



Our **vision** is to provide high-quality educational opportunities that inspire a community of learners

WELLNESS • EQUITY • ENGAGEMENT

Our **mission** is to develop engaged, well-balanced learners through collaborative, caring relationships

Douglas/Gates/CHECP Building Project Debt Update

Dave Verdolino, Director of Finance and Operations
June 8, 2023

Original Project Budget Overview

(\$ in millions)

Total Project Appropriation	\$ 117.3
Less - Budgeted Contingencies -	4.0
Less – Maximum MSBA Grant	<u>38.1</u>
Initial Amount Borrowed (3/20)	\$ 75.2*

* - *Rounded to \$75M, 30-year term, 2.1% eff. rate;
FY24 will be year #4 of repayment.*

Project Financing Overview

<i>(\$ in millions)</i>	<u><i>(to date)</i></u>	<u><i>(projected)</i></u>
Bond Proceeds	\$ 75	\$ 75
MSBA Reimbursement	<u>34</u>	<u>36</u>
Total Funding Sources	\$ 109	\$ 111
Project Expenditures	<u>107</u>	<u>114</u>
Diff. = Cash Position	<u>\$ +2</u>	\$ (3)
MSBA Retainage (pending final audit)		<u>\$ (2)</u>

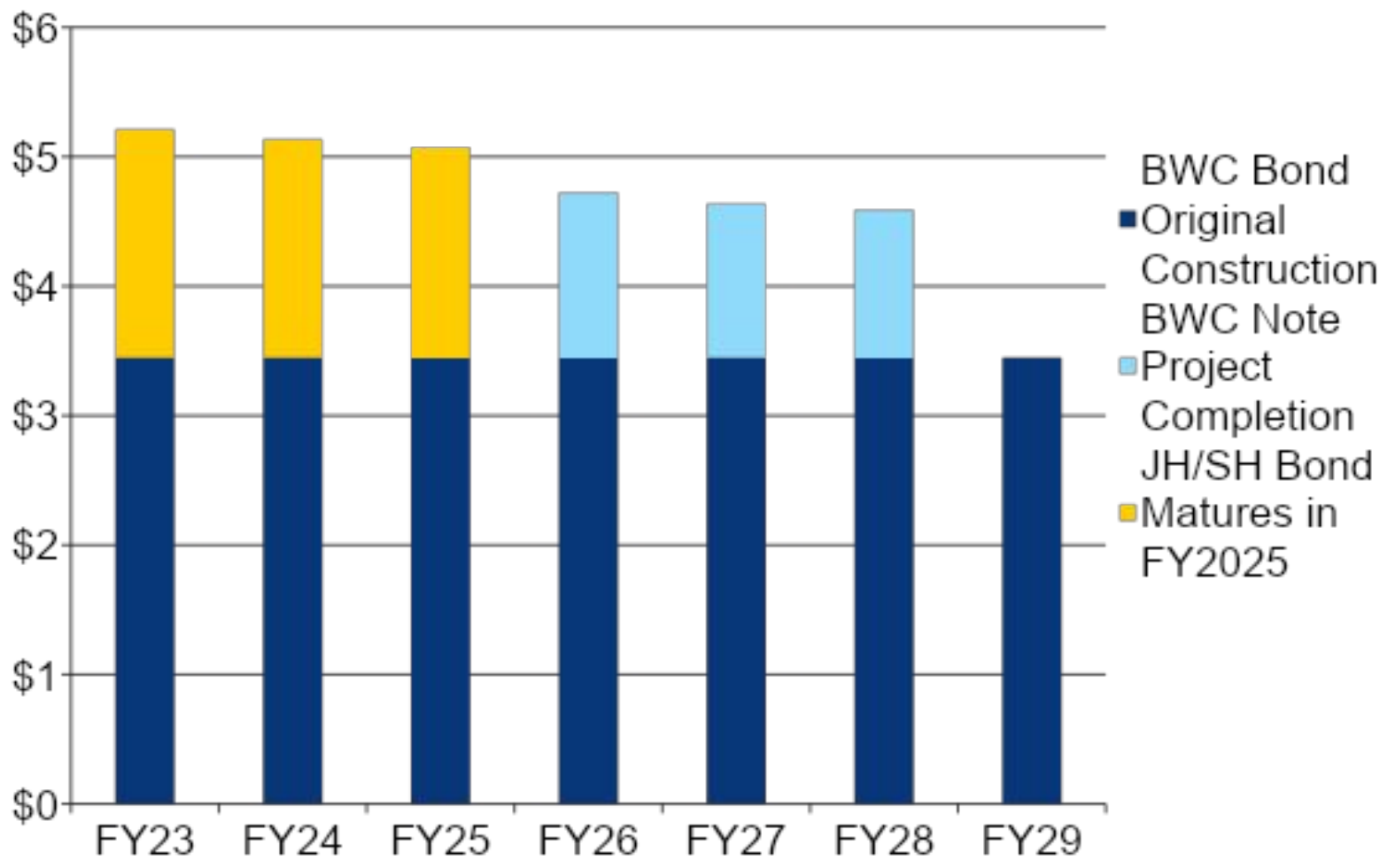
