

ABRSD 67



Our **vision** is to provide high-quality educational opportunities that inspire a community of learners

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Our **mission** is to develop engaged, well-balanced learners through collaborative, caring relationships

FY21 Capital Budget

January 25, 2020

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Presentation Goals

- Overview of Capital Planning
- Recap FY20 Capital Work
- Bond Issuance
- FY21 Capital Budget
- FY21 Capital Projects
- Summary & Next Steps

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Capital Planning Process

- Extensive multi-year planning process to develop Capital Improvement Plan (CIP)
- District continues to use Capital Subcommittee to advise on Capital
- FY21 Capital Budget based on CIP
- Small amount of discretionary money in CIP Budget in addition to large CIP items

Limitations and Next Steps:

- CIP does not include Conant, Admin Building or Maintenance Shed

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FY20 Update

- Capital Website now active with quarterly updates on projects completed
 - See "Capital Planning" under the Superintendent's Page of the abschools.org District Tab
- \$1.85M in projects completed to date in FY20
- \$1.96M in projects planned January-June FY20
- Currently anticipating a positive variance at end of year

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FY20 Update

Unanticipated FY20 Capital Costs:

- HS Lower Gymnasium Windows - cost TBD
- Parker Damon Fire Alarm Panel - cost \$29,000

Next Steps:

- Determine use of positive variance
 - Accelerate CIP (if possible)
 - Discretionary Projects
 - Transfer to Stabilization for later use

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Bond Update

- Preparing to issue \$7.5M bond in early 2020
- 1 year earlier than planned
 - Leverage low interest rates
 - Save c. \$1M in interest expenses over life of bond
- Short term impact
 - Less cash available for project in years 1-3
 - (Accelerated P+i payments)
 - Minimal impact on overall plan
 - Cost savings on projects underway/planned
 - Some adjustments to years 1-3

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FY21 Capital Budget	
<ul style="list-style-type: none"> > \$1.2M Recommended for FY21 Operating Budget > Recommend level-funded Capital Budget (not \$250K increase) 	
<u>Two Funding Sources:</u>	
FY21 Operating Budget	\$1.20M
Funds from \$7.5M Bond	\$4.65M
TOTAL FUNDS available FY21	\$5.85M
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FY21 Capital Budget	
Expenses to be Charged to FY21 Operating Budget	
Year 1 of 10 Debt Service (P+i @ 2%)	\$900K
Discretionary Projects Funded through Budget	\$100K
CIP Projects Funded through Budget	\$200K
TOTAL from FY21 Operating Budget	\$1.2M
Expenses to be Charged to Bond Proceeds	
CIP Projects from \$7.5M Bond Proceeds	\$4.65M
TOTAL from Bond Proceeds	\$4.65M
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FY21 Projects Planned (Operating Budget)

Discretionary Capital Improvements: (\$100K)

Location	Project Description	Budget
ABRHS	Library Flooring and Improvements	\$62,400
ABRHS	Commons A and Flooring	\$37,600
	TOTAL DISCRETIONARY CAPITAL IMPROVEMENTS	\$100K

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FY21 Projects Planned (Operating Budget)

Projects from the CIP: (\$200K)

Location	Project Description	Budget
Blanchard	Sewer Grinder Pumps	\$20,000
Blanchard	Kitchen Make-up Air Unit	\$65,000
PDB	Pipe Insulation and Thermal Wrapping	\$25,000
RJG	Masonry Chimney Repairs	\$40,000
RJG	Architectural Design for Interior Upgrades and Repairs	\$50,000
	TOTAL CIP PROJECTS FUNDED IN THE OPERATING BUDGET	\$200K

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FY21 Projects Planned (Bond Proceeds)

Projects Funded through Bond Proceeds: (\$4.65M)

Location	Project Description	Budget
ABRHS	Pool Code and ADA Upgrades	\$225,000
Blanchard	Mechanical, Electrical, Plumbing and Fire Protection Upgrades and Repairs Project	\$1,100,000
PDB	Chillers Exhaust Fans and other Mechanical Upgrades phase 1	\$250,000
R/JG	Mechanical Upgrades and Repairs	\$950,000
Admin	Final Boiler mostly completed out of emergency in FY20	\$125,000
Campus	Charter Road Redesign/Safety Improvements	\$2,000,000
	TOTAL CIP PROJECTS FUNDED THROUGH BOND PROCEEDS	\$4.65M

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Building Project Debt Appropriation	
<ul style="list-style-type: none"> > 1st Year Debt Service will need to be appropriated in District's FY21 Budget <ul style="list-style-type: none"> o Pending meeting with financial advisor on 1/28/2020 <ul style="list-style-type: none"> ■ Estimated amount determined pending sale of bonds ■ Estimated amount will be included in 2/6/20 SC Budget Vote o Bond Sale expected Feb/March 2020 <ul style="list-style-type: none"> ■ Principal & Interest payments due FY21 ■ Actual 1st year debt service will be available prior to TM votes 	
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MSBA Update

➤ Blanchard

- Applied/ Not Accepted to Accelerated Repair Program for FY20 (Roof/Windows)
- Deferred/Reapplying
 - Roof Only
 - 2/14 Deadline - 2/6 School Committee Vote
- Not imminently required for successful operation
- Status determined after next application period, but work not planned for FY21

➤ Conant

- Applied/ Not Accepted to CORE Program FY21
- Reapplying again
 - 4/8 Deadline
 - Will require School Committee vote in late March/ April
- Likely not accepted until after Douglas-Gates project complete/audited

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Summary/ Next Steps

➤ FY20 - c. \$4M in projects to be completed; positive variance expected

- Determine use of any variance

➤ Preparing to issue bond - leverage interest rates

➤ FY21 - \$5.85M in projects and P+i payments

- P+i payments begin (\$900K)
- \$1.2M through Operating Budget
- \$4.65M through Bond Proceeds

➤ MSBA Applications due February/April

➤ Future Needs:

- Determine future of Conant/ Admin Building/ Maintenance Shed

➤ Will need building project debt service appropriation included in FY21 Budget

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QUESTIONS?

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