



Tools for Financing Capital Projects

HLWW Public Schools, ISD No. 2687

January 26, 2026

Tax Base by Property Type

Assessment Year 2024 (Taxes Payable 2025)

	Market Value	Referendum Market Value	Net Tax Capacity*
	Percent of Total		
Residential Homestead	49.6%	68.9%	50.0%
Other Residential	7.9%	11.7%	9.0%
Commercial / Industrial	8.1%	11.5%	16.4%
Non Qualifying Agricultural	5.4%	7.6%	5.4%
Qualifying Agriculture	26.3%	0.0%	16.2%
Seasonal Recreational	2.7%	0.2%	2.9%
		- Operating Referendum - Local Optional Revenue - Equity & Transition 34% of Total Levy	All other school taxes including building bonds Capital Project Levy 66% of Total Levy

School Funding

- Annual funding
 - ✓ Operating referendum – salaries, utilities, supplies, etc.
 - ✓ Operating capital – technology, curriculum, buildings and grounds, etc.
 - ✓ LTFM – repairs, maintenance, etc.
- Funding capital projects
 - ✓ Fund with ‘cash on hand’
 - ✓ Use financing tools

Capital Financing: Borrowing

- Debt Issuance
 - ✓ Preserve existing cash & resources
 - ✓ Cost of asset amortized over useful life
 - ✓ Asset paid for & benefited by users
 - ✓ Manage & stabilize tax rates
 - ✓ Some debt service exempt from levy limitation



Voter-Approved Funding



“Levies are for Learning”

Operating Referendum
Capital Project Levy



“Bonds are for Building”

Building Bonds

School Finance Solutions: Voter Approved

Available Financing Tools for Capital Projects		Available Financing Tools for Capital Projects														NOTES
		New Bldg./Bldg. or Land Purchase	Building Additions	Building Renovations	Site Improvements	Deferred Maintenance	Health/Safety	Roofing	Parking Lots	Energy Improvements	Security Improvements	Furnishings/Equipment	Property Tax Impact	Ag2School Credit		
VOTER APPROVED	Building Bonds	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Subject to state review & comment
	Operating Referendum	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Annual revenue based on amount per pupil
	Capital Project Levy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Annual revenue based on percent of tax base

Board-Approved Tools

Additional Levy Authority

- Alternative Facilities / Health & Safety / Roofing Bonds
- Abatement Bonds

Use LTFM for Debt Service Payments

- Deferred Maintenance Bonds

Use General Fund for Debt Service Payments

- Capital Facilities Bonds
- Capital Notes

School Finance Solutions: Board Approved

Available Financing Tools for Capital Projects	New Bldg./Bldg. or Land Purchase	Building Additions	Building Renovations	Site Improvements	Deferred Maintenance	Health/Safety	Roofing	Parking Lots	Energy Improvements	Security Improvements	Furnishings/Equipment	Property Tax Impact	Ag2School Credit	NOTES
	Facilities Maintenance Bonds <i>Deferred Maintenance</i> (All except 1A Alt. Fac. Districts)					✓	✓	✓	✓				✓	
Facilities Maintenance Bonds <i>Additional Revenue</i> (All except 1A Alt. Fac. Districts)						✓	✓					✓	✓	HVAC, fire suppression, asbestos abatement, or roofing projects over \$100k or remodeling for Pre-K
Facilities Maintenance Bonds (1A Alt. Fac. Districts)					✓	✓	✓	✓				✓	✓	Districts with certain qualifying features (students per grade, building age, and building square footage) may participate

SCHOOL BOARD APPROVED

School Finance Solutions: Board Approved

Available Financing Tools for Capital Projects		Available Financing Tools for Capital Projects												NOTES
		New Bldg./Bldg. or Land Purchase	Building Additions	Building Renovations	Site Improvements	Deferred Maintenance	Healthy/Safety	Roofing	Parking Lots	Energy Improvements	Security Improvements	Furnishings/Equipment	Property Tax Impact	
SCHOOL BOARD APPROVED	Capital Facilities Bonds		✓	✓	✓	✓	✓	✓	✓	✓			✓	Payments financed from general fund revenue
	Capital Notes										✓		✓	Payments financed from general fund revenue

