

Connecticut River Collaborative Planning Committee

MARCH 18, 2021 – OPTIONS ANALYSIS
RHR SMITH AND COMPANY, CPA'S.

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Tonight's Topics

- **How We Got Here**
 - What are the Goals?
 - Options Analysis
 - Facility Considerations
 - Staffing Analysis
 - Financial Implications

- **Next Steps**
 - Committee Selects Option
 - Develop Budget for Selected Option

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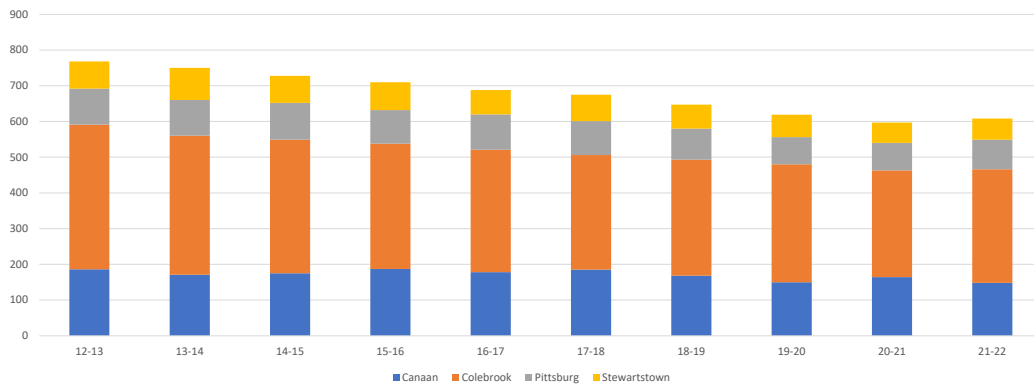
How We Got Here

What are the Goals?

- Student Equity & Opportunities
- CTE Expansion
- Address Regionally Declining Enrollment
- Increase Efficiency by Committing to Shared Resources

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Student Enrollments by School (Excluding PreK)



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How will our students benefit?

Primary goal of increased opportunities with a reasonable impact on taxpayers - reduction of staff and buildings increases financial efficacy which frees resources for increased offerings.



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How will our students benefit?

- Expanded offerings for students (AP, world language, STEAM)
- A greater head start for college credits and career and technical training
- More extra curricular options for students
- Reduces scheduling concerns for students
- Greater access to early college credits, dual enrollment and work-based learning
- Increase diversity of the student body
- Reduces segregation of college bound and CTE students
- Alignment of curriculum - leveling the playing field for everyone
- Less competition for highly qualified staff

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FY 2020 Cost per Pupil

(background information)

	2019-20
Canaan (Equalized Pupils)	\$18,686
Colebrook	\$16,532
Pittsburg	\$34,562
Stewartstown	\$23,193

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The Data Presented is Based On Many Assumptions

- FY 22 Proposed Budgets
- Prior Facility Cost Projections
- Undetermined Allocations
- Presumptions About Program Offerings and Projected Class Sizes
- Prior Year Fiscal Reports from State Agencies

Proceed with Caution!

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The Following Data Is Presented For Illustration Purposes:

Based on the best data currently available

Cannot determine actual costs for a future fiscal year until opening date is known including:

Updated enrollment, staffing and financial data (normal budget development process)

Actual costs are known or better projected

Facility Needs Analysis and Capital Project Costs Updated for Option Chosen

Proceed with Caution!

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Options Analysis

RHR's Role

- Pick Data Point (FY 22 Projections)
- Work with Superintendents and Team to Understand Committee Goals (What are the Goals)
- Identify Three Comparable Options (with ability to Pivot) for Committee Comparison
- Project Costs on These Basis

Three Options for Consideration

Handout - [March 2021 Campus and Configuration Chart.pdf \(sharepoint.com\)](#)

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Option Analysis: The Basics

- Process of narrowing down options has proved challenging. We could not provide analysis of all options previously discussed and certainly not those that were emerging in present time.
- RHR Smith identified need to take no more than three options forward at this point in process
- Detailed work being done with finances and staffing will be integrated with these three options
- Concern was evidenced with the scope of both VT and NH Facility Analysis, given declining enrollment
- We'll push these three options forward through review and allow for revisions at later point in process, prior to sharing with community and submittal to State BOE's
- Be careful with the details as the options we are now discussing, might not be exactly like ones you have seen previously.
- Lastly, these are presented to enable the beginning of a conversation with committee members

