

RSD 13 School Configuration Financial Analysis



Ed Arum Credentials:

~School Business Official and Assistant Superintendent for Business 32 years

Retirement 2005:

~Acting Superintendent of Schools and Interim Business Manager of 13 districts

~Assisted 14 districts with constructions projects including co-chair of building committee

Configuration Scenarios



- Operate 5 Schools
(No Change in Operations)

- Operate 4 Schools
(Assuming Lyman Closed)

- Operate 3 Schools
(Assuming Brewster & Lyman Closed)

Current Configuration (5 operating schools)

	23-24 Budget	10 Year Budget Projection	15 Year Budget Projection	20 Year Budget Projection
Budget	\$39,656,312	\$54,047,484	\$64,191,456	\$76,239,313

Assumption: 3.6% CPI cumulative per year.

Option 1 (4 operating schools)

	Base Year: 23-24 Budget 1 year savings	10 Year Savings Projection	15 Year Savings Projection	20 Year Savings Projection
Operating Savings	\$1,224,030	\$14,426,116	\$23,793,584	\$34,973,048

Assumption: 3.6% CPI cumulative each year for 10,15 and 20 years; Lyman School Closed

Option 2 (3 operating schools)

	Base Year: 23-24 Budget 1 year savings	10 Year Savings Projection	15 Year Savings Projection	20 Year Savings Projection
Operating Savings	\$2,459,917	\$28,991,976	\$47,817,653	\$70,284,876

Assumption: 3.6% CPI cumulative each year for 10,15 and 20 years; Brewster and Lyman Schools Closed

Comparison

	Estimated Budget 10 years out 2033-2034	Estimated Budget 15 years out 2038-2039	Estimated Budget 20 years out 2043-2044	Operating Savings over 20 years
Current Configuration	\$54,047,484	\$64,191,456	\$76,239,313	\$0
4 Schools Operating	\$52,364,694	\$62,183,156	\$73,842,538	\$34,973,048
3 Schools Operating	\$50,665,603	\$60,155,402	\$71,422,545	\$70,284,876

Assumption: 3.6% CPI cumulative each year for 15 and 20 years; Brewster and Lyman Schools Closed

Projected Areas of Lyman Personnel Savings

Personnel:	
Certified (1 Principal, 1 PE, 1 Music, 1 Library)	\$429,669
Non-Certified (1 Nurse, 2 Admin Asst, 2 Custodians)	<u>\$288,578</u>
Total Projected Personnel Savings	\$718,247

Projected Lyman Operating Savings

Operating Expenses:	
Electricity and Fuel	\$133,880
Repairs	\$55,130
Landscaping, Snow Removal, Trash Disposal	\$33,000
Facilities and Grounds Supplies	\$22,973
Property Insurance	\$31,000
Purchased Services – Facilities and Grounds	\$76,446
Copier Services	\$10,150
Daily Transportation (including fuel) reduction of 1 bus	\$68,838
Health Insurance, FICA, Workers Comp Insurance	<u>\$74,366</u>
Total Projected Operating Savings	\$505,783

Expenses are show for full closure of Lyman; these expenses will be offset by future building configuration operating expenses, debt service, legal and architectural fees as well as moving expenses

Projected Brewster and Lyman Personnel Savings

Personnel:	
Certified (2 Principals, 2 PE, 2 Music, 1 Art, 1 Library)	\$842,736
Non-Certified (2 Nurse, 4 Admin Assts, 4 Custodians)	<u>\$601,316</u>
Total Projected Personnel Savings	\$1,444,052

Projected Brewster and Lyman Operating Savings

Operating Expenses:	
Electricity and Fuel	\$259,640
Repairs	\$125,010
Landscaping, Snow Removal, Trash Disposal	\$66,000
Facilities and Grounds Supplies	\$43,092
Property Insurance	\$62,000
Purchased Services – Facilities and Grounds	\$153,415
Copier Services	\$20,300
Daily Transportation (including fuel) reduction of 2 buses	\$137,676
Health Insurance, FICA, Workers Comp Insurance	<u>\$148,732</u>
Total Projected Operating Savings	\$1,015,865

Expenses are show for full closure of Lyman and Brewster; these expenses will be offset by future building configuration operating expenses, debt service, legal and architectural fees as well as moving expenses

Capital Needs (Lyman And Brewster)

	Feasibility Study	10 Year Cost Projection 4% per year	15 Year Cost Projection 4% per year	20 Year Cost Projection 4% per year
Lyman 12/14/21	\$6,608,620	\$9,406,126	\$11,443,991	\$13,923,365
Brewster Internal Capital Plan based on 11/8/2016 S/P	\$5,927,002	\$8,435,9721	\$10,263,649	\$12,487,299

