

***King Philip Regional School District
Debt Exclusion Information Sheet***

Town of Norfolk

***Special Town Meeting – September 20, 2005
@ 7:30 PM in King Philip Middle School Auditorium***

Why: Current cost escalations in public construction resulted in constructions bids that exceeded the original budget for the high school addition and renovation project.

What: On July 25, 2005, the King Philip Regional School Committee voted to request an additional \$5.6 million for the High School Building Project.

Steps Taken by School Committee Prior to Debt Exclusion Request :

1. Prior to going out for bid, the building committee cut \$2.4 million from the project, including:
 - Adjustments to HVAC shelving
 - Modifications to classroom lighting
 - Elimination of a lecture hall
 - Elimination of new equipment for the field house and gymnasium
 - Asphalt curbing instead of granite curb
 - Asphalt sidewalks instead of concrete
 - Changed the type of controls for auditorium staging equipment
 - Modification to canopies at bus loop, parent drop-off zone, and loading dock.
2. In February 2005, two meetings held by the School Committee with the Boards of Selectmen and Finance Committees lead to support to proceed with the high school project because construction costs would continue to rise, even if the project was re-bid.
3. To proceed with construction, and simultaneously, to meet the increased construction costs, the Building Committee voted to remove funds budgeted for furniture, equipment, technology as well as \$1.6 million from construction contingency.

The additional \$5.6 million, will allow us to meet the needs of our current students as well as our future students.

Without a debt exclusion override:

- Existing furnishings, some of which are over twenty (20) years old, will be used
- New up-to-date classroom equipment for student learning will not be purchased
- Outdated or non-existent science laboratory equipment will not be replaced or purchased
- Technology similar to what is available in middle school will not be purchased.

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Facts:

- Other school construction bids in Massachusetts have exceeded budgets (Chicopee, Needham, Easton, Everett, Swampscott)
- To delay and re-bid the project would have resulted in even higher construction costs
- Phase I, new academic wing, is scheduled for September 2006 opening
- Phase II, remainder of project, is scheduled for August 2007 completion
- At this time there is no state reimbursement for the additional \$5.6M requested by the District

Assumption for the chart below:

- Bonds will be issued at a 5.0% interest rate.
- State reimbursement will occur over three (3) years rather than twenty (20) years

TAX IMPACT on AVERAGE NORFOLK HOUSEHOLD

	Original May 2003	Current September 2005	Difference	Average yearly difference
Length of Debt Service	27 Years	26 Years	1 Year	
Norfolk's Debt Service	\$11,859,059	\$13,247,956	\$1,388,887	\$53,419
Impact on average home in Norfolk	\$3,784	\$4,155	\$371	\$14.27

Debt-exclusion timetable:

- 7/25/05 Regional School Committee voted \$5.6M debt exclusion to be submitted to the three towns
- 8/16/05 Board of Selectmen voted to hold Special Town Meeting September 15, 2005
- 9/15/05 Special Town Meeting at King Philip Middle School to approve or to disapprove incurring additional regional school district debt of \$5.6M
- 11/1/05 Election in all three towns to authorize each town's share of debt to exceed limits set by Proposition 21/2 **if each** town meeting approves incurring of debt.

This very important issue needs your attention and careful consideration.

Special Town Meeting Tuesday September 20th

7:30 in the King Philip Middle School Auditorium

Please plan to attend!