

Propositions S and Z Monthly Controls Status Report

May 31, 2015



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

All Data as of April 30, 2015

Prepared for:

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

Proposition S

Proposition S Summary

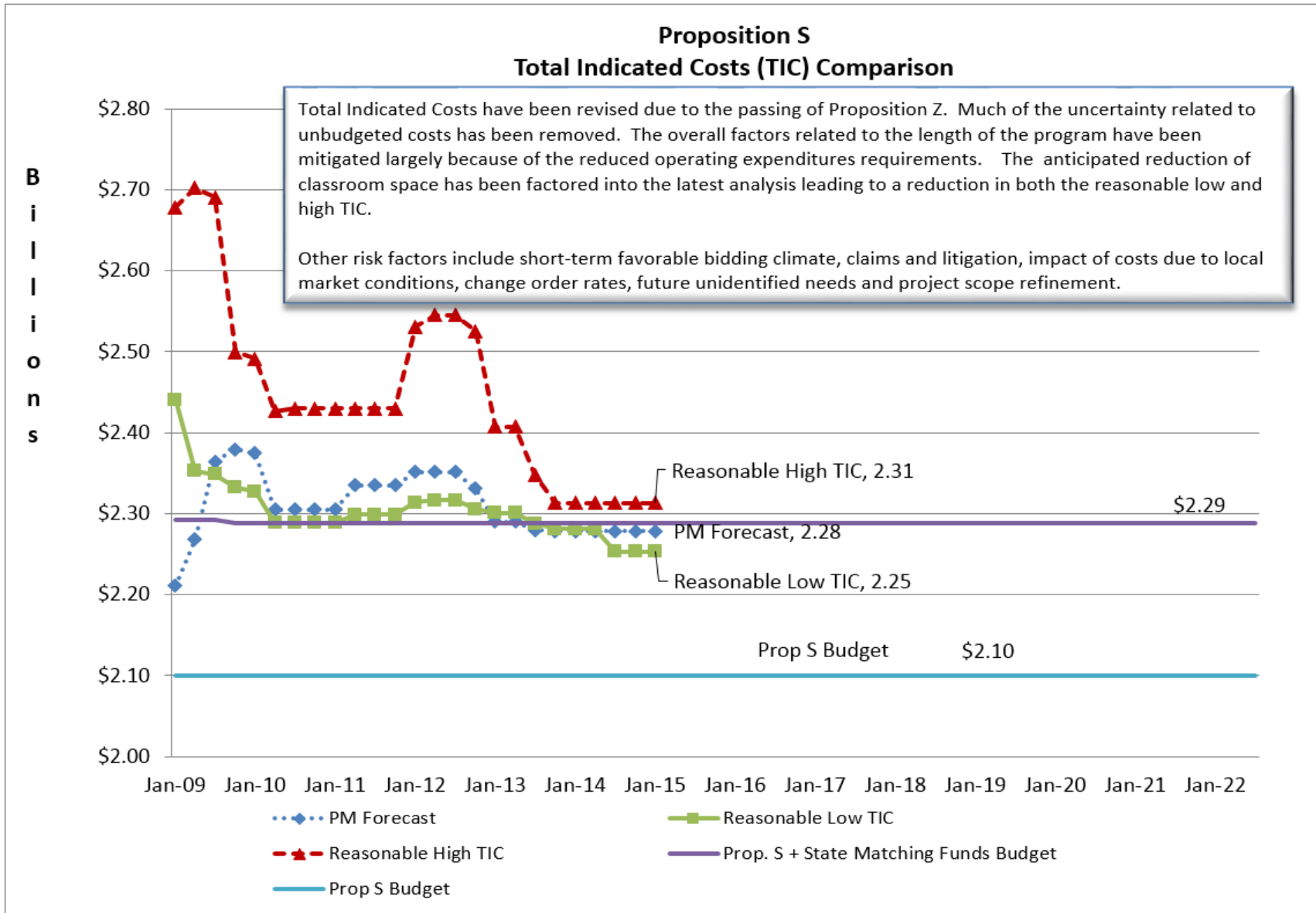
Prop. S Percent Complete	Duration	Expended
<i>15-Year \$2.28B Program</i> (includes Prop. S and State Matching Funds)	41.1%	26.2%
Prop S Bond Sales Received		\$ 583,191,477
State Facility Program (Fund 35) Projected Revenue Thru June 2014		34,251,860
Current Revenue-to-Date		621,547,771
Projected Revenue thru June 2015		621,547,771
Total Expenditures-to-Date		598,640,529
2014 / 15 Planned Expenditures		45,851,581
Projected Fund Balance - June 30, 2015	*	25,830,278
Current Fund Balance	*	22,907,241