Assumption: 4% CPI each year for 10,15 and 20 years

Budget Reduction and Cost Avoidance

Yearly Cost of Current Configuration	Yearly Cost of 4 schools Reduces budget 3.1%	Savings operating 4 Schools 20 year projection	Yearly Cost of 3 Schools Reduces budget 6.2%	Savings operating 3 Schools 20 year projection
\$39,656,313	\$38,432,283	\$34,973,048 *Internal District Projection	\$37,196,396	\$70,284,876 Internal District Projection

Estimated increased expenses due to closing 2 schools and expanding Memorial

Factors to consider when expanding Memorial: *(dependent upon configuration)*

~Larger building with more students may require addition of:

1 assistant principal

1 additional nurse

2 additional custodians

1 additional administrative assistant

health Insurance on retained staff

additional electricity, heating oil, property insurance and copiers

~***Unestimated and not included*** are expenses of expanding Memorial which may include additional personnel, legal, architectural and debt service

Estimated savings due to closing 2 schools and expanding Memorial

Estimated reduction in savings due to personnel and operating expenses on expanded school estimated at \$491,292 per year

	Base Year: 23-24 Budget 1 year savings	10 Year Savings Projection	15 Year Savings Projection	20 Year Savings Projection
Operating Savings	\$1,968,625	\$23,201,729	\$38,267,562	\$56,247,655

Assumption: 3.6% CPI cumulative each year for 10,15 and 20 years; Brewster and Lyman Schools Closed; Memorial expanded

Comparison

	Estimated Budget 10 years out 2033-2034	Estimated Budget 15 years out 2038-2039	Estimated Budget 20 years out 2043-2044
Current Configuration	\$54,047,484	\$64,191,456	\$76,239,313
4 Schools Operating	\$52,364,694	\$62,183,156	\$73,842,538
3 Schools Operating	\$50,665,603	\$60,155,402	\$71,422,545
3 Schools Operating with Construction	\$51,341,030	\$60,961,480	\$72,384,547

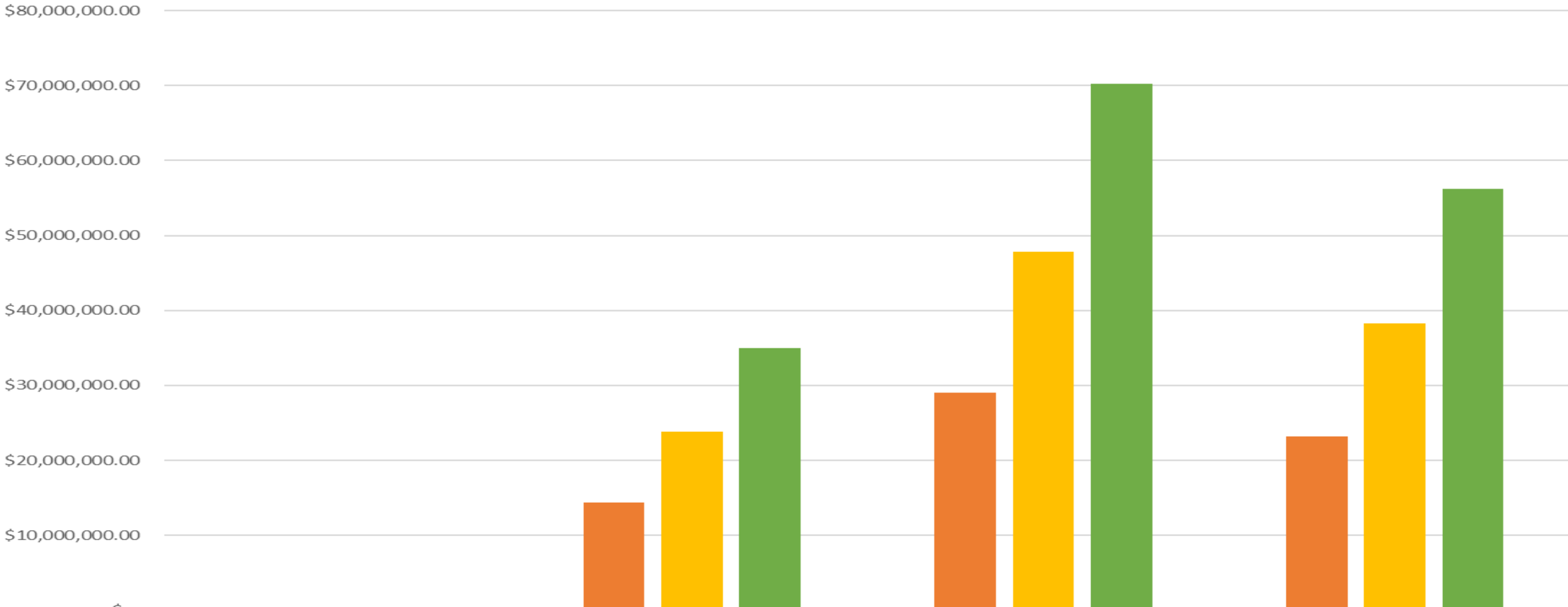
Assumption: 3.6% CPI each year for 10,15 and 20 years; Brewster and Lyman Schools Closed; Memorial expanded

