

Propositions S & Z Monthly Controls Status Report

January 2015



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

All Data as of December 31, 2014

Prepared for:

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

Proposition S

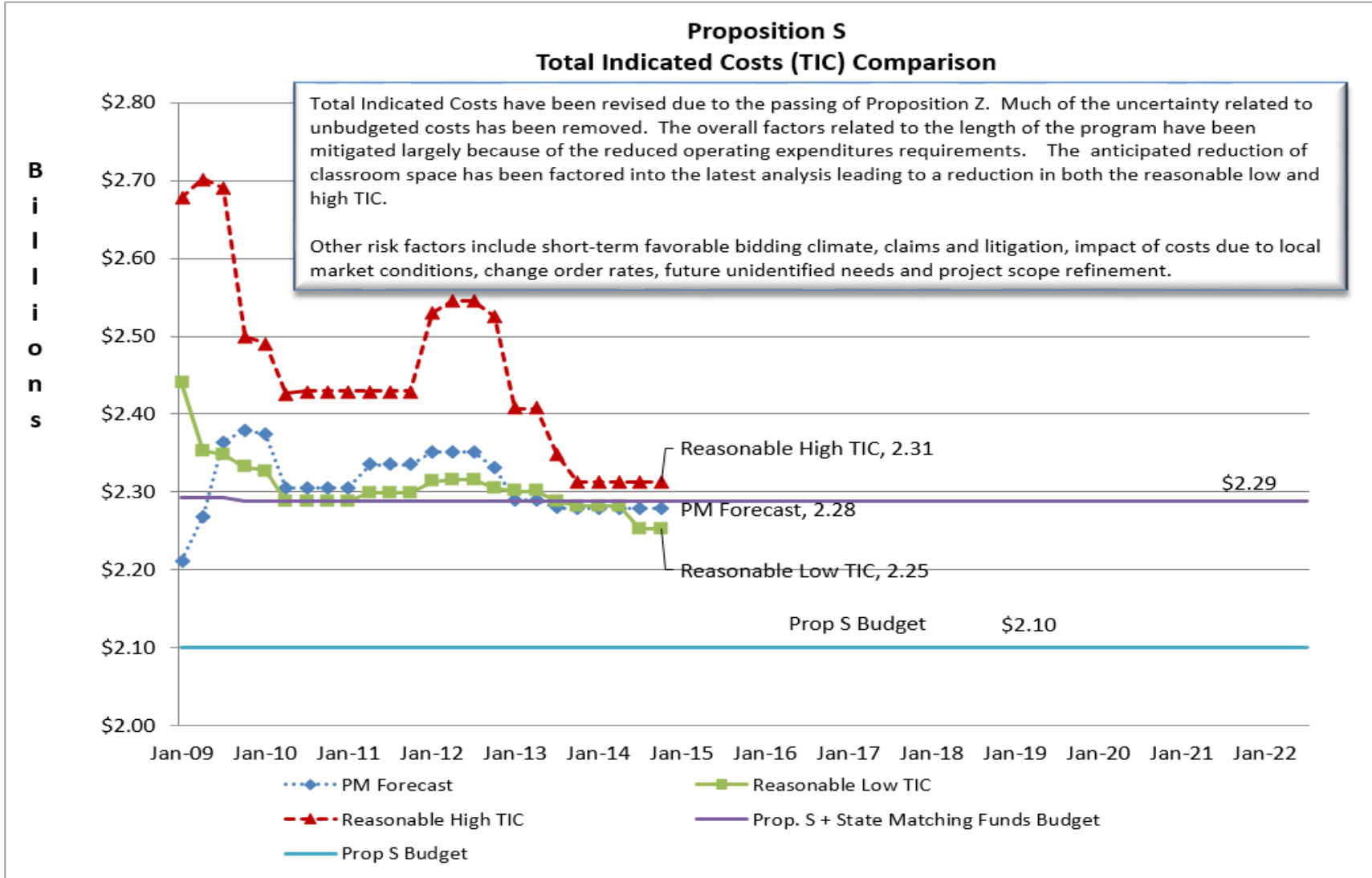
Prop. S Percent Complete	Duration	Expended
15-Year \$2.28B Program (includes Prop. S and State Matching Funds)	38.9%	25.6%
Prop S Bond Sales Received		\$ 583,191,477
State Facility Program (Fund 35) Projected Revenue Thru June 2014		34,251,860
Current Revenue-to-Date		621,547,771
Projected Revenue thru June 2015		621,547,771
Total Expenditures-to-Date		586,410,441
2014 / 15 Planned Expenditures		45,851,581
Projected Fund Balance - June 30, 2015		* 25,822,168
Current Fund Balance		* 35,137,330