FY 2014 / 2015 Expenditures

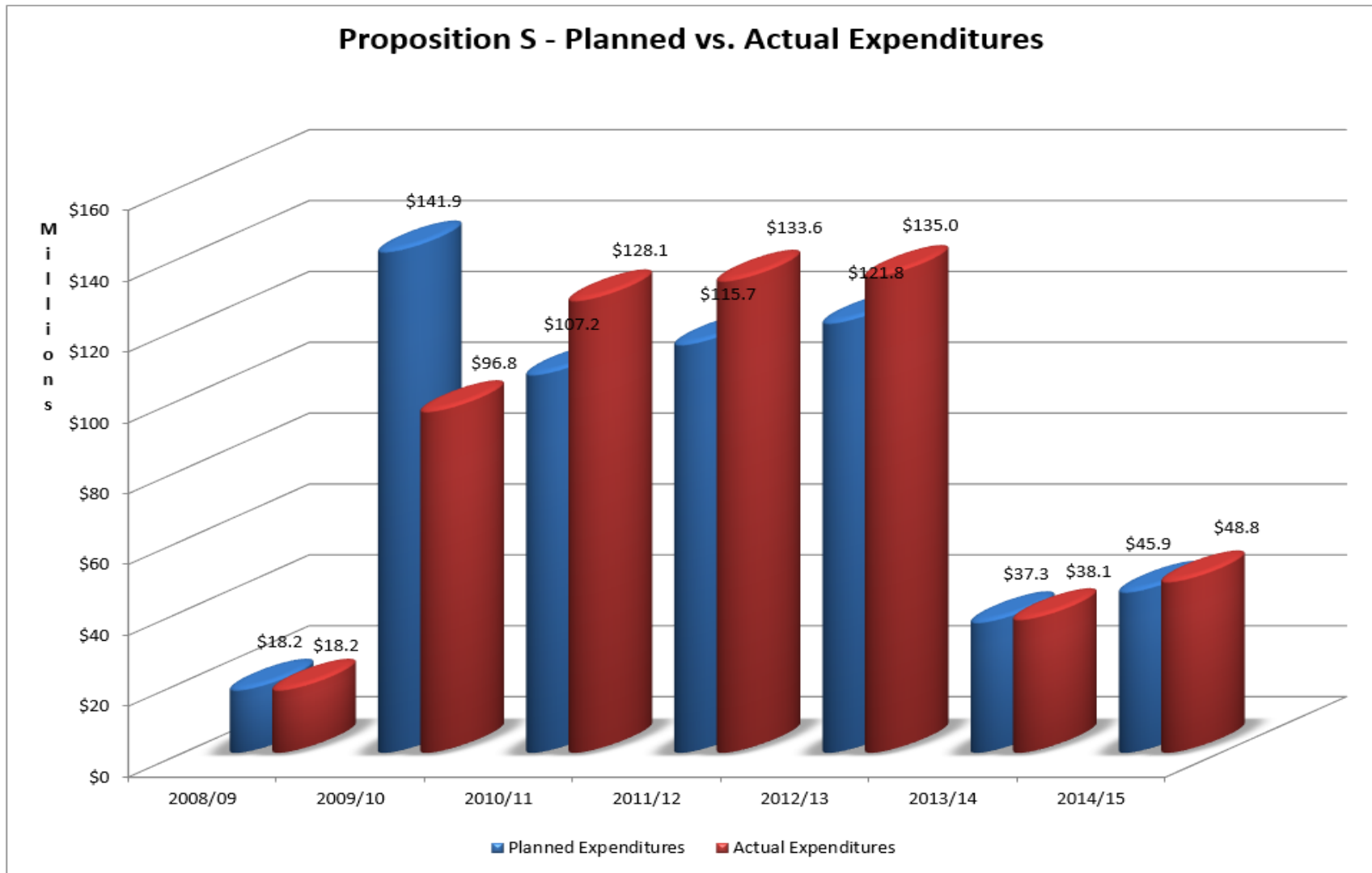
Category	Planned Percentage (Five-Year)	Percent of Ex- penditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
Planning & Design	14.8%	6.4%	\$ 3,117,054	\$ 809,899	\$ 284,930
Construction & Equipment	80.0%	91.8%	44,765,445	2,847,316	2,412,557
Program Management Office	5.2%	1.8%	892,118	74,343	66,996
Sub-Total	100%	100%	\$ 48,774,618	\$ 3,731,558	\$ 2,764,483
Prop. S Percent of Budget and Amount Committed-to-Date**				26.9%	\$ 616,648,292
Current Remaining Uncommitted Balance***					4,899,478

