

You have been provided a mix of more detailed supporting documents. These include:

1. The Final RED Tax Rate Worksheet for FY15 Budgets (1 year incentive)
2. The Final RED Tax Rate Worksheet for FY15 Budgets (Multi Year incentives)
3. RED 4 year tax rate projections – Existing Tax incentive
4. RED 5 year tax rate projections – Accelerated Tax incentives
5. Estimated New Costs and Savings
6. Transportation Cost Analysis
7. Assets and Liabilities

To simplify the more detailed documents and your review, a summary has been developed. Given our latest discussion, I will begin with estimated new costs and savings resulting from a merger and an analysis of transportation related costs resulting from the provision of transportation of all students within the three communities.

• *Initial Assessment of new costs and estimated savings:*

Total Savings Estimate: \$1,025,294

New costs: Transportation: \$192,498
New EHS Faculty: \$180,000
Total: \$372,498

Reductions: Central Office: \$704,227
Westford HS Tuition: \$553,565
Audits: \$40,000
Miscellaneous: \$100,000
Total: \$1,397,792

• *Transportation: Adding regular bussing for Essex Junction (Kg-12); Westford (9-12)*

Total new buses: 9
Total New Cost: \$447,461
New Revenue (yr 3)**: State Transportation Aid: \$178,984
Crossing Guard Reduction (to 5): -\$75,979

Net Cost: \$192,498** ** Requires more detailed explanation

- **Tax Rate Breakdown for Regional Education District (RED) and Accelerated Activity Incentives**

Assumptions (These are important to bear in mind for forecasting purposes)

- 1) Essex RED Education Spending, is \$53,680,162 for 2014-2015
- 2) Essex RED Education Spending, is \$53,126,597 for FY16 through FY19
- 3) Essex RED Equalized Pupils count, remains constant at 3,749.75 for all 5 years
- 3) Statewide Base Amount, set annually by the VT Legislature, remains constant at \$9,285 for all 5 years
- 4) Statewide Base Equalized Homestead Tax Rate, set annually by the VT Legislature, remains constant at \$0.98 for all 5 years
- 5) All tax rates in this worksheet are equalized homestead tax rates.
- 6) CLA adjustments are not factored into this worksheet

- 4 Year RED and 5 Year Accelerated Activity Incentives Impact
- Current (FY 2015) Equalized Homestead Tax Rate
ET: \$1.5223; EJ: \$1.5286; Westford: \$1.5138

	<i>One Year Incentive</i>	<i>Tax Rate Result</i>	<i>RED Incentives</i>	<i>Tax Rate Result</i>	<i>Accelerated Incentives</i>	<i>Accelerated Incentives</i>
<i>Yr 1</i>	<i>W \$0.045; ET \$0.0544; EJ \$0.0608</i>	<i>\$1.4673</i>	<i>\$0.08</i>	<i>\$1.4310</i>	<i>\$0.10</i>	<i>\$1.4110</i>
<i>Yr 2</i>	<i>NA</i>	<i>NA</i>	<i>\$0.06</i>	<i>\$1.4354</i>	<i>\$0.08</i>	<i>\$1.4154</i>
<i>Yr3</i>	<i>NA</i>	<i>NA</i>	<i>\$0.04</i>	<i>\$1.4554</i>	<i>\$0.06</i>	<i>\$1.4354</i>
<i>Yr 4</i>	<i>NA</i>	<i>NA</i>	<i>\$0.02</i>	<i>\$1.4754</i>	<i>\$0.04</i>	<i>\$1.4554</i>
<i>Yr 5</i>	<i>NA</i>	<i>NA</i>	<i>No Incentive</i>	<i>NA</i>	<i>\$0.02</i>	<i>\$1.4754</i>

Assets and Liabilities

Westford	\$757,344	\$34,500
Essex Town SD	\$14,734,332	\$3,613,351
Essex Junction SD	\$5,715,002	\$997,327
UHSD #46	\$13,928,027	\$9,148,386
CCSU	\$102,511	\$18,663
Total	\$35,237,216	\$13,812,227