

**Proposition S Monthly Controls Status Report  
January 2013**

**San Diego Unified School District  
Facilities Planning and Construction Division**

**All Data as of December 31, 2012**

Prepared for:

Independent Citizen's Oversight Committee  
Facilities Planning and Construction Directors  
SDUSD Chief Financial Officer

**Proposition S Summary**

<b>Prop. S Percent Complete</b>	<b>Duration</b>	<b>Expended</b>
<b>14-Year \$2.28B Program (includes Prop. S and State Matching Funds)</b>	28.2%	19.1%
<b>Prop S Bond Sales Received</b>		\$ 518,095,751
<b>State Facility Program (Fund 35) Projected Revenue Thru June 2013</b>		44,424,587
<b>Projected Revenue thru June 2013</b>		562,520,338
<b>Total Expenditures-to-Date</b>		436,656,516
<b>FY 2012-2013 Planned Expenditures</b>		147,606,638
<b>Projected Fund Balance - June 30, 2013</b>		38,128,133 *
<b>Current Fund Balance</b>		125,863,822 *

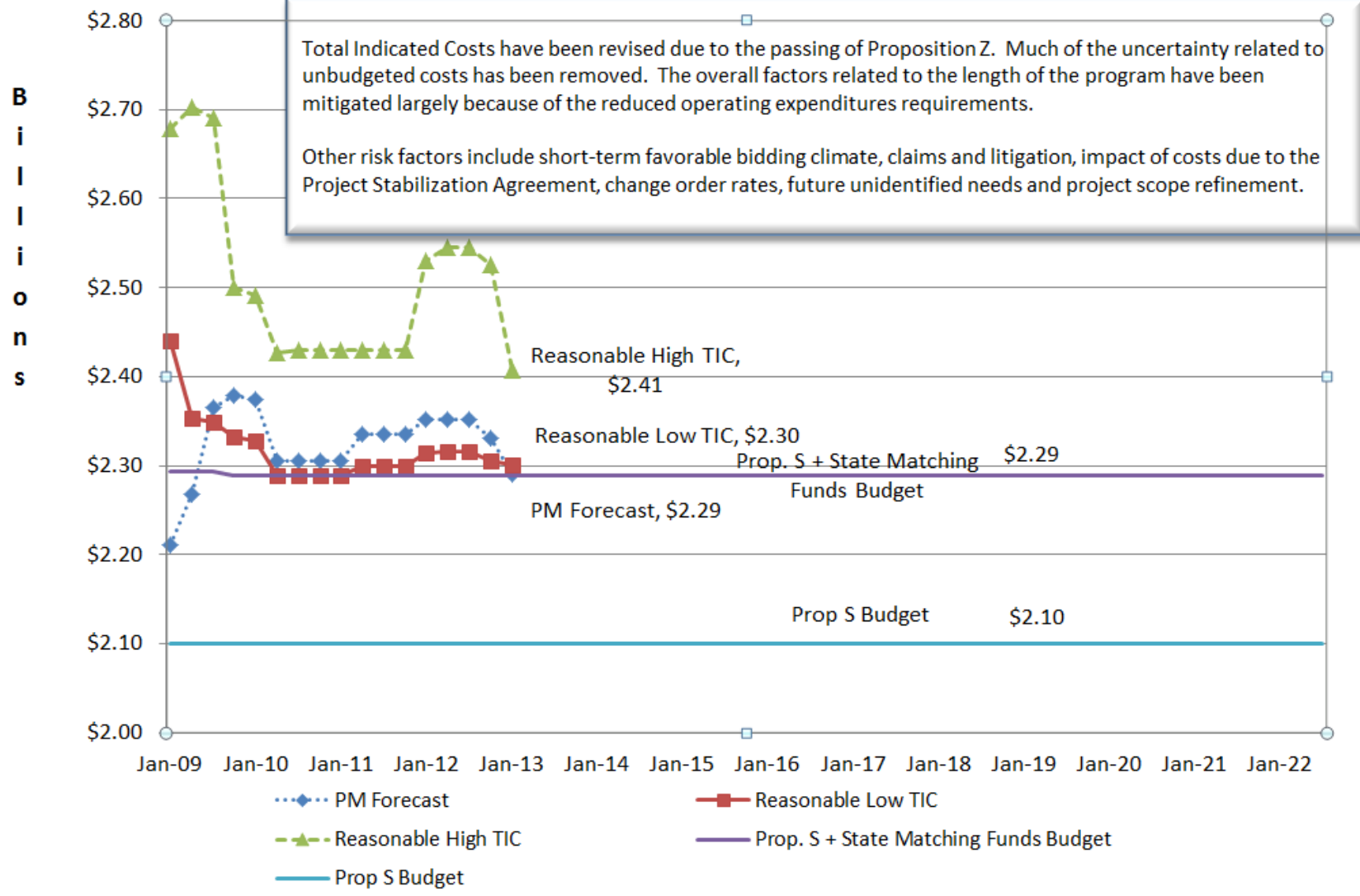
**FY 2012 / 2013 Expenditures**

<b>Category</b>	<b>Planned Percentage (Five-Year)</b>	<b>Percent of Expenditures</b>	<b>FY Expended - to date</b>	<b>Current Month Expenditures</b>	<b>Previous Month Expenditures</b>
<b>Planning &amp; Design</b>	14.8%	10.8%	\$ 6,473,321	\$ 1,260,115	\$ 1,147,766
<b>Construction &amp; Equipment</b>	80.0%	84.4%	50,512,052	7,307,284	9,068,752
<b>Program Management Office</b>	5.2%	4.8%	2,885,576	426,645	546,524
<b>Sub-Total</b>	100%	100%	\$ 59,870,949	\$ 8,994,043	\$ 10,763,042
<b>Prop. S Percent of Budget and Amount Committed-to-Date**</b>				<b>24.3%</b>	<b>\$ 555,624,895</b>
<b>Current Remaining Uncommitted Balance***</b>					<b>6,895,443</b>