- * 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

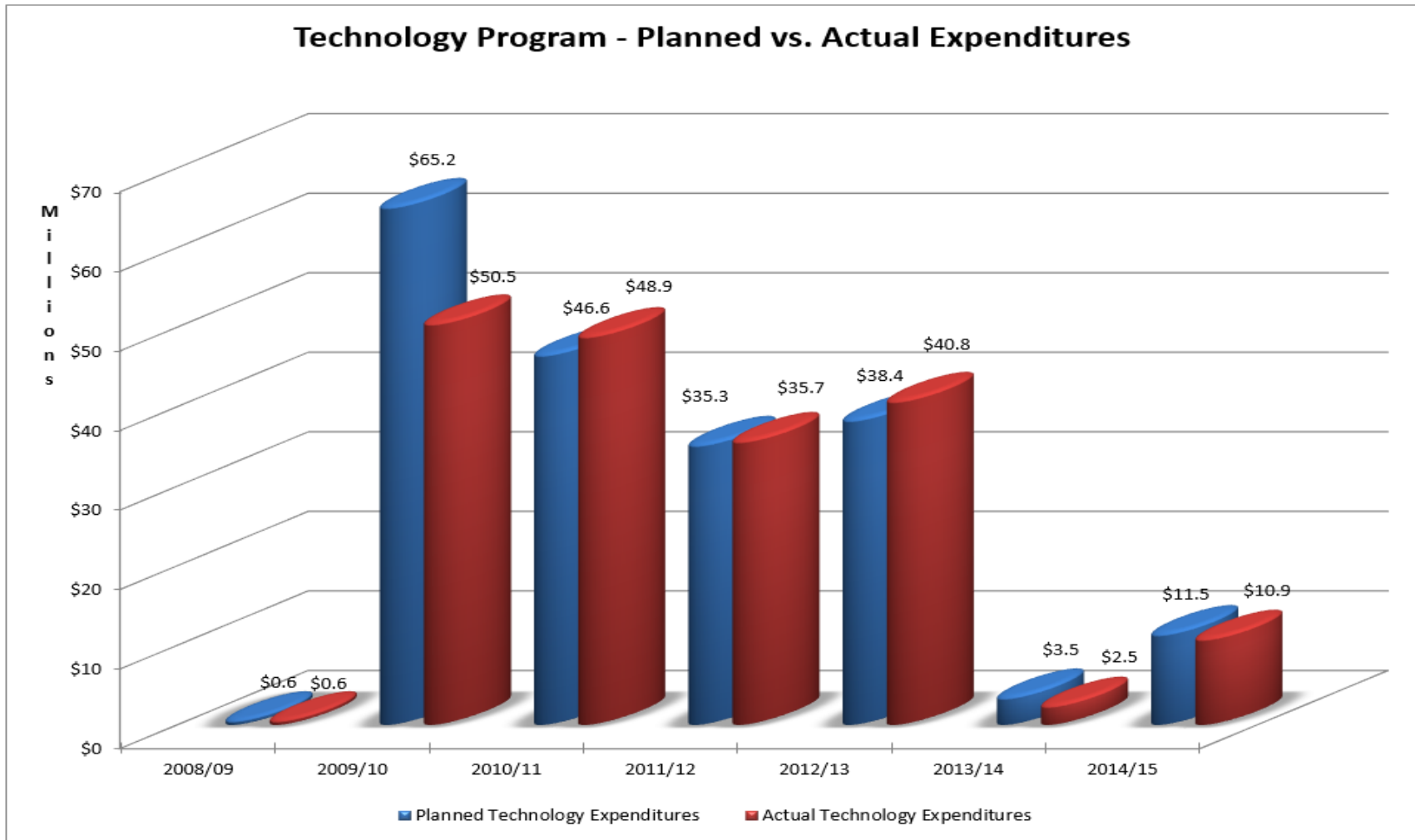


Proposition S



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

