_\_\_, and upon vote being taken thereon the following director voted in favor of the motion:

and the following voted against:

whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA     )  
  )  
COUNTY OF DAKOTA     ) ss.  
  )  
SPECIAL SCHOOL         )  
DISTRICT NO. 6         )

I, the undersigned, being the duly qualified and acting Clerk of Special School District No. 6 (South St. Paul Public Schools), Dakota County, Minnesota (the “District”), hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the School Board of the District held on the date specified above, with the original minutes on file in my office and the extract is a full, true, and correct copy of the minutes, insofar as they relate to authorizing the issuance of the District’s General Obligation School Building Refunding Bonds, Series 2022A, in the approximate principal amount of \$10,085,000.

WITNESS My hand as such Clerk this \_\_\_\_ day of September, 2022.

\_\_\_\_\_  
Clerk of the School Board  
Special School District No. 6 (South St. Paul Public  
Schools), Dakota County, Minnesota

September 26, 2022

PRE-SALE REPORT FOR

# Special School District No. 6 (South St. Paul Public Schools), Minnesota

\$9,680,000 General Obligation Refunding Bonds,  
Series 2022A



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Prepared by:

Ehlers  
3060 Centre Pointe Drive  
Roseville, MN 55113

Advisors:

Jodie Zesbaugh, Senior Municipal Advisor  
Aaron Bushberger, Municipal Advisor  
Matthew Hammer, Senior Municipal Advisor

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**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

# EXECUTIVE SUMMARY OF PROPOSED DEBT

## Proposed Issue:

\$9,680,000 General Obligation Refunding Bonds, Series 2022A

## Purposes:

The proposed issue will finance a current refunding of the 2030 through 2033 maturities of the \$10,000,000 General Obligation School Building Bonds, Series 2014A. The purpose of the issue is to restructure the district's outstanding bond payments to reduce future debt service payments and property tax levies.

The existing bonds have interest rates of 3.75% (see page 7). Based on current market conditions, we estimate that the new refunding bonds would have a True Interest Cost of 3.86% (see page 8). We estimate that the underwriter of the bonds will pay a premium (a price in excess of the par amount of the bonds) to purchase the bonds (see page 6). The lower True Interest Cost would reduce future debt service payments by an estimated \$377,100 (see page 9). Actual results will be determined based on market conditions on the day of sale.

The refunding is considered to be a Current Refunding as the obligation being refunded will be callable within 90 days of the date of issue of the new Bonds. Debt service will be paid from the District's annual debt service property tax levy.

## Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 475 and 475.67. The Bonds will be general obligations of the District for which its full faith, credit and taxing powers are pledged.

## Term/Call Feature:

The Bonds are being issued for a term of 10 years and 3 months, matching the term on the existing bonds. Principal on the Bonds will be due on February 1 in the years 2024 through 2027 and 2030 through 2033. Interest will be due every six months beginning August 1, 2023.

The Bonds maturing on or after February 1, 2031 will be subject to prepayment at the discretion of the District on February 1, 2030 or any date thereafter.

## Bank Qualification:

Because the District expects may issue more than \$10,000,000 in tax-exempt obligations during the calendar year, the District will be not able to designate the Bonds as "bank qualified" obligations.

## **State Credit Enhancement:**

By resolution the District will covenant and obligate itself to be bound by the provisions of Minnesota Statutes, Section 126C.55, which provides for payment by the State of Minnesota in the event of a potential default of a school district obligation. To qualify for the credit enhancement, the District must submit an application to the State. Ehlers will coordinate the application process to the State on your behalf.

## **Rating:**

Under current bond ratings, the state credit enhancement would bring a Standard & Poor's "AAA" rating. The District's most recent bond issue was rated by S&P Global Ratings. rated "AAA" (credit enhanced rating) and "AA-" (underlying rating) by S&P Global Ratings. The District will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the District's bond rating in the event that the bond rating of the insurer is higher than that of the District.

## **Basis for Recommendation:**

Based on your objectives, financial situation and need, risk tolerance, liquidity needs, experience with the issuance of Bonds and long-term financial capacity, as well as the tax status considerations related to the Bonds and the structure, timing and other similar matters related to the Bonds, we are recommending the issuance of Bonds as a suitable option.

## **Method of Sale/Placement:**

We are recommending the Bonds be issued as municipal securities and offered through a competitive underwriting process. We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

## **Premium Pricing:**

In some cases, investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered "reoffering premium." The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or "discount") but will pay the remainder of the premium to the District. Any net premium received may be used to reduce the principal amount of the Bonds, increase the net proceeds for the project, or to fund a portion of the interest on the Bonds.

## **Parameters:**

The School Board will consider adoption of a Parameters Resolution on September 26, 2022, which delegates authority to the Superintendent or Director of Finance and a School Board Member to accept and approve a bid for the Bonds so long as the bid meets certain parameters specified in the resolution, thereby awarding sale of the Certificates.

We intend to accept bids on October 19 and present the results to the designated officials for their authorization on behalf of the Board. We will then ask the Board to adopt a resolution ratifying the award of sale at the October 24 Board Meeting.

## **Review of Existing Debt:**

We have reviewed all outstanding indebtedness for the District and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time.

We will continue to monitor the market and the call dates for the District's outstanding debt and will alert you to any future refunding opportunities.

## **Continuing Disclosure:**

The District will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The District is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

## **Arbitrage Monitoring:**

The District must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations ("Arbitrage Rules") throughout the life of the issue to maintain the tax-exempt status of the Bonds. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The District's specific arbitrage responsibilities will be detailed in the Tax Certificate (the "Tax Compliance Document") prepared by your Bond Attorney and provided at closing.

The Bonds may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitations, 6) investments yield restrictions, 7) de minimis rules, or; 8) borrower limited requirements.

