



DISTRICT OFFICES
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MEMORANDUM

To: Burlington Board of School Commissioners
From: Tom Flanagan, Superintendent
CC: Nathan Lavery, Executive Director of Finance and Operations
Date: 05/15/2026
Subject: BHS/BTC Project Budget Update

Purpose: The purpose of this memo is to update the School Board on the current financial status of the BHS/BTC project.

Discussion:

Project Expenditure Budget	\$203,759,358
Expenditures to Date	\$180,049,633

The project's total budget is sufficient to complete all of the work in the project plan. The \$24 million of unspent funds is accurate but somewhat misleading because nearly \$19 million of the unspent funds represent retainage (the portion of the construction costs that are earned but not paid until the project is substantially complete).

Additionally, the project has nearly \$4.8 million remaining across various contingency items, after accounting for over \$4.8 million of change orders. We anticipate spending a significant portion of these funds prior to the project's conclusion. These funds will be used to pay for unanticipated price increases (a recent example is a \$25,000 tariff on the movable gymnasium partition wall), costs associated with additional services from the design team based on the construction timeline extending into the summer, and features of the project's design that will only be authorized if funding is sufficient.

The project's total available revenue is sufficient to cover the full \$204 million of expenditures despite utilizing only \$159 million of the \$165 million voter authorization. The reduction in borrowing, which is estimated to save taxpayers nearly \$475,000 in debt service during the coming year, was made possible by an offsetting increase in revenue from interest and premiums. BSD has also received \$16 million of state funding for the PCB mitigation portion of the project, and over \$1 million in grants to cover stormwater work on the site. Additionally, and pursuant to the budget plan, a portion of annual BSD operating savings has been directed to the project budget over several years to further reduce the burden on taxpayers.

Overall, we remain on budget and on target to fully open the new BHS/BTC to students at the start of the coming school year.