

# RED Study Committee

## Supplemental Financial Information

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JUNE 25, 2015

# Assets & Liabilities (FY'14 Audit)

<u>District/Entity</u>	<u>Assets</u>	<u>Insured Values</u>	<u>Liabilities</u>
Westford	\$ 757,344	\$ 7,966,960	\$ 34,500
Essex Town SD	\$14,734,332	\$ 39,260,426	\$ 3,613,351
Essex Junction SD	\$ 5,715,002	\$ 46,965,526	\$ 997,327*
UHSD #46	\$13,928,027	\$ 73,745,578	\$ 9,148,386*
<u>CCSU</u>	<u>\$ 102,511</u>	<u>\$ 315,880</u>	<u>\$ 18,663</u>
<b>Total</b>	<b>\$35,237,216</b>	<b>\$168,254,370</b>	<b>\$13,812,227</b>

\* State construction aid is on hand to help offset these liabilities – see Reserve Funds slide

Assets: Asset values became a requirement of school audits about 10 years ago to represent the depreciated value of buildings and equipment. Land value is based on its worth or cost at the time the district took ownership and is artificially low.

We believe **insured values** are more relevant and present a more meaningful comparison than asset values. As a reminder, towns have the opportunity to regain possession of the land/buildings for \$1.00 in the event the town leaves the merged district.

Liabilities: Liabilities (largely debt across multiple years for construction bonds and equipment purchases) decreases with each passing year and have already been factored into current tax rates.

# Audited Fund Balances

District/Entity	FY'14 Audited Amount	Revenue Amount Rolled into FY'16 Budget	Notes
Westford	(\$104,255)	\$0	\$60,000 was budgeted in FY'15 & FY'16 to cover this deficit and the anticipated FY'15 surplus will cover the balance
Essex Town	\$81,341	\$81,341	
Essex Junction	\$632,069	\$515,000	Difference in amount relates to tax penalties/interest revenue that was added by auditors as a result of the tax collection agreement with the Town of Essex
U#46	\$404,112	\$409,000	Difference in amount relates to late audit adjustments
CCSU	\$71,348	\$80,000	Difference in amount relates to late audit adjustments
<b>Total</b>	<b>\$1,084,615</b>	<b>\$1,085,341</b>	

Unanticipated changes in expenses and revenues result in differing amounts of fund balance each year.

Fund balance amounts, by law, must become a revenue in the second subsequent annual budget. Undesignated fund balances are not permitted to carry over from year to year unless approved for a specific reason. Individual fund balances that result from operations of the separate districts in FY'16 will offset taxes in the first year's consolidated budget if the merger is approved and takes effect in FY'18.

# Reserve Funds

<u>District</u>	<u>Amount</u>	<u>Total</u>
<b>Westford</b>	\$ 0	\$ 0
<b>Essex Junction</b>		
*Capital Reserve	\$ 300,777	
Bond Defeasance (Renov/Roof Aid)	\$ 142,000	
		<b>\$ 442,777</b>
<b>Essex Town</b>		
Dental & Health Reserves	\$ 14,000	
**Capital Reserve	\$ 1,200	
		<b>\$ 15,200</b>
<b>U#46</b>		
Bond Defeasance (Library Aid)	\$ 290,000	
OneCampus State Aid	\$1,753,077	
		<b>\$2,043,077</b>
<b>CCSU</b>		
Dental Reserve	\$ 65,900	
		<b>\$ 65,900</b>
<b>Grand Total</b>		<b>\$2,566,954</b>

## Amounts as of June 30, 2015

\* EJ's Capital Reserve was established in the amount of \$6,750,000 when ET 'bought into' U#46 in 1996. The reserve would have been depleted had we not added new tax revenues beginning in FY'09

\*\* ET's Capital Improvement & Facilities Maintenance Reserve was established in 2012 and has been supported by voters in separate articles in each subsequent year. For FY'16, voters approved adding \$125,000 to the capital reserve. In its first three years, the reserve has supported \$474,559 in necessary projects. Nothing is planned for reserve-funded improvements in FY'16.

# Capital Plans

District	FY'16-FY'19 Amount	Notes
Westford	\$265,500	Developed within the last few years. Only plan that also includes routine maintenance items in addition to capital fund items. This amount only includes capital items.
Essex Town	\$1,935,000	List of future capital improvements for consideration. Not broken out by year.
Essex Junction	\$1,270,000	The only known project that isn't fully captured within the plan is a desired project relating to renovation of special education and family/consumer science spaces at ADL.
U#46	\$1,392,150	The only known projects that aren't captured within the plan are: (1) roof replacement - board planned to seek approval for a bond with annual payments aligning with decreases in other long-term debt; and (2) renovation/replacement of Building Trades/Natural Resources facility which would be a Center for Technology, Essex (CTE) project with annual payments being factored into CTE tuition rates.
<b>Total</b>	<b>\$4,862,650</b>	