FY 2014 / 2015 Expenditures

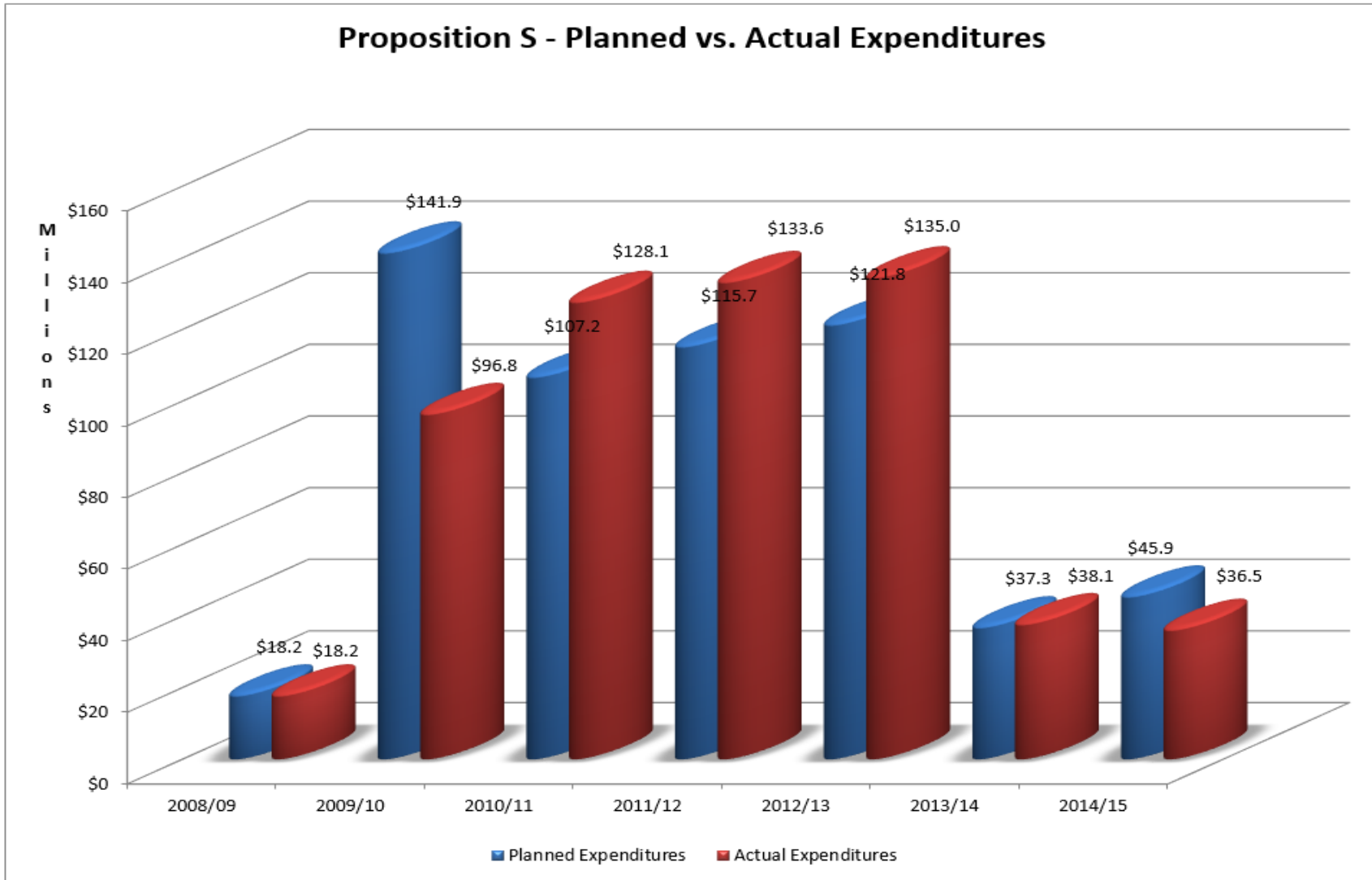
Category	Planned Percentage (Five-Year)	Percent of Ex- penditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
Planning & Design	14.8%	3.5%	\$ 1,283,645	\$ 270,165	\$ 296,749
Construction & Equipment	80.0%	95.0%	34,717,200	18,384,896	3,281,758
Program Management Office	5.2%	1.5%	535,574	44,631	34,941
Sub-Total	100%	100%	\$ 36,536,419	\$ 18,699,692	\$ 3,613,448
Prop. S Percent of Budget and Amount Committed-to-Date**				26.3%	\$ 601,591,785
Current Remaining Uncommitted Balance***					19,955,985

- * Fund balance is the unspent balance of revenue (received or projected)
- ** 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