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Option A - Membership & Services

Single District - Replaces ENSU and SAU 7

Towns Served - Canaan, Stewartstown, Colebrook, & Columbia

Non-Member Districts:

- Clarksville and Pittsburg remain independent
- Tuition grades 9-12 to new regional HS/CTE
- Purchase admin services from regional system
- NEK purchases services from regional district

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Option A - Facilities

- Regional HS Canaan 9-12
- Regional CTE Canaan 9-12
- Regional MS Colebrook 5-8
- Colebrook Elementary School (serving Colebrook and Columbia) PreK- 4
- Stewartstown Elementary School (serving Stewartstown and Canaan) K-4
- Canaan Elementary School (serving Canaan and Stewartstown) PreK only

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Option A - Facility Costs

Staffing and operational costs in process

**Cost of new Regional HS/CTE – Canaan

Cost of new Regional MS Colebrook

**Canaan(Stewartstown) PreK – necessary updates

Colebrook Elementary – necessary updates

Stewartstown Elementary –Grades K-4 - necessary updates

For Financing purposes will use 30-year bond schedules provided by VMBB

Assume no state aid on either side of river at this time

- NH Process for applying is lengthy, worth exploring if timeline allows, may have to phase in project

****Construction Bond Cost Estimate \$14,247,877**

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Option B - Membership & Services

Single District - Replaces ENSU and SAU 7

Towns Served - Canaan, Stewartstown, Colebrook, & Columbia

Non-Member Districts

- Pittsburg and Clarksville remain independent
- Tuition grades 9-12 to new regional HS/CTE
- Purchase admin services from regional system
- NEK purchases admin services from regional district

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Option B - Facilities

- Regional HS Colebrook 9-12
- Regional CTE Colebrook 9-12
- Regional MS Colebrook 7-8
- Canaan Elementary School PreK-6
- Colebrook Elementary School (serving Colebrook and Columbia) PreK-6
- Stewartstown Elementary School PreK-6

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Option B - Facility Costs

Staffing and operational costs in process

**Cost of new Regional HS/CTE - Colebrook

**Cost of new Regional MS - Colebrook

Canaan Elementary – necessary updates

Colebrook Elementary – necessary updates

Stewartstown Elementary – necessary updates

For Financing purposes will use 30-year bond schedules provided by VMBB

Assume no state aid on either side of river at this time

- NH Process for applying is lengthy, worth exploring if timeline allows, may have to phase in project

**** Construction Bond Cost Estimate \$8,791,833**

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Option C - Membership & Services

Single District - Replaces ENSU and SAU 7

Towns Served - Canaan, Stewartstown, Colebrook, Columbia, **Clarksville & Pittsburg**

Non-Member District

- NEK purchases admin services from regional district

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Option C - Facilities

Regional HS Colebrook 9-12

Regional CTE Colebrook 9-12

Regional MS Pittsburg 7-8

Canaan Elementary School PreK-6

Colebrook Elementary School (serving Colebrook and Columbia) PreK-6

Stewartstown Elementary School (serving Stewartstown) PreK-6

Pittsburg Elementary School (serving Pittsburg and Clarksville, in same building as Regional MS PreK-6)

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Option C - Facility Costs

Staffing and operational costs in process

**Cost of new Regional HS/CTE

**Cost of new Regional MS Pittsburg

Canaan Elementary – necessary updates

Colebrook Elementary – necessary updates

Stewartstown Elementary - necessary updates

Pittsburg Elementary – necessary updates

For Financing purposes will use 30-year bond schedules provided by VMBB

Assume no state aid on either side of river at this time

- NH Process for applying is lengthy, worth exploring if timeline allows, may have to phase in project

****Construction Bond Cost Estimate \$8,791,833**

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Facility Questions?