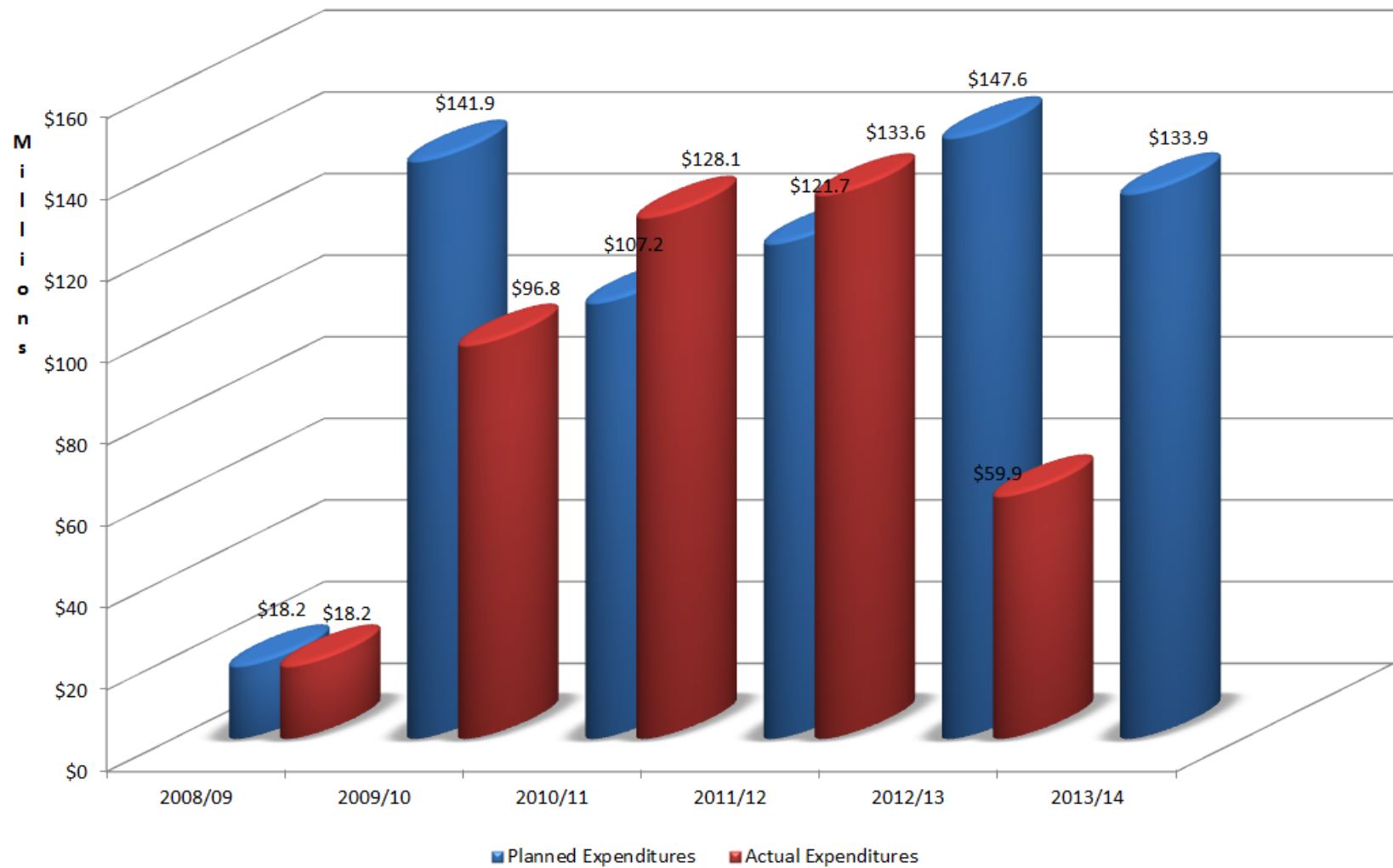
<b>Spending Plan</b>	<b>FY 2010 / 11 Actuals</b>	<b>FY 2011 /12 Actuals</b>	<b>FY 2012 / 13 Plan</b>	<b>FY 2012 /13 Actuals</b>
<b>Total Expenditures</b>	\$128,108,998	\$ 133,649,179	\$ 147,606,638	\$ 59,870,949
<b>Management Expenditures</b>	23,688,932	19,889,379	22,301,905	9,325,994
<b>Management Costs % of Total Expenditures</b>	18.5%	14.9%	15.1%	15.6%
<b>Federal E-Rate Share</b>	\$ 11,303,217	\$ 11,108,574	\$ 10,000,000	\$ 2,213,907
<b>Total Expenditures with E-Rate</b>	139,412,215	144,757,753	157,606,638	62,084,856
<b>Management Costs % of Total Expenditures</b>	17.0%	13.7%	14.2%	15.0%

- \* Fund balance is the unspent balance of revenue received
- \*\* Committed amount is the amount committed by salary, check authorization, contract or purchase order.
- \*\*\* Uncommitted balance is the amount that has not been committed by salary, check authorization, contract or purchase order.
- Management Costs include all labor, services, equipment and supplies that are not direct charges to projects.