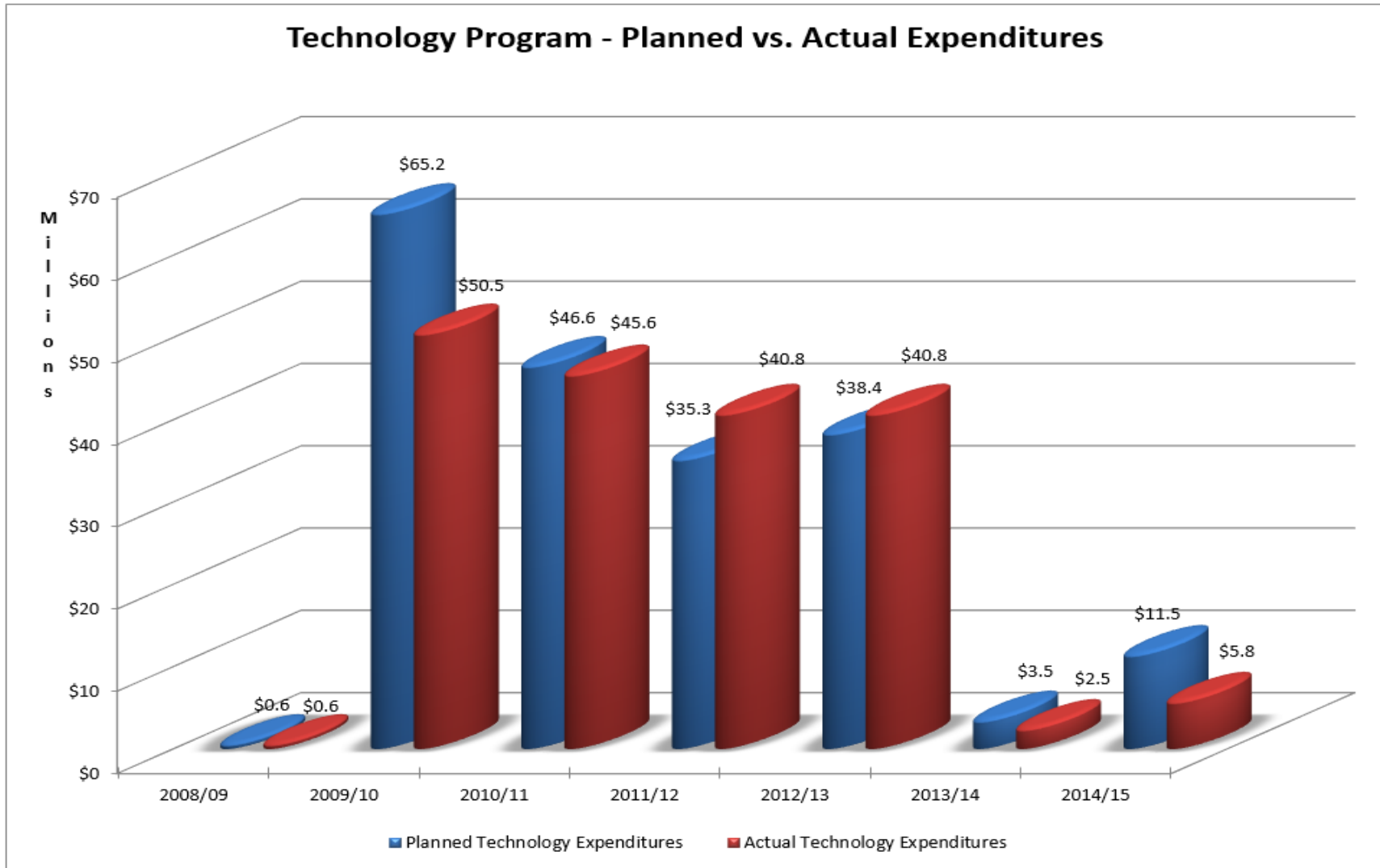


Proposition S



Planned Expenditures shown above are adjusted based upon anticipated bid climate, change order rate and project execution plan.

Proposition S



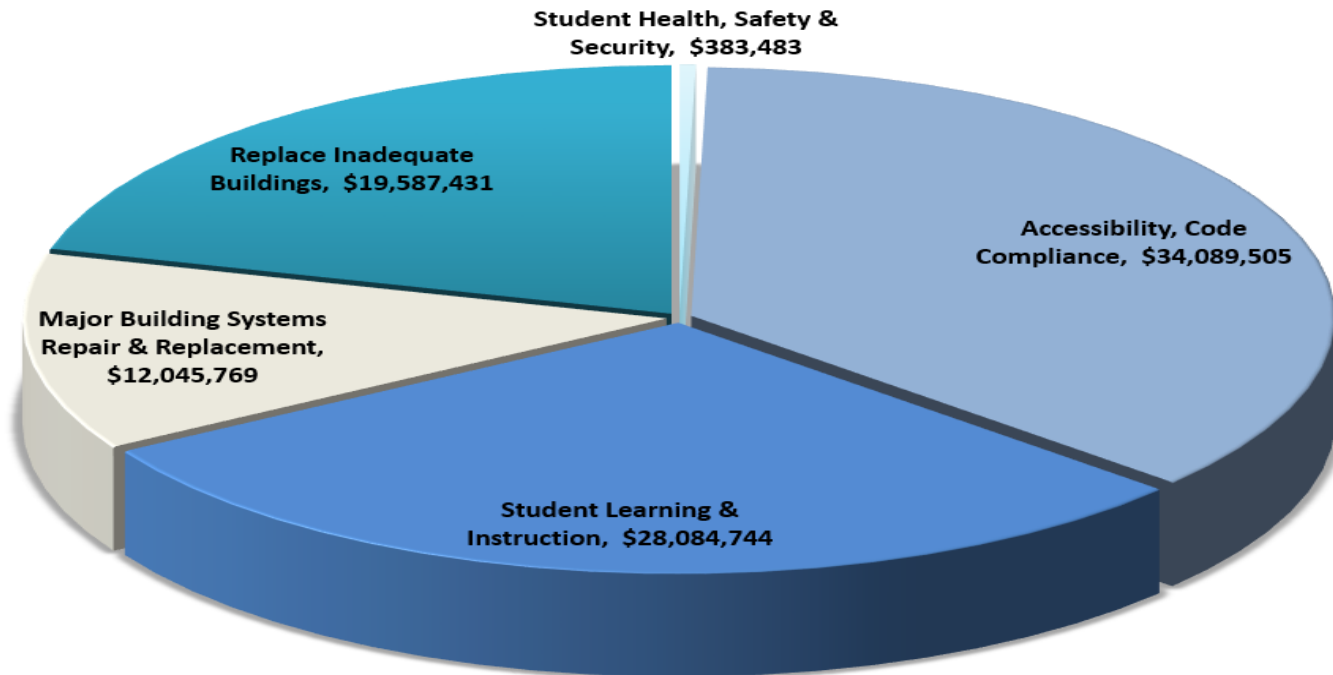
Technology Expenditure Burn Rate

Current Month	Last Month	FY 2015 to date	Total-to-date
2,471,106	0	5,780,071	184,835,608

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.