# Back Up

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# Westford Capital Plan

Description	Year Bought/ Repaired	Estimated Useful Life	Estimated Cost	FY'13	FY'14	FY'15	FY'16	FY'17	FY'18	FY'19	FY'20
New Entrance near playground		N/A	\$30,000						\$30,000		
Retaining Wall & Drainage - South End		N/A	\$6,000		\$8,341						
Driveway Pavement	1993	15 years	\$50,000	\$2,000				\$50,000			
Sidewalks	2010-11	15 years	\$20,000								
Roofs:											
Gym (Pitched)	2012	20 years	\$22,400	\$22,400							
Common Area (Ballast)	1993	15-20 years	\$45,000				\$45,000				
Gym Roof (Ballast)	2002	20 years	\$45,000								
Office & Specials Area Roof	2003	20 years	\$55,000								
Middle School Area Roof	2005	20 years	\$60,000								
Heating:											
Oil Burner	1993/2012	20 years	\$5,000	\$0							
Wood Chip Burner:											
Boiler Refractory	1993	15 years	\$25,000					\$25,000			
Chip Bunker	2014	15 years	\$65,225		\$1,659	\$26,886					
Duct Cleaning	2014	5 years	\$4,000			\$4,000					\$4,000
Ventilators (27)	1970-2014	30 years	\$48,600	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
Circulating pumps (3)	2011 - oldest	20 years	\$9,500		\$3,000	\$3,000					\$3,500
Septic System (septic tank)	1993	40 years	\$65,000								
Drinking Water System	2001	20-50 years	\$20,000								
Hot Water Heaters (tankless - 2)	1978	20 years	\$4,000					\$4,000			
3 Phase Converter System w/efficient motors	1993	20 years	\$10,000					\$10,000			
Elevator lift	2012	10 years	\$9,600								
Tractor	2009	10 years	\$20,000								\$20,000
Windows:											
Single-pane replacements (20 - 3)	1967/2012	25 years	\$56,100	\$0		\$23,114	\$5,000	\$20,000	\$8,000		
Double-pane replacements (30)	1978	25 years	\$48,000						\$16,000	\$24,000	\$8,000
Thermal, double-pane replacements (35)	1993	25 years	\$45,500							\$32,500	\$13,000
Kitchen Equipment:											
Commercial Refrigerator A	Unknown	10 years	\$3,800				\$3,800				
Dishwasher	Unknown	10 years	\$4,200				\$4,200				
Convection Oven	Unknown	10 years	\$3,900					\$3,900			
Commercial Refrigerator B	2008	10 years	\$3,800						\$3,800		
Heated Serving Well Bar	2012	15 years	\$9,000								
Salad/Veggie Bar	2012	15 years	\$9,000								
<b>Grand Total</b>			<b>\$802,625</b>	<b>\$26,200</b>	<b>\$14,800</b>	<b>\$58,800</b>	<b>\$59,800</b>	<b>\$89,700</b>	<b>\$84,600</b>	<b>\$58,300</b>	<b>\$50,300</b>

At Useful Life in FY'16 =

Beyond Useful Life =

Capital Fund =

# EJSD Capital Plan

Title	Site	Description	FY'15	FY'16	FY'17	FY'18	FY'19
Safety & Security	DISTRICT	Doors	\$13,000				
	SUMMIT	Paging & Clock System	\$26,000				
<b>Safety &amp; Security Total</b>			<b>\$39,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Accessibility Improvement Issues	SUMMIT	Exterior Steps - North	\$50,000				
<b>Accessibility Improvement Issues Total</b>			<b>\$50,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Preventative & Routine Capital Maintenance	DISTRRICT	Child Nutrition Equipment	\$34,000				
		Roof Repairs Heat Plant Repairs	\$30,000	\$75,000 \$10,000	\$175,000	\$120,000 \$10,000	
	FLEMING	Stage Curtain	\$7,000				
<b>Preventative &amp; Routine Capital Maintenance Total</b>			<b>\$71,000</b>	<b>\$85,000</b>	<b>\$175,000</b>	<b>\$130,000</b>	<b>\$0</b>
Environment Enhancements/Efficiencies	DISTRRICT	Information Technology	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000
	ADL	Bathroom Flooring Renovations (FACS & SpEd)	\$11,000			\$50,000	\$185,000
	SUMMIT	Building Renovations		\$425,000			
<b>Environment Enhancements/Efficiencies Total</b>			<b>\$66,000</b>	<b>\$480,000</b>	<b>\$55,000</b>	<b>\$105,000</b>	<b>\$240,000</b>
<b>Grand Total</b>			<b>\$226,000</b>	<b>\$565,000</b>	<b>\$230,000</b>	<b>\$235,000</b>	<b>\$240,000</b>

