

Shenandoah CSD Bond Issue Frequently Asked Questions

How long has the district been working on this and how was the plan developed?

The Board took its first formal action to work on this plan in September of 2016 when they approved a contract with DLR Group to complete an extensive facility study of the entire campus. This was a lengthy process to work through as it included assessing the physical condition and functional use of the District's facilities. DLR Group facilitated focus groups by meeting with different areas of the support staff, teaching staff, administration, community members and board members. Staff groups were consulted to provide feedback during the planning process. The Board visited school districts in Columbus, NE, and Maryville, MO. They also toured Riverside Community School District's facility. Additionally, Carl A. Nelson & Company Construction Management and a facility committee have been involved in the process.

There have been a number of planning meetings and work sessions held to review plans, discuss priorities and create a financial plan. The district has routinely consulted with DLR Group, Carl A. Nelson & Company, Piper Jaffray and Ahlers & Cooney, P.C. to ensure we have planned properly to move forward.

When will the vote occur?

Now that the petition has been received and the Board has voted on the resolution to order the election, the Board Secretary has filed the documentation with Page County. The vote will occur on November 5, 2019 from 7AM to 8PM.

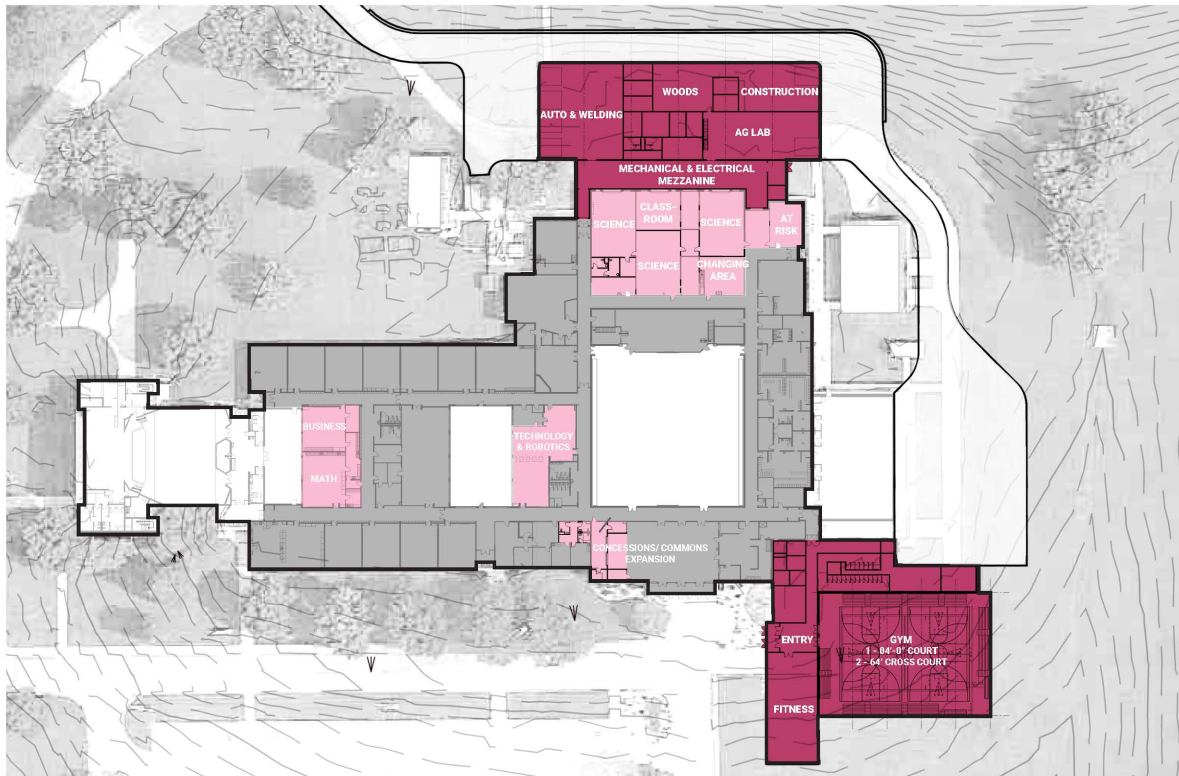
What is being voted on?

The language of the ballot will include issuing general obligation bonds in an amount not to exceed \$14.7M to build, furnish, and equip gymnasium and career technical additions to the high school facility, including related remodeling and site improvements, and to improve, remodel, repair, furnish and equip the facility and site.

How does the ballot language read?

