

As the RSU 26 board and administration worked through the budget this spring, we have been asked several times whether stopping construction would be a way to help deal with financial difficulties and uncertainty.

The short answer to that, is no, it is not legally possible to mix the different pots of money.

We borrowed the money for construction via a bond last fall after voter approval, long before COVID19, in order to begin the pre-construction design (which resulted in almost 2000 pages of drawings and specifications that has gone out to bid). The money from the bond is already sitting in a bank account and can only be used for the purposes listed in the bond authorization the voters approved – namely school construction. Thus we are now legally obligated to make payments on the bond and its money would be sitting in the bank achieving little, even if we choose to halt construction partway into the project. Thus, while difficult timing, the commitment had already been made last September based on voter approval in June, and stopping construction now would only mean we are still making payments without moving towards the benefits of the new construction.

On the positive side, the bid for construction was heavily competed and we received an excellent price for the construction due to the current economic conditions. The board was also able to find non-property-tax revenues and reduce district expenses, so that the total tax impact of the bond will be much less than originally discussed and approved by the voters (on the order of 1.3 mill instead of 1.9 – or approximately +\$195/year instead of +\$285/year on a median Orono home worth \$170,000). We do understand this may still be a real burden on many families, especially in these times, and will continue to manage money as tightly as we can.

It is worth remembering that school buildings are built today to last 40 years (much longer than commercial construction), but it has been 40 years since any of our buildings have been updated significantly. The educational need has not gone away.