# Chariho Regional School District
## Office of the Director of Administration & Finance

455A Switch Road
Wood River Junction, Rhode Island 02894

***All Kids. All of the Time.***

GINA M. PICARD
Superintendent of Schools

GREGORY ZENION
Director of Administration & Finance

LYNN GOUVIN
Assistant Director of Administration & Finance


**To:** Mario Carreno, Chief Operating Officer, Rhode Island Department of Education

**From:** Gregory Zenion, Director of Administration & Finance

**Date:** September 15, 2026

**Subject:** Financing Plan – Chariho RIDE Stage II per September 15, 2026, Submission

Per submission requirements the following considerations have been applied.

**Pre FY27**

Chariho has operated with reasonable fund balances in each of the last ten years as demonstrated in annual independent audits. General fund budgets have remained stable while supporting educational programming and facilities maintenance throughout the District. Capital funding has been carefully managed while the District pursued a long-term solution for its elementary school facilities and developed the necessary planning and design documents associated with this application.

**Now**

A unique opportunity exists through the Rhode Island Department of Education Necessity of School Construction Program to consolidate Charlestown Elementary School, Richmond Elementary School, and Ashaway Elementary School (in Hopkinton) into one modern elementary school consisting of two buildings located on the current Charlestown Elementary School site.

The constraints the District has navigated throughout this process were fourfold:

1. Complete a RIDE Stage II application and financing plan for the replacement of three aging elementary schools.
2. Complete the necessary application materials by September 15, 2026.
3. Maximize the funds available to the District by accessing all available State reimbursement incentives, including the Regional School District incentive.
4. Minimize the long-term cost to local taxpayers while providing a permanent facility solution for future generations of students.

We believe this submission achieves these goals and has the following impact on the regional budget and affected towns per below:


The Chariho Regional School District does not discriminate on the basis of age, sex, marital status, race, religion, genetic information, national origin, color, political affiliation, veteran status, sexual orientation, gender identity or expression, or disability in accordance with applicable law.

**Consolidated Elementary School Bond - Proposed Option**

**$116 Million Bond Authorization**

**RIDE reimbursement up to 65% achievable**

**61% base reimbursement**

**Estimated State Share $75.4 million**

**Estimated Local Share: $40.6 million**

**Regarding Value**

- Existing elementary facilities in Charlestown, Richmond, and Hopkinton continue to require significant capital investment and long-term maintenance.
- The proposed project replaces three schools with one modern elementary school consisting of two buildings designed to serve the District for the next fifty years.
- A $116 million project without State reimbursement would require taxpayers to fund the entire project cost.
- The 2026 proposal is $116 million with reimbursement up to 65%, resulting in an estimated local principal cost of approximately $40.6 million.
- Consolidation of three facilities into one modern elementary school consisting of two buildings reduces future major capital obligations, building system replacements, and long-term maintenance costs.

**Regarding Operating Budget and Impact to Member Towns**

- Detailed cash flow estimates for project spending will be provided separately by the District.
- Operating savings are anticipated for utilities, maintenance contracts, custodial services, building systems maintenance, and related facility expenses through the consolidation of three schools into one modern elementary school consisting of two buildings.
- Capital expenditures associated with maintaining three aging facilities will be substantially reduced.
- The project provides opportunities for operational efficiency through a modern building layout, updated systems, and centralized services.
- Chariho maintains a healthy overall debt profile and will continue to evaluate debt issuance schedules to minimize annual operating budget impacts.
- State School Housing Aid reimbursements will substantially offset the local cost of construction and maximize the value of taxpayer investment.

Chariho will consider a capital Revolving Fund with guidance from SBA when appropriate.

Thank you.

Respectfully submitted,

Gregory Zenion

Director of Administration & Finance

Chariho Regional School District

# *Chariho Regional School District*

## *Projected School Debt Service*

### *$116,000,000 (2 Bond Issues) with 25-Year Final Maturity*

### *August 27, 2026*

| $116,000,000 Total Par Amount Split Across 2 Bond Issues - 25-Year Maturity | | | |
|---|---|---|---|
| **Transaction Summary** | **$58,000,000 July 2027** | **$58,000,000 July 2029** | **Total** |
| ***Sources:*** | | | |
| **Par Amount** | $ 58,000,000 | $ 58,000,000 | $ 116,000,000 |
| **Premium** | 2,415,107 | 2,417,564 | 4,832,670 |
| **Total Sources** | $ 60,415,107 | $ 60,417,564 | $ 120,832,670 |
| ***Uses:*** | | | |
| **Project Fund Deposit** | $ 59,883,107 | $ 59,885,564 | $ 119,768,670 |
| **COI & Underwriter's Expense** | 532,000 | 532,000 | 1,064,000 |
| **Total Uses** | $ 60,415,107 | $ 60,417,564 | $ 120,832,670 |
| **Closing Date** | 7/14/2027 | 7/11/2029 | - |
| **Final Maturity** | 5/15/2052 | 5/15/2054 | 5/15/2054 |
| **True Interest Cost** | 4.65% | 4.65% | 4.65% |