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Staffing Analysis

Process & Assumptions

- Uses FY 22 Projected Enrollment To Look At Class Sizes
- Identifies Student Opportunity Needs And Systemic Needs
- Focuses On Educational, Instructional & Operational Leadership & Efficiency
- Identifies Potential Impact Of Consolidation & Sharing Resources
- Cost Analysis Does Not Address Revenue Sources (Grant Funded Positions)
- Average Compensation Used For Current Estimates
- Subject To Revision:
 - Staffing (Program Offerings, Special Education Fluctuations, Contracted Services) and
 - Projected vs. Actual Costs (Health and Other Insurance Rates, Negotiated Agreements, etc.
 - Analysis by two Superintendents, three RHR and assistance of two Business Managers

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What Is Level Funded?

Special Education

- Anticipate Additional Changes For All 3 Options
- Reconcile Staffing And Contracted Services: Need To Determine Which Services Should Be In-house, Contracted or Both
- By Its Nature Special Education is Ever Evolving
- For Comparison Purposes, We Have Opted To Level Fund Services for These Illustrations

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What Is Level Funded?

Office Staffing & Administration

- Same number of campuses equals same number of staff
- Some shifting of staff locations depending upon the option
- Future reductions possible as efficiencies of single district emerge
- Central Office staffing also level funded but reconfigured to allow for greater depth in areas of responsibility, leadership focus and expertise (No increase in FTE but anticipated financial savings included in analysis)

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What Is Level Funded?

Bus Drivers & Transportation

- Level funded Bus Drivers and current service contracts
 - Once campus configurations and memberships are known can reconcile budget and staffing levels in this area

Operations

- Level funded custodians and maintenance staff.
 - Once campuses and facility usage is known, along with total square footage, staffing and service contracts can be reconciled

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Reductions

All Three Options

- Consolidation of grade levels (elementary, middle and/or high school allows for right sizing of student/teacher ratios while still increasing student opportunities and providing additional intervention support
- Additional reductions may be found once the work of implementation of an option begins and as would usually occur during the budget process

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Reductions

All Three Options

- 1.0 FTE reduction in staffing in Special Education in Option C Only
 - As stated above, additional reductions are anticipated in Special Education

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Additions

Recommended Increases or Reallocation of Staffing Resources

- Additional intervention support included in all three options
- Additional CTE programs included in all three Options
 - Increases current program capacity
 - Expands program to include two additional offerings
- Increases student learning opportunities in all three Options
- Increases technology support (instructional, leadership, and system)

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Option A

(does not include Clarksville/Pittsburg)

Configuration	Location	Attendees	Anticipated Enrollment
PreK Grades 9-12 & CTE	Canaan	PreK: Canaan & Stewartstown 9-12: All	189
Grades PreK-4 Grades 5-8	Colebrook	Grades PreK-4: Colebrook & Columbia Grades 5-8: All	290
Grades K-4	Stewartstown	Grades K-4: Canaan & Stewartstown	71
			550

- Non-resident tuition students will have the same options as today (may be in new location)
- Enrollment numbers include PreK
- Stewartstown building is not large enough to accommodate PreK-6 for both Canaan & Stewartstown
- PreK at Canaan supports new CTE program offering

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Option B

(does not include Clarksville/Pittsburg)

Configuration	Location	Attendees	Anticipated Enrollment
PreK-6	Canaan	PreK-6: Canaan	62
Grades PreK-6 Grades 7-12 & CTE	Colebrook	Grades PreK-6: Colebrook & Columbia Grades 7-12: All	444
Grades PreK-6	Stewartstown	Grades PreK-6: Stewartstown	44
			550

- Non-resident tuition students will have the same options as today (may be in new location)
- Enrollment numbers include PreK
- Leaves all PreK-6 students in current location
- Renovations required to support 444 students in Colebrook

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Option C

(Includes Clarksville/Pittsburg)

Configuration	Location	Attendees	Anticipated Enrollment
PreK-6	Canaan	PreK-6: Canaan	62
Grades PreK-4 Grades 9-12	Colebrook	Grades PreK-4: Colebrook & Columbia Grades 9-12: All	390
Grades PreK-6 Grades 7-8	Pittsburg	PreK-6: Clarksville & Pittsburg Grades 7-8: All	145
Grades PreK-6	Stewartstown	Grades PreK-6: Canaan & Stewartstown	44
			641

- Non-resident tuition students will have the same options as today (may be in new location)
- Enrollment numbers include PreK
- Leaves all PreK-6 students in current location

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The Data Presented is Based on Lots of Assumptions

FY 22 Proposed Budgets

Presumptions About Program Offerings and Projected Class Sizes

Based on the best data currently available

Projected costs for future fiscal year challenges including:

Updated enrollment, staffing and financial data
(part of normal budget development process)

Actual costs are known or better projected

Proceed with Caution!

