

Comments on Minuteman Building Committee presentation
March 31, 2015
Sudbury

1. Cost estimates for Sudbury presented on slides #42 and #43 are the capital costs of the building options as cited. These costs do not include operating costs and current annual debt due to the ESCO project.
2. Slides #42 and #43 assume 628-student enrollment. By FY2020 (academic year 2019-2020), Minuteman predicts 525 in-district and 103 out-of-district students. This assumes an 8% annual increase in in-district enrollment beginning in the 2015-2016 academic year.
3. Slide #43 assumes the Minuteman District is comprised of its current 16 member municipalities. If, as seems reasonable from current representations, Boxborough, Weston, Dover, and Wayland withdraw from the district but send their students as out-of-district students paying a capital fee, the cost of annual debt service to Sudbury for the “new building” project would be \$246,490 (an increase of \$11,883 from the \$234,607 annual cost shown).
4. The cost estimates shown in slides #42 and #43 assume a \$7,527 capital fee per out-of-district student. For the 103 out-of-district students assumed for FY2020, this comes to generate about \$780,000 annually to offset member town debt service assessments. To the extent that the capital fees fall short, the member towns are assessed the difference. If no capital fees are collected, Sudbury’s obligation would increase to \$305,437—an additional \$70,830 annually from the \$234,607 capital cost projected on slide #43.
5. The projected interest rate on the capital bond is 3.5%; the maturity is 30 years. Short-term bond anticipation notes will be issued during the period of construction (2018 to 2020), with the 30 year bond issued in FY2020.

6. Numbers for building under the proposed and under the existing agreement are presented; MSBA (Massachusetts School Building Authority) does not require adoption of the proposed agreement for reimbursement of building costs.