| **Preliminary Debt Service** | | | | **Total Net Debt Service 61% Reimbursement** | **Total Net Debt Service 65% Reimbursement** |
|---|---|---|---|---|---|
| FY 2028 | $ 2,424,722 | $ - | $ 2,424,722 | $ 2,424,722 | $ 2,424,722 |
| FY 2029 | 2,900,000 | | 2,900,000 | 2,900,000 | 2,900,000 |
| FY 2030 | 2,900,000 | 2,448,889 | 5,348,889 | 5,348,889 | 5,348,889 |
| FY 2031 | 4,405,000 | 2,900,000 | 7,305,000 | (3,661,953) | (4,381,097) |
| FY 2032 | 4,404,750 | 2,900,000 | 7,304,750 | 2,848,853 | 2,556,663 |
| FY 2033 | 4,405,750 | 4,405,000 | 8,810,750 | 3,436,193 | 3,083,763 |
| FY 2034 | 4,407,750 | 4,404,750 | 8,812,500 | 3,436,875 | 3,084,375 |
| FY 2035 | 4,405,500 | 4,405,750 | 8,811,250 | 3,436,388 | 3,083,938 |
| FY 2036 | 4,409,000 | 4,407,750 | 8,816,750 | 3,438,533 | 3,085,863 |
| FY 2037 | 4,407,750 | 4,405,500 | 8,813,250 | 3,437,168 | 3,084,638 |
| FY 2038 | 4,406,750 | 4,409,000 | 8,815,750 | 3,438,143 | 3,085,513 |
| FY 2039 | 4,405,750 | 4,407,750 | 8,813,500 | 3,437,265 | 3,084,725 |
| FY 2040 | 4,404,500 | 4,406,750 | 8,811,250 | 3,436,388 | 3,083,938 |
| FY 2041 | 4,407,750 | 4,405,750 | 8,813,500 | 3,437,265 | 3,084,725 |
| FY 2042 | 4,405,000 | 4,404,500 | 8,809,500 | 3,435,705 | 3,083,325 |
| FY 2043 | 4,406,250 | 4,407,750 | 8,814,000 | 3,437,460 | 3,084,900 |
| FY 2044 | 4,406,000 | 4,405,000 | 8,811,000 | 3,436,290 | 3,083,850 |
| FY 2045 | 4,409,000 | 4,406,250 | 8,815,250 | 3,437,948 | 3,085,338 |
| FY 2046 | 4,404,750 | 4,406,000 | 8,810,750 | 3,436,193 | 3,083,763 |
| FY 2047 | 4,408,250 | 4,409,000 | 8,817,250 | 3,438,728 | 3,086,038 |
| FY 2048 | 4,408,750 | 4,404,750 | 8,813,500 | 3,437,265 | 3,084,725 |
| FY 2049 | 4,406,000 | 4,408,250 | 8,814,250 | 3,437,558 | 3,084,988 |
| FY 2050 | 4,404,750 | 4,408,750 | 8,813,500 | 3,437,265 | 3,084,725 |
| FY 2051 | 4,404,500 | 4,406,000 | 8,810,500 | 3,436,095 | 3,083,675 |
| FY 2052 | 4,404,750 | 4,404,750 | 8,809,500 | 3,435,705 | 3,083,325 |
| FY 2053 | | 4,404,500 | 4,404,500 | 1,717,755 | 1,541,575 |
| FY 2054 | | 4,404,750 | 4,404,750 | 1,717,853 | 1,541,663 |
| **Total Debt Service** | **$105,162,972** | **$105,187,139** | **$210,350,111** | **$ 82,036,543** | **$73,622,539** |

**Assumptions:**

- Assumes an interest only period for first three years.
- Market rates as of August 26, 2026. Rates are preliminary and subject to change with market movement.

****PRELIMINARY, SUBJECT TO CHANGE. FOR DISCUSSION PURPOSES ONLY****

Hilltop Securities Inc. is providing the information contained in this document for discussion purposes as financial advisor to the Chariho Regional School District. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, supply, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of such changes in such assumptions may be material and could affect the projected results. These results should be viewed with these potential changes in mind as well as the understanding that there may be