Proposition S

Actuals-to-Date - Categories of Work that Reduce the FCI Facility Repair Needs



Actual-to-Date \$ 94,190,932

Planned Total = \$1,004,000,000

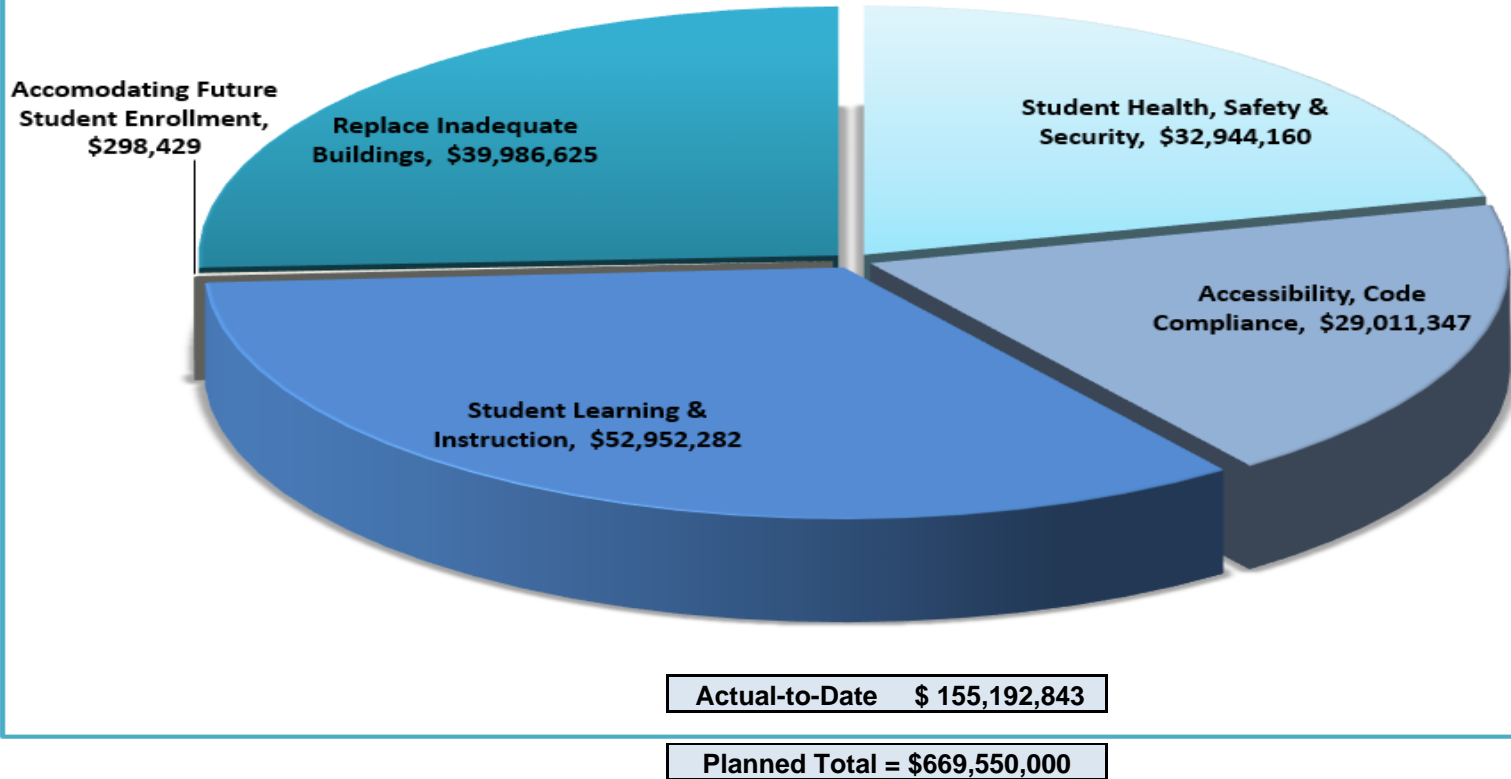
Major Repair and Replacement (MRR) type work is repairs to existing facilities. MRR work is done in several categories with the MRR category being the largest. For example, under Accessibility and Code Compliance restrooms, kitchens, stadiums and hard-scape are repaired and replaced.

- ◆ MRR Type work reduces the Total Cost of Facility Repairs Needs, in the Facilities Condition Index (FCI):

$$\text{FCI} = \text{Total Cost of Facility Repair Needs} / \text{Current Replacement Value}$$

Proposition S

Actuals-to-Date - Facilities 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):
$$\text{FCI} = \text{Total Cost of Facility Repair Needs} / \text{Current Replacement Value}$$

Proposition Z

2.8B Prop. Z Planned Revenue - 15-Years	Duration	Expended
Prop. Z Percent Complete	10.2%	9.7%
Prop Z Bond Sales Received		\$ 530,000,000
State Facility Program (Fund 35) Received-to-date		26,463,385
State Facility Program (Fund 35) Projected Revenue Thru June 2015		1,945,701
Projected Revenue thru June 2015		559,021,839
Total Expenditures-to-Date		271,330,529
FY 2015 Planned Expenditures		224,806,734
Projected Fund Balance - June 30, 2015		* 62,884,576
Current Fund Balance		* 287,691,310