**Roof Repairs:** FY16-18 to replace 1995 ADL roof and partial replacement at Fleming

**Heat Plant Repairs:** For unanticipated, costly repairs such as burner or pump replacement - funds can roll-over

**Information Technology:** Two switches and wireless access points

**ADL Renovation:** Begin saving for renovation to meet educational needs (FACS & SpEd)

**Summit Renovations:** Renovation of the main office to provide space for guidance, social worker/ELL/testing, conference space, and a lobby area



# U#46 Capital Plan

Category	Item	FY'15	FY'16	FY'17	FY'18	FY'19
Life Safety & Security	Safety/Security	\$9,739				
	Replacement of Doors/Frames	\$50,000				
<b>Life Safety &amp; Security Total</b>		<b>\$59,739</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Accessibility Improvements	Bathroom Improvements	\$35,000	\$35,000	\$35,000	\$35,000	
	Stadium Accessibility				\$50,000	\$50,000
<b>Accessibility Improvements Total</b>		<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$85,000</b>	<b>\$50,000</b>
Preventative & Routine Capital Maintenance	Replacement Vehicles			\$30,000		
	Resurface Track		\$150,000			
	Heat Plant Repair	\$10,000	\$9,650	\$20,000	\$20,000	\$20,000
	Roof Repair/Replacement					
<b>Preventative &amp; Routine Capital Maintenance Total</b>		<b>\$10,000</b>	<b>\$159,650</b>	<b>\$50,000</b>	<b>\$20,000</b>	<b>\$20,000</b>
Environment Enhancements/Efficiencies	Information Technology	\$50,400	\$50,000	\$50,000	\$50,000	\$50,000
	Renovate Baseball Field	\$10,000				
	Pavement Repair - Ed Ctr Dr	\$25,000				
	Enhancing Educational Physical Space	\$50,000				
	Renovation of Instructional Spaces			\$182,500	\$202,500	\$245,000
	Locker Replacement			\$25,000	\$25,000	\$25,000
	Paint Gym			\$32,500		
<b>Environment Enhancements/Efficiencies</b>		<b>\$135,400</b>	<b>\$50,000</b>	<b>\$290,000</b>	<b>\$277,500</b>	<b>\$320,000</b>
<b>Grand Total</b>		<b>\$240,139</b>	<b>\$244,650</b>	<b>\$375,000</b>	<b>\$382,500</b>	<b>\$390,000</b>

**Bathroom Improvements** (handicap-accessible): Four teacher rooms in FY'16; Locker room bathroom improvements in FY'17 & FY'18

**Stadium Accessibility:** Ramp and wheelchair platform - not needed if there is a larger stadium project

**Replacement Vehicles:** Replacement of Truck (2001)

**Resurface Track:** Running surface is worn down and peeling; resurface includes 5-year warranty

**Heat Plant Repair:** Set aside for unanticipated repairs

**Roof Repair/Replacement:** Most of the roof is over 20 years old; Will need to arrange for a bond within the next few years

**Information Technology:** Funding for infrastructure - Switches & VMWare server upgrades in FY'16

**Enhancing Educational Physical Space:** Improvements discussed during community engagement; courtyard work in FY'15; Continued work on the front entrance will be accomplished using funds previously set aside for kitchen floor replacement

**Renovation of Instructional Spaces:** Renovations of spaces such as band/chorus, creation of multi-purpose spaces, etc.

**Locker Replacement:** Remove about 1,800 old, narrow lockers with about 1,500 new; Total requirement about \$150K

**Paint Gym:** Paint ceiling and upper walls - ceiling has never been done; includes realigning banners

# ETSD Capital

<b>FUTURE CAPITAL IMPROVEMENTS SUMMARY for FY16 Budget &amp; Capital Reserve Considerations</b>	
<b>Estimated Amount</b>	<b>Description</b>
\$ 250,000	Replace EES Roof - Pods Wing
250,000	Connect FMS Septic to Town Sewer System
225,000	Install Raised Sidewalk from EMS to FMS
200,000	Replace FMS Windows
200,000	Enlarge FMS Parent Parking Lot
200,000	Replace EES C-Wing Single Pane Windows & HVAC System
150,000	Install Final Stage Digital HVAC Control Upgrades - all Buildings
130,000	Replace EES Boilers
75,000	Replace FMS Elevator
60,000	Repave EMS Roadway & Install Additional Drainage
35,000	Install Hoods in EES & FMS Kitchens for Gas Appliances
35,000	Install Additional Speakers to PA/Phone System
25,000	Repair Exterior Door Frames - EMS Lobby B & EES C-Wing
25,000	Install EEE Wing Ventilation System
20,000	Redesign EES Playground Pavement
20,000	Replace FMS Knob Locks with Lever-type, Re-Key Building
20,000	Replace EES Sidewalk North of C-Wing
10,000	Install Additional Security Card Readers at various exterior doors
5,000	Install Outdoor Speakers & Warning Lights to Security System
<b>\$1,935,000</b>	<b>Total Estimated Cost for Identified Capital Improvements</b>