

New London Magnet School Plan Comparison

(Rev. J)

	Option 1 Magnet (Refurb.-As-New)	Option 2 Non-Magnet (Refurb.-As-New)	Option 3 Non-Magnet (Not Refurb.-As-New)¹
Construction Cost Comparison			
Combined NH & Winthrop School Enrollment:	635	635	635
Harbor Kids to be Added to NH & Winthrop:	328	328	328
# Out-Of-District Students to NH & Winthrop:	75	0	0
New Combined NH & Winthrop School Enrollment:	1038	963	963
Ren. Cost (incl. Modularity and 10% OSF):	\$ (35,705,940)	\$ (35,705,940)	\$ (17,852,970)
Exp. Cost (incl. 10% OSF):	\$ (24,632,824)	\$ (20,048,551)	\$ (10,024,276)
21st Century TOTAL:	\$ (60,338,763)	\$ (55,754,491)	\$ (27,877,245)
Reimbursement Rate (Refurb-As-New) ² :	78%	78%	50%
State Contribution (Refurb-As-New):	\$ 47,064,235	\$ 43,488,503	\$ 13,938,623
Reimbursement Rate (Refurb-As-New) ³ :	95%		
State Contribution (Refurb-As-New):	\$ 57,321,825		
Difference Btwn. Reimbursement Rates:	\$ 10,257,590		
Difference over \$10M ⁴ :	\$ 257,590		
State Contribution:	\$ 57,265,155	\$ 43,488,503	\$ 13,938,623
City Contribution:	\$ (3,073,608)	\$ (12,265,988)	\$ (13,938,623)
Bonding Differences:	\$ -	\$ (9,192,380)	\$ (10,865,015)
Interest Rate:	5%	5%	5%
Period (yr.):	20	20	20
Annual Debt Service Payment⁵:	\$ (246,634)	\$ (984,255)	\$ (1,118,471)
Annual Bond Payment Difference Relative to Magnet Plan:	\$ -	\$ (737,620)	\$ (871,837)
Adjusted Revenue Change Comparison			
# NL Students in Public and Magnet Schools:	3,535	3,535	3,535
# NL Students in Magnet Schools eligible for reimbursement:	1,516	553	553
# NL Students in Non-Magnet Schools:	2,019	2,982	2,982
Non NL-Supported Revenue:	\$ 23,051,732	\$ 23,051,732	\$ 23,051,732
ECS Funding per Student (non-Magnet) ⁶ :	\$ 5,777	\$ 5,777	\$ 5,777
ECS Funding per Student (Magnet):	\$ 2,889	\$ 2,889	\$ 2,889
Revenue per Child, NL Magnet School student:	\$ 3,000	\$ 3,000	\$ 3,000
Revenue change for added NL Magnet School students ⁷ :	\$ 107,375	\$ -	\$ -
Revenue per Child, Out-Of-District Student (in 2011...?):	\$ 8,158	\$ 8,158	\$ 8,158
Added Revenue, New Out-Of-District Students ⁸ :	\$ 611,850	\$ -	\$ -
State Revenue TOTAL:	\$ 23,770,957	\$ 23,051,732	\$ 23,051,732
Current Education Costs:	\$ (40,715,736)	\$ (40,715,736)	\$ (40,715,736)
Class Size:	20	20	20
Extra Teachers Required:	4	0	0
Teacher Cost (Sal.+Benefits):	\$ (80,000)	\$ (80,000)	\$ (80,000)
Extra Employees Required (assumed):	3	0	0
Additional Employee Cost (Sal.+Benefits):	\$ (60,000)	\$ (60,000)	\$ (60,000)
Added Annual Teacher + Employee Cost:	\$ (500,000)	\$ -	\$ -
Cost/Elementary Level Student ⁹ :	\$ (1,222)	\$ (1,222)	\$ (1,222)
Added Consumable (non-overhead) Cost:	\$ (91,668)	\$ -	\$ -
Operational Cost TOTAL:	\$ (41,307,404)	\$ (40,715,736)	\$ (40,715,736)
NL Share of Education Budget:	\$ (17,536,447)	\$ (17,664,004)	\$ (17,664,004)
Annual NL Share Difference Relative to Magnet Plan:	\$ -	\$ (127,557)	\$ (127,557)
Total Cost Comparison			
TOTAL Construction and Education Payments:	\$ (17,783,081)	\$ (18,648,259)	\$ (18,782,475)
Total Annual Plan Cost Difference:	\$ -	\$ (865,177)	\$ (999,394)
Dollars per Mil of Taxes	\$ 1,233,703	\$ 1,233,703	\$ 1,233,703
Mil Applied to Education Costs:	14.41	15.12	15.22
Assessment:	\$ 200,000	\$ 200,000	\$ 200,000
Tax for Education:	\$ (2,883)	\$ (3,023)	\$ (3,045)
Tax Difference Relative to Magnet Plan:	\$ -	\$ (140)	\$ (162)

FOOTNOTES:

- Construction costs assumed roughly 1/2 of the non-magnet Refurb.-As-New case and no need for Modularity.
- Normal reimbursement rate (assumed 50% if not Refurb.-As-New).
- Magnet school reimbursement rate.
- Extra magnet grant caps at \$10M
- Assumes annual compounding.
- Figure from C. Clouet; accounts for money added for underprivileged students.
- Includes 50% ECS cut for NL kids in magnet schools.
- Assumes out-of-district revenue for currently existing Magnet Schools included in "Current Revenue" above.
- Calculated from FY08 Adopted Grade School budget after subtracting Salaries/Benefits, Cleaning/Repair/Maintenance, Pupil Transportation and Tuition.

GLOBAL ASSUMPTIONS:

- Total number of out-of-district students to participate will be a function of school capacity and sending district participation. Minimum 65 required to satisfy State requirements.
- State will continue funding magnet districts with money for out-of-district students beyond 2011.
- New London is allowed to use existing out-of-district students (e.g., at RMMS, S&T, etc.) in calculation for determining 15% level.
- Additional Building Operational Costs are assumed negligible since savings resulting from closing a school would offset costs added by expanding. In addition, newer schools will be more energy efficient and require less maintenance than older schools.