FY 2015 Expenditures

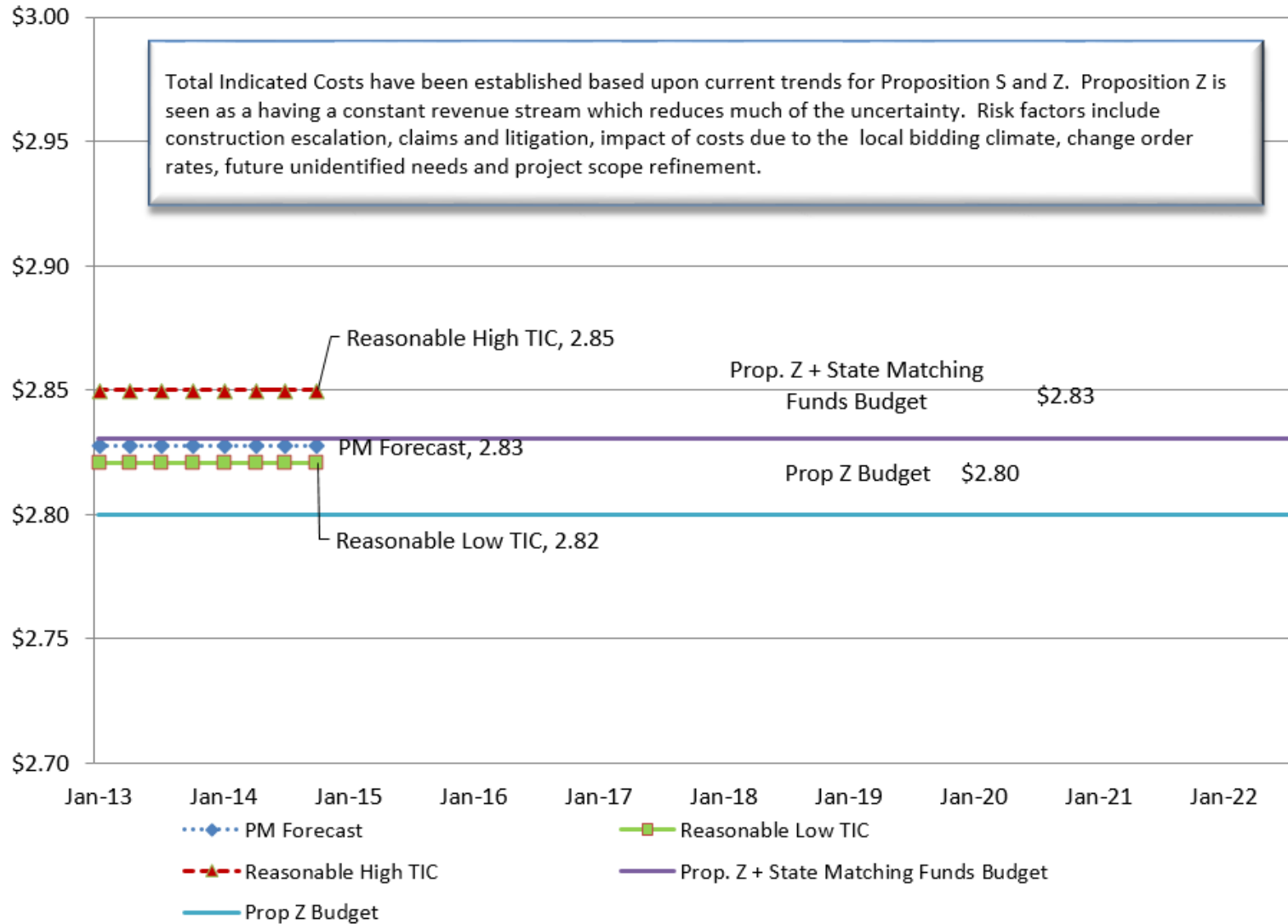
Category	Planned Percentage	Percent of Expenditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
Planning & Design	14.8%	10.9%	\$ 12,427,793	\$ 3,318,780	\$ 1,759,124
Construction & Equipment	80.0%	82.6%	\$ 93,906,402	10,049,372	17,938,031
Program Management Office	5.2%	6.4%	\$ 7,307,752	885,086	1,058,730
Sub-Total	100%	100%	\$ 113,641,947	\$ 14,253,238	\$ 20,755,885
Prop. Z Percent of Budget and Amount Committed-to-Date**				79.9%	\$ 446,806,435
Current Remaining Uncommitted Balance***					112,215,403

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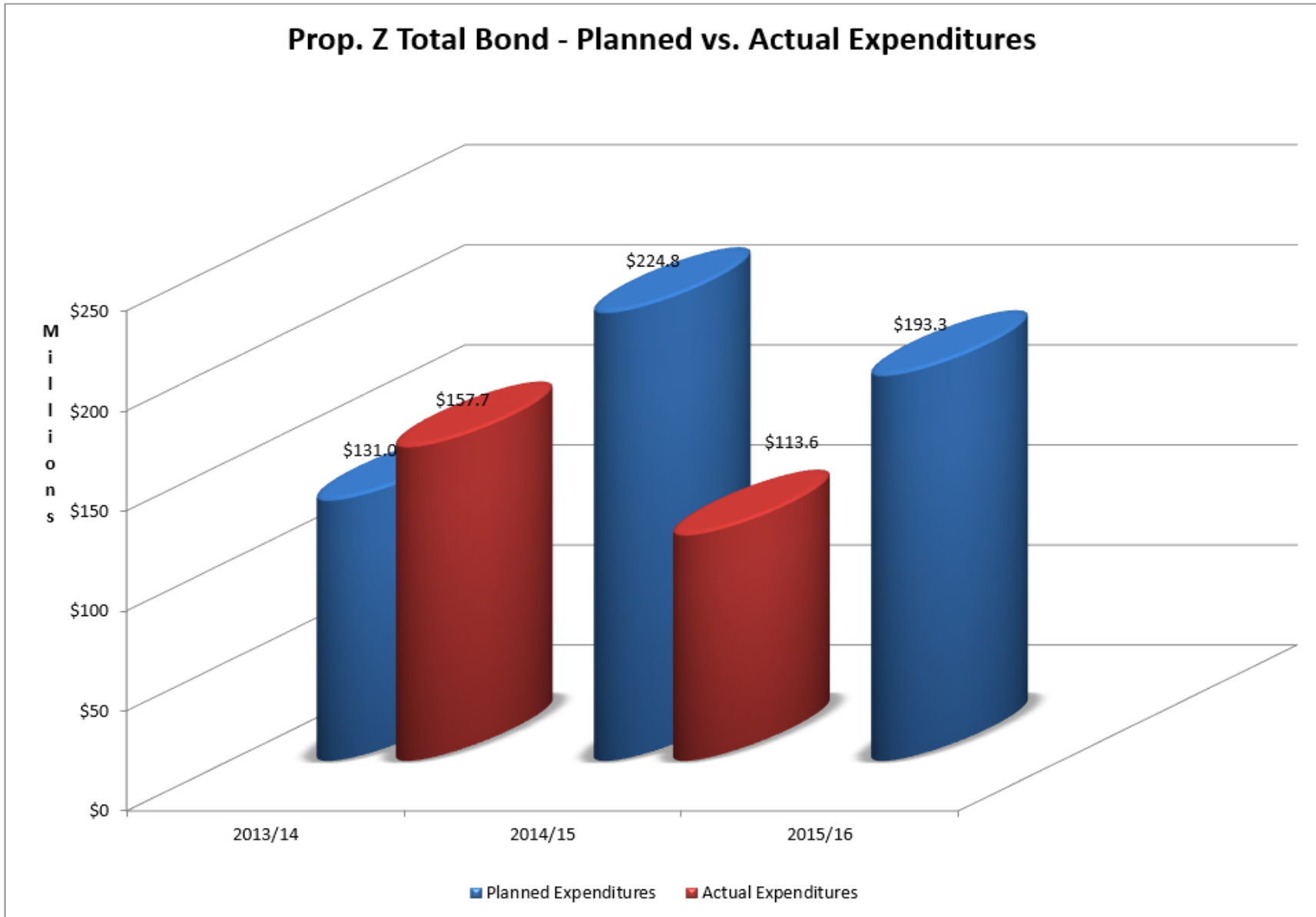
Proposition Z

