

The following pages provide information that may prove helpful to the discussions of the Task Force. Presented are generally accepted standards for annual Maintenance spending and Capital Renewal spending required for proper Maintenance and Capital re-investment for school buildings. These standards may help in gaining an understanding of the magnitude of financial commitment required and may help quantify the GAP between what is required for proper stewardship and what is possible based on funding realities.

An interesting data set to have would be what is the total spent by school districts on Operations and how much is spent on Maintenance and compare this amount with the industry standard of 1% and 2% respectively.

As a note of clarity, the Expenditure Forecast for State School Building Portfolio table on Page 4, contains dollar values in RED that represent the extrapolated value. As of this time 98.6% of the building financials are in.

The Average Yearly spending values in RED offer what minimally needs to be spent to address Immediate Needs and the Yearly replacement of equipment and systems that have run their useful life. A multiplier of 1.5 and 2.0 has been added to account for costs unaccounted for in the assessment and is a discussion point.

Categories of K-12 School Facility Expenditures and Annual Investment Standards

Spending Category	Description	Budget Type	Funds Source	Investment Standard
Facility Operations	The services required to keep a facility clean and sanitary, so that its occupants are comfortable, healthy, and productive. Operations include utilities, support services to assist occupants; security; and custodial services	M&O	District Budget	1% CRV
Routine Maintenance	Routine recurring work (preventive, predictive and emergency), including scheduled inspections, record keeping, equipment servicing, patching holes, and repairing furniture and fixtures.	M&O	District Budget	2% CRV
Capital Renewal	Major repair, alteration, and replacement of building systems, equipment, and components that will sustain or extend the useful life of the entire facility campus (school). Work includes roadway and drainage improvements, playing field replacement, roofs, HVAC, windows, doors, structural repairs, building refurbishments, minor additions, modernization projects, and replacement or provision of long-life assets to a facility campus such as portable classrooms and furniture, fixtures, and equipment	Capital	State Aid/ Local Bond	4% CRV
Major Modernization	Major alteration of the entire building(s). Projects typically involve design changes and/or educational suitability alterations of building(s)	Capital	State Aid/ Local Bond	Above and beyond 4% CRV
Building Replacement	Complete or partial building replacement based on determination that it is more cost effective to fully replace building(s) rather than do major modernization	Capital	State Aid/ Local Bond	Above and beyond 4% CRV
New construction for growth	Additional capacity needed to keep up with growth in enrollment	Capital	State Aid/ Local Bond	Above and beyond 4% CRV

School Facilities Annual Investment Standards

Applied to the Vermont Portfolio of Schools

- Vermont schools contain roughly 17,643,000 square feet of space
- At a unit construction cost of \$650^{**}/sq.ft. that is a Current Replacement Value (CRV) of \$11,467,950,000
- 1% CRV for Operations equals \$ 114,679,500 annually
- 2% CRV for Maintenance equals \$ 229,359,000 annually

^{**} This unit construction cost is not a firm number and can vary substantially depending on project specifics, but is within the range of costs that are being seen in Vermont currently.

Expenditure Forecast for State School Building Portfolio

System	Immediate	Short Term (1-2 yr)	Near Term (3-5 yr)	Med Term (6-10 yr)	Long Term (11-20 yr)	TOTAL Immediate - 20 yr
Structure	\$841,700	\$469,300	\$639,800	\$2,586,000	\$2,671,900	\$7,208,800
Facade	\$9,131,700	\$8,328,000	\$13,997,700	\$25,198,300	\$76,997,600	\$133,653,400
Roofing	\$14,095,000	\$13,602,700	\$31,765,700	\$39,524,300	\$105,489,200	\$204,476,900
Interiors	\$28,915,300	\$27,307,600	\$90,139,100	\$121,677,800	\$285,348,700	\$553,388,300
Conveying	\$527,000	\$1,825,100	\$3,575,100	\$3,689,000	\$6,817,500	\$16,433,600
Plumbing	\$5,673,600	\$11,475,500	\$44,254,000	\$63,650,300	\$147,984,600	\$273,037,900
HVAC	\$10,007,200	\$31,563,800	\$74,586,100	\$85,944,900	\$191,484,400	\$393,586,600
Fire Protection	\$991,700	\$2,044,300	\$5,924,200	\$15,907,700	\$6,755,900	\$31,623,900
Electrical	\$6,009,300	\$14,586,600	\$35,359,900	\$55,608,000	\$142,587,600	\$254,151,200
Fire Alarm & Electronic Systems	\$4,965,300	\$16,375,600	\$50,359,700	\$79,007,900	\$117,852,200	\$268,560,700
Equipment & Furnishings	\$2,235,400	\$6,025,100	\$24,456,600	\$35,551,500	\$57,185,800	\$125,454,200
Special Construction & Demo	\$1,364,800	\$273,000	\$596,300	\$2,788,300	\$16,585,200	\$21,607,600
Site Development	\$1,620,100	\$3,761,500	\$9,644,500	\$21,960,100	\$48,063,700	\$85,049,900
Site Pavement	\$9,055,800	\$10,162,200	\$12,552,500	\$23,131,100	\$56,300,900	\$111,202,500
Site Utilities	\$176,200	\$905,700	\$1,978,800	\$4,935,300	\$13,762,300	\$21,758,300
Follow-up Studies	\$3,702,600	\$0	\$0	\$14,900	\$0	\$3,717,500
Energy Savings Opportunity	\$5,300	\$0	\$0	\$0	\$0	\$5,300
Accessibility	\$643,400	\$0	\$0	\$0	\$0	\$643,400
TOTALS (3% inflation)	\$99,961,200	\$148,706,000	\$399,830,000	\$581,175,400	\$1,275,887,400	\$2,505,560,000
Extrapolated out	\$101,294,016	\$150,688,746	\$405,161,065	\$588,924,403	\$1,292,899,228	\$2,538,967,458

Average Yearly Spending	\$120,903,212
Average Yearly Spending x 1.5	\$181,354,818
Average Yearly Spending x 2.0	\$241,806,425