

VOTER GUIDE: Mora Public Schools (ISD #332) Ballot Question - Approval of School District Bond Issue

What is a 'bond referendum' and what is it for?

A "referendum" is a vote on a single question placed before the electorate. The Mora School District is placing a question in front of voters Nov. 4 asking them to approve or reject a school bond referendum as can be seen below ("The big question").

A school bond referendum, like the one below, is for renovating, constructing and equipping school buildings. Like a loan on a car or mortgage on a house, the bonds need to be repaid over time plus interest. If passed, this \$18.37 million bond referendum would

replace Fairview Elementary with a 61,000 square foot addition onto Trailview School, fund Fairview's demolition and make improvements to the high school and Trailview.

These improvements include:

- Safer bus drop-off and expanded parking at Trailview and the High School.
- Replacement of the Trailview tennis courts (they will need to be moved to make room for parking)
- Addition of ball fields at Trailview to make up for

fields lost at Fairview

- High school window replacement
- Heating, ventilation and air conditioning improvements at the high school
- High school technology infrastructure upgrades

The proposed work would begin construction in spring 2015 and be completed by fall of 2016.

The big question:

Yes
 No

Shall the school board of Independent School District No. 332 (Mora) be authorized to issue its general obligation school building bonds in an amount not to exceed \$18,370,000 to provide funds for the acquisition and betterment of school facilities and sites, including the construction and equipping of an addition to the Trailview Elementary School facility and site; the sale or demolition of the Fairview Elementary School facility and site; and the completion of the improvements and various maintenance projects at the high school facility and site?

BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE.

Why Fairview? How did this plan and referendum form?

The school saw expensive repairs on the horizon that they wouldn't be able to afford with regular maintenance funds. The school hired a construction company to conduct a study of the school buildings to find what kind of repairs would be needed, which ones would be wanted, and how much it would cost.

The results of this study lead school leaders to consider investing money into new buildings rather than repairing the old ones. Leaders felt replacement of the schools was the most fiscally responsible solution.

Faced with aging buildings and accumulating problems with the structure of the facilities, the Mora School Board put a referendum in front of voters in August 2012 that asked for a significantly higher amount of money than the current referendum and failed.

The 2012 referendum amount was \$62.9 million and failed 1,346 "yes" votes to 2,295 "no" votes. This plan would have built one large addition onto Trailview for all students and abandoned Fairview and the high school.

After it failed the board did more research including a community survey, further communication with citizens and consulted a specifically assigned community task force to make adjustments to the plan, hopefully one that would be approved by voters.

COMMUNITY TASK FORCE

The formation of the Community Task Force was key in the evolution of the current referendum.

Fourteen members of the community ranging from construction workers, to mothers, to businessmen to retirees with varying views of the school facilities accepted invitations from the school board to sit on a special task force organized to decide the future of Mora's public school facilities.

The task force reviewed the condition of school infrastructure, educational needs, a public opinion survey, school population trends, and financing options in great detail.

After about 8 weeks of debate and compromise, the task force made the following recommendations to the board:

- Replace Fairview Elementary with an addition at the Trailview site
- Make necessary improvements to Trailview School
- Demolish Fairview if the building does not sell in the first few years of its vacancy
- Reduce the backlog of critical deferred maintenance at the high school with an emphasis on cost efficiency and safety items such as windows; heating, ventilation, and air conditioning (HVAC); and technology needs.
- Relocate some or all outdoor sports fields at the high school site to the Trailview site. Then relocate the current high school parking area to where the sports fields were to improve safety. This parking lot idea was later shown to be more expensive than the task force had bargained for. The idea was dismissed when the board realized moving the parking lot would mean extra projects to control water runoff; needing to move the varsity sports field would also mean the need for more locker rooms and parking.

In total, the task force guessed the cost of these improvements would be approximately \$16.1 million; however, the group admitted this amount was a best guess and that the actual price could fluctuate when actual cost estimates are calculated.

The school board later reviewed the recommendations more specifically with their consultants and settled on the amount of \$18,370,000.

SOME OF THE DEFICIENCIES, CONCERNS IDENTIFIED AT FAIRVIEW (BUILT 1958)

Ventilation: Six of the seven ventilation systems do not meet current indoor air quality standards or codes.