Proposition Z Total Indicated Costs (TIC) Comparison

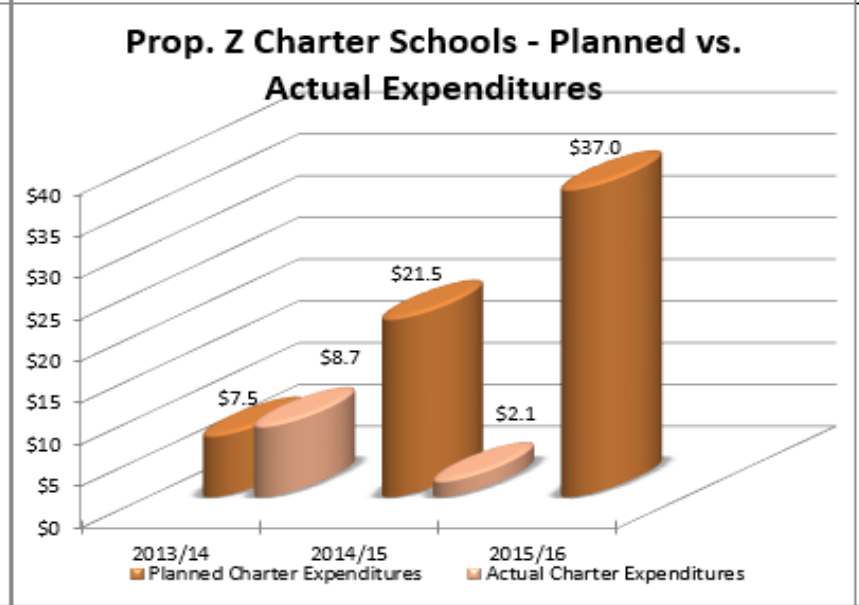
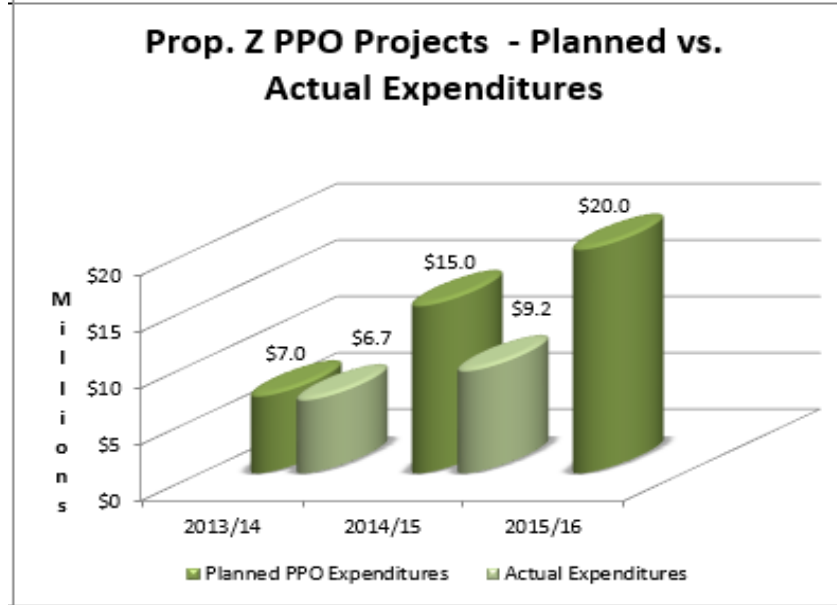
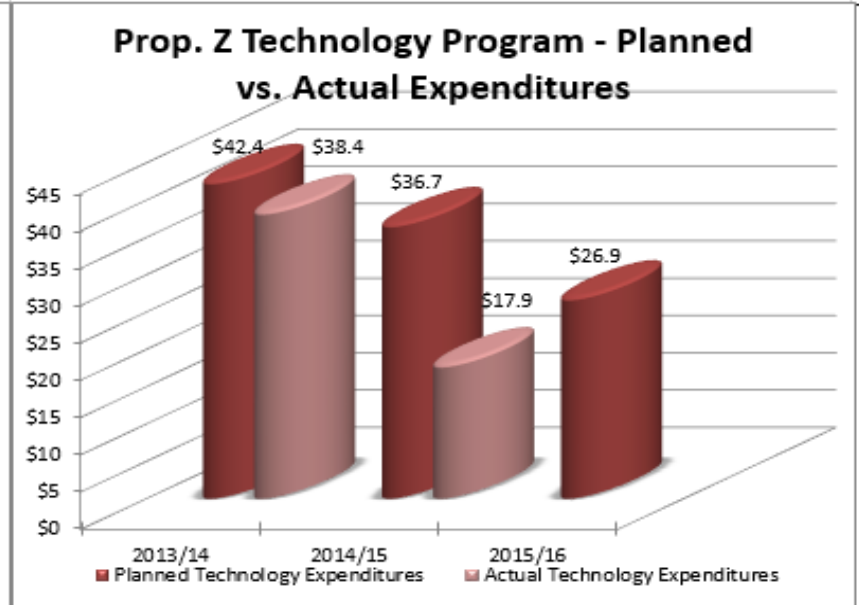