# *Chariho Regional School District*

## *Projected School Debt Service*

### *$116,000,000 (2 Bond Issues) with 30-Year Final Maturity*

### *August 27, 2026*

**$116,000,000 Total Par Amount Split Across 2 Bond Issues - 30-Year Maturity**

| Transaction Summary | $58,000,000 July 2027 | $58,000,000 July 2029 | Total |
|---|---|---|---|
| ***Sources:*** | | | |
| **Par Amount** | $ 58,000,000 | $ 58,000,000 | $ 116,000,000 |
| **Premium** | 1,438,412 | 1,440,142 | 2,878,554 |
| **Total Sources** | $ 59,438,412 | $ 59,440,142 | $ 118,878,554 |
| ***Uses:*** | | | |
| **Project Fund Deposit** | $ 58,906,412 | $ 58,908,142 | $ 117,814,554 |
| **COI & Underwriter's Expense** | 532,000 | 532,000 | 1,064,000 |
| **Total Uses** | $ 59,438,412 | $ 59,440,142 | $ 118,878,554 |
| **Closing Date** | 7/14/2027 | 7/11/2029 | - |
| **Final Maturity** | 5/15/2057 | 5/15/2059 | 5/15/2059 |
| **True Interest Cost** | 4.82% | 4.82% | 4.82% |

| Preliminary Debt Service | | | | Total Net Debt Service 61% Reimbursement | Total Net Debt Service 65% Reimbursement |
|---|---|---|---|---|---|
| FY 2028 | $ 2,424,722 | $ - | $ 2,424,722 | $ 2,424,722 | $ 2,424,722 |
| FY 2029 | 2,900,000 | - | 2,900,000 | 2,900,000 | 2,900,000 |
| FY 2030 | 2,900,000 | 2,448,889 | 5,348,889 | 5,348,889 | 5,348,889 |
| FY 2031 | 3,960,000 | 2,900,000 | 6,860,000 | (3,835,503) | (4,536,847) |
| FY 2032 | 3,962,000 | 2,900,000 | 6,862,000 | 2,676,180 | 2,401,700 |
| FY 2033 | 3,961,250 | 3,960,000 | 7,921,250 | 3,089,288 | 2,772,438 |
| FY 2034 | 3,962,750 | 3,962,000 | 7,924,750 | 3,090,653 | 2,773,663 |
| FY 2035 | 3,961,250 | 3,961,250 | 7,922,500 | 3,089,775 | 2,772,875 |
| FY 2036 | 3,961,750 | 3,962,750 | 7,924,500 | 3,090,555 | 2,773,575 |
| FY 2037 | 3,959,000 | 3,961,250 | 7,920,250 | 3,088,898 | 2,772,088 |
| FY 2038 | 3,963,000 | 3,961,750 | 7,924,750 | 3,090,653 | 2,773,663 |
| FY 2039 | 3,958,250 | 3,959,000 | 7,917,250 | 3,087,728 | 2,771,038 |
| FY 2040 | 3,960,000 | 3,963,000 | 7,923,000 | 3,089,970 | 2,773,050 |
| FY 2041 | 3,962,750 | 3,958,250 | 7,921,000 | 3,089,190 | 2,772,350 |
| FY 2042 | 3,961,250 | 3,960,000 | 7,921,250 | 3,089,288 | 2,772,438 |
| FY 2043 | 3,960,500 | 3,962,750 | 7,923,250 | 3,090,068 | 2,773,138 |
| FY 2044 | 3,960,250 | 3,961,250 | 7,921,500 | 3,089,385 | 2,772,525 |
| FY 2045 | 3,960,250 | 3,960,500 | 7,920,750 | 3,089,093 | 2,772,263 |
| FY 2046 | 3,960,250 | 3,960,250 | 7,920,500 | 3,088,995 | 2,772,175 |
| FY 2047 | 3,960,000 | 3,960,250 | 7,920,250 | 3,088,898 | 2,772,088 |
| FY 2048 | 3,959,250 | 3,960,250 | 7,919,500 | 3,088,605 | 2,771,825 |
| FY 2049 | 3,962,750 | 3,960,000 | 7,922,750 | 3,089,873 | 2,772,963 |
| FY 2050 | 3,960,000 | 3,959,250 | 7,919,250 | 3,088,508 | 2,771,738 |
| FY 2051 | 3,961,000 | 3,962,750 | 7,923,750 | 3,090,263 | 2,773,313 |
| FY 2052 | 3,960,250 | 3,960,000 | 7,920,250 | 3,088,898 | 2,772,088 |
| FY 2053 | 3,962,500 | 3,961,000 | 7,923,500 | 3,090,165 | 2,773,225 |
| FY 2054 | 3,962,250 | 3,960,250 | 7,922,500 | 3,089,775 | 2,772,875 |
| FY 2055 | 3,959,250 | 3,962,500 | 7,921,750 | 3,089,483 | 2,772,613 |
| FY 2056 | 3,963,250 | 3,962,250 | 7,925,500 | 3,090,945 | 2,773,925 |
| FY 2057 | 3,958,500 | 3,959,250 | 7,917,750 | 3,087,923 | 2,771,213 |
| FY 2058 | - | 3,963,250 | 3,963,250 | 1,545,668 | 1,387,138 |
| FY 2059 | - | 3,958,500 | 3,958,500 | 1,543,815 | 1,385,475 |
| **Total Debt Service** | **$115,168,222** | **$115,192,389** | **$230,360,611** | **$89,840,638** | **$80,626,214** |

**Assumptions:**

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