Shall the Board of Directors of the Shenandoah Community School District in the Counties of Page, Fremont, Montgomery, and Mills, State of Iowa, be authorized to contract indebtedness and issue General Obligation Bonds in the an amount not to exceed \$14,700,000 to provide funds to build, furnish, and equip gymnasium and career technical education additions the high school facility, including related remodeling and site improvements, and to improve, remodel, repair, furnish and equip the facility and site?

What does the plan look like?



Grey Areas: Designated for renovation

Pink Areas: Repurposed space

Red Areas: New additions to the building for expanded vocational programs that are part of the CTE Program and a new gym.

What types of classes and programs will be available in the new addition?

The new addition will include learning opportunities for several of our CTE programs including Agricultural Science, Industrial Technology, Welding, and Automotive Technology.

What are the Financial Facts?

The Financial Facts page was prepared by Piper Jaffray out of Des Moines. The firm specializes in public finance investment banking. The chart summarizes the financial impact of the bond referendum.

Financial Fact Sheet - \$14.7 Million Referendum

1/1/2018 Taxable Valuation of District: 369,572,715
 Estimated interest rate on the debt: 3.30% (approximately 0.50% more conservative than current rates)
 Estimated average annual debt payment: \$1,015,000
 Estimated levy rate to pay debt: \$2.70 / \$1000 (assuming no other District levy rates change)
 Average Overall District Historical Tax Rate (from FY2010 – 2020): \$15.56 / \$1000 (high \$16.80 / low \$14.60)
 Overall District Tax Rate FY2020: \$14.60 / \$1000
 Estimated Overall District Tax Rate FY2021 (if approved): \$16.35 / \$1000
APPROXIMATE OVERALL TAX RATE IMPACT FOR DISTRICT (comparing FY2021 Estimate to FY2020): \$1.75

1/1/2018 Assessed Value	1/1/2018 Rollback Percentage	1/1/2018 Taxable Value	Less: Est. Homestead Credit (1)(2)	Net Taxable Value	Estimated Tax Rate Increase per \$1,000	Annual Additional Tax	Monthly Additional Tax
Residential Property							
\$50,000 x	56.9180% =	\$28,459 -	\$4,850 =	\$23,609 x	\$1.75 =	\$41.32	\$3.44
\$75,000 x	56.9180% =	\$42,689 -	\$4,850 =	\$37,839 x	\$1.75 =	\$66.22	\$5.52
\$100,000 x	56.9180% =	\$56,918 -	\$4,850 =	\$52,068 x	\$1.75 =	\$91.12	\$7.59
\$125,000 x	56.9180% =	\$71,148 -	\$4,850 =	\$66,298 x	\$1.75 =	\$116.02	\$9.67
\$150,000 x	56.9180% =	\$85,377 -	\$4,850 =	\$80,527 x	\$1.75 =	\$140.92	\$11.74
\$175,000 x	56.9180% =	\$99,607 -	\$4,850 =	\$94,757 x	\$1.75 =	\$165.82	\$13.82
\$200,000 x	56.9180% =	\$113,836 -	\$4,850 =	\$108,986 x	\$1.75 =	\$190.73	\$15.89
\$250,000 x	56.9180% =	\$142,295 -	\$4,850 =	\$137,445 x	\$1.75 =	\$240.53	\$20.04
\$300,000 x	56.9180% =	\$170,754 -	\$4,850 =	\$165,904 x	\$1.75 =	\$290.33	\$24.19
Multi-residential (Grandfathering down to "Residential" rollback in 2022)							
\$100,000 x	75.0000% =	\$75,000 -	\$0 =	\$75,000 x	\$1.75 =	\$131.25	\$10.94
Commercial Property							
\$100,000 x	90.0000% =	\$90,000 -	\$0 =	\$90,000 x	\$1.75 =	\$157.50	\$13.13
\$500,000 x	90.0000% =	\$450,000 -	\$0 =	\$450,000 x	\$1.75 =	\$787.50	\$65.63
\$1,000,000 x	90.0000% =	\$900,000 -	\$0 =	\$900,000 x	\$1.75 =	\$1,575.00	\$131.25
Agricultural Property (land only on a per acre basis)*							
\$1,400 x	56.1324% =	\$786 -	\$0 =	\$786 x	\$1.75 =	\$1.38	\$0.11
\$1,500 x	56.1324% =	\$842 -	\$0 =	\$842 x	\$1.75 =	\$1.47	\$0.12
\$1,600 x	56.1324% =	\$898 -	\$0 =	\$898 x	\$1.75 =	\$1.57	\$0.13
\$1,700 x	56.1324% =	\$954 -	\$0 =	\$954 x	\$1.75 =	\$1.67	\$0.14
\$1,713 x	56.1324% =	\$962 -	\$0 =	\$962 x	\$1.75 =	\$1.68	\$0.14
\$1,800 x	56.1324% =	\$1,010 -	\$0 =	\$1,010 x	\$1.75 =	\$1.77	\$0.15
\$1,900 x	56.1324% =	\$1,067 -	\$0 =	\$1,067 x	\$1.75 =	\$1.87	\$0.16
\$2,000 x	56.1324% =	\$1,123 -	\$0 =	\$1,123 x	\$1.75 =	\$1.96	\$0.16
\$2,100 x	56.1324% =	\$1,179 -	\$0 =	\$1,179 x	\$1.75 =	\$2.06	\$0.17
Number of Acres:				*1/1/2017 Average Assessed Acre:		PAGE	\$1,713
Assessed Value per Acre (5):				*1/1/2017 Average Assessed Acre:		FREMONT	\$1,939
				1/1/2017 Average Assessed Acre:		State Productivity	\$1,926
				1/1/2017 Average Market Value Acre:		State Market	\$7,183
\$171,300 x	54.4480% =	\$93,269 -	\$0 =	\$93,269 x	\$1.75 =	\$163.22	\$13.60
(1) Homestead Credit may vary from County to County, maximum is \$4,850							
(2) Current Homestead Credit funded by State at: 100%							
estimated credit results in \$0.00 annually							
(3) No Existing GO Bond Debt							
(4) New debt payments through FY2041, no valuation change, includes Sales Tax to reduce levy if applicable							
(5) Assumes Average Assessed Valuation Per Acre of Land at PAGE County Average							

