

Shamong Referendum

Invest in your schools Invest in your community

September 26, 2017

Comparison:

March 2017 Referendum

▶ Parking lot restoration	\$900,000
▶ Well Pit	\$280,000
▶ Climate Control Classrooms	\$1,200,000
▶ Catetorium HVAC	\$680,000
▶ Electrical Upgrades	\$110,000
▶ Gym HVAC	\$275,000
▶ Structural Work to support HVAC	\$50,000
▶ ATC upgrade to digital controls	\$345,000
▶ New generator/replacement & upgrades	\$425,000
▶ Technology Upgrades	\$100,000
▶ Asbestos abatement if needed	\$50,000
▶ Soft Costs	\$980,000
Total:	\$5,395,000

All projects eligible for up to 40% state aid except parking lot restoration \$900,000.

September 2017 Referendum

▶ Parking lot restoration	\$900,000
▶ Climate Control Classrooms	\$1,200,000
▶ Catetorium HVAC	\$680,000
▶ Electrical Upgrades	\$110,000
▶ Gym HVAC	\$275,000
▶ Structural Work to support HVAC	\$50,000
▶ ATC upgrade to digital controls	\$345,000
▶ New generator/replacement & upgrades	\$175,000
▶ Technology Upgrades	\$50,000
▶ Asbestos abatement if needed	\$25,000
▶ Door access controls	\$200,000
▶ Soft Costs	\$903,000
Total:	\$4,913,000

All projects eligible for up to 40% state aid. Parking lot eligible for up to 40% on \$735,000.

What is Included in the Referendum IMMS

- ▶ **Parking lot reconstruction and related work:** Mill and overlay existing parking lot and drives, provide heavy duty pavement at bus loop, replace distressed areas, replace curbs and sidewalks, construct dumpster enclosure, construct concrete pad at receiving area. There is extensive damage; alligator cracks, chipped curbs, sinking asphalt, broken sidewalks.
Cost: \$900,000 \$735k eligible for anticipated 32.61% state aid.
- ▶ **HVAC upgrades and climate control of classrooms, gym, and cafetorium.** Install chiller pumps, and mains. HVAC was replaced in 2003 and retrofitted to accommodate future climate control system. Replace existing computer room HVAC unit which is beyond useful life. Includes related electrical, structural and roofing work. Temperature readings within classrooms reach mid-80's, **interior doors must be closed for security purposes**, multiple students and staff with documented medical conditions.
Cost: \$1,925,000 entire project eligible for anticipated 32.61% state aid.

IMMS Cont.

- ▶ **ATC upgrade to digital controls.** Automatic temperature controls system upgrades - convert from DDC to pneumatic in remaining areas. Allows for more efficient oversight of climate control.
Cost: \$195,000 entire project eligible for anticipated 32.61% state aid.
- ▶ **Classroom door access controls.** Door access control system for 43 classroom doors. Includes communication technology and electrical work. Current locking system on classroom doors is outdated and replacement parts becoming unavailable.
Cost: \$110,000 entire project eligible for anticipated 32.61% state aid.
- ▶ **Soft costs:** Architect fees, bonding & legal fees, permits, contingency, etc.
Cost: \$675,500 \$639,891 eligible for anticipated 32.61% state aid.

IMMS Total Project Cost: \$3,805,500

Eligible Total for State Aid: \$3,604,891

State share anticipated at 32.61%: \$1,175,555

What is Included in the Referendum IMS

- ▶ **Generator replacement and upgrades.** Replacement of gas fired generator which is at end of useful life. New larger generator to handle additional loads including technology and security, providing back-up power to all IDF and MDF rooms.
Cost: \$175,000 entire project eligible for anticipated 32.61% state aid.
- ▶ **Cafeteria HVAC upgrades.** HVAC upgrades and air conditioning of cafetorium. Installation of new kitchen hood make-up air unit. Includes related electrical, structural, abatement and roofing work, and digital controls. Final area at IMS to receive climate control.
Cost: \$565,000 entire project eligible for anticipated 32.61% state aid.
- ▶ **Classroom door access controls.** Door access control system for 53 classroom doors. Includes communication technology and electrical work. Current locking system on classroom doors is outdated and replacement parts becoming unavailable.
Cost: \$140,000 entire project eligible for anticipated 32.61% state aid.

IMS cont.

- ▶ **Soft costs:** Architect fees, bonding & legal fees, permits, contingency, etc.
Cost: \$227,500 all costs eligible for anticipated 32.61% state aid.

IMS Total Project Cost: \$1,107,500

Eligible Total for State Aid: \$1,107,500

State share anticipated at 32.61%: \$361,156

*Total anticipated state aid is calculated on both principal and interest:

Total Referendum: \$4,913,000 (principal)

Anticipated Interest: \$1,288,651 (estimate 3.2%)

Anticipated state aid: (\$2,022,464) (32.61%)

Why Do We Need a Referendum Now?

