



MOLALLA RIVER SCHOOLS

BOND OVERSIGHT COMMITTEE MEETING MINUTES

December 3, 2024 | 6:30 to 8 p.m.

6:30 pm Dinner

The meeting began at 6:37pm.

Welcome – Superintendent Tony Mann

Attendees: Tony Mann, Tony Tiano, Andrea Watson, Andy Campbell, Shaun Stuhldryer/OTAK, Chris Shaw, Brendan Watkins/Piper Sandler, Elaina Baucke/Piper Sandler, Daniel Robertson, John Meyer, Micah Hunter, Trevee Green, Jeremy Joseph, Quinn Holton, Joyce Parker, Steve Simonson, Lauree Nelzen, Ron Stewart (Virtual)

Absent: Sarah Poet, Miki Bragg/OTAK, Kimberly Tracy, Mary Wilson, Pamela Lucht, Jennifer Satter, Melody Smith, Todd Gary, Perry Rasmussen, Josh Smith

Tony Mann welcomed the committee and reviewed the agenda. There were no questions. The group completed an icebreaker activity.

Answer Questions from November

Andrea Watson reviewed the questions from the November meeting. Andy Campbell will answer the contingency question during his finance report. The other question was regarding whether or not the committee is subject to public meeting laws. The District contacted Oregon School Board Association (OSBA) and their legal services department. While the committee was set up as a superintendent's advisory committee and not set up as a public body subject to public meeting laws, they stated to err on the side of caution, it would be prudent to treat the Bond Oversight Committee as a public body subject to the public meeting laws. Based on the committee charter, unless the Committee directly reporting to the Board, the group will not be required to take ethics training.

Bond 101- Finance and Bonds – Chief Financial Officer Andy Campbell with Piper Sandler

Andy Campbell introduced Brendan Watkins and Elaina Baucke from Piper Sandler. He gave a brief history of the District's pre-bond work with them and how they will support us going forward. Brendan gave an overview of how the District bond works, reviewed the timeline, and discussed interest rates. He also discussed the District's bond rating, what that means, how the District received an AA+ rating. Elaina reviewed the pre-election numbers, where the District started. She also reviewed the numbers from the ballot title, which were voter approved. And finally she reviewed the final numbers, which is what the voters will actually pay. There was discussion about the premiums the district received from the bond sale, and the OSCIM (Oregon School Capital Improvement) grant, and how those dollars could be spent. One of the possibilities discussed was shortening the length of the term. Elaina stated she watched the board meeting where the Board of Directors voted on the length of the bond term, and felt they were thorough and thoughtful about their decision of 30 years. Elaina explained how a levy rate works, what the District's current levy rate is and the rate over the life of the bond. There was discussion about levy rates across Clackamas County school districts. Brendan and Elaina asked if there were any questions.

One question was what happens to the bond rate if a large neighborhood is built in the district. Brendan and Elaina explained how new developments would affect the overall rate and payment schedule. Another question was could voters pay off the bond earlier than 30 years? The answer is yes, that is an option.

Third Financial Report Andy Campbell

Andy Campbell and Shaun Stuhldryer reviewed the current project budget. Shaun discussed OTAK's role in the project, reviewed their process and timeline. There was also discussion regarding the City of Molalla and their needs for the project, as well as the current state of materials and timeline for purchase and delivery. Shaun handed out a report on the budget with a deeper explanation and breakdown of the contingency funds. There was a question about the overall total of the project, which has increased from \$77 million to \$90 million, with the addition of the premiums from the bond sale and the OSCIM grant award: what do we tell our neighbors? The bottom line is the voters will not pay more than \$1.55/\$1,000 of assessed property value. There was a discussion on what those extra dollars could be spent on. Andy stated the bond dollars and the OSCIM grant money have to be spent on the middle school project. Right now those funds are held in contingency until the project is underway. Andrea Watson stated this information will be communicated out to the larger community as well. There was discussion on how the initial estimate of the project was decided, as well as whether or not the middle school track could be part of the project, even though it sits on the elementary property. The group agreed that communication about what the extra funds were spent on is key, keeping it transparent and highly detailed.

Establish 2025 Bond Oversight Committee Schedule

Tony Mann reviewed the committee charter, which states the committee may meet quarterly. Andrea Watson handed out a calendar with dates for both monthly meetings and quarterly meetings. There was discussion and then a vote for consensus on quarterly or bi-monthly meetings. The committee consensus was to continue to meet monthly through January and February, then set a schedule for the rest of the year. The group agreed the next meetings will be January 7th and February 4th.

Activity

Tony Mann explained the process to elect a committee chair and vice chair. Jeremy Joseph nominated himself for either position. There was a discussion about the roles and responsibilities of both positions, which are to meet monthly with Andy and Tony, help develop an agenda, work with Andrea on community communications, and present information to the Board if requested. John Meyer nominated himself for either position. The committee voted for chair. Jeremy Joseph received 4 votes, and John Meyer received 4 votes. The committee agreed to have Jeremy and John serve as co-chairs for the committee, with no vice chair.

Collect Questions for January

There were none.

Adjourn

The meeting adjourned at 8:15pm.

Next Bond Oversight Committee meetings:

- January 7th at 6:30pm at the District Office
- February 4th at 6:30pm at the District Office