We recommend that the District review its specific responsibilities related to the Bonds with an arbitrage expert in order to utilize one or more of the exceptions listed above.

## **Investment of Bond Proceeds:**

Proceeds from the new Bonds will be available for investment by the District from the closing date (November 17, 2022) until shortly before the February 1, 2023 call date. Ehlers can assist the District in developing an investment strategy for your Bond proceeds until the funds are needed to redeem the refunded obligations. It is assumed that investment earnings, estimated at \$60,561, be used as a source of funds for this refunding.

Ehlers recommends the establishment of an escrow account, with State and Local Government Securities (SLGS) purchased, in order to eliminate interest rate risk and remove uncertainty in the amount of investment earnings. The bond proceeds, including investment earnings, will be used to redeem the existing bonds on the call date.

## **Other Service Providers:**

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

**Bond Counsel:** Kennedy & Graven, Chartered

**Paying Agent:** Bond Trust Services Corporation

**Rating Agency:** S&P Global Ratings

**Escrow Agent** (if needed for refunding portion): Zion's Bank

*This presale report summarizes our understanding of the District's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the District's objectives.*

## PROPOSED DEBT ISSUANCE SCHEDULE

Ehlers Presents Pre-Sale Report to School Board, School Board Approves Resolution Authorizing Sale of the Bonds and Establishing Parameters for Awarding Sale of the Bonds:	September 26, 2022
Due Diligence Call to Review Official Statement:	October 3, 2022
Conference with Rating Agency:	October 5, 2022
Distribute Official Statement:	October 6, 2022
Ehlers Receives and Evaluates Proposals for Purchase of Bonds; Designated Officials Award Sale of the Bonds:	October 19, 2022
School Board Approves Resolution Ratifying Award of Sale:	October 24, 2022
Estimated Closing Date:	November 17, 2022
Redemption Date for the 2014A Bonds:	February 1, 2023

### Attachments

- Estimated Sources and Uses of Funds
- Estimated Debt Service Schedule for Callable Portion of 2014A Bonds
- Estimated Debt Service Schedule for Proposed Bonds
- Estimated Debt Service Comparison/ Refunding Savings Analysis
- Estimated Current Refunding Escrow
- Debt Plan with Existing Debt Service Structure
- Estimated Debt Plan with Restructured Debt Service
- Resolution Authorizing Ehlers to Proceed with Bond Sale/Credit Enhancement Resolution (provided separately)

## EHLERS' CONTACTS

Jodie Zesbaugh, Senior Municipal Advisor	(651) 697-8526
Aaron Bushberger, Municipal Advisor	(651) 697-8532
Matthew Hammer, Senior Municipal Advisor	(651) 697-8592
Nate Gilger, Public Finance Analyst	(651) 697-8538



# South St. Paul, MN Special School District No. 6

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\$9,680,000 General Obligation Refunding Bonds, Series 2022A

Dated: November 17, 2022 - Proposed Current Refunding of

\$10,000,000 G.O. School Building Bonds, Series 2014A

## Sources & Uses

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Dated 11/17/2022 | Delivered 11/17/2022

### Sources Of Funds

Par Amount of Bonds	\$9,680,000.00
Reoffering Premium	339,744.00
<b>Total Sources</b>	<b>\$10,019,744.00</b>

### Uses Of Funds

Total Underwriter's Discount (0.800%)	77,440.00
Costs of Issuance	80,600.00
Deposit to Current Refunding Fund	9,859,438.74
Rounding Amount	2,265.26
<b>Total Uses</b>	<b>\$10,019,744.00</b>

# South St. Paul, MN Special School District No. 6

\$10,000,000 G.O. School Building Bonds, Series 2014A

## Prior Original Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2023	-	-	-	-	-
08/01/2023	-	-	186,000.00	186,000.00	-
02/01/2024	-	-	186,000.00	186,000.00	372,000.00
08/01/2024	-	-	186,000.00	186,000.00	-
02/01/2025	-	-	186,000.00	186,000.00	372,000.00
08/01/2025	-	-	186,000.00	186,000.00	-
02/01/2026	-	-	186,000.00	186,000.00	372,000.00
08/01/2026	-	-	186,000.00	186,000.00	-
02/01/2027	-	-	186,000.00	186,000.00	372,000.00
08/01/2027	-	-	186,000.00	186,000.00	-
02/01/2028	-	-	186,000.00	186,000.00	372,000.00
08/01/2028	-	-	186,000.00	186,000.00	-
02/01/2029	-	-	186,000.00	186,000.00	372,000.00
08/01/2029	-	-	186,000.00	186,000.00	-
02/01/2030	2,325,000.00	3.750%	186,000.00	2,511,000.00	2,697,000.00
08/01/2030	-	-	142,406.25	142,406.25	-
02/01/2031	2,425,000.00	3.750%	142,406.25	2,567,406.25	2,709,812.50
08/01/2031	-	-	96,937.50	96,937.50	-
02/01/2032	2,530,000.00	3.750%	96,937.50	2,626,937.50	2,723,875.00
08/01/2032	-	-	49,500.00	49,500.00	-
02/01/2033	2,640,000.00	3.750%	49,500.00	2,689,500.00	2,739,000.00
<b>Total</b>	<b>\$9,920,000.00</b>	<b>-</b>	<b>\$3,181,687.50</b>	<b>\$13,101,687.50</b>	<b>-</b>

## Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	11/17/2022
Average Life	8.758 Years
Average Coupon	3.7500000%
Weighted Average Maturity (Par Basis)	8.758 Years
Weighted Average Maturity (Original Price Basis)	8.758 Years