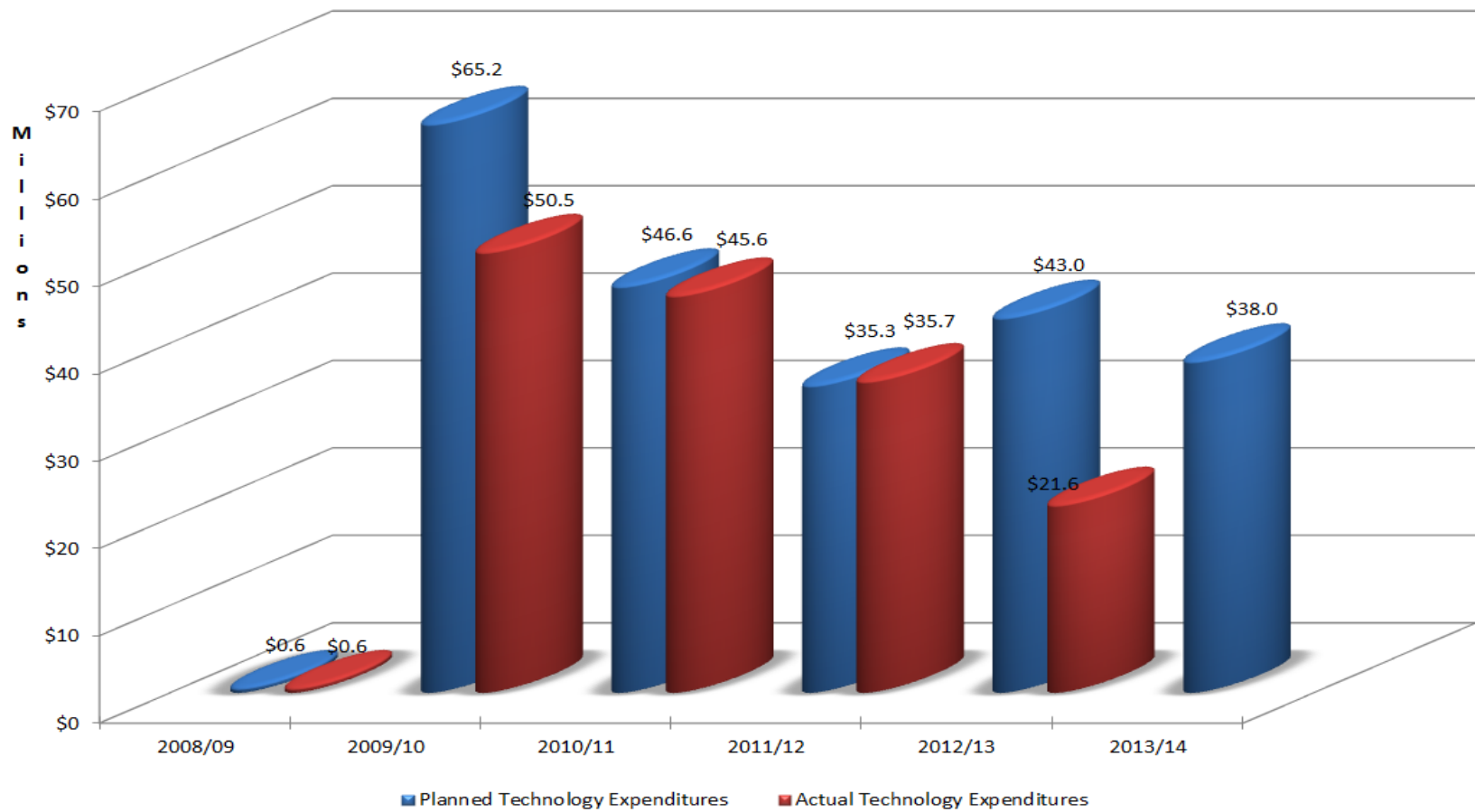
### Proposition S Total Indicated Costs (TIC) Comparison