- Like most school districts, Shamong struggles to fit large maintenance projects into its annual budget.
- Regular maintenance is being done on both buildings.
- Two projects were part of the 17-18 budget projected at over \$500k and became ineligible for up to 40% state aid.
- Favorable interest rates and the pending retirement of debt in 2018 makes this an opportune time for a referendum.
- Anticipate 32.61% state aid - aid is only available if the referendum passes.
- The state will give Shamong school district an estimated \$2 million toward the costs that would not be available if the projects were placed in the annual budget.
- With the debt falling off in 2018 the average tax payer will see a 45% decrease in the debt service portion of their tax bill with the new referendum included.

Average Assessed Home in Shamong \$308,169:

- ▶ Currently a taxpayer with an average assessed home of \$308,169 pays \$385.62 towards their tax bill for the school districts debt (prior referendums).
- ▶ Due to a larger retirement of debt falling off in 2018 and the new referendum debt being substantially less a current taxpayer with an average assessed home will see a savings of \$173.51 on their 2019 tax bill.

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SAVINGS**

What Does it Cost?

Current payment on \$308,169 property:

2018 Payment from average taxpayer on existing debt:

\$385.62

Existing Debt 2018 Payment:

\$830,426

(This payment is what property owners are taxed upon)

May 2018 final payment on prior approved referendum

What Will it Cost?

Current anticipated payment on \$308,169 property:

2019 Payment from average taxpayer on existing & new debt:

\$212.11

2019 New Referendum payment:

\$317,891

Existing Debt 2019 Payment:

\$138,700

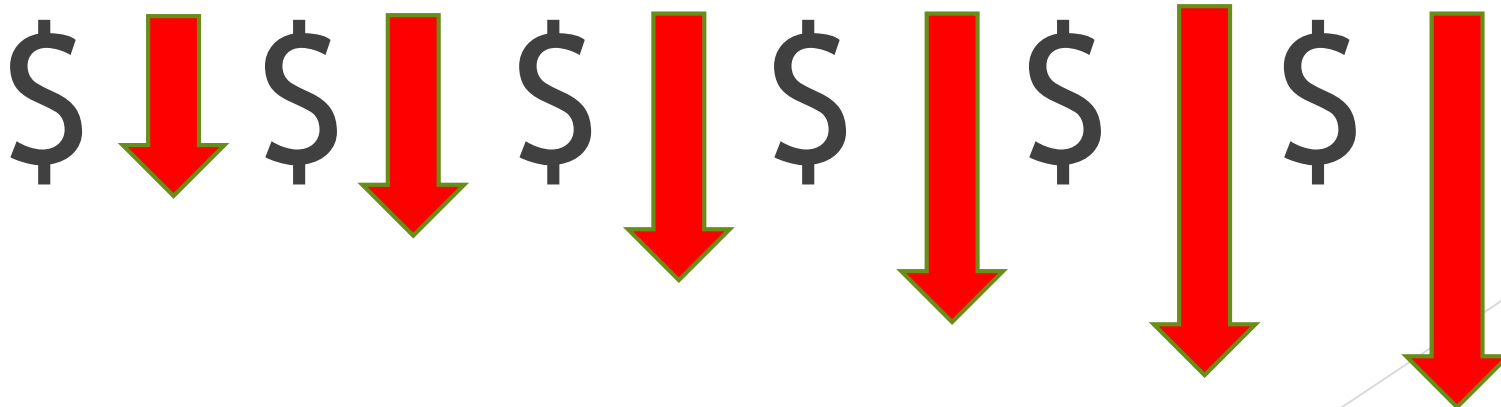
Total 2019 Payment due: \$456,591

(This payment is what property owners are taxed upon)



Some Additional Information:

- ▶ Taxpayers of Shamong have been taxed on approximately \$926,060 annually of existing debt for the past 7 years.
- ▶ The next 8 years with the new referendum taxpayers will be taxed on approximately \$429,592 annually.
- ▶ The new referendum will cost the average property owner \$129.00 annually for 15 years.
- ▶ For every \$100,000 of assessed value a property owner will pay \$42.00 towards the new referendum.
- ▶ In 2026 a final payment will be made to one other existing debt obligation.



Final Thought!

\$4,913,000 Total amount of projects & amount to be bonded.

\$1,288,651 Anticipated interest at 3.2%

(\$2,022,464) Anticipated state aid payment at 32.61% over 15 years

\$4,179,187 Total amount to be paid over 15 years

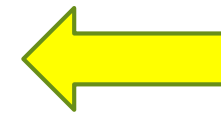
\$385.62 Current tax payment by average property owner for debt portion of school tax bill in 2018



\$212.11 Anticipated tax payment with new referendum by average property owner for debt portion of school tax bill in 2019



\$173.51 Minimum annual savings for next 15 years



Questions???

