

# Town of Bristol, RI

10 Court Street, Bristol, RI 02809

(401) 253-7000



**DATE:** July 27, 2022

**TO:** Honorable Town Council

**FROM:** Sara Hassell, Accountant

**RE:** Colt Fund

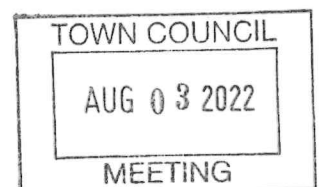
**CC:** Steve Contente, Town Administrator

The Town currently holds an endowment account titled the "Colt Fund". The funds were originally provided to the Town as \$100,000 par value of capital stock from the Bristol and Warren Water Works, the income of which was to be used for the maintenance of the Colt Memorial High School. \$100,000 is "permanent" and may not be utilized.

In 2008, the School District needed to perform renovations on the Colt Andrews School. In effort to not deplete the endowment account and take advantage of the State construction aid reimbursement program, the Town bonded \$2,050,000 and loaned it to the School District. The School District received \$158,875 in construction reimbursement aid each year and has remitted it to the Town upon receipt. The State aid represented 62% of the loan, or 1,271,000. These funds were received through 2016. The town invested these funds back into the endowment account, and withdraws twice per year to pay debt services. The idea was that the fund would grow enough to make up the remainder of the cost. To illustrate further:

6/30 Account Balance	2,556,262
Reserved to pay remaining Debt Service	(1,095,425)
Permanent Funds	(100,000)
Available Remaining Balance	<u>1,360,837</u>

4% recommended use (current balance):	102,250
4% recommended use (remaining balance):	54,433



As the Town Council serves in a capacity similar to that of a Board of Trustees for this fund, I believe the Council should vote to approve any withdrawals from the account. The funds are currently held in a mixture of equities and fixed income (approx. 52:46 split). According to our investment managers, a good rule of thumb is to maintain the balance in an account is to limit the withdrawal to 4-5% per year. To be conservative, I used 4% in my illustration. While this is complicated somewhat by our need to retain funds to service the debt, I believe that these repairs to preserve the integrity of the building and prevent further damage are an appropriate use of the funds. There are enough funds available at the current time to support the request.

As always, if you would like any further information or analysis on this, please let me know.



# Bristol Warren Regional School District

151 State Street, Bristol, RI 02809

Telephone: (401) 253-4000

Fax: (401) 253-1740

Thomas Wood  
Director of Facilities

Steve Contente  
Bristol, Town Administrator  
10 Court Street  
Bristol, RI 02809

July 22, 2022

Dear Steve

I am writing to let you know of upcoming repairs to the Colt School building. These repairs are necessary to preserve the integrity of the building and prevent further damage from happening. It is my understanding that this work is eligible to be reimbursed from the Colt Fund. The contractor that we are using is Westway Construction. They have done other work recently for the town on the Reynolds building. I feel they are well qualified to do the work on this historically significant building.

Specifically they will be repairing plaster and paint in the Auditorium. And repairing and repainting the exterior doors. I am enclosing a few photos of the work area. We are anticipating the cost of this repair work to be in the \$25,000 - \$50,000 range.

If you have any questions or need any additional information please let me know.

Regards

Thomas Wood  
Director of Facilities

CC/ Ana Riley, Superintendent of Schools  
encl/ (2) pictures of Auditorium  
(2) pictures of exterior doors



