

# Connecticut River Collaborative Planning Committee

JANUARY 28, 2021 STATUS REPORT  
RHR SMITH AND COMPANY, CPA'S.

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## Tonight's Focus Areas

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In order to prepare for the Committee for the initial draft report of our financial analysis, that we will issue and discuss next week, we will cover the following areas tonight:

- Assumptions
  - Membership
  - Purchased Services
  - Consolidated FY 22 Budgets
- Anticipated Cost Impacts
  - Configuration of Facilities
  - Other Operational Areas (transportation, food service, etc.)
  - Other Consolidation Thoughts – Observations From Other Experiences
- Next Steps

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## Interstate School District Assumptions

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### Membership:

- The CRC Interstate School District will be a single school district (operating PreK-12) comprised of the current school districts of:
  - Colebrook
  - Columbia
  - Stewartstown
  - SAU 7
  - Canaan
  - ENSU
  
- We believe that this will reduce the number of school boards, budgets, etc. from six to one.

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## Interstate School District Assumptions

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### Purchased Services:

- Non-Operating Districts Clarksville and NEK Choice Districts will need an agreement/legal advice for Superintendent and contracted services with another entity, likely the CRC Interstate District
- Pittsburg will also need an agreement/legal advice for Superintendent and contracted services with another entity, likely the CRC Interstate District
- There will still be three local school boards
- Configuration
  - Clarksville PK-8 provided by Pittsburg; 9-12 choice
  - Pittsburg PK-8 Operating; 9-12 choice
  - NEK Choice PK-12 choice

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## Interstate School District Assumptions

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### Purchased Services (continued):

- These agreements will need to be negotiated between the service provider and the individual school district
- Superintendent oversight of Clarksville, Pittsburg and NEK Choice Districts must be addressed at the local and state level (Vermont and New Hampshire)
- Identify contracted services to be provided
- Determine methodology to charge for contracted services
- Draft agreement and receive approval at the local and state level
- NEK Choice could be assigned to another Vermont Supervisory Union (determined by the VT Board of Education)

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## Interstate School District Assumptions

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### Consolidated FY 2022 Budget Status

- Based on Board Proposed FY 2022 budgets (still need to be approved by voters)
- Building financial model to combine FY22 proposed budgets excluding Clarksville, Pittsburg and NEK Choice.
- Identifying revenues and expenses between combined entities
  - Eliminating redundancies such as tuition expense/revenue between members (no longer required in a single district)
  - Reviewed by SAU 7 and ENSU Superintendents and Business Managers
- Gathering average daily membership and education equalized (market) values to model apportionment of costs

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## Interstate School District Assumptions

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Review Draft Summaries (see two pdf files distributed via email)

- General Fund Summary - FY22 Proposed Budget
- FY22 Proposed Budget - Eliminations

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## Anticipated Costs - Facilities

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Subcommittee identified four options (1-13-21 draft report)

1. New Regional High School (7-12) and new CTE Facility (9-12) - new location
  - All elementary students remain in local schools (PK-6)
2. Regional High School Remodel in Canaan (9-12) and new CTE in Canaan (9-12)
  - Canaan elementary students attend other schools (PK-8). Other schools (PK-8)
3. Regional High School addition in Colebrook (7-12) and new CTE in Colebrook (9-12)
  - All elementary students remain in local schools (PK-6)
4. Regional High School addition at Colebrook, new CTE in Colebrook, Remodel Middle School in Canaan
  - Canaan elementary students attend other schools (PK-6)

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## Facilities (continued)

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The financial data for these options is not yet final and some information cannot be calculated due to:

- Site acquisition costs not included in early estimates. This data is important to estimate costs.
- Facility project costs impacted by option selected.
- Financing options impacted by facilities decision.
- Canaan \$1 million construction fund identified by Facility subcommittee.
- Operating costs impacted by facilities decision.

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## Anticipated Costs - Transportation

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Contracted services

- Issue request for services after the compact is approved, prior to the school year.
- Until the facility configuration is known it will be difficult to know the cost routes beyond totaling the current contracts and local costs.

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## Anticipated Costs - Food Services

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- Contracted services
  - All members currently use the same provider (we believe)
  - Consolidation should have a minimal impact unless service model changes

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## Anticipated Costs— Other Areas of Potential Changes

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### What happens to existing local funds?

- Existing scholarships and endowments
- Capital and other reserves prior to the Interstate School District
- Facility upkeep and reserves

### What happens to debt?

- Existing local debt
- New debt incurred by the consolidated district
- Costs related to facility changes
- Facility upkeep and reserves

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## Anticipated Costs— Other Areas of Potential Changes

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### Other potential impacts to existing costs (ongoing)

- Staffing - Impact to FTE's
  - Based on:
    - Facility configurations
    - Student Offerings
    - Staffing Capacity
    - Purchased services agreements
  - Athletics/Cocurricular (such as the number of teams, clubs, where offered, etc.)
  - Contracted Services (such as audits, legal, etc.)

### Observations from Other Consolidations

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## Next Steps

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- RHR Deliverables:
  - Initial Draft Cost Analysis of Four Options
    - Operational Estimates
    - Staffing Models based on Configuration Options
  - Ongoing review and verification of data with SAU 7-ENSU
  - Apportionment Models
  - Additional Review of Data re CTE Decision Points for the Committee
    - Delivery Models, Existing and New Status, Relationship with Non-Consolidated Districts, etc.

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## Next Steps

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- Committee Deliverables:
  - Decision Points
    - Pick Configuration Model
    - Update Facility Costs (based on configuration model and all anticipated costs)
    - Transportation Update based on services needed to support configuration model chosen
    - Co-Curricular and other related programming option
    - What financial system will be used
    - Apportionment determination
    - Bond Project(s)
    - Existing debt issues
    - Existing reserve and other fund issues
  - Community Engagement and related observations

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## Next Week and Beyond...

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### Tuesday, February 2, 2021

- First set of draft reports to Committee based on Four Options

### Thursday, February 4, 2021

- Committee Discussion with RHR Smith and Company regarding first set of reports

### To Be Determined

- Committee Decisions that Impact Cost Analysis
- Community Input Timeline
- Drafting Interstate Agreement (with Attorneys) and identify impact on cost analysis and apportionment
- Engaging Other Decision Makers
  - State of Vermont, State of New Hampshire
    - Funding, Capital Projects, CTE, SU Membership (NEK Choice); CTE Impact (North Country, other?)
  - Non-Member Districts
    - Determine Services to be Provided
    - How costs will be determined; impact to interstate district budget to provide contracted services

RHR Issues future drafts based on above (RHR will need one to two business weeks to issue revised drafts after committee decisions are made).

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Questions??

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