## Proposition S - Planned vs. Actual Expenditures



### Technology Program - Planned vs. Actual Expenditures

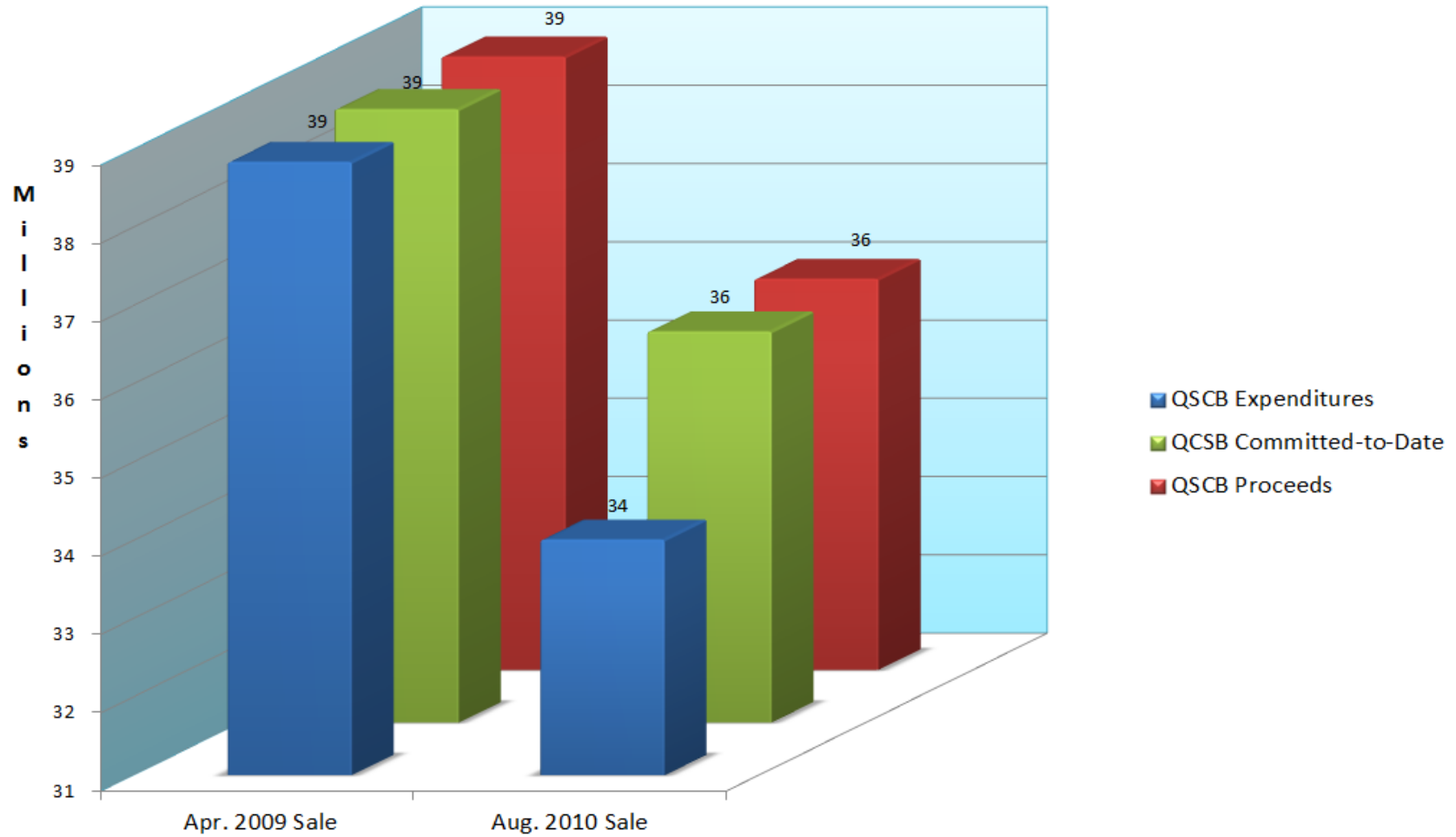


#### Technology Expenditure Burn Rate

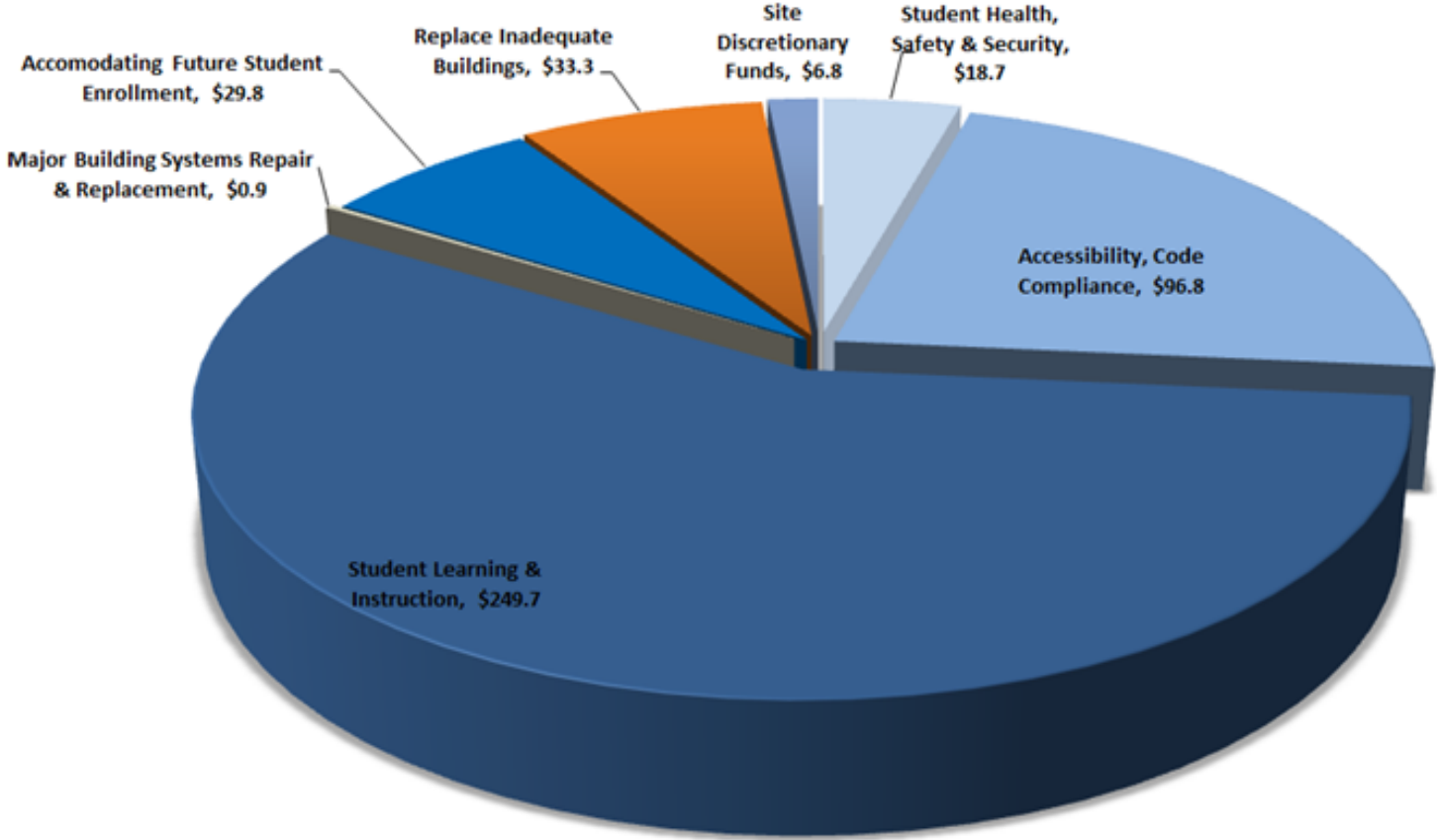
Current Month	Last Month	FY 2013 to date	Total-to-date
1,228,081	4,545,456	21,607,518	157,304,247

Note: E-Rate discounts are paid by the Federal Government directly to the vendor as a discount to the i-21 project and are not included in Prop. S expenditures.