Recommended Borrowing = \$5 million

Retirement of Supplemental Borrowing

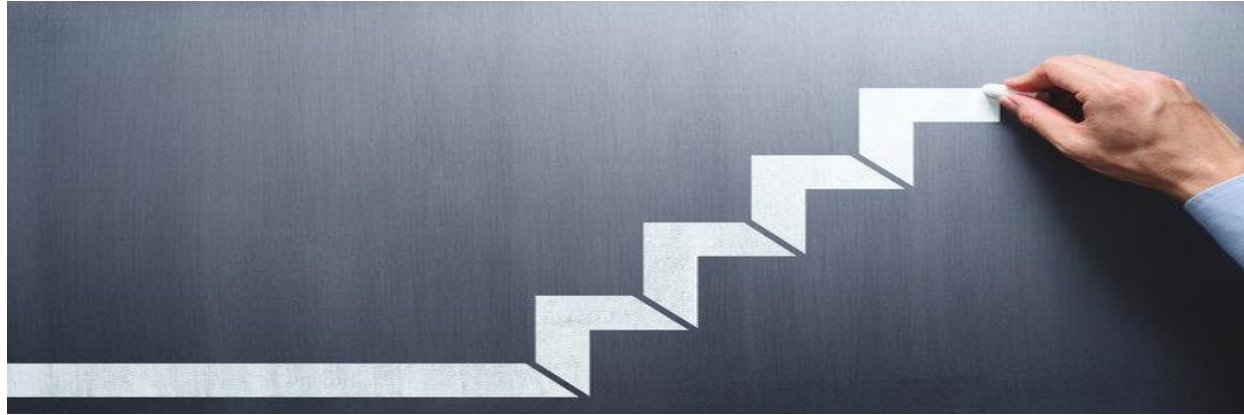
<u>FY</u>	<u>Description</u>	<u>Note</u>	<u>Bond</u>
23	Determine add'l borrowing	n/a	Yr. 3
24	Issue short-term note	\$5.0M	Yr. 4
25	Interest-only payment (\$~200K)		
25	Re-Issue short-term note	\$5.0M	Yr. 5
25	Receive MSBA retainage	-\$1.7M	
26	Repay principal* (\$~200K int.)	-\$1.1M	Yr. 6
26	Re-Issue short-term note	\$2.2M	
27	Repay principal* (\$~90K int.)	-\$1.1M	Yr. 7
27	Re-Issue short-term note	\$2.2M	
28	Repay principal* (\$~45K int.)	-\$1.1M	Yr. 8

* - Assumes 3-year note repayment (maximum = 4 years).
Partially offsets \$1.6M savings from debt retired in FY25.

Hypothetical – District Exempt Debt Service



Next Steps



- July 11 – Competitive sale; receive bids on Note
- July 14-17 – Bond Counsel delivers documents to District
- July 18 – School Committee votes to approve sale & sign
- July 24 – Executed Note docs returned to Bond Counsel
- July 27 – District receives Note proceeds (one-year term)

Per the A-B Finance Business Cat

