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To: Robert J. O'Donnell
From: Randy L. Brown
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Subject: High School Project – Financing Update

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The estimated costs of financing the high school project continue to be refined through several lenses.

- The project cost estimate refinement will continue to drive the estimated financing costs.
- Review of the district five-year budget projections specifically to include capital reserve transfer and the debt service budget will aid in determining the district contribution to the project debt service and total costs which will reduce total borrowing and the necessary tax millage dedicated to the project.
- Analysis of term of debt service repayment is being gathered from districts with similar projects. The 30 year term of borrowings discussed at the last meeting will be compared to other districts. In addition, we will be providing financing cost estimates with 20 and 25 year terms.

In addition, I am working closely with representatives with Crabtree as they prepare the construction schedule. Their work on the construction schedule will closely affect a proposed draw down schedule for the borrowings to fund the project. As the construction schedule becomes more concise for each of the options, the draw down schedule can be refined to more closely to estimate the total cost of the project.

Updates are expected at the March work session following this cooperative work with Crabtree as well as our financial advisers.