Parking, bus access and safety is a concern. At the Fairview site there is not enough space for all the buses to pick up children and so do what is called "double-stacking." Double-stacking is a lot like double parking. One bus parks along side the school while another parks along side the first, further into the street. This means elementary students must cross one lane of buses to reach their bus in the second lane.

Lead pipes and solder were commonly used until 1986. Many of the water pipes in the Mora schools were soldered with lead. As water sits in the pipes, lead from the solder leaches into the water. In 2011, 11 water sources in Mora High School and Fairview tested for lead showed concentrations that exceed EPA guidelines for what is acceptable. Precautions have been taken to make sure water from these sources is not consumed.

Asbestos was a widely used construction material until it was discovered that in certain conditions, it could cause lung disease and was banned in the late 1980s. Asbestos was used in flooring and insulation at Fairview however it is maintained so it does not become friable and does not become a health risk.

Technology: Fairview was designed before the widespread use of computer labs, smart boards and other technology. This technology is available in some areas, but infrastructure like power outlets and Internet access points are limited and not provided throughout the school. Computer labs are undersized.

The cafeteria and serving area does not meet MDE guidelines. While the cafeteria is big enough, the serving area is small and doesn't allow for student flow. The cafeteria has no natural light, and poor acoustics and lighting which is troublesome as the cafeteria also serves as the gym and for school performances.

How much is the referendum?
Answer:
\$18,370,000

How much will this cost the community?

The school bond referendum asks voters to approve \$18.37 million.

This amount cannot increase after it has been approved. This money cannot be used for anything that is not listed in the bond question. The money cannot be used for salaries or other day-to-day operational costs like school lunches or textbooks or be used to pay the electric bill.

Other dollar amounts of the referendum that have circulated in rumor are incorrect, but here is how they are related to the issue:

\$9 MILLION

Nine million dollars is the equivalent bond amount of how much taxes would increase if the referendum passed. Confusing right?

That's because taxpayers in the Mora school district are current-

ly paying off bonds used to build Trailview 20 years ago. Now, those bonds would be paid off at the same time the new bonds would start (if the referendum passes).

If taxpayers were to continue paying what they are for the Trailview bonds, it would be equivalent to the school issuing a \$9 million bond.

This would be tax neutral - meaning taxes would not go up or down. A \$9 million bond would not increase taxes, rather it would keep them the same. Thus a school bond of \$18.47 million is an **increase** (the amount taxes would go up) of \$9.47 million.

If the referendum fails, taxes would theoretically decrease \$9 million; however, this decrease would likely be short lived.

The Mora School Board has communicated that if the referendum

fails, the needs of the facilities will remain and will need money to address. This money will likely come in the form of another referendum attempt or other tax levy increase.

\$26 MILLION

Twenty-six million dollars is another number that has been brought up in letters to the editor, in advertisements and through word of mouth.

Like a loan on a car or mortgage on a house, the bonds need to be repaid over time plus interest.

Schools also get an amount of aid from the state based on the size of the school, the demographics of its students and how much the bond is.

The referendum amount, \$18.37 million, plus interest over 20 years and minus the state aid is \$26,160,842.

How much will this cost me or my business?

Of course, the passage of this bond referendum would affect individuals' property taxes very differently.

There are several steps voters can take to determine how much this bond will impact their property taxes.

- Step one: Determine the 2015 estimate market value of the property. This will appear on the "Notice of Valuation and Classification" sent out by the county in March, or call the county assessor's office.
- Step two: Verify what type of property it is, this is also listed on property tax statements and Notices of Valuation.
- Step three: Compare that data to the chart at right for an approximate tax impact.
- For residential homestead property, taxpayers can enter their estimated market value in a property tax calculator found on the Mora Public School website, www.mora.k12.mn.us then click on "Tax calculator" on the left navigation menu.
- Taxpayers whose property is not listed on the table at right or for a more precise estimate can call the Ehlers Property Tax Hotline at 1-800-552-1171 or email them at mnschools@ehlers-inc.com. (Please have property ID numbers ready.)

