

FACILITY CONDITION ASSESSMENT

AND ENERGY AUDIT

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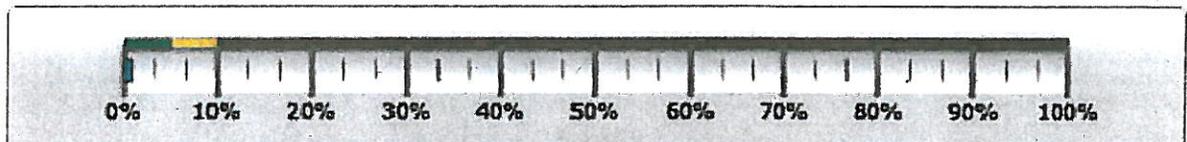
1.2 SUMMARY OF FINDINGS

This report represents summary-level findings for the Facility Condition Assessment. The deficiencies identified in this assessment can be combined with potential new construction requirements to develop an overall Long Term Capital Needs Plan that can be the basis for a facility wide capital improvement funding strategy. Key findings from the assessment include:

Key Finding	Metric
Facility Condition Index	0.92 %
Current Replacement Value	\$56,000,000
Immediate Capital Needs	\$515,185
1-5 Year Capital Needs	\$659,389
6-10 Year Capital Needs	\$599,391

1.3 FACILITY CONDITION INDEX

The Facility Condition Index (FCI) gives an indication of a building's or portfolio's overall state of condition. The values are based on a 0-100%+ scale and are derived by dividing the repair costs for a facility by a theoretical replacement value. This replacement value is calculated by multiplying the existing building square footage of a given facility by the Cost per Square Foot to construct a new, similar facility. Typically, the FCI is calculated using only the current condition values, not taking into account the future need identified in the life cycle evaluation. Accounting principles indicate that a value of 65%, or the "rule of two-thirds", be utilized for the FCI threshold for identifying potential replacement candidates. Once the current repair costs reach 65%, or roughly two-thirds of the full replacement value of the estimated cost to replace a facility, it may not be prudent to continue to fund repairs. In cases where aggressive facilities planning is expected to be necessary, this threshold may be adjusted to address more pressing need.



■ FCI ■ Fair - Poor ■ Good ■ Excellent

Vermont Veterans' Home, FCI: 0.92%