Cumulative Operating Savings Comparison

	10 years	15 years	20 years
Current Configuration	\$0	\$0	\$0
4 Schools Operating	\$14,426,116	\$23,793,584	\$34,973,048
3 Schools Operating	\$28,991,976	\$47,817,653	\$70,284,876
3 Schools Operating with Construction*	\$23,201,729	\$38,267,562	\$56,247,655

Assumption: 3.6% CPI each year for 10,15 and 20 years; Brewster and Lyman Schools Closed; Memorial expanded. *Does not include increased debt service on Memorial Expansion

Cumulative Operating Savings

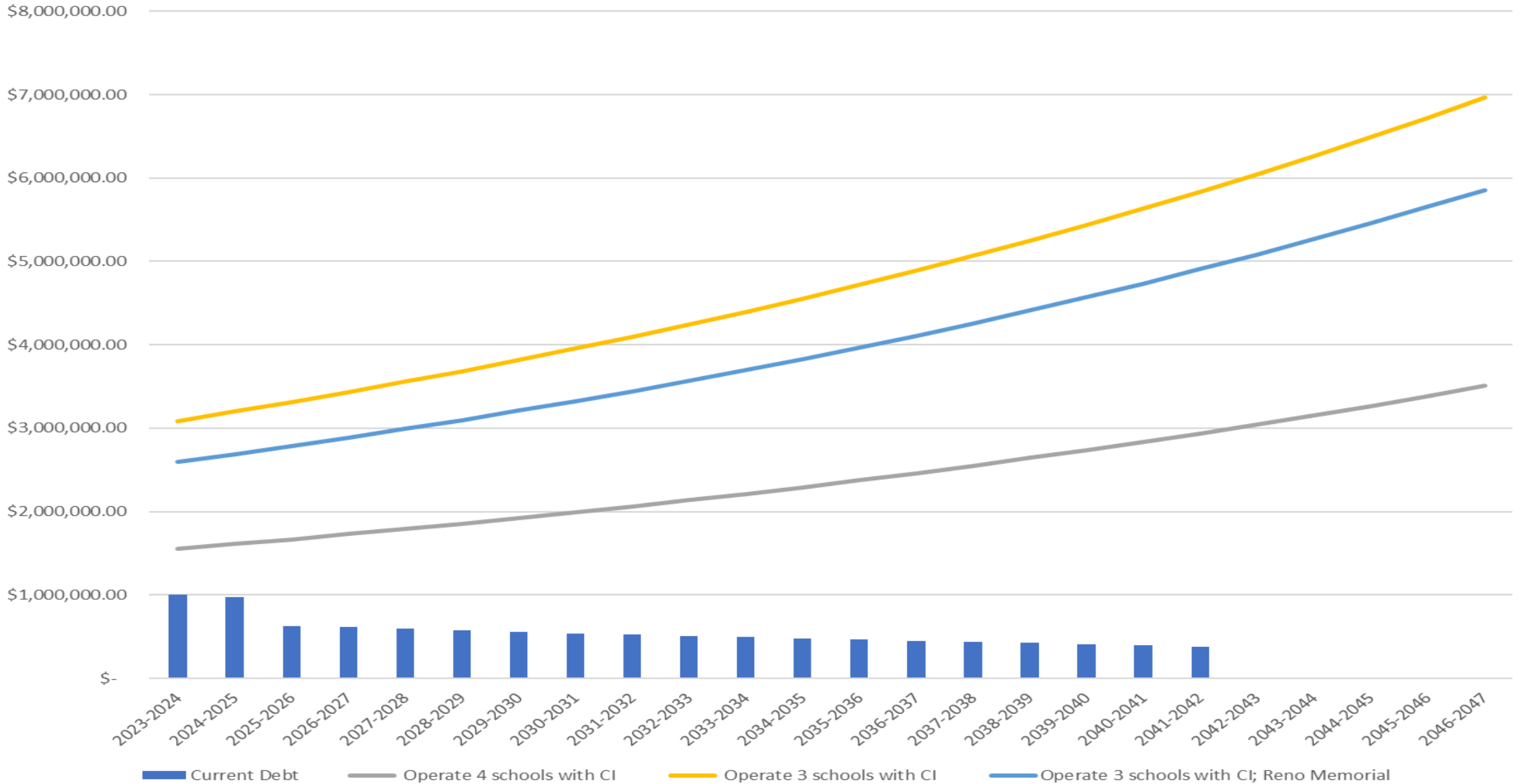


	Current Configuration	Operate 4 Schools	Operate 3 Schools	Operate 3 Schools; Renovate Memorial
10 Year Savings	0	\$14,426,116.45	\$28,991,976.59	\$23,201,729.00
15 Year Savings	0	\$23,793,584.38	\$47,817,653.74	\$38,267,562.00
20 Year Savings	0	\$34,973,048.64	\$70,284,876.11	\$56,247,655.00