Proposition S



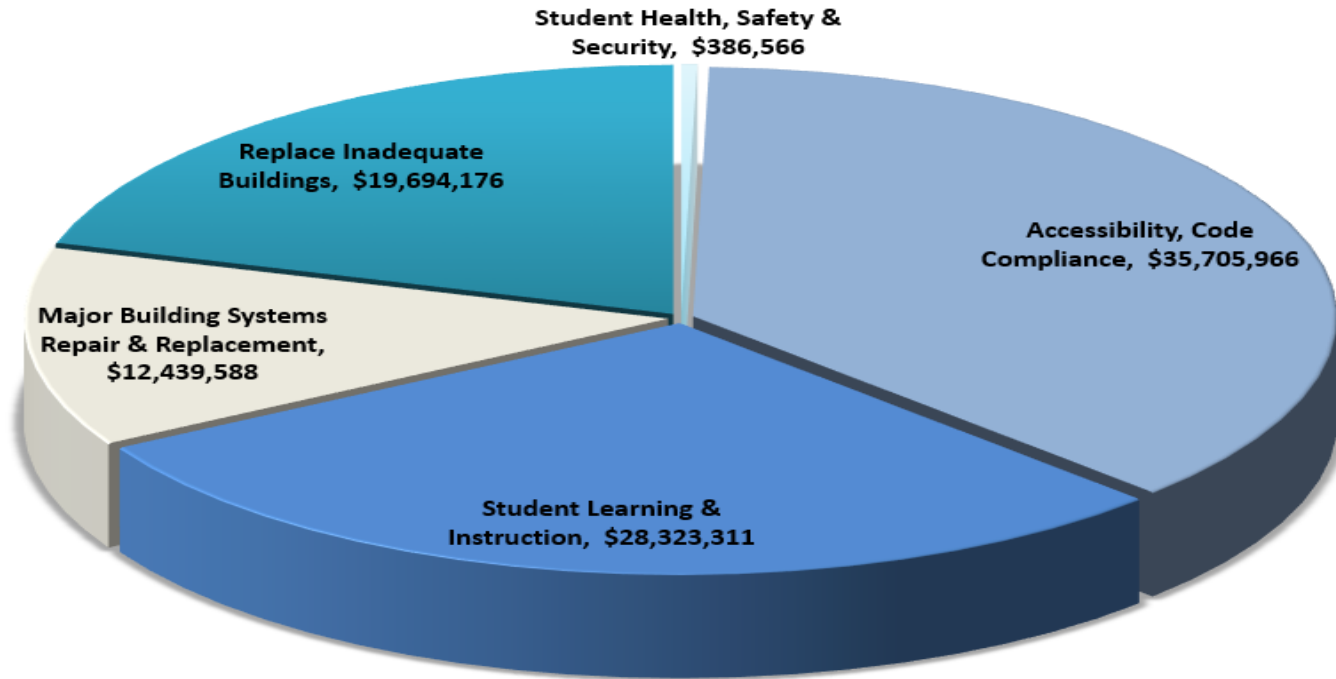
Technology Expenditure Burn Rate

Current Month	Last Month	FY 2015 to date	Total-to-date
1,226,502	1,617,032	10,882,898	189,938,435