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FTE Staffing Cost Estimates

	Option A	Option B	Option C
Building Based Services	-\$302,813	-\$347,865	-\$601,313
Special Education Services	0	0	-\$63,600
Centralized Services	+\$115,000	+\$115,000	+\$115,000
Net	-\$187,813	-\$232,865	-\$549,913
CTE Program	+\$316,000	+\$316,000	+\$316,000
Anticipated Cost (Reduction):	\$128,188	\$83,135	(-\$233,913)

- First Draft (Two Superintendents & Three RHR developed without additional input)
- Reconfigures Building Staff to add instructional intervention support
- Adds Operations and Technology Support
- Adds CTE Program

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Staffing Questions?

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Apportionment - Option A, B or C

- Assumptions
 - FY2022 Proposed Budget provides the financial base
 - Handouts
 - FY2022 Base Budget (Options A and B) and Eliminations
 - FY2022 Base Budget (Option C) and Eliminations
 - Apportionment based on resident students (Dresden and Rivendell)
 - 19-20 resident students - October 2019
 - Apportionment for equalized education assessed values or combination of resident students and equalized education assessed values may be explored

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Apportionment - Option A, B or C

- Assumptions
 - Existing debt service in Canaan funding future work for Interstate School District
 - Interstate School District will continue to provide services and receive revenue from NEK Choice
 - Interstate School District provides contracted services to Clarksville and Pittsburg (Option A and B)
 - Apportionment amount
 - NH - local education taxes
 - VT - Act 68 net education spending
 - Act 68 Factors - Base Pupil Amount \$10,998, equalized pupils 133.4, common level of appraisal 1.1268

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FY2022 Budget - Base Tax Rate

Base - FY22 Budget (All)	Net	2020	Estimated	\$150k Assessed
	Education	Education	Local	Value Home
	Spending	Grand List	Education Tax	Local
			Rate per \$1,000	Ed Taxes
Clarksville	413,252	46,860,972	\$8.82	\$1,323
Colebrook	2,348,967	186,958,181	\$12.56	\$1,884
Columbia	636,188	92,049,091	\$6.91	\$1,037
Pittsburg	1,701,475	292,923,356	\$5.81	\$872
Stewartstown	1,648,614	110,037,642	\$14.98	\$2,247
Canaan (FY21 Act 68 factors)	2,446,225	Act 68	\$14.80	\$2,220
Total	9,194,721			

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2019-2020 Resident Students

	19-20		
	Resident		
	Students	Option A & B	Option C
Clarksville	18		2.95%
Colebrook	253	46.85%	41.41%
Columbia	60	11.11%	9.82%
Pittsburg	53		8.67%
Stewartstown	99	18.33%	16.20%
Canaan	128	23.70%	20.95%
	611	100.00%	100.00%

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Apportionment - Options A, B or C

	Option A	Option B	Option C (All)
FY22 Proposed Budget	\$16,016,672	\$16,016,672	\$18,899,315
Option Staffing Changes	\$128,188	\$83,135	(\$233,913)
Option Facility Changes	\$779,013	\$754,580	\$480,700
Less: Revenues	(\$8,936,678)	(\$8,936,678)	(\$9,704,594)
Net Education Spending	\$7,987,195	\$7,917,709	\$9,441,508

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Apportionment - Option A

Canaan - PreK includes Canaan and Stewartstown, Regional 9-12 and CTE;
 Colebrook includes Colebrook and Columbia PreK-4 and Regional 5-8;
 Stewartstown includes Stewartstown and Canaan K-4