## Refunding Bond Information

Refunding Dated Date	11/17/2022
Refunding Delivery Date	11/17/2022

# South St. Paul, MN Special School District No. 6

\$9,680,000 General Obligation Refunding Bonds, Series 2022A

Dated: November 17, 2022 - Proposed Current Refunding of

\$10,000,000 G.O. School Building Bonds, Series 2014A

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/17/2022	-	-	-	-	-
08/01/2023	-	-	302,577.50	302,577.50	-
02/01/2024	260,000.00	5.000%	214,425.00	474,425.00	777,002.50
08/01/2024	-	-	207,925.00	207,925.00	-
02/01/2025	290,000.00	5.000%	207,925.00	497,925.00	705,850.00
08/01/2025	-	-	200,675.00	200,675.00	-
02/01/2026	960,000.00	5.000%	200,675.00	1,160,675.00	1,361,350.00
08/01/2026	-	-	176,675.00	176,675.00	-
02/01/2027	985,000.00	5.000%	176,675.00	1,161,675.00	1,338,350.00
08/01/2027	-	-	152,050.00	152,050.00	-
02/01/2028	-	-	152,050.00	152,050.00	304,100.00
08/01/2028	-	-	152,050.00	152,050.00	-
02/01/2029	-	-	152,050.00	152,050.00	304,100.00
08/01/2029	-	-	152,050.00	152,050.00	-
02/01/2030	1,670,000.00	5.000%	152,050.00	1,822,050.00	1,974,100.00
08/01/2030	-	-	110,300.00	110,300.00	-
02/01/2031	1,765,000.00	4.000%	110,300.00	1,875,300.00	1,985,600.00
08/01/2031	-	-	75,000.00	75,000.00	-
02/01/2032	1,840,000.00	4.000%	75,000.00	1,915,000.00	1,990,000.00
08/01/2032	-	-	38,200.00	38,200.00	-
02/01/2033	1,910,000.00	4.000%	38,200.00	1,948,200.00	1,986,400.00
<b>Total</b>	<b>\$9,680,000.00</b>	<b>-</b>	<b>\$3,046,852.50</b>	<b>\$12,726,852.50</b>	<b>-</b>

## Yield Statistics

Bond Year Dollars	\$71,119.78
Average Life	7.347 Years
Average Coupon	4.2841142%
Net Interest Cost (NIC)	3.9152942%
True Interest Cost (TIC)	3.8616435%
Bond Yield for Arbitrage Purposes	3.7302596%
All Inclusive Cost (AIC)	3.9937933%

## IRS Form 8038

Net Interest Cost	3.6987745%
Weighted Average Maturity	7.305 Years

## South St. Paul, MN Special School District No. 6

\$9,680,000 General Obligation Refunding Bonds, Series 2022A

Dated: November 17, 2022 - Proposed Current Refunding of

\$10,000,000 G.O. School Building Bonds, Series 2014A

### Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
02/01/2023	-	(2,265.26)	-	2,265.26
02/01/2024	777,002.50	777,002.50	372,000.00	(405,002.50)
02/01/2025	705,850.00	705,850.00	372,000.00	(333,850.00)
02/01/2026	1,361,350.00	1,361,350.00	372,000.00	(989,350.00)
02/01/2027	1,338,350.00	1,338,350.00	372,000.00	(966,350.00)
02/01/2028	304,100.00	304,100.00	372,000.00	67,900.00
02/01/2029	304,100.00	304,100.00	372,000.00	67,900.00
02/01/2030	1,974,100.00	1,974,100.00	2,697,000.00	722,900.00
02/01/2031	1,985,600.00	1,985,600.00	2,709,812.50	724,212.50
02/01/2032	1,990,000.00	1,990,000.00	2,723,875.00	733,875.00
02/01/2033	1,986,400.00	1,986,400.00	2,739,000.00	752,600.00
<b>Total</b>	<b>\$12,726,852.50</b>	<b>\$12,724,587.24</b>	<b>\$13,101,687.50</b>	<b>\$377,100.26</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	(164,282.77)
Net PV Cashflow Savings @ 3.730%(Bond Yield)....	(164,282.77)
Contingency or Rounding Amount.....	2,265.26
Net Present Value Loss	\$(162,017.51)
Net PV Loss / \$9,859,009.48 PV Refunded Debt Service	(1.643%)
Net PV Loss / \$9,920,000 Refunded Principal...	(1.633%)
Net PV Loss / \$9,680,000 Refunding Principal..	(1.674%)

### Refunding Bond Information

Refunding Dated Date	11/17/2022
Refunding Delivery Date	11/17/2022

# South St. Paul, MN Special School District No. 6

\$9,680,000 General Obligation Refunding Bonds, Series 2022A

Dated: November 17, 2022 - Proposed Current Refunding of

\$10,000,000 G.O. School Building Bonds, Series 2014A

## Current Refunding Escrow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
11/17/2022	-	-	-	0.74	-	0.74
02/01/2023	9,859,438.00	2.950%	60,561.26	9,919,999.26	9,920,000.00	-
<b>Total</b>	<b>\$9,859,438.00</b>	<b>-</b>	<b>\$60,561.26</b>	<b>\$9,920,000.00</b>	<b>\$9,920,000.00</b>	<b>-</b>

## Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted

Cash Deposit	0.74
Cost of Investments Purchased with Bond Proceeds	9,859,438.00
Total Cost of Investments	\$9,859,438.74

Target Cost of Investments at bond yield	\$9,844,922.06
Actual positive or (negative) arbitrage	(14,516.68)