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 \$ 96,549,607

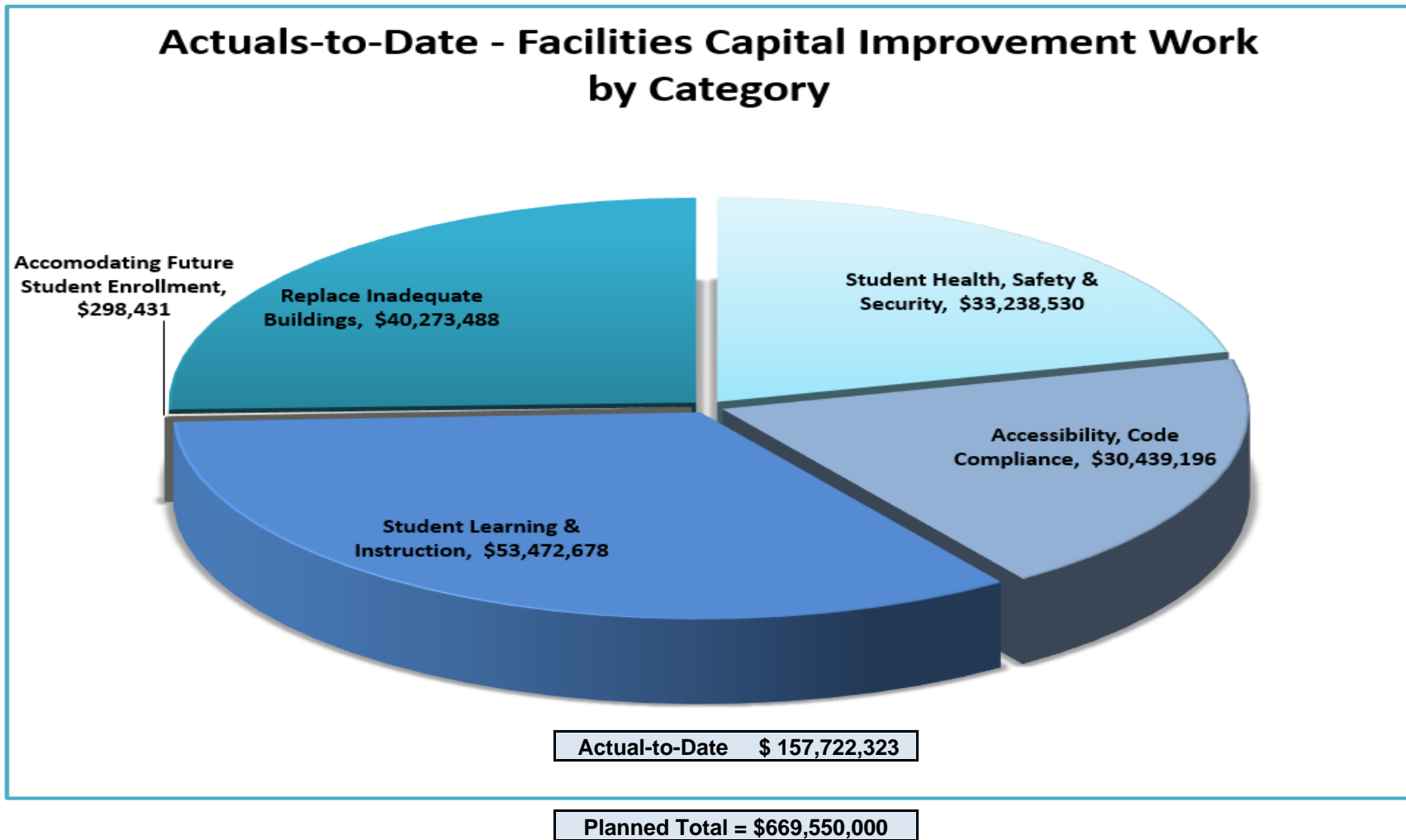
Planned Total = \$1,004,000,000

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



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	13.5%	12.4%
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		347,722,929
FY 2015 Planned Expenditures		214,861,734
Projected Fund Balance - June 30, 2015	*	186,471,523
Current Fund Balance	*	211,298,910

