

## **CUSD Bond Oversight Committee---Notes from 10/21/09**

**Start**---5:00

**Present:** Darlene Gibson, Jean Gonsalves, Nick Hodgson, Dennis Dunnigan, Pat Vanlieshout, Mike Merrill, Mark Campbell

**Absent:** Rand Zeller, Allen Breed, George Long

### **Organization of Committee**

Need applications for all members (5 returning and 2 new members)---all must apply/re-apply for positions

**Bylaws**---copied, provided and reviewed

**Criteria for membership**---reviewed and determined that adequate efforts made to secure representation from all sectors referenced in criteria. Only segment not represented is the taxpayer organization.

**Officers**---agreed to elect officers at next meeting

**Funding Report**---Mike Merrill reviewed the current status with bond funds (see attached document). Areas addressed were overall budget, amount paid thus far, amount owed, overage costs, total costs, total income (received and anticipated) and difference between cash on hand, cash anticipated and outstanding project costs). This report will be reviewed each meeting.

### **Project Report (by Pat).**

Op-Ed letter from school board (as published in local papers) provided to committee (see attached document). This provided a global status report on projects completed and direction on remaining projects.

**TMS Field**---discussion on status of first field/track (process to determine best method of repair work, nature of how problem created, meeting on 10/28 with all stakeholders to determine direction). Status of 2<sup>nd</sup> field on hold pending resolution of issues with first field/track.

**TMS Classroom Building**---status report as to the work in progress on the pad/foundation.

### **Performing Arts Center**

Information provided on history of design process, changes in project costs as district sought to reduce overall cost of project and current status with project (on hold pending state reimbursement, eligibility funding, exploration of funding options and assessment of district capacity to service debt if financing arrangement created to bridge the gap between money on hand and overall cost of project)

Lease/Lease Back option discussed, as were other funding/financing options

Discussion on current fiscal climate overall, fiscal realities in the construction sector, pros/cons of building now vs. later.

**District information shared re: fiscal status**---state budget issues put CUSD in position of operating cautiously/conservatively---overall and in terms of acquiring additional debt, timeline for reimbursement/eligibility monies coming from the state are uncertain, overall budget status (three-year projection) is tenuous in terms of state funding, declining enrollment and deficit spending a current reality, looking at mid-year budget cuts and needing to reduce operating costs by \$1,000,000 for next year, exploring significant cuts to people/program for next year. Discussion on efforts to reduce ongoing debt service. All of this impacts and influences ability to move forward in a timely manner---while acknowledging we need to continue to look at all options to move forward as this building will be built at some point.

**Role of committee**---discussion on role of committee (advisory on a monthly basis, being more involved along the way in reviewing project costs and making recommendations to district admin to bring to the board prior to decisions being made, how often to meet, concern over slowing down Pat and the process, meeting in person or sharing perspective on-line/individually, wanting to have more influence/involvement to address concerns re: overage costs of past/future projects).

**To be addressed next meeting (specific to performing arts center)**

- Bringing more focus/clarity to projected cost of project and to bond funds remaining to be applied to project
- Exploring funding options to close gap between funding on hand and overall cost of project
- Assessing/projecting CUSD's ability and capacity to service debt

**Next Meeting**---November 18<sup>th</sup> ...5:00

**Meeting adjourned**---7:22 pm