Yield to Receipt	3.0013844%
Yield for Arbitrage Purposes	3.7302596%

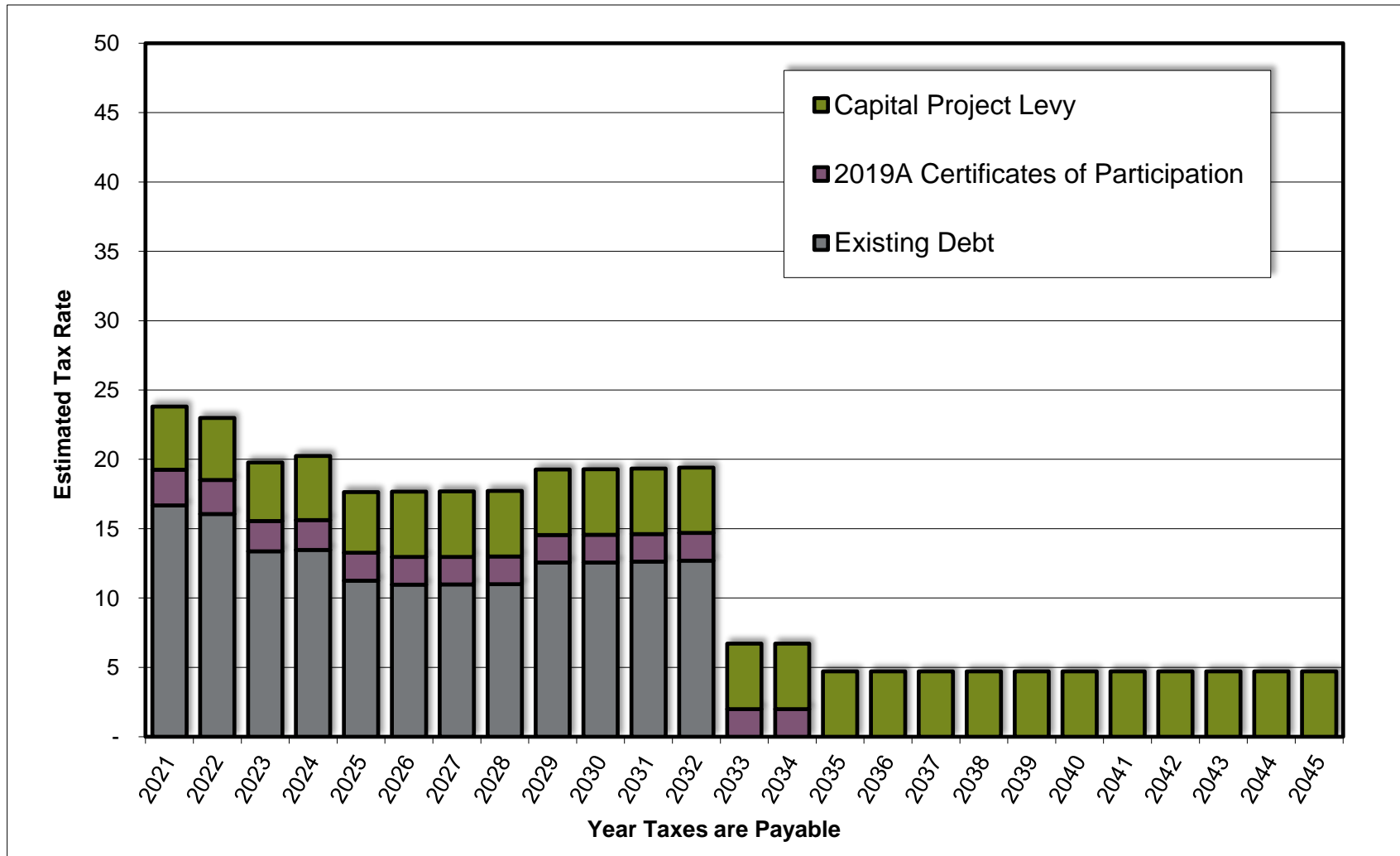
State and Local Government Series (SLGS) rates for	9/15/2022
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## ESTIMATES PRIOR TO BOND SALE

**South St. Paul Special School District No. 6**  
**Estimated Tax Rates for Capital and Debt Service Levies**  
**Existing Commitments and Proposed New Debt**