FY 2015 Expenditures

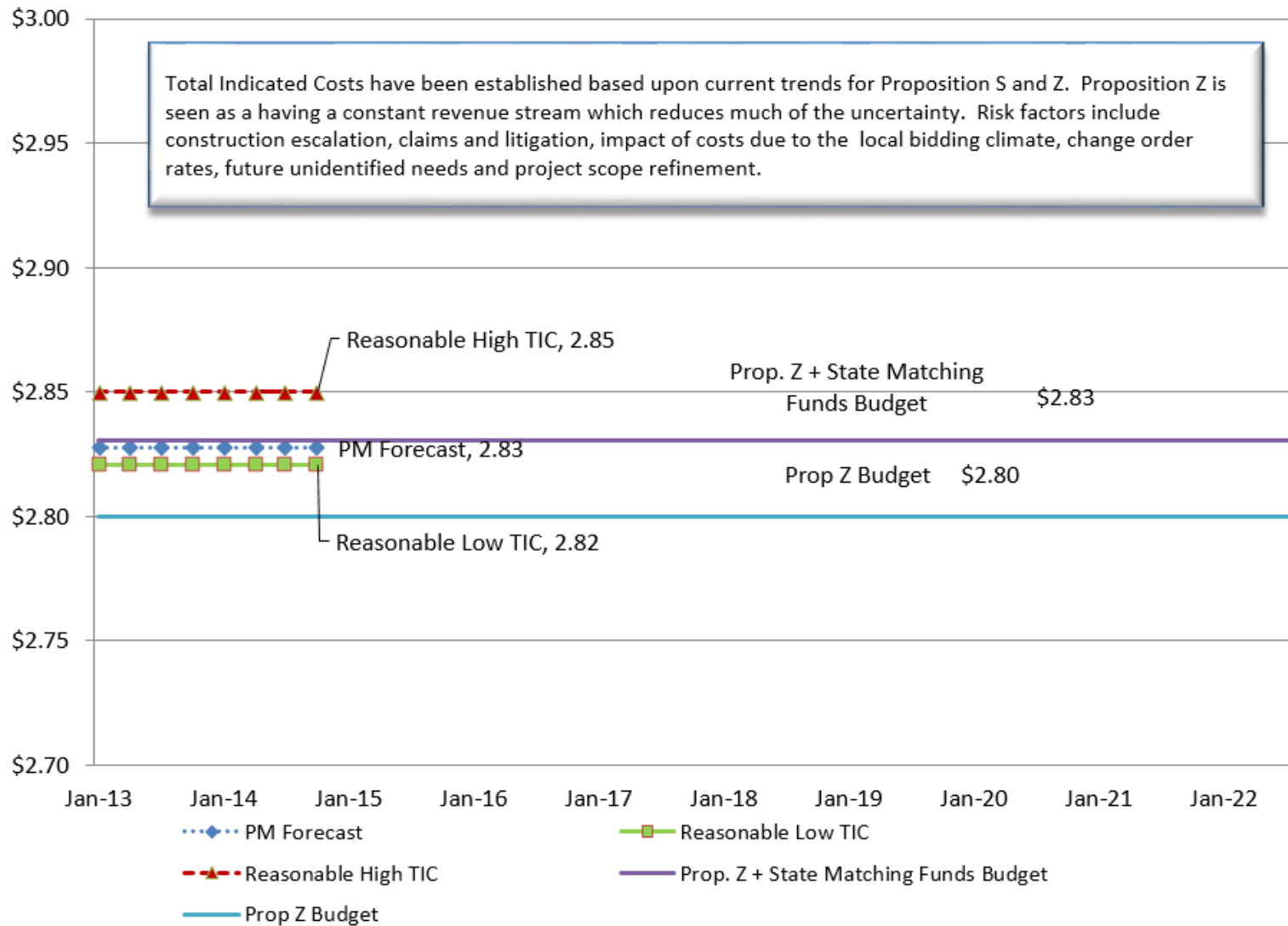
Category	Planned Percentage	Percent of Expenditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
Planning & Design	14.8%	11.4%	\$ 21,627,203	\$ 3,377,060	\$ 2,052,352
Construction & Equipment	80.0%	83.0%	\$ 157,754,951	14,861,535	16,722,682
Program Management Office	5.2%	5.6%	\$ 10,652,193	924,527	1,251,480
Sub-Total	100%	100%	\$ 190,034,347	\$ 19,163,122	\$ 20,026,514
Prop. Z Percent of Budget and Amount Committed-to-Date**				91.4%	\$ 511,064,265
Current Remaining Uncommitted Balance***					47,957,574