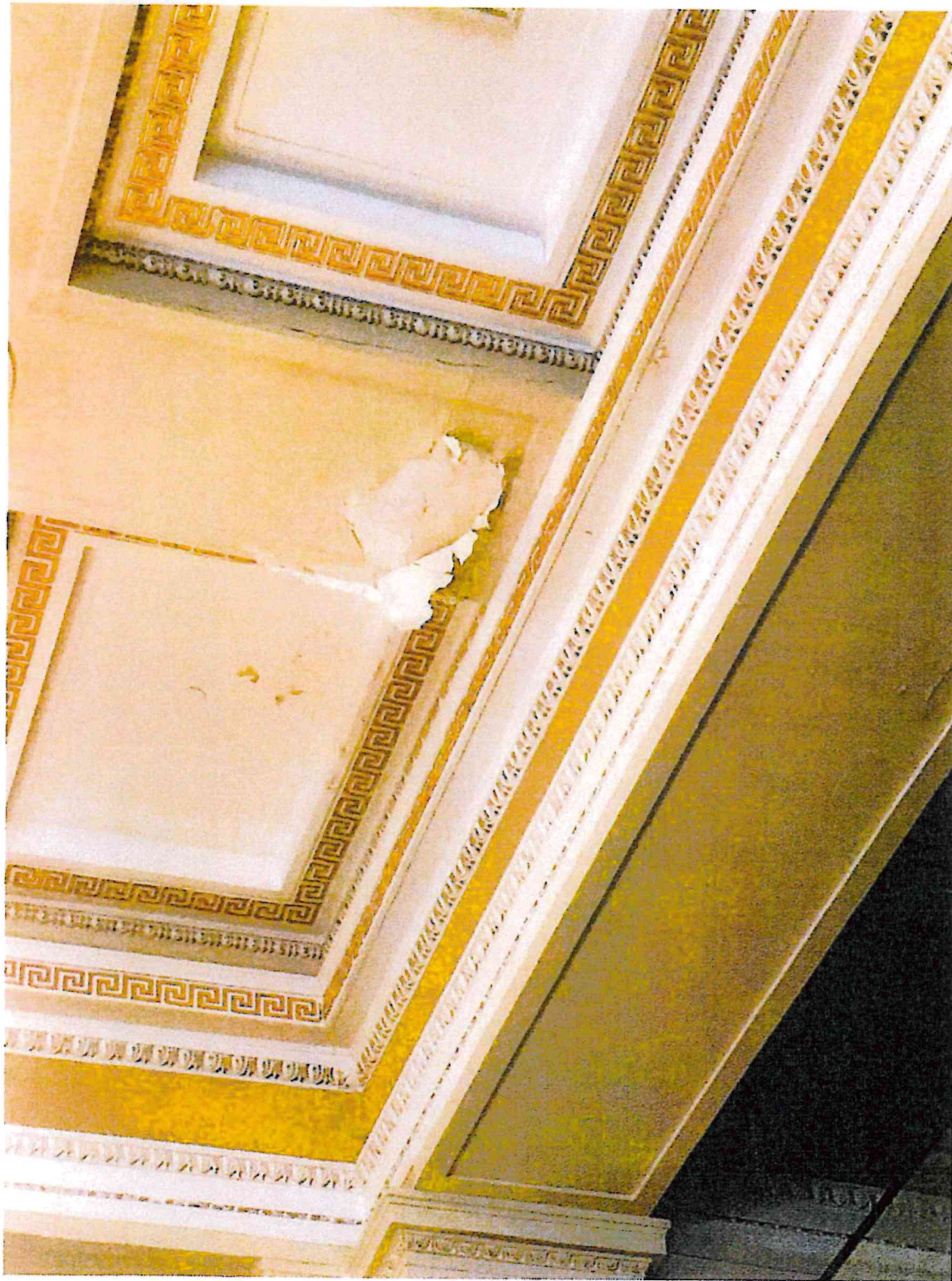
# Bristol Warren Regional School District

151 State Street, Bristol, RI 02809

Telephone: (401) 253-4000

Fax: (401) 253-1740

Thomas Wood  
Director of Facilities



*The Bristol Warren Regional School District does not discriminate on the basis of age, sex, race, religion, National origin, color, disability or sexual orientation in accordance with applicable laws and regulations.*





# Bristol Warren Regional School District

151 State Street, Bristol, RI 02809

Telephone: (401) 253-4000

Fax: (401) 253-1740

Thomas Wood  
Director of Facilities



*The Bristol Warren Regional School District does not discriminate on the basis of age, sex, race, religion, National origin, color, disability or sexual orientation in accordance with applicable laws and regulations.*





# Bristol Warren Regional School District

151 State Street, Bristol, RI 02809

Telephone: (401) 253-4000

Fax: (401) 253-1740

Thomas Wood  
Director of Facilities



*The Bristol Warren Regional School District does not discriminate on the basis of age, sex, race, religion, National origin, color, disability or sexual orientation in accordance with applicable laws and regulations.*



# Bristol Warren Regional School District

151 State Street, Bristol, RI 02809

Telephone: (401) 253-4000

Fax: (401) 253-1740

Thomas Wood  
Director of Facilities



*The Bristol Warren Regional School District does not discriminate on the basis of age, sex, race, religion, National origin, color, disability or sexual orientation in accordance with applicable laws and regulations.*