**Existing Debt Structure**

Date Prepared: **September 21, 2022**

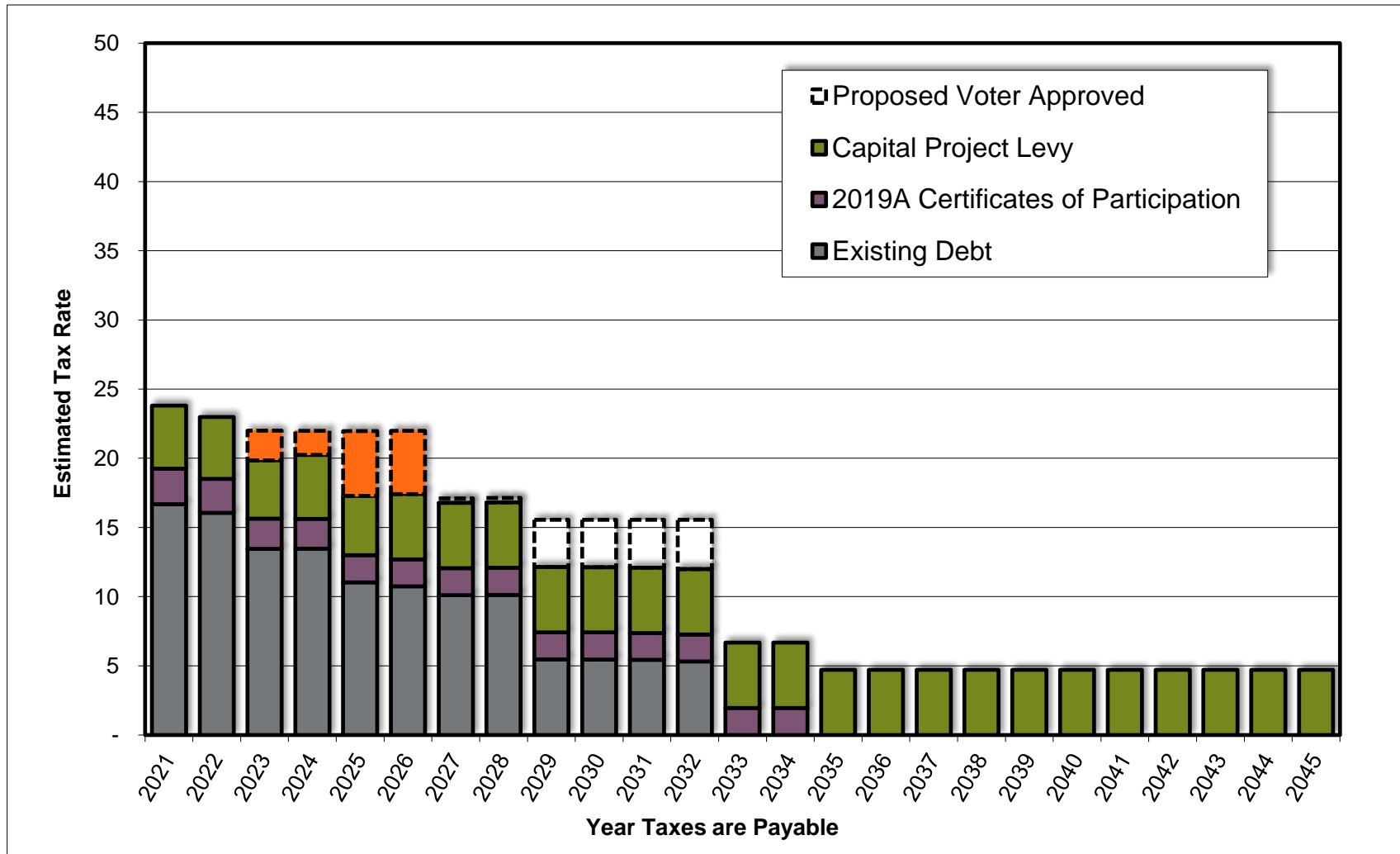


## ESTIMATES PRIOR TO BOND SALE

**South St. Paul Special School District No. 6**  
**Estimated Tax Rates for Capital and Debt Service Levies**  
**Existing Commitments and Proposed New Debt**

**Existing Debt with Restructure**

Date Prepared: **September 26, 2022**





## SOUTH ST. PAUL PUBLIC SCHOOLS

### School Board Agenda Item

**Meeting Date:** Monday, September 26, 2022

**Place on Agenda:** COW and Regular Meeting

**Action Requested:** Approval

**Attachment:** Lease Amendment #3

**Topic:** Lease Extension for Education Foundation

**Presenter(s):** Brady Hoffman, Finance Director

**Background:**

South St. Paul Public Schools currently leases space to the South St. Paul Education Foundation located at 521 Marie Ave. The initial lease for this space started on January 1, 1999 and continued through December 31, 2008. A first amendment for the lease then extended the lease through December 31, 2018. A second amendment for the lease then extended the lease through December 31, 2021. The original lease and first amendment were established with the previous owner of the building, and the district agreed to this agreement once SSPPS acquired the building.

This proposed third amendment would now extend the lease through December 31, 2023.

**Recommendation:** N/A

**Alternatives:** Do not agree to the lease extension, direct administration to identify other options.

Lease Amendment #3

Special School District #6 (the Landlord) and South St Paul Education Foundation (the Tenants) hereby do agree to extend the lease on the property located at 521 Marie Avenue, South St Paul, Minnesota.

It is agreed that the lease will be extended for a period of two (2) years beginning January 1, 2022 and continuing through December 31, 2023.

The Tenants agree to pay the sum of Eleven Thousand Nine Hundred Eighty-Eight and 00/100 dollars (\$11,988.00) annually to be paid at the rate of Nine Hundred Ninety-Nine and 00/100 dollars (\$999.00) per month on the first day of each month beginning January 1, 2022.

All covenants detailed in the original lease dated January 1, 1999 are understood to be extended and are included as a part of this amendment.

We agree to this amendment on this the 26<sup>th</sup> day of September.

\_\_\_\_\_  
School Board Chair  
Special School District #6

\_\_\_\_\_  
Foundation Board President

\_\_\_\_\_  
School Board Clerk  
Special School District #6

\_\_\_\_\_  
Foundation Board Vice President



# SOUTH ST. PAUL PUBLIC SCHOOLS

## School Board Agenda Item

**Meeting Date:** Monday, September 26, 2022

**Place on Agenda:** Committee of the Whole and Regular Meeting

**Action Requested:** Approval

**Attachment:** 2022 Payable 2023 Proposed Levy Summary

<b>Topic:</b> 2022 Payable 2023 Proposed Levy
<b>Presenter(s):</b> Brady Hoffman, Director of Finance
<p><b>Background:</b></p> <p>At the Committee of the Whole meeting, we will review information regarding our 2022 Payable 2023 Proposed Levy Certification. This proposed certification is for taxes payable in calendar year 2023, and is revenue for the 2023-2024 school year. We are recommending we approve the proposed levy at “maximum”. Proposed levies for school districts carry the option of levying the “Maximum” versus a specific amount due to continuing updates by the Department of Education. This “Maximum” option protects school districts whose levies may increase. Levying a specific dollar amount prevents further increases.</p> <p>We are required to certify our Proposed Levy to the County Auditor by September 30, 2022. The information submitted to the County Auditor is the information used for the proposed property taxes mailed to each taxpayer in November.</p> <p>Truth in Taxation statutes require a hearing be conducted during regular school board meetings. The statute also requires that the date and time of the regular school board meeting when hearings are scheduled be announced at the time the proposed levy is certified.</p> <p>The Truth in Taxation hearing will be held during the regular board meeting on December 12, 2022 at 6:00 pm.</p>
<p><b>Recommendation:</b> Approval of 2022 Payable 2023 Proposed Levy</p>
<p><b>Alternatives:</b> N/A</p>