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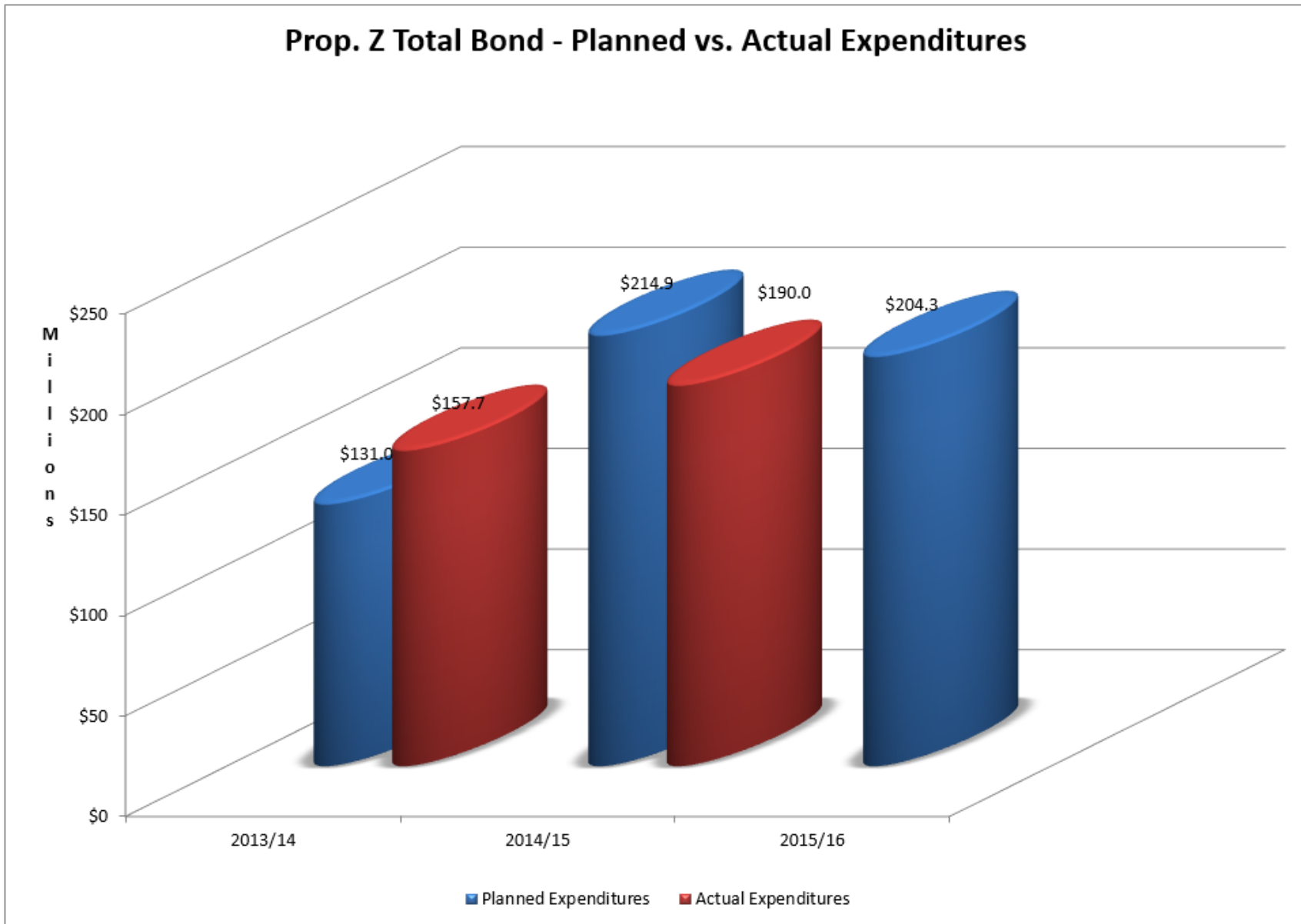
Proposition Z