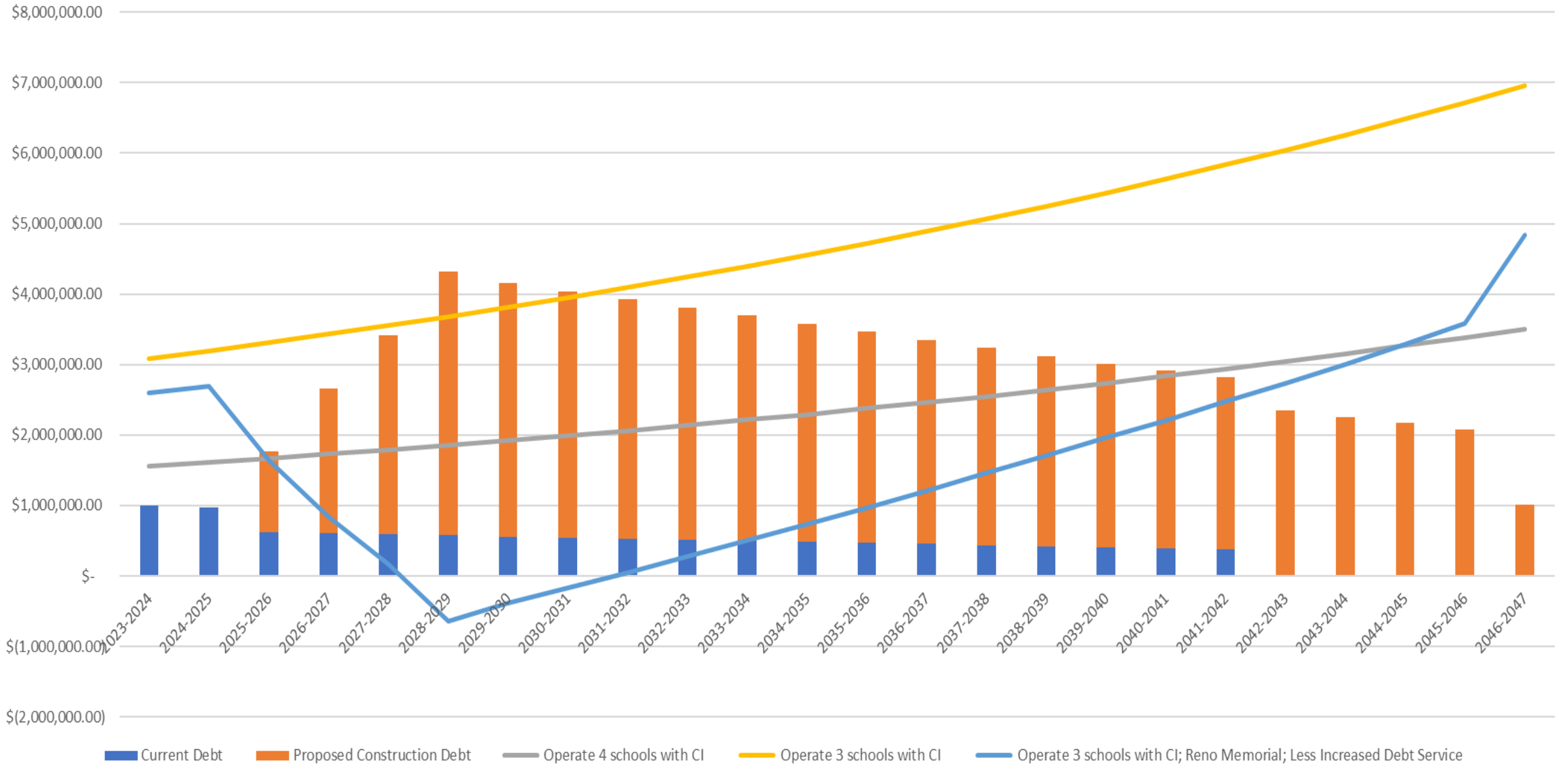
10 Year Savings 15 Year Savings 20 Year Savings

*Internal District Projection

Yearly Savings Without Increased Debt Service



Yearly Savings with Memorial Renovation Debt Service



Sources

-Silver Petrucelli Feasibility Studies

2017, 2021

-SLAM Enrollment Projections 2021

-23-24 BOE Proposed Budget

-District Capital Plan

-District Personnel