Option A	19-20 Resident Students	Allocated Net Education Spending	Estimated Local Education Tax Rate	\$150k Assessed Value Home Local Ed Option A Taxes	\$150k Assessed Value Home FY22 Budget Ed Taxes	\$150k Assessed Value Home Option A Tax Change
100% Students						
Colebrook	46.85%	\$3,742,149	\$20.02	\$3,003	\$1,884	\$1,119
Columbia	11.11%	\$887,466	\$9.64	\$1,446	\$1,037	\$409
Stewartstown	18.33%	\$1,464,319	\$13.31	\$1,997	\$2,247	(\$250)
Canaan	23.70%	\$1,893,261	\$11.45	\$1,718	\$2,220	(\$502)
	100.00%	\$7,987,195				

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Apportionment - Option B

Canaan - includes PreK-6;
 Colebrook include Colebrook and Columbia PreK-6, Regional 7-12 and CTE;
 Stewartstown includes PreK-6

<u>Option B</u>		Allocated	Estimated	\$150k Assessed	\$150k Assessed	\$150k Assessed
	19-20	Net	Local	Value Home	Value Home	Value Home
	Resident	Education	Education	Local Ed	FY22 Budget	Option B
100% Students	Students	Spending	Tax Rate	Option B Taxes	Ed Taxes	Tax Change
Colebrook	46.85%	\$3,709,594	\$19.84	\$2,976	\$1,884	\$1,092
Columbia	11.11%	\$879,745	\$9.56	\$1,434	\$1,037	\$397
Stewartstown	18.33%	\$1,451,580	\$13.19	\$1,979	\$2,247	(\$268)
Canaan	23.70%	\$1,876,790	\$11.35	\$1,703	\$2,220	(\$517)
	100.00%	\$7,917,709				

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Apportionment - Option C (All)

Canaan – PreK-6;
 Colebrook includes Colebrook and Columbia PreK-6 and Regional 9-12 and CTE;
 Pittsburg includes Pittsburg and Clarksville PreK-6 and Regional 7-8;
 Stewartstown PreK-6

<u>Option C</u>		Allocated	Estimated	\$150k Assessed	\$150k Assessed	\$150k Assessed
	19-20	Net	Local	Value Home	Value Home	Value Home
	Resident	Education	Education	Local Ed	FY22 Budget	Option C
100% Students	Students	Spending	Tax Rate	Option C Taxes	Ed Taxes	Tax Change
Clarksville	2.95%	\$278,146	\$5.94	\$891	\$1,323	(\$432)
Colebrook	41.41%	\$3,909,496	\$20.91	\$3,137	\$1,884	\$1,253
Columbia	9.82%	\$927,153	\$10.07	\$1,511	\$1,037	\$474
Pittsburg	8.67%	\$818,985	\$2.80	\$420	\$872	(\$452)
Stewartstown	16.20%	\$1,529,802	\$13.90	\$2,085	\$2,247	(\$162)
Canaan	20.95%	\$1,977,926	\$13.48	\$2,022	\$2,220	(\$198)
	100.00%	\$9,441,508				

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Financial Considerations Questions?

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Next Steps

Committee Decision Points - Campuses & Configuration

Continue to Operate All Current Sites?

Current Configurations (grade levels/programs)

New Configuration (grade levels/programs)

Close Campuses?

Local Elementary or Regional?

Retain Local Elementary Schools

Consolidate Elementary Programs for New Configurations

Regional Consolidation

High School (9-12 with CTE)

Middle School (7-8 or 5-8)

Elementary (K-4; K-6; PreK-4; PreK-6)

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Next Steps

Committee Decision Points – Membership, Services & Offerings

Membership & Services:

Pittsburg /Clarksville Membership or Purchased Services

NEK Choice Purchased Services

Offerings:

Legal Requirements

Mandatory Course Offerings (such as Drivers Ed)

Special Education (VT vs. NH considerations)

Class Size Issues (VT Policy)

CTE Programs

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Next Steps

Once Decision Points Are Resolved by the Committee:

Update Renovation Costs and Financing Options

Develop Budget for New Option

- Staffing Review Based on What's Known Then (current numbers are FY 22 Projected)
- Identify Other Potential Cost Savings
 - Transportation
 - Food Services
 - Supplies
 - Professional Services (audits, negotiations, etc.)
 - Other

Managing Expectations – Potential for Additional Savings in Future Years

- Implementation Costs (construction, system conversions, learning curve)
- Multiple audits year one; less in future years
- Experience
- Declining enrollment (potentially)

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Guiding Questions? (KYLE & CAROLE)

Where does this go??