Proposition Z Total Indicated Costs (TIC) Comparison

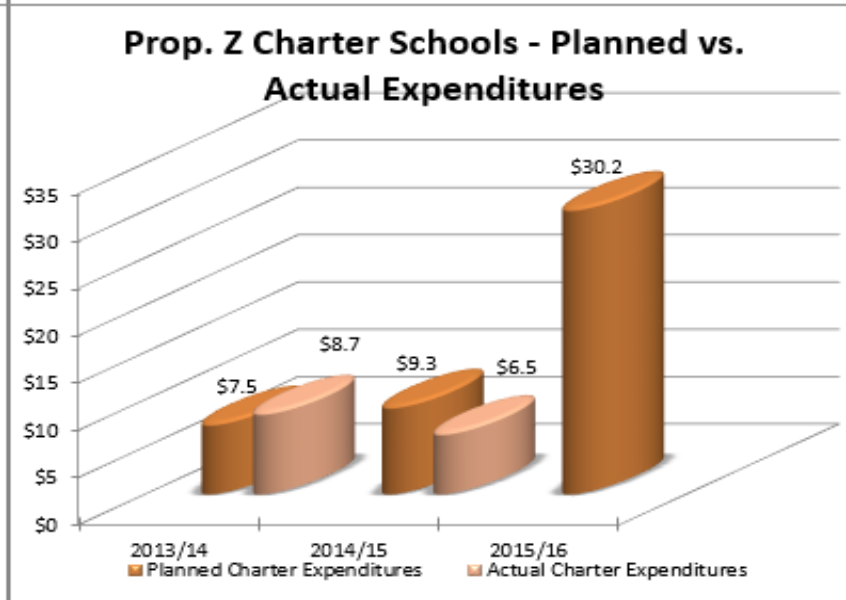
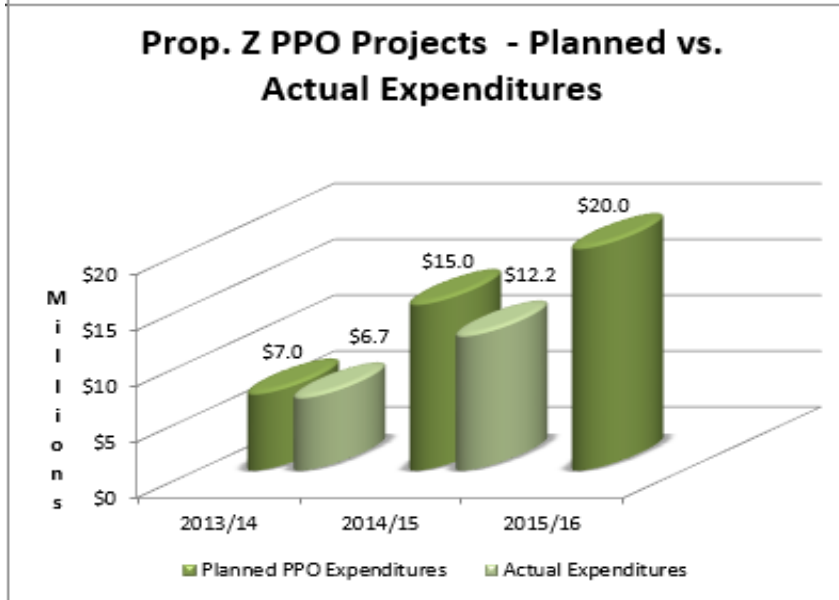
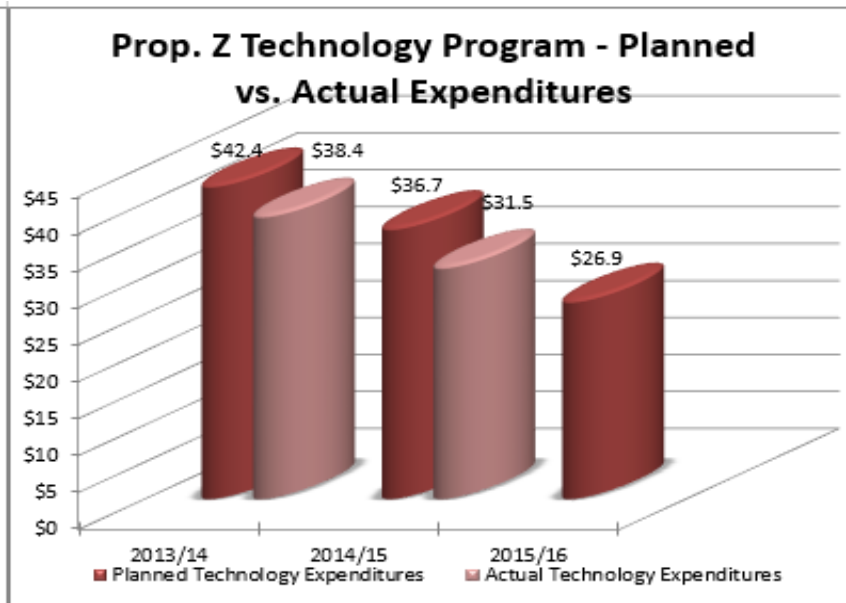
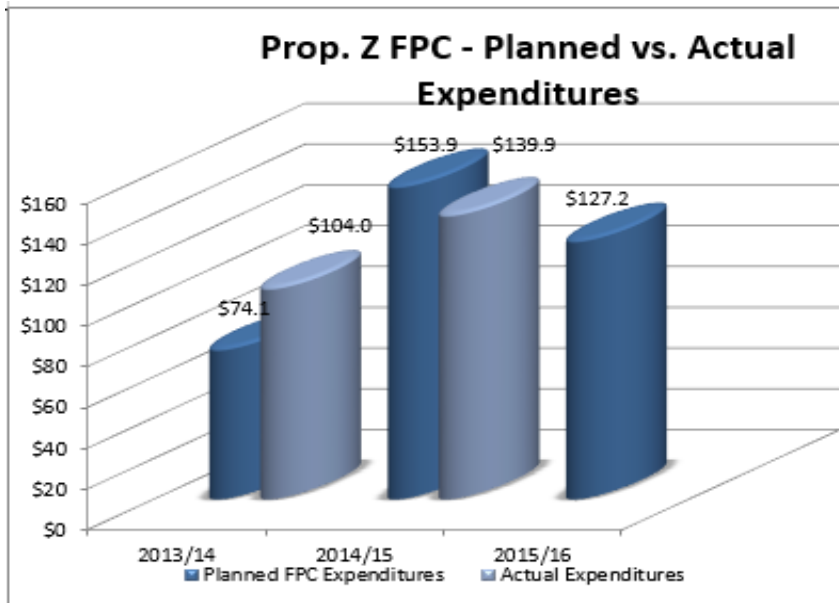
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Proposition Z