Estimated tax impacts of an \$18.37 million bond at 4.1 percent interest over 20 years

Type of Property	Estimated Market Value (\$)	Estimated annual tax increase (\$)
Residential Homestead	100,000	68
	150,000	119
	250,000	222
	400,000	376
Commercial/Industrial	250,000	401
	750,000	1,345
	1,500,000	2,761
Apartments	1,000,000	1,180
Agricultural Homestead	300,000	162
	600,000	304
	1,000,000	493
Agricultural Non-homestead (Dollars per acre)	3,000	2.83
	4,000	3.78
	5,000	4.72

Frequently asked questions

WHAT WILL THE SCHOOL LOOK LIKE?

Good question. No one knows for sure, and no one will know for sure until an architect is hired to determine the design of the building. Until that time there is still time for the community to offer their input to the school board and the architects.

WHAT WILL HAPPEN IF THE REFERENDUM FAILS?

If the referendum fails the Mora School Board will have to find another way to address their facility issues. What this will be depends on the opinion of the board members. Nov. 4, three of seven candidates will be elected to seats on the board. At this time suggestions from current and potential board members have included trying to pass another referendum for new buildings or trying to pass a smaller referendum for repair projects.

WHAT WILL HAPPEN TO FAIRVIEW WHEN IT'S EMPTY?

This was an issue of concern for the Community Task Force. They suggested to the school board that part of the bond money be reserved for demolition of the Fairview site if the building does not sell to an appropriate buyer within two years. The board agreed.

WHY WEREN'T BIDS USED TO ESTIMATE PROJECT COSTS?

Collecting bids is not possible at this point in the process, and that is typical for school bond referendums. Real bids can only be made based off of specifications of an architectural plan. Architectural plans are very expensive. It is normal for those plans to be created only after a project and dollar amount is approved by voters. Instead, current cost estimates are based off similar building projects.

'YES' vs. 'NO'

Major players in the debate

Two community groups have emerged on opposite sides of the debate.

VOTEYES 332

The Vote Yes 332 advocacy group was created with the intention of promoting the Mora Schools referendum. The group was first formed in May 2012.

The group is not affiliated with or financially supported by Mora Public Schools.

KCRE

The Kanabec Citizens for Responsible Education (KCRE) originally formed in July 2012 to create an organized voice for those opposed to the school referendum.

Rather than support building new facilities, this organization has encouraged repairing the current facilities.

MORA SCHOOL FACILITIES TIMELINE

SEE THE EVOLUTION OF THE BOND ISSUE FACING VOTERS TODAY

January 2011	October 2011	March 2012	April 2012	May 2012	August 2012	November 2012	March - April 2013	April 2013	October 2013	October 29, 2013	April 2014	May 2014	June 2014	August 2014	November 4, 2014
School Board planning session sets goal to establish a long-range plan for facilities.	School Board meets with community, students and staff to generate ideas regarding a long-range facilities plan.	School Board begins to develop options, holds meeting to share and receive feedback.	School Board formally adopts plan to maintain Trailview and build a new facility for all students, Pre-K through 12 at the Trailview site.	School Board sets final bond amount at \$62.9 million during a special meeting.	\$62.9 million bond referendum fails at primary elections. 1,346 "yes" 2,295 "no"	Voters choose news board members. Scot Moe replaces Jinx Greski on the board. Board members are: Karen Kirschner, Ethan Elvehjem, Debee McGovern, Doyle Casavant, Scott Moe and Rich Schultz.	representatives from Donlar Construction and Kraus Anderson confirm project cost estimates originally made by Johnson Controls Inc. are within the industry standards.	Springsted representative Don Lifto presented the findings of a poll conducted in tandem with the Center for Community Opinion to canvas attitudes of Mora School District residents toward the Mora school facilities.	School board appoints Jinx Greski to the board to fill Debee McGovern's vacancy as she is absent on medical leave.	School board member Debee McGovern dies after battling cancer.	The Community Task Force invited by the Mora School Board meets for the first time and is given detailed information on the status of the schools and financial resources.	After several weeks of discussion, information gather and research, the task force recommends a plan to abandon Fairview and add classrooms at Trailview	The Mora School Board adopted a long-range facilities plan that includes the replacement of Fairview school through an addition on Trailview plus investments in other buildings which would require an \$18.4 million bond referendum to be passed by voters Nov. 4.	School board approves resolution for \$18.37 million school bond referendum to be on the Nov. 4 general election ballot	VOTING DAY