**South St Paul Public Schools  
Proposed Payable 2023 Levy**

<b>Proposed PAY 2023 LEVY</b>	<b>FINAL Payable 2022</b>	<b>PROPOSED Payable 2023</b>	<b>Dollar Change</b>	<b>Percent Change</b>
<b><u>General Fund:</u></b>				
Referendum	\$ 2,256,172	\$ 2,471,235	\$ 215,063	
Local Optional	2,034,218	1,999,573	(34,645)	
Equity	426,184	403,610	(22,574)	
Transition	95,584	90,985	(4,599)	
Capital Projects Referendum	789,039	834,135	45,096	
Operating Capital	246,027	267,385	21,358	
Alternative Teacher Compensation	290,981	282,917	(8,064)	
Achievement and Integration	180,658	175,431	(5,227)	
Reemployment Insurance	30,000	30,000	-	
Safe Schools	117,884	112,211	(5,673)	
Safe Schools Intermediate	49,118	46,755	(2,363)	
Career and Technical	58,383	62,188	3,805	
Long Term Facilities Maintenance	715,503	725,384	9,881	
Building/Land Lease	627,223	632,616	5,393	
Capital Facilities Bonds	(178,185)	(174,825)	3,360	
Adjustments/Abatements	(46,959)	115,499	162,458	
<b>Total General Fund</b>	<b>\$ 7,691,830</b>	<b>\$ 8,075,099</b>	<b>\$ 383,269</b>	
<b><u>Community Service Fund:</u></b>				
Basic Community Education	\$ 154,720	\$ 154,720	\$ -	
Early Childhood Family Education	59,870	65,076	5,206	
Home Visiting	2,238	2,389	151	
School Age Care - Disabled	200,000	200,000	-	
Adjustments/Abatements	96,322	(224,458)	(320,780)	
<b>Total Community Service Fund</b>	<b>\$ 513,150</b>	<b>\$ 197,727</b>	<b>\$ (315,423)</b>	
<b><u>Debt Service Fund:</u></b>				
Initial Debt Service	\$ 2,940,708	\$ 2,942,888	\$ 2,180	
Capital Facilities Bonds	178,185	174,825	(3,360)	
Reduction for Debt Excess	(107,533)	(311,917)	(204,384)	
Adjustments/Abatements	1,190	1,172	(18)	
<b>Total Debt Service Fund</b>	<b>\$ 3,012,550</b>	<b>\$ 2,806,968</b>	<b>\$ (205,582)</b>	
<b>Total All Levies</b>	<b>\$ 11,217,530</b>	<b>\$ 11,079,794</b>	<b>\$ (137,736)</b>	<b>-1.23%</b>



## SOUTH ST. PAUL PUBLIC SCHOOLS

### School Board Agenda Item

**Meeting Date:** Monday, September 26, 2022

**Place on Agenda:** Committee-of-the-Whole and Regular Agenda

**Action Requested:** Approval

**Attachment:** 2022-23 Proposed Miscellaneous Wages

<b>Topic:</b> 2022-23 Miscellaneous Wages
<b>Presenter(s):</b> Joel Milteer, Human Resource Director and Brady Hoffman Finance Director
<b>Background:</b>  Annually, miscellaneous wages for various tasks or assignments are recommended to the School Board approval. The assignments included are game workers, officials, community education, substitute rates and other miscellaneous rates.  Tonight we are requesting approval for the 2022-23 substitute and other miscellaneous rates.
<b>Recommendation:</b>  Approval of 2022-23 Miscellaneous Wages for substitutes and other rates.
<b>Alternatives:</b>  Do not approve 2022-23 Miscellaneous Wages and direct administration with next steps.

## 2022-23 Miscellaneous Wages

**Effective July 1, 2022**

*Rates are hourly unless otherwise indicated*

Category	Assignment	Wage
Substitutes	Retired Teacher (including SSP retirees), Preschool Instructor	\$180/day, \$100 half day (up to 4 hours), \$26/hour
	Preschool Instructor – long term substitute (30 consecutive days in the same assignment)	\$29.34
	District/Building Teacher (full day, school year)	\$220/day
	Building Administrator-internal (full day, school year)	\$150/day
	School Nurse (LSN/RN credential)	\$28.00
	School Nurse (LPN credential)	\$23.00
	Clerical/Health Assistant	\$19.00
	Student Supervision (lunchroom, crossing guard, bus, parking lot)	\$15.00
	Kids Choice, Classroom, Early Learning Assistant	\$16.00
	Special Ed Assistant, One-On-One Assistant	\$17.00
	Special Ed Assistant - long term substitute (30 consecutive days in the same assignment)	\$18.00
	District/Building Classroom Assistant (full day, school year)	\$18.00
	Cleaner	\$16.00
	Nutrition Services Assistant	\$15.00
	Community Education/Other	Aquatics Lead Instructor
Building Supervisor		\$15.00
Child Care (events, classes, meetings)		\$15.00
Facilitator (group, class, event)		\$25.00
Fitness Instructor		\$23.50
Food Service Catering Cook Manager		\$23.00
Food Service Catering Assistant		\$16.00
Gymnastics Instructor		\$17.00
Gymnastics Lead Instructor		\$23.00
Life Guard		\$16.00
Packer Pad Assistant		\$13.00
Packer Pad Supervisor		\$13.50
Summer Camp Coach		\$18.00
Summer Strength Advisor		\$18.00
WSI Assistant		\$15.00
WSI Instructor	\$17.00	
Students (District 6)	Gymnastics Assistant	\$15.00
	Kids Choice Aide	\$15.00
	Summer Camp Assistant	\$15.00
	Summer Strength Assistant	\$15.00