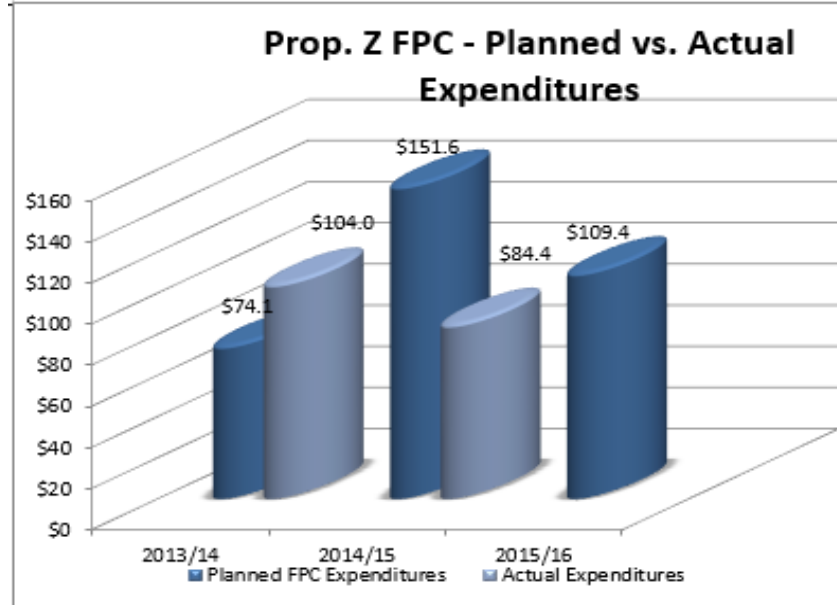
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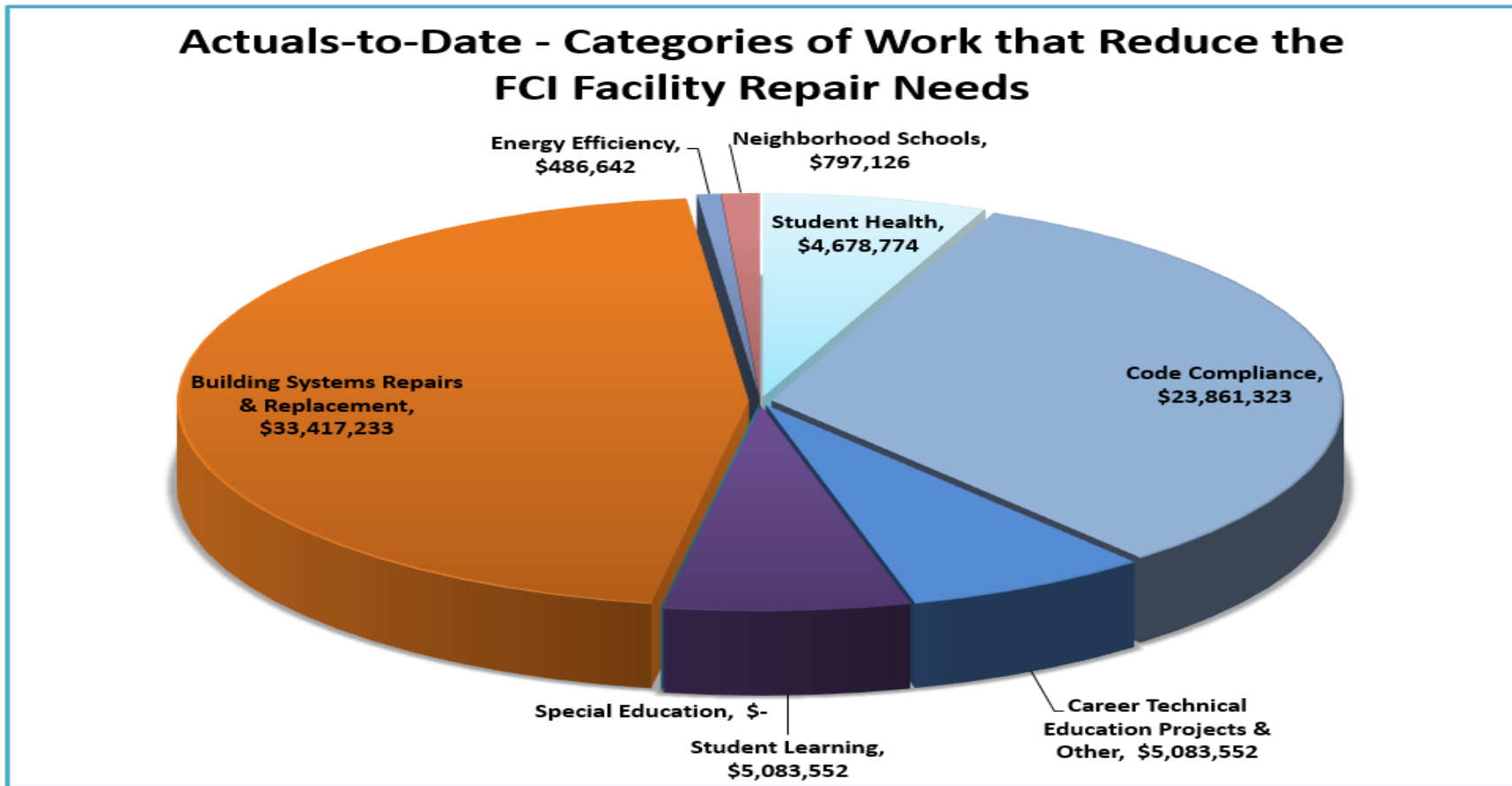
Proposition Z