### Qualified School Construction Bonds (Zero Interest)

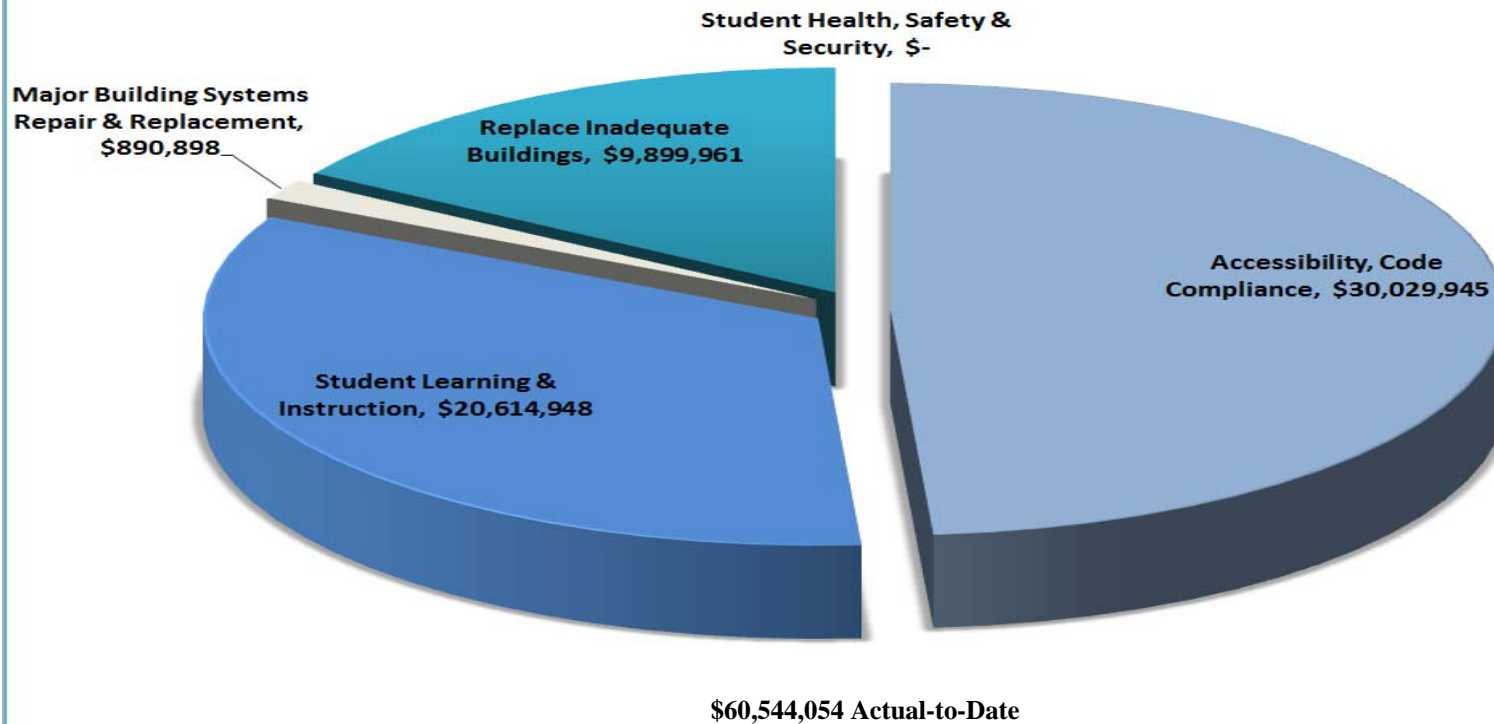


# Actuals-to-Date Expenditures by Category



Millions

## Actuals-to-Date - MRR-Type Work by Category

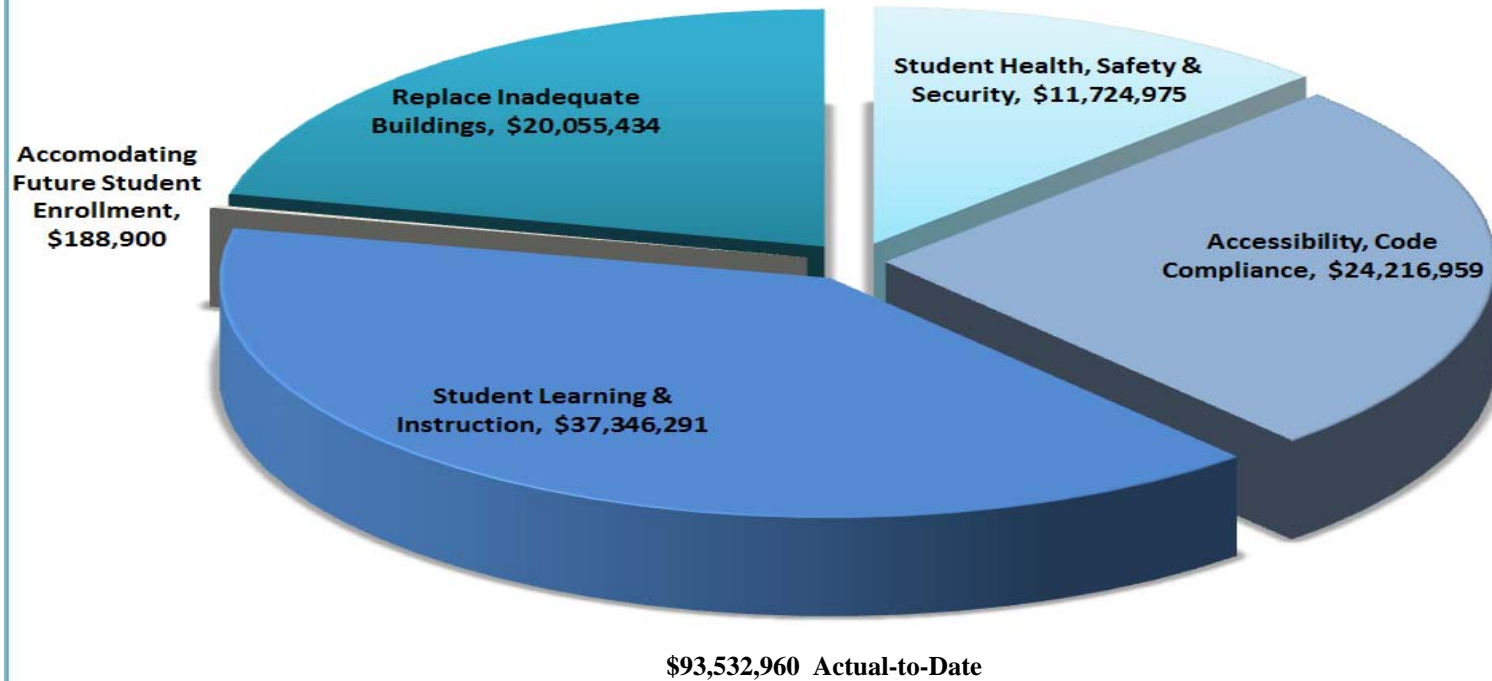


Major Repair and Replacement (MRR) type work is repairs to existing facilities. MRR work is done in several categories with the MRR category being the largest. For example, under Accessibility and Code Compliance restrooms, kitchens, stadiums and hard-scape are repaired and replaced.

- ◆ MRR Type work reduces the Total Cost of Facility Repairs Needs, in the Facilities Condition Index (FCI):  
$$\text{FCI} = \text{Total Cost of Facility Repair Needs} / \text{Current Replacement Value}$$



## Actuals-to-Date - Capital Improvement Work by Category



Capital improvement work is done in many categories in Prop. S projects. Capital improvement work includes new facilities as well as upgrades to existing buildings and systems. For example, under the category Replacing Inadequate Buildings, new classroom buildings replaced old portables.

- ◆ Capital improvements contribute to the increase in the plant value of the Facilities Condition Index (FCI):  
$$\text{FCI} = \text{Total Cost of Facility Repair Needs} / \text{Current Replacement Value}$$

Engineering News Record's (ENR) most recent Construction Cost Index, Building Cost Index, Materials Cost Index, which are updated monthly. Tables include monthly and annual percent changes. The indices base of 100 started in 1913 and are based upon costs at 20 cities throughout the United States. More information is available at ENR.Com. ENR's most recent data is shown here.