## 2022-23 Miscellaneous Wages

Effective July 1, 2022

*Rates are hourly unless otherwise indicated*

Category	Assignment	Wage
Game Workers	Tickets/Admissions, Announcer/Press Box, Scorer/Timer, Line Judge, Libero Tracker, Supervision/Security  <u>Event:</u> Swimming & Diving Girls & Boys, Soccer (Single Game), Gymnastics, Basketball-Varsity, JV, B-Squad (Scorer/Timer/Announcer), Volleyball (Announcer/Line Judge/Libero Tracker), Football (Press box)	\$30 per event
	Tickets/Admissions, Announcer/Press Box, Scorer/Timer, Line Judge, Supervision/Security, Timer/Judge  <u>Event:</u> Hockey, Soccer (Double Header), Wrestling (Dual or Tri), Football (Ticket/ Admissions & Supervision/Security), Volleyball (Ticket/Admissions & Scorer), Basketball-2 games (Ticket/Admissions), Track	\$50 per event
	Tickets/Admissions, Announcer/Press Box, Scorer/Timer, Line Judge, Supervision/Security  <u>Event:</u> Basketball-3 games (Tickets/Admissions), Wrestling (Quad)	\$100 per event
	Site Manager  Event: Swimming & Diving Girls (Meet), Dance Team (Regular Meet), Gymnastics, Swimming & Diving Boys (Meet), Wrestling (Dual), Baseball, Softball, Track & Field (Dual)	\$50 per event
	Site Manager  Soccer (Single game), Swimming & Diving Girls (Invitational), Volleyball, Basketball, Hockey Wrestling (Tri), Swimming & Diving Boys (Invitational), Track & Field (Triangular)	\$75 per event
	Site Manager  Football (Home/Away), Soccer (Double Header), Dance Team (Sat Meet), Dance Team (Saturday Meet), Wrestling (Quad)	\$100 per event
Officials <i>(as determined by the Metro Official's Fee Structure)</i>	<b>FOOTBALL</b>	<b>Per Event</b>
	Varsity Game (5 Officials)	\$92
	JV/B/9 Game (3 Officials)	\$80
	Middle School - per official	\$70
	<b>SOCCER</b>	<b>Per Event</b>
	Varsity (3 Officials)	\$77
	Varsity (2 Officials)	\$87
	Doubleheader (3 Officials)	\$139
	Doubleheader (2 Officials)	\$158
JV/B/9 - Game (2 Officials)	\$54	

## 2022-23 Miscellaneous Wages

Effective July 1, 2022

*Rates are hourly unless otherwise indicated*

Category	Assignment	Wage
	JV/B/9 - Double Header (2 Officials)	\$95
	JV/B/9 Game (1 Official)	\$62
	JV/B/9 Double Header (1 Official)	\$110
	Middle School (per official)	\$45
	Single Game Cancelled	1/2 Fee
	Single Game Suspended	2/3 Fee
	Doubleheader-second Game Cancelled	game fee
	Doubleheader-second Game Suspended	game fee
	<b>SWIMMING</b>	<b>Per Event</b>
	Double Dual (Varsity & JV)	\$135
	Double Dual (Varsity Only)	\$120
	Offsite Diving	\$58
	Varsity & JV Meet (2 Officials with up to 5 more exhibition heats or extra dives 36/team)	\$77
	Varsity & JV Meet (1 Official with up to 5 more exhibition heats or extra dives 36/team)	\$87
	Invitational Meet (per hour)	\$42
	<b>VOLLEYBALL</b>	<b>Per Event</b>
	Varsity (2 Officials)	\$76
	Varsity/JV & B (2 Officials)	\$94
	Any combination of two JV/B/9	\$79
	Lower Level Match (1 Official)	\$53
	Additional Prelim (9th grade) match added to ( JV or B) + Varsity (add to total amount)	\$32
	Varsity Tournament (2 Officials)	\$38
	JV/B/9 Tournament (1 or 2 Officials)	\$35
	Middle School (per official)	\$45
	<b>BASKETBALL</b>	<b>Per Event</b>
	Varsity Game (2 or 3 Officials)	\$82
	Varsity plus Lower Level	\$118
	Varsity Double Header (2 or 3 Officials)	\$134
	Two Lower Level Games (JV or B)	\$101
	Single Game (Non 9th Grade Lower Level)	\$64
	Two 9th Grade Games	\$93
	Single 9th Grade Game	\$64
	Middle School (2 officials - 2 games)	\$52
	Middle School (1 official -2 games)	\$64
	<b>GYMNASTICS</b>	<b>Per Event</b>
	Varsity & JV (2 Officials)	\$120
	Varsity & JV (3 Officials)	\$96
	8 Team Invitational (per official)	\$124
	<b>HOCKEY</b>	<b>Per Event</b>
	Varsity Game (Referee)	\$94
	Varsity Game (Linesman)	\$77
	JV (Official)	\$77