Proposition Z



Proposition Z



Actual-to-Date \$ 68,421,979

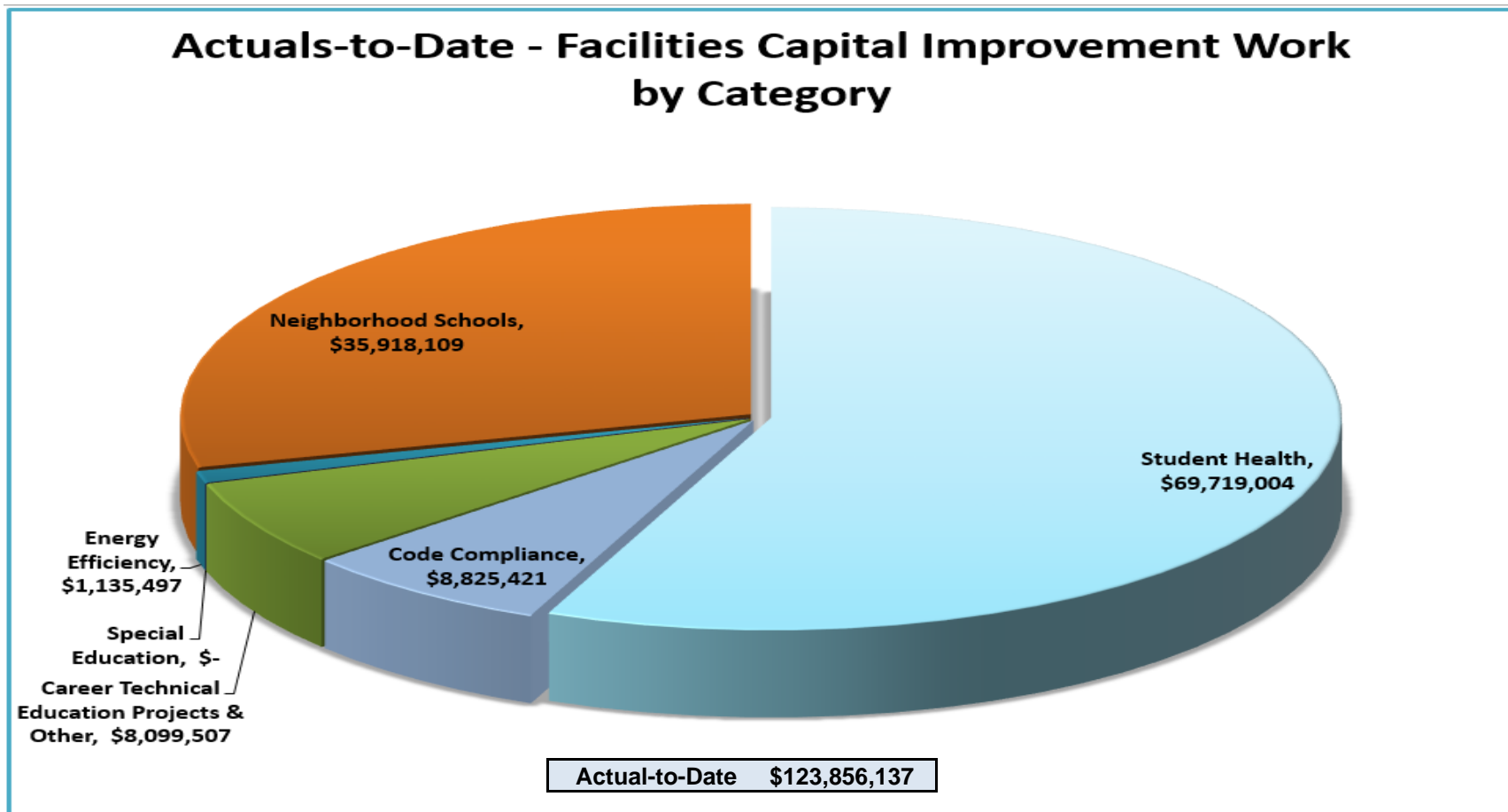
Total Planned = \$1,112,526,758

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

- ◆ MRR Type work reduces the Total Cost of Facility Repairs Needs, in the Facilities Condition Index (FCI):

$$\text{FCI} = \text{Total Cost of Facility Repair Needs} / \text{Current Replacement Value}$$

Proposition Z



Total Planned = \$ 1,294,849,894

Capital improvement work is done in many categories in Prop. Z 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):
$$\text{FCI} = \text{Total Cost of Facility Repair Needs} / \text{Current Replacement Value}$$

Propositions S and Z

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) +3.2%	Annual inflation tracked by the CCI jumped to 3.2% from 2.7% during the previous month, with wages up 3.1% for the year.	1913 = 100	INDEX VALUE	MONTH	YEAR
		CONSTRUCTION	9972.0	0.4%	3.2%
		COMMON LABOR	21228.8	0.4%	3.1%
		WAGE \$/HR.	40.33	0.4%	3.1%
Builder Cost Index (BCI) +3.3%	The BCI began the year with a 3.3% annual escalation rate, which was up from 2.9% posted in December 2014.	1913 = 100	INDEX VALUE	MONTH	YEAR
		BUILDING	5497.1	0.3%	3.3%
		SKILLED LABOR	9465.1	0.3%	3.0%
		WAGE \$/HR.	52.53	0.3%	3.0%
Material Cost Index (ICI) +3.7%	Both steel and lumber prices increased this month, pushing the MCI up 0.3% in January.	1913 = 100	INDEX VALUE	MONTH	YEAR
		MATERIALS	3072.6	0.3%	3.7%
		CEMENT \$/TON	116.0	-0.3%	5.0%
		STEEL \$/TON	50.5	0.3%	1.9%
		LUMBER \$/TON	471.42	0.4%	8.1%

- 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, BCI and MCI all increased over the last year. Lumber and steel increased while cement decreased over the last month. Labor increased over last month and is up over 3.0% over the last year.
- SDUSD FPC is currently applying a 2.5% 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 39 months SDUSD construction projects were awarded at 2.8% 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 1.2% variance.
- Program change order (CO) rate is 2.6%.

Propositions S and Z

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 8.2% under budget.

