Finance Committee Chair Clint Cogswell called the meeting to order at 5:35 p.m. Mr. Cogswell then turned the meeting over to Business Administrator/Treasurer Michele Croteau to conduct the evening’s meeting on bonding and fund transfer requests.

Ms. Croteau reviewed the meeting’s agenda topics and then introduced District Financial Advisor Cinder McNerney, Managing Director of First Southwest Company, who spoke on the first agenda item, Elementary Project Financing. Ms. McNerney reviewed the District’s bonding history to date and different bonding options for the Finance Committee to consider.

Ms. Croteau informed the Board that Moody’s Investors Service had upgraded the District’s rating from Aa3 to Aa2 and the City of Concord’s rating from Aa2 to Aa1. These rating upgrades will aid the District in obtaining lower interest rates when going out to bond.

Ms. McNerney discussed how to help the District’s cash flow with short term financing through Bond Anticipation Notes (BANs). She stated that the District had enough time to obtain a BAN before June 30, 2010, the end of the 2009/2010 fiscal year.

The next item that Ms. McNerney addressed was the general timeline for bonding the elementary project. A discussion ensued regarding the litigation against the State Department of Education regarding waivers for the Kimball and Conant School construction sites. Ms. McNerney stated that it would not be wise to go out to bid for bonding until the case was settled, as this litigation would affect the bond interest rate.

Ms. McNerney noted that the District could consider going out to bid through the City of Concord, as a lower interest rate may be obtained for the bond. City of Concord Treasurer/Tax Collector Michael Jache was asked by the Finance Committee to aid in the discussion. Mr. Jache stated that the next time the City would be selling debt would be in January 2011, and that the City Council would need to approve any action. Also, the
City Council would have to decide if the City would be willing to move the selling of the debt to an earlier date to accommodate the elementary school project’s timeline. Mr. Jache stated that the bond process through the City would take about two (2) months. Ms. McNerney added that there would be an additional six (6) weeks after satisfying Bond Counsel’s legal requirements before going out to bid. The Finance Committee advised the administration to send a letter to the City of Concord requesting a meeting to discuss the option of selling debt through the City’s bonding process.

The Finance Committee scheduled a meeting on Wednesday, June 2, 2010, to decide on the amount and date of the BAN to be recommended to the full Board at the June 7, 2010 monthly Regular Board Meeting.

Ms. Croteau then informed the committee that a “Project Useful Life” resolution needed to be recommended to the full Board and signed by the Board Secretary in order to satisfy one of the legal requirements in the bonding process for the elementary school project by bond counsel.

The Committee voted 4–0 to recommend that the full Board vote to adopt and sign the Project Useful Life resolution for the elementary school project at the June 7, 2010 monthly Board meeting (motioned by Mr. Glahn, seconded by Mr. Cogswell).

The next item on the agenda, the RMS HVAC Project Financing, was introduced by Ms. Croteau. Ms. Croteau mentioned that the District had received an application form from the NH Municipal Bond Bank regarding financing the project via QSCBs through them. She requested authorization to sign and submit the application on the District’s behalf so that the Bond Bank, working in conjunction with FirstSouthwest, could proceed with negotiating the details of this bond issue.

The Committee voted 4–0 to authorize Business Administrator/Treasurer Michele Croteau to sign the appropriate documents for the Bond Bank (motioned by Dr. Fleming, seconded by Ms. Bonk).

The third item on the agenda was the need to appropriate funds for fire safety doors and possible sprinkler system work. Ms. Croteau and Director of Facilities and Planning Matt Cashman explained that the requirements by the City of Concord’s Fire Department for the District’s compliance would cost the District approximately $176,000. A request was made to use up to $180,000 from the Maintenance and Building Renovations Trust, which had a balance of $279,078 as of April 20, 2010.

The Committee voted 4–0 to recommend to the full Board the release of $180,000 from the Maintenance and Building Renovations Trust to fulfill the fire and safety requirements of the City of Concord’s Fire Department (motioned by Kevin Fleming, seconded by Laura Bonk).
The final agenda item, Food Service Negative Balances, was presented by Ms. Croteau, who explained that it is a requirement of the Federal Government that the Food Service not have debt. She went on to state that some accounts will be written off, but most will be pursued to pay their account balances. Ms Croteau requested that the committee recommend to the full Board to transfer up to $7,000 to the Food Service Program at Year End.

The Committee voted 4–0 to recommend to the full Board the transfer of $7,000 to the Food Service Program at Year End to comply with the Federal Government’s requirement (motioned by Mr. Glahn, seconded by Dr. Fleming).

The meeting adjourned at 7:00 p.m.

Respectfully submitted,

Clint Cogswell, Finance Committee Chair
Michele M. Croteau, Recorder

MMC/srr