

Minutes of the Finance Committee of the Board of Education
Regional School District 14 www.ctreg.org
Monday, May 20, 2019

In attendance were: Committee members George Bauer, Janet Morgan, Michael Devine, David Lampart. Also in attendance was Wayne McAllister. Dr. Olzacki arrived at 6:17pm, Jim Crocker arrived at 6:39pm and one community member arrived at 6:15pm.

The meeting called to order at 6:11pm.

Barry Bernabe, Managing Director of Phoenix Advisors, LLC presented two scenarios for the anticipated bond structure for phase 2 of the permanent financing of the Nonnewaug High School renovate-to-new project. Scenario #1 was to bond \$24,655,000 over 26 years with principal payments beginning in year one. Scenario #1 proposed a year one increase in debt service of \$2,044,029 with declining debt service in each of the remaining twenty-five years. Scenario #2 was to bond \$24,655,000 over 27 years with principal payments beginning in year two. Scenario #2 proposed a year one increase in debt service of \$1,110,654 and an additional increase in debt service in year two of \$499,486 with declining debt service in each of the remaining twenty-five years. Mr. McAllister asked Mr. Bernabe to provide a third scenario that held the schedule to twenty-six years, and skip the first principal payment. Mr. Bernabe indicated that he would have that available for the June 3rd Committee meeting.

Mr. McAllister reviewed the Vo-Ag project review meeting with state officials from the Office of School Construction Grants (OSCG). He noted that the Board had initially approved the project on June 1, 2015. The project consists of the replacement of the Maple SAP house, the replacement of the current pole barn storage building and the construction of a facility for the equine program. The 2015 estimates for construction and site work of all three buildings was \$662,000. Of that amount the Board was required to contribute 20% (\$132,400). The most recent estimates prepared by Amy Samuelson, AIA of SLAM collaborative totaled \$1.1 million. The project discussion with the state officials was that the project was going to bid with the equine facility as primary and the SAP house and storage facility were alternates based on the original state approval at \$662,000. The state officials expressed the desire that all three components be constructed. They indicated that if the Board approve additional funding that the State would contribute eighty percent (80%) of the additional funding. The required twenty percent (20%) Board of Education match would be an additional \$88,542 (new total commitment equals \$220,942 of the total expense of \$1,104,710). Mr. McAllister recommended that the additional funding would be sourced from the Region 14 Capital Reserve Projects Fund. It was unanimously voted to send the proposal to the full Board for discussion and possible action.

Public Comment: none

Other business: none

Hearing no further business, the meeting was adjourned at 7:02pm

Respectfully Submitted,



Regional School District 14 Board Clerk

Recorded and filed subject to Board of Education approval by: Natascha Z. Schwartz, Board Clerk 6/3/2019