## 2022-23 Miscellaneous Wages

Effective July 1, 2022

*Rates are hourly unless otherwise indicated*

Category	Assignment	Wage
	<b>WRESTLING</b>	<b>Per Event</b>
	Varsity & JV (1 Official)	\$107
	Varsity Only (1 Official)	\$77
	Two Varsity Duals	\$126
	Three Varsity Duals	\$162
	One JV Dual	\$59
	Two JV Duals	\$96
	Three JV Duals	\$122
	One Varsity Dual	\$143
	Two Varsity Duals	\$123
	Middle School/Junior High	\$64
	One 9th Dual	\$64
	Two 9th Duals	\$91
	Three 9th Duals	\$108
	Weigh-ins - Meet	\$20
	Weigh-ins - Tournament	\$40
	<b><u>Tournaments</u></b>	
	Varsity (less than 8 hrs.)	\$219
	Varsity (more than 8 hrs.)	\$244
	JV/9 (less than 8 hrs.)	\$174
	JV/9 (more than 8 hrs.)	\$194
	<b>BASEBALL</b>	<b>Per Event</b>
	Varsity Game (2 Umpires)	\$83
	B/JV/9 (1 Umpire)	\$83
	Two 5 inning games (Less than Varsity) 5/7th Pay/game	\$59.75
	Middle School (per official)	\$57
	<b>SOFTBALL</b>	<b>Per Event</b>
	Varsity (2 Umpires)	\$75
	B/JV/9 (1 Umpire)	\$75
	Two 5 inning games (Less than Varsity) 5/7th Pay/Game	\$52.50
	Middle School (per official)	\$50
	<b>DANCE TEAM</b>	<b>Judge</b>
	<b>Number of Routines</b>	
	2	\$43
	3 to 4	\$48
	5 to 10	\$58
	11 to 15	\$64
	16 to 20	\$74
	21 to 25	\$77
	26 to 30	\$84
	31 to 40	\$94
	41 to 50	\$110
	51 to 60	\$120
	61 to 70	\$130
	71 to 80	\$156
	81 to 90	\$171
	91 to 100	\$192



## SOUTH ST. PAUL PUBLIC SCHOOLS

### School Board Agenda Item

**Meeting Date:** Monday, September 12, 2022

**Place on Agenda:** Regular Agenda

**Action Requested:** Approval

**Attachment:** **Employment of School Board Member as a Substitute**

<b>Topic:</b> Employment of School Board member as a Substitute
<b>Presenter:</b> Joel Milteer Human Resource Director
<b>Background:</b>  According to MN Statute 123B.195, School Board members may be employed by the school district as an employee as long as the amount earned does not exceed \$8,000 in a fiscal year. Additionally, employment must receive majority approval at a meeting in which all board members are present. The Board Member has been a substitute in the past and would like to continue as a substitute for the 2022-23 school year. Majority approval by the School Board is necessary.
<b>Recommendation:</b>  Approve Board Member as a classified substitute for the district.
<b>Alternatives:</b>  Not approve Board Member as a classified substitute for the district.

Member \_\_\_\_\_ introduced the following Resolution and moved its adoption:

**RESOLUTION APPROVING EMPLOYMENT OF THE BOARD MEMBER AS A  
SUBSTITUTE IN A CLASSIFIED POSITION IN THE SCHOOL DISTRICT**

WHEREAS, Minnesota Statutes sections 123B.195 and 471.88, subdivision 5, grant the School District the authority to hire board members for employment;

WHEREAS, Wendy Felton, board member of the South St. Paul Board of Education, is duly qualified for employment as a substitute in a classified position; and

WHEREAS, the School District wishes to employ Ms. Felton as a substitute in a classified position.

NOW THEREFORE BE IT RESOLVED by the South St. Paul Board of Education as follows:

1. The Board hereby approves Ms. Felton for employment as a substitute in a classified position in the School District. In accordance with Minnesota Statutes section 123B.195, Ms. Felton's compensation as a result of this employment relationship with the School District must not exceed \$8,000 per fiscal year.
2. Ms. Felton will be paid no more than the 2022-23 rate of pay listed below for the designated classified substitute assignment:
  - Nutrition Services substitute - \$15.00/hour
  - Student Supervision substitute - \$15.00/hour
  - Clerical substitute - \$19.00/hour

These are the same rates paid to all substitute in classified positions in the School District and is as low as the price of obtaining substitute services from someone other than Ms. Felton.

The motion for the adoption of this Resolution was made at the South St. Paul School Board Meeting on September 26, 2022, by \_\_\_\_\_, duly seconded by \_\_\_\_\_, and upon a vote being taken thereon, the following voted in favor of the Resolution:

And the following voted against the Resolution:

Whereupon this Resolution was declared duly passed and adopted



## SOUTH ST. PAUL PUBLIC SCHOOLS

### School Board Agenda Item

**Meeting Date:** September 26, 2022

**Place on Agenda:** Committee-of-the-Whole

**Action Requested:** None

**Attachment:** None

<b>Topic:</b> Dakota County Library Update
<b>Presenter(s):</b> Ryan Garcia, City Administrator
<b>Background:</b>  City Administrator Ryan Garcia will share information about the Dakota County Library project on Marie Avenue. The project is a county project, but the city is planning to do some significant changes to traffic flow and parking around the project that will impact Central Square. Ryan will discuss the changes as well as a timeline for the overall project.
<b>Recommendation:</b>  N/A
<b>Alternatives:</b>  N/A



## SOUTH ST. PAUL PUBLIC SCHOOLS

### School Board Agenda Item

**Meeting Date:** September 26, 2022

**Place on Agenda:** Committee-of-the-Whole

**Action Requested:** None. Discussion Only.

**Attachment:** None

<b>Topic:</b> Committee Updates
<b>Presenter(s):</b> School Board Members
<b>Background:</b>  School Board members will provide an update for the following committees that they serve on: <ul style="list-style-type: none"><li>• District 917</li><li>• Association for Metropolitan School Districts (AMSD)</li><li>• Community Education</li><li>• SSP Educational Foundation</li><li>• Finance, Facilities and Long-Range Planning</li><li>• Local Issues</li><li>• SSP Open Foundation</li><li>• District Policy</li><li>• District Community Engagement and Public Relations</li><li>• District Superintendent/Executive</li></ul>
<b>Recommendation:</b>  N/A
<b>Alternatives:</b>  N/A