

## School Article 5 – Capital Reserve Funds

This article will raise \$549,038 and deposit these funds into three School CRFs to support the School District's 20-year Capital Improvement Plan (CIP). This plan projects the School District's needs out through 2044-45. The amount this year is an increase of 10% over last year's request of \$499,125.

Equipment, Facilities Maintenance, and Replacement CRF (established 2006): \$283,698 (30% decrease from \$403,526 last year) would be placed in this CRF, which currently contains \$2,483,518.02. (1) Major projects proposed for the funds in this CRF include heating, cooling, and roofing. See the Capital Improvement Plan Needs Assessment for the Schools, dated October 16, 2024. (2) Expected projects in the 2025-26 school year include air conditioning in the RHS Math Wing, and IHGMS security alarm replacement. (3)

Technology CRF (established 2008): \$228,094 (294% increase from \$57,832 last year) would be placed in this CRF, which currently contains \$623,578.26. (1) Major projects in the CIP needs assessment include infrastructure hardware/switches and longer-term security upgrades, with the infrastructure upgrade/switches project anticipated in 2025-26. (2)(3)

Food Service Equipment CRF (established 2006): \$37,246 (very slightly decreased from \$37,767 last year) would be placed in this CRF, which currently contains \$254,021.01. (1) Proposed projects include walk-in refrigerators and freezers. (2)(3)

The estimated tax impact of passing this article is \$0.40 per \$1000 assessment, or \$80 on a \$200,000 home, which is an increase from the previous year of \$0.04 per \$1000 assessment, or \$8 on a \$200,000 home.

A **YES vote** raises \$549,038 to fund these three School District CRFs.

A **NO vote** would not fund the identified CRFs in the School District CIP this year.

### Reasons why some voters might vote yes:

- To address the scheduled replacements and upgrades at the schools
- Consider saving for these items necessary
- To avoid spikes in tax rate and interest on borrowed/bonded funds by saving gradually

### Reasons why some voters might vote no:

- Disagree with the stated purposes for these funds
- Prefer to finance capital expenditures through other methods such as bonding or borrowing
- Prefer that expenditures determined to be required in 2026 are taken out of existing balances

### References:

1. Trustees of the Trust Funds MS-9 Report dated 11/30/2024, School District Funds section. <https://tinyurl.com/yhrac9e5>
2. Capital Improvement Plan Needs Assessment for the Schools, as prepared for the CIP committee. Note that if fully-funded, the needs assessment for 2025-26 would be \$4,950,720. <https://tinyurl.com/3nj8cvd2>
3. SAU Presentation to Budget Committee for 01/07/2025 Public Hearing <https://tinyurl.com/36aazc8n>