### Trends

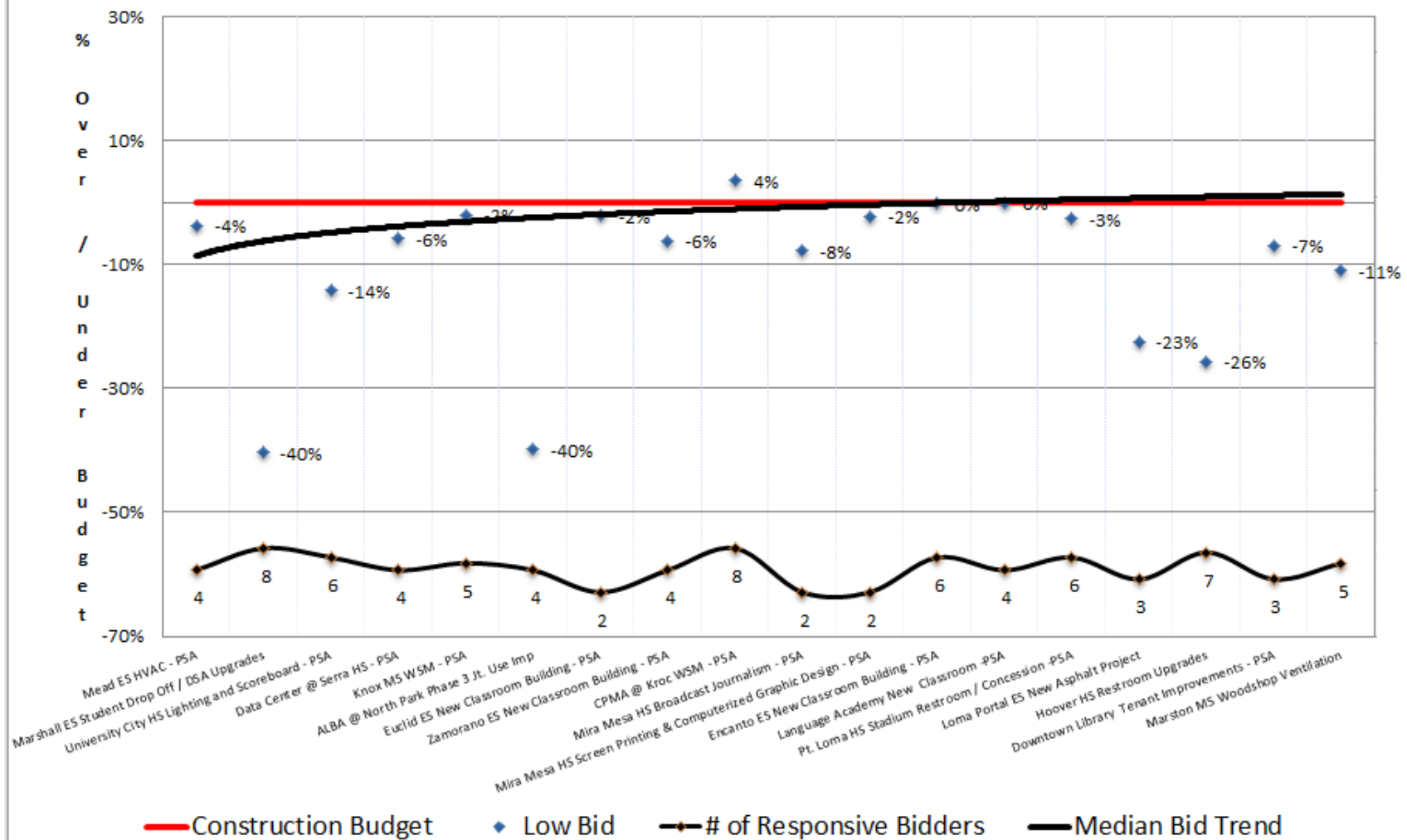
Construction Cost Index (CCI)	The CCI increased 0.2% this month, pushing up the annual escalation rate for the index to 2.6% from 2.5%.	<b>20-CITY:</b>	<b>Dec-12</b>	<b>% change</b>	<b>% change</b>
		<b>1913 = 100</b>	<b>Index Value</b>	<b>Month</b>	<b>Year</b>
		<b>Construction Cost</b>	9412.3	0.2	2.6
		<b>Common Labor</b>	20056.1	0.3	3.0
		<b>WAGE \$/HR.</b>	38.1	0.3	3.0
Builder Cost Index (BCI)	The BCI declined 0.1% this month, cutting its annual inflation rate to 1.9% from 2.0% last month.	<b>20-CITY:</b>	<b>Dec-12</b>	<b>% change</b>	<b>% change</b>
		<b>1913 = 100</b>	<b>Index Value</b>	<b>Month</b>	<b>Year</b>
		<b>Building Cost</b>	5210.2	-0.1	1.9
		<b>Skilled Labor</b>	9009.7	0.1	2.4
		<b>WAGE \$/HR.</b>	50.0	0.1	2.4
Material Cost Index (MCI)	A 0.9% decline in steel prices overpowered price increases for cement and lumber, pulling the MCI down.	<b>20-CITY:</b>	<b>Dec-12</b>	<b>% change</b>	<b>% change</b>
		<b>1913 = 100</b>	<b>Index Value</b>	<b>Month</b>	<b>Year</b>
		<b>Materials</b>	2888.6	-0.4	0.9
		<b>CEMENT \$/TON</b>	109.3	0.4	3.8
		<b>STEEL \$/CWT</b>	48.8	-0.9	-0.8
		<b>LUMBER \$/MBF</b>	410.8	0.7	5.1

- The Common Labor Index is the labor component of ENR's Construction Cost Index and tracks the union wage, plus fringe benefits, for laborers.
- The Skilled Labor Index is the labor component of ENR's Building Cost Index and tracks union wages, plus fringe benefits, for carpenters.

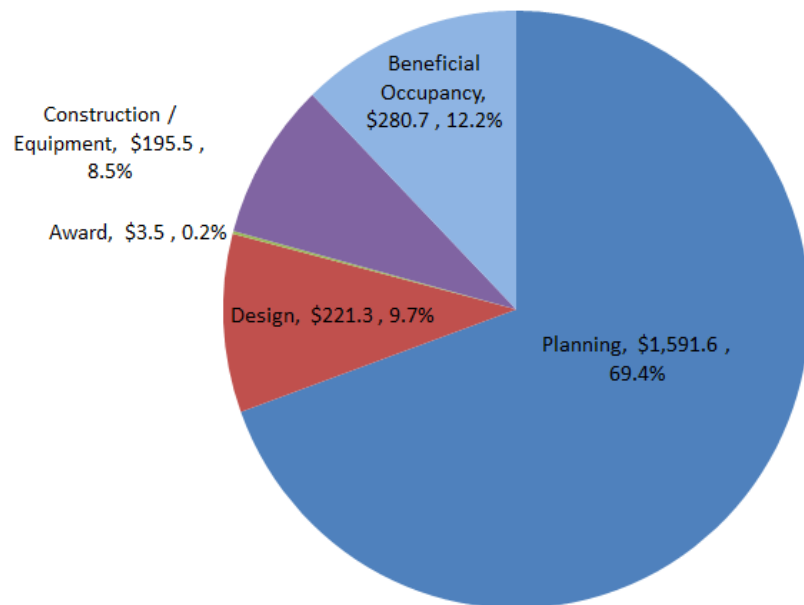
#### Overall Impacts

- The CCI increased .2% while the BCI and MCI all declined over the last month. According to the U.S. Dept of Commerce, single-family housing is up 13.5% over the first 7 months this year causing an increase in lumber prices.
- SDUSD FPC is currently applying a 2.7% yearly escalation factor for our internal construction estimates. The Office of Public School Construction is applying 4.28% per the Marshall and Swift CCI.
- Over the last 15 months SDUSD construction projects were awarded at 3% less than the budget, down from the average of 20% during the initial project awards from 2009-2011. The median of bids to budget is now at a 0% variance.
- Program change order (CO) rate is 2.5%.