What do the terms CTE, STEM, and SAVE stand for?

CTE: Career Technical Education

STEM: Science, Technology, Engineering, and Math

***SAVE:** Secure an Advance Vision for Education also known as Local Option Sales Tax.

*SAVE funds are being designated for the areas of the building that will be renovated. The use of SAVE funds does not increase the levy.

How will facility needs that are not included in this plan be met?

The District has been and will continue to budget for facility needs using district funds including PPEL.

Is the Elementary and Middle School Paid for in full?

Yes. The District refinanced in April of 2016 which allowed us to shorten the payment schedule. The District made the final payment in June 2019.

What is the rationale for adding a gym?

The facility study identified the lack of sufficient gym space as a concern from the focus groups. The District currently has three gyms but the High School gym is the only one considered a standard size for competitions. The Middle School gym is used for 9th grade and Junior Varsity basketball. However, the floor is ten feet short of regulation size for high school. The Elementary and Middle School gyms are used for volleyball and basketball events. The size of Elementary gym and court lines places limits the number of people that can attend the events. Shenandoah is the only district in the Hawkeye 10 Conference with less than 3 regulation sized gyms available within the community.

The fitness center is designed to allow room for cardio and aerobic conditioning equipment. There is not sufficient space to expand the existing weight room. The fitness center will be used by our student athletes and create opportunities to expand the Physical Education and Health Occupations curriculum. The District prioritizes the use of the High School gym for District teams, events, and practices. The District also allows youth sports, adult leagues, tournaments, and events to be held in the gym.

What was the rationale for not using the Farragut Facility?

The Iowa Department of Education made the decision to dissolve the Farragut Community School District. The students were reassigned, and the district's assets and liabilities were distributed amongst Shenandoah CSD, Sidney CSD, Hamburg CSD, and Fremont Mills CSD. The lion share was designated toward Shenandoah CSD including the ownership of the facilities. The Department would not allow for the buildings to be reopened for student use as there were safety concerns, fire code violations, and ADA compliance issues with the buildings.

Some have inquired more specifically about the gym. There were several primary concerns with the gym that made continued public use difficult. Some include ADA accessibility, fire code violations, and the

location of the locker rooms that were expensive to remedy and maintain. The funds received from the Iowa Department of Education were not sufficient to address these concerns and maintain the property long term. The State had already made the decision to relocate students, so the decision was made to find a buyer for the facilities that would make a contribution to the community. This occurred after much discussion, consulting with the Farragut City Council, considering two buyers, and ultimately, the decision was made to sell the facility to Trent and Donna Tiemeyer.

Why is Family Consumer Science (FCS) not included in the new addition?

The decision was made to either renovate and or repurpose space in the existing building rather than include all programs in the new addition, as it is the most cost-effective approach. Family Consumer Science is part of Career Technical Education and program improvements are being addressed in this area using different funding sources.