School Finance Solutions: Board Approved

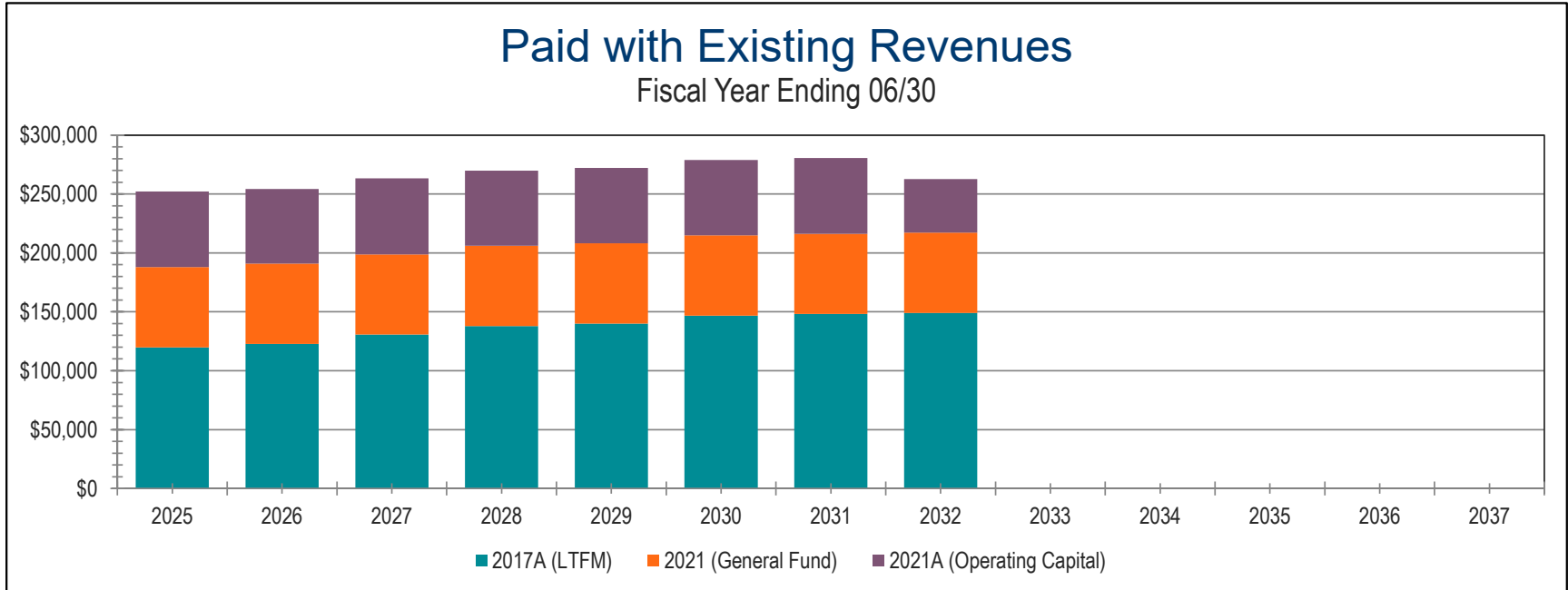
Available Financing Tools for Capital Projects	New Bldg./Bldg. or Land Purchase	Building Additions	Building Renovations	Site Improvements	Deferred Maintenance	Health/Safety	Roofing	Parking Lots	Energy Improvements	Security Improvements	Furnishings/Equipment	Property Tax Impact	Ag2School Credit	NOTES
	SCHOOL BOARD APPROVED													
Lease Purchase without Levy	✓	✓	✓				✓			✓				Payments financed from general fund revenue
Lease Purchase with Levy	✓	✓									✓			Can be used for new buildings or building purchases for non-regular instruction, or building additions under 20% of existing building for regular elementary or secondary instruction
Abatement Bonds							✓				✓	✓		Public hearing required

Existing Debt

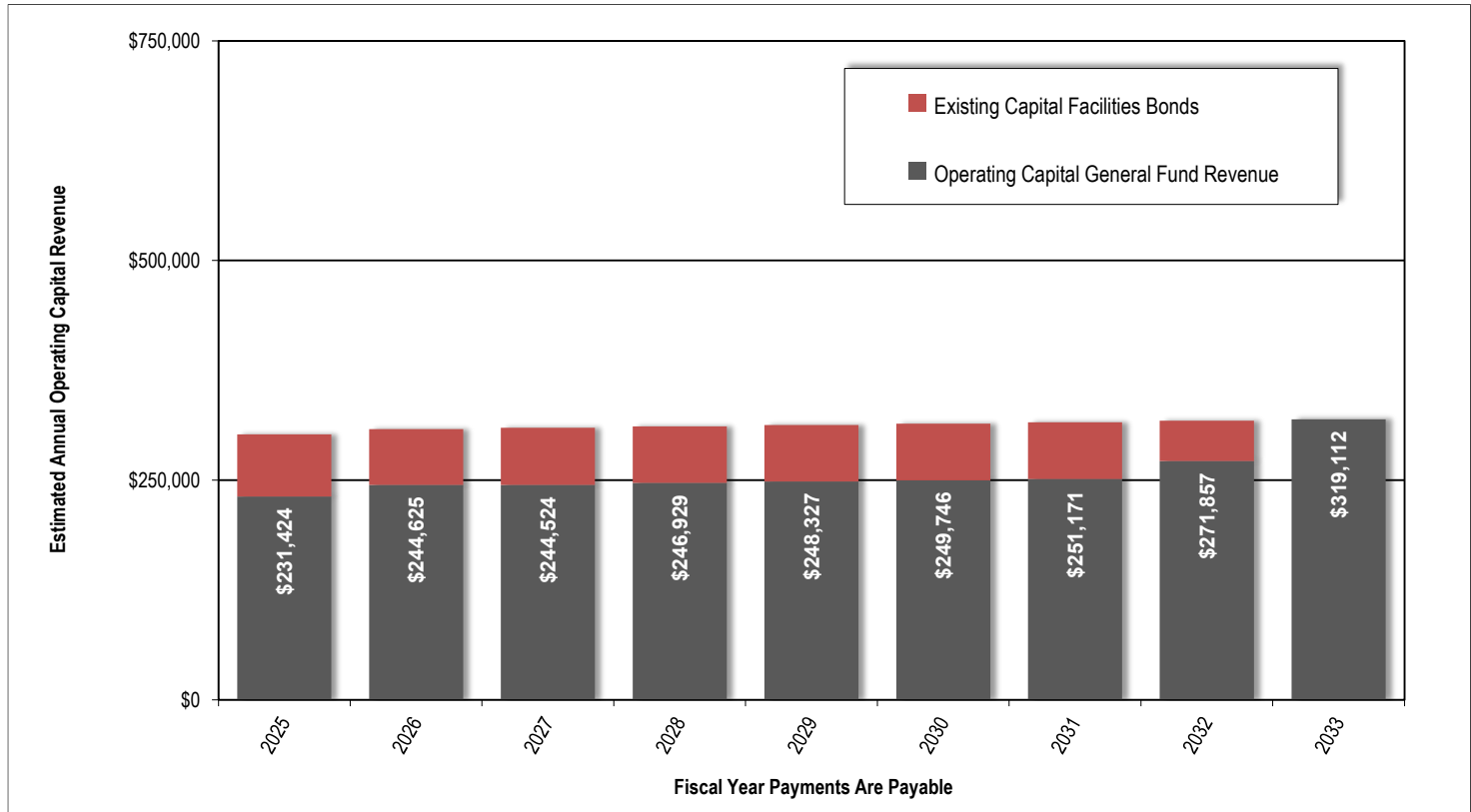
Independent School District No. 2687 (Howard Lake-Waverly-Winsted), Outstanding Debt (As of 07/01/2024)

		Original Par Amount	Current Outstanding	Final Maturity	Optional Redemption	Callable Coupon Range	Callable Amount
Paid with Existing Revenues							
2015	Lease Purchase, Series 2015	\$ 2,962,500	\$ 1,333,822	04/01/2030	10/01/2015	2.870% - 2.870%	\$ 1,333,822
Series 2017A	G.O. Facilities Maintenance Bonds, Series 2017A	\$ 1,345,000	\$ 970,000	02/01/2032	02/01/2026	2.450% - 2.850%	\$ 775,000
2021	Taxable Lease Purchase, Series 2021	\$ 590,700	\$ 486,860	02/01/2032	12/09/2021	2.722% - 2.722%	\$ 486,860
Series 2021A	General Obligation Capital Notes, Series 2021A	\$ 525,000	\$ 467,000	08/01/2031	12/29/2021	1.350% - 1.350%	\$ 467,000
Subtotal			\$ 3,257,682				
Paid with School Property Taxes							
Series 2014B	G.O. School Building Refunding Bonds, Series 2014B	\$ 22,360,000	\$ 12,550,000	02/01/2032	02/01/2024	3.000% - 3.125%	\$ 12,550,000
2020	Lease Purchase, Series 2020	\$ 1,927,100	\$ 1,615,266	04/01/2036	10/01/2028	2.650% - 2.650%	\$ 1,068,439
Series 2024A	G.O. School Building Refunding Bonds, Series 2024A	\$ 16,040,000	\$ 16,040,000	02/01/2037	02/01/2032	4.000% - 5.000%	\$ 11,885,000
Subtotal			\$ 30,205,266				
Total Outstanding			\$ 33,462,948				

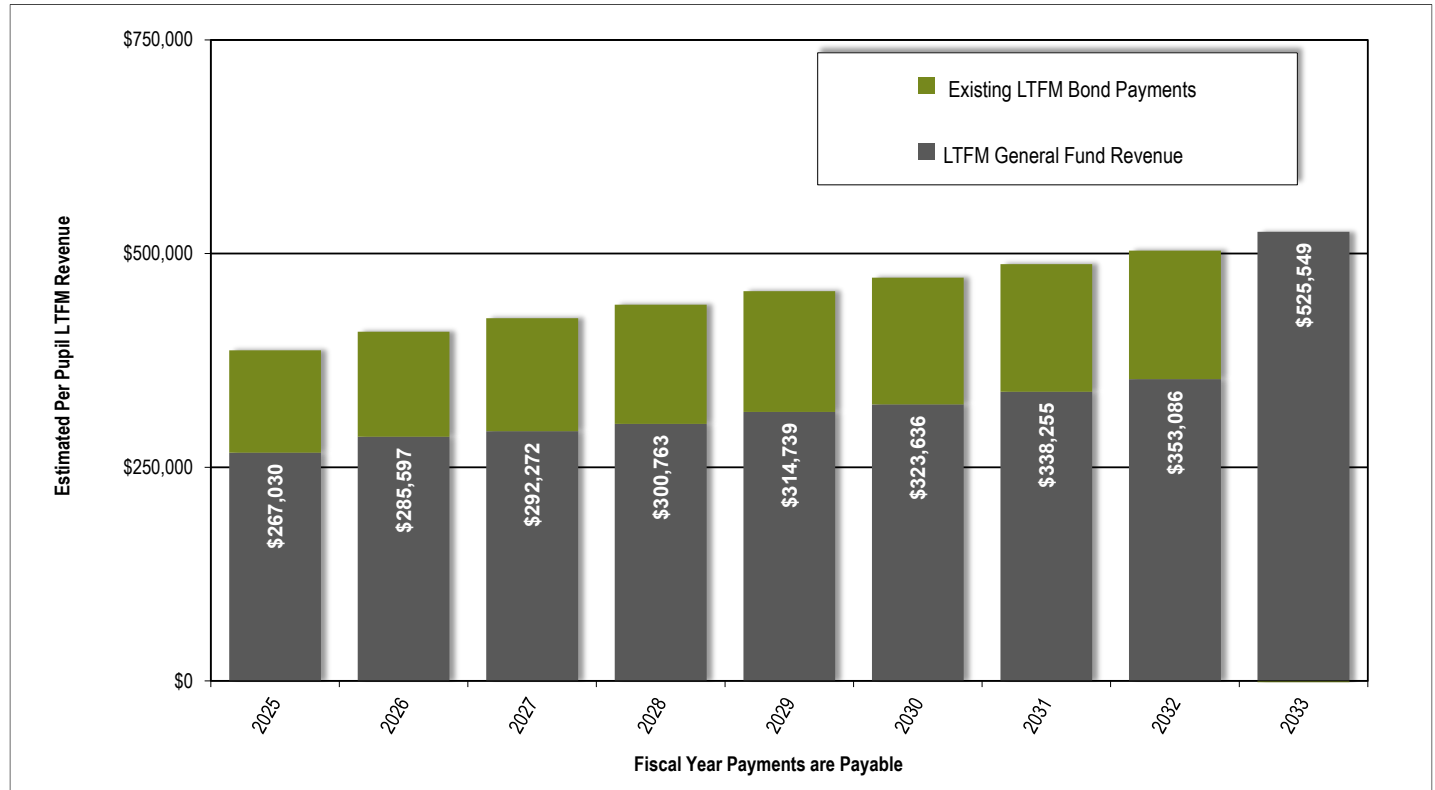
Existing Debt - Existing Revenues



Existing Debt - Capital Notes

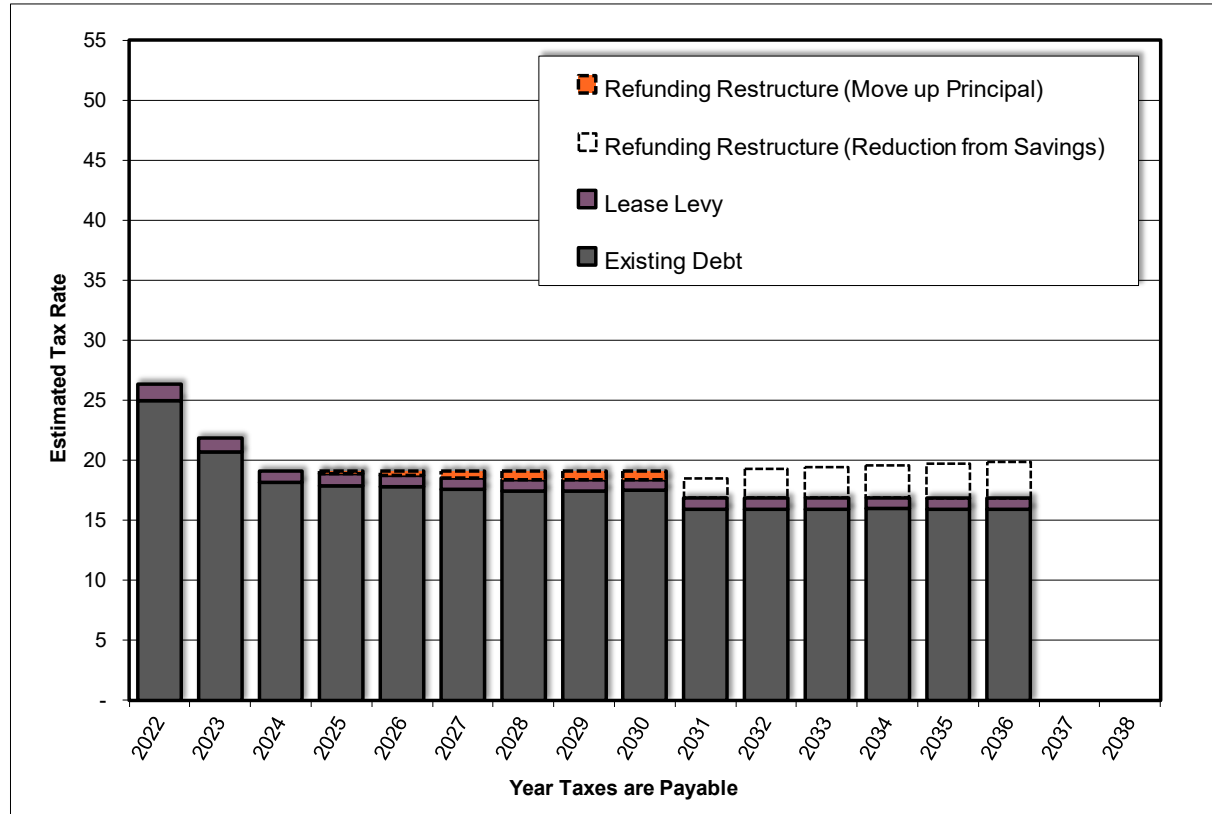


Existing Debt - Fac. Maintenance Bonds

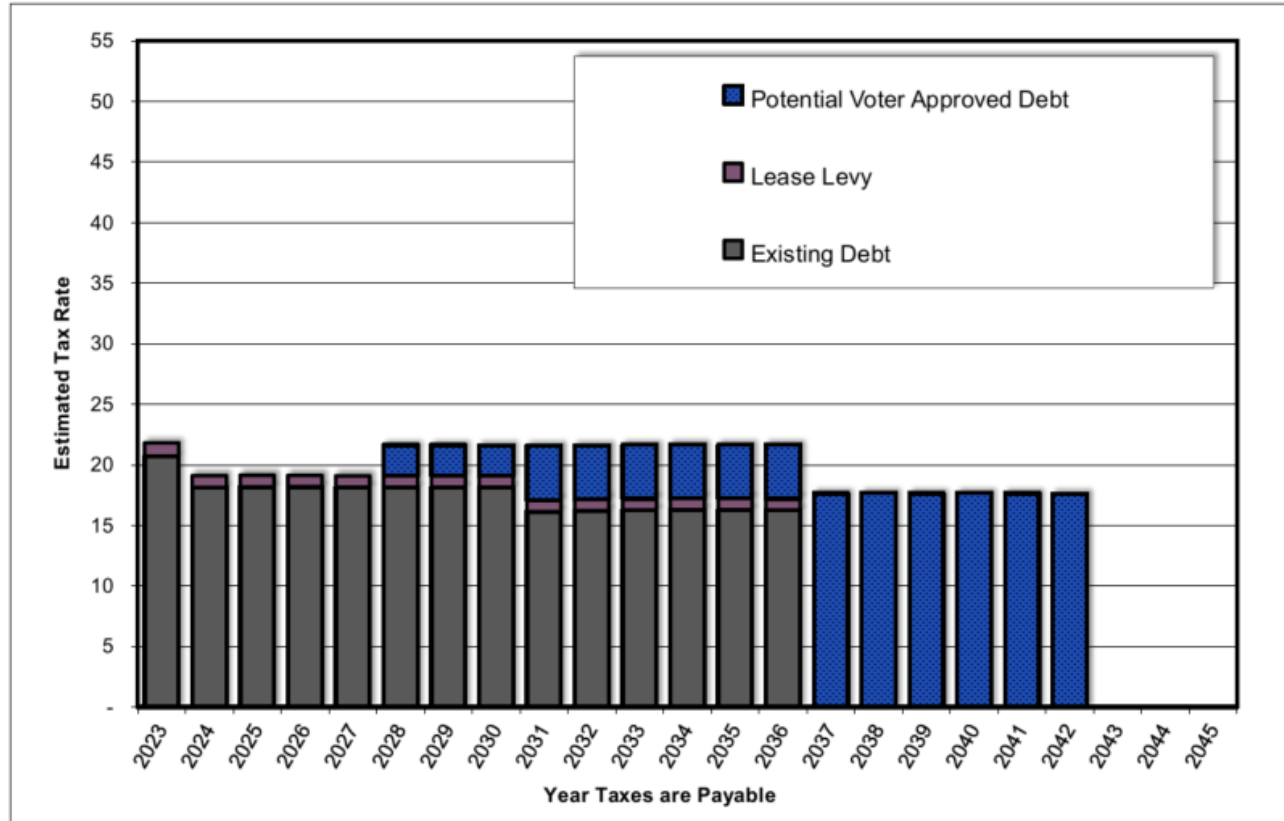


2024A Refunding Bonds

Total tax levy savings from Refunding = \$1,908,551



Potential Future Financing



Going Forward

- Determine needs and priorities
- Evaluate financing tools
- Evaluate tax impact options and scenarios