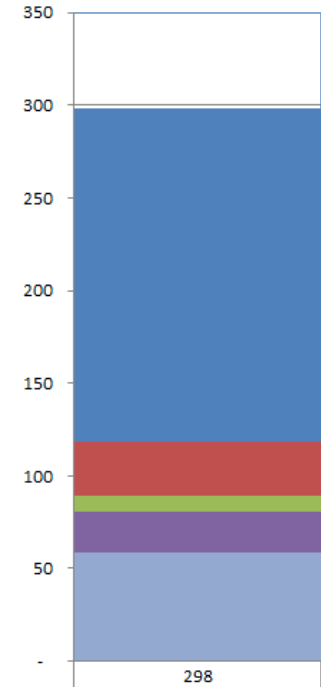
This chart measures general contractor construction bids as a percentage of the construction budget for projects awarded since July 2011. The award amount during this period is 3% under budget. Since the inception of Prop. S, the overall award amount is 14% under budget.



**Total Program Value \$2.29B - Phase Value of Projects**

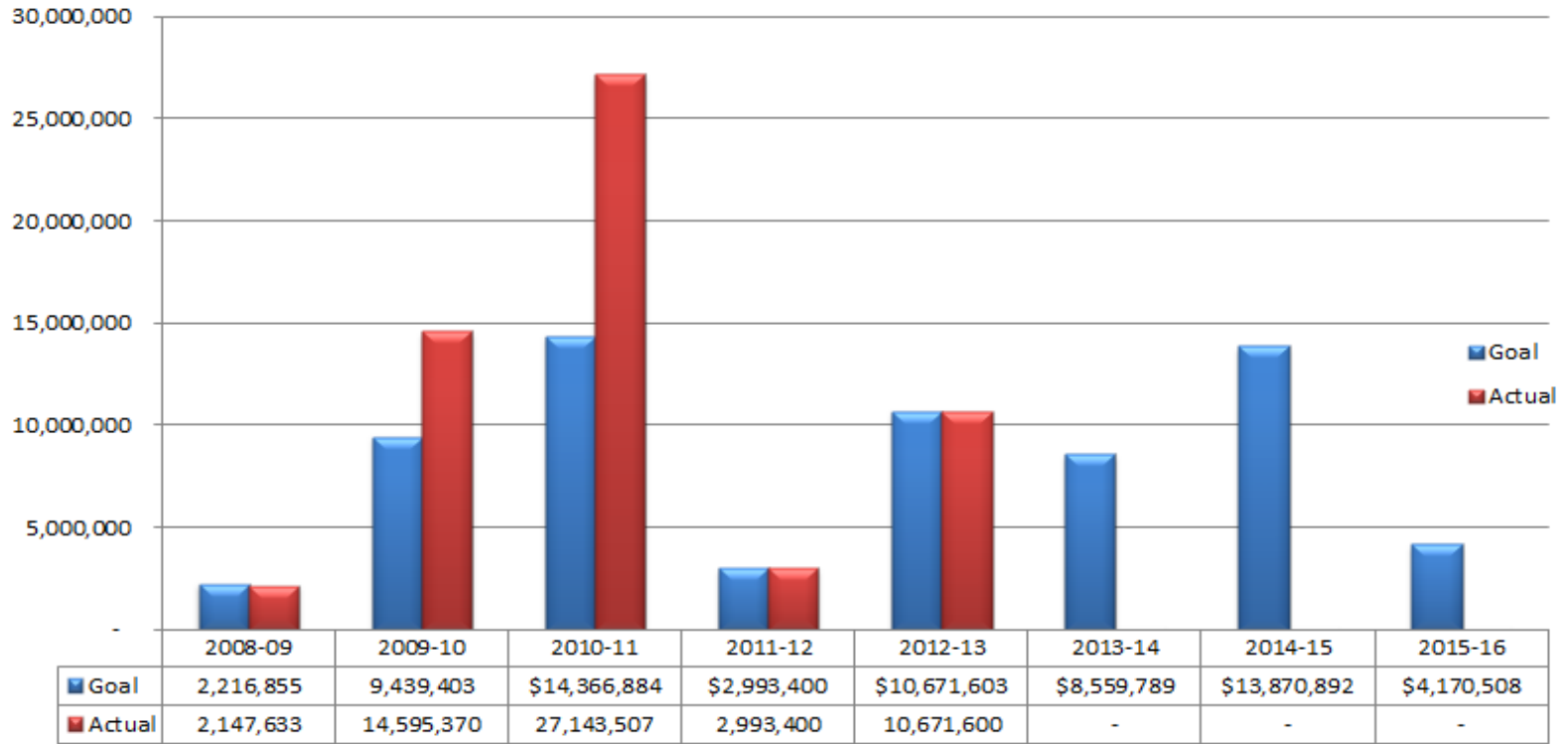


**# of Projects and Project Phase**



■ Planning	180
■ Design	29
■ Award	8
■ Construction / Equipment	22
■ Beneficial Occupancy	59

### State Fund Application Goals / Actual Receipts



Due to the possibility that costs will not meet the estimated costs, some money may need to be returned to the state. The yearly goal for 2010-11 was reduced accordingly. Yearly goals have been revised due to the increased risk for bond sales due to the uncertain financial health of the state.

The Office of Public Schools Construction has increased grant amounts by 4.28% reflecting increases in construction costs in California.

**Kearny H.S. Construction Tech Academy  
First Prop. S Project**



**Crown Point Jr. Music Academy  
Last Scheduled Prop. S Project**

