

CASE STUDY

FINANCING FOR K-12 SCHOOLS

FEBRUARY 1, 2024



\$10,975,000 | GENERAL OBLIGATION SCHOOL BUILDING BONDS | SERIES 2024

Rush County, Kansas Unified School District No. 395 (La Crosse Schools)

LA CROSSE PUBLIC SCHOOLS

Client Profile

La Crosse is the county seat of Rush County, located in west-central Kansas. La Crosse USD 395 serves approximately two-thirds of Rush County and has an estimated enrollment of 290 students.

The Project

The existing Elementary building is nearly 100 years old and has significant structural and educational challenges. A new elementary classroom wing, including a gymnasium, is to be attached to the Junior/Senior High School building in La Crosse. A portion of the new construction will provide a FEMA-standard storm shelter for students and staff. Voters approved the projects, the use of a 1% sales tax in

the City of La Crosse, and bond finance with 71% yes votes. The 1% City sales tax is estimated to reduce the required property tax mill rate by 4 mills.

The Bankers Team

Steve Shogren and **Bret Shogren** have a combined 42 years of experience assisting municipalities in Kansas with pre-election preparation and the financing of capital improvement projects. They have also assisted many clients with the refunding or refinancing of issuer's outstanding debt for interest cost savings.

The Stifel Difference

Stifel Public Finance in Wichita helped the District develop the plan of finance and with communication

with the City of La Crosse for the sales tax aspect of the financing. After assisting with application to the Kansas State Department of Education for permission for the vote, Stifel worked with District staff, the District's architect, and the Construction Manager at Risk (CMAR) to develop and implement a comprehensive informational campaign effort. The informational campaign explained the identified facility challenges, the proposed improvements, the plan of finance, and the benefit of the City sales tax, if approved. Pre-election, Stifel had estimated an interest rate for the 20-year bonds at 4.5%. The bonds were marketed at a true interest cost interest rate of 3.63%, resulting in interest savings of over \$600,000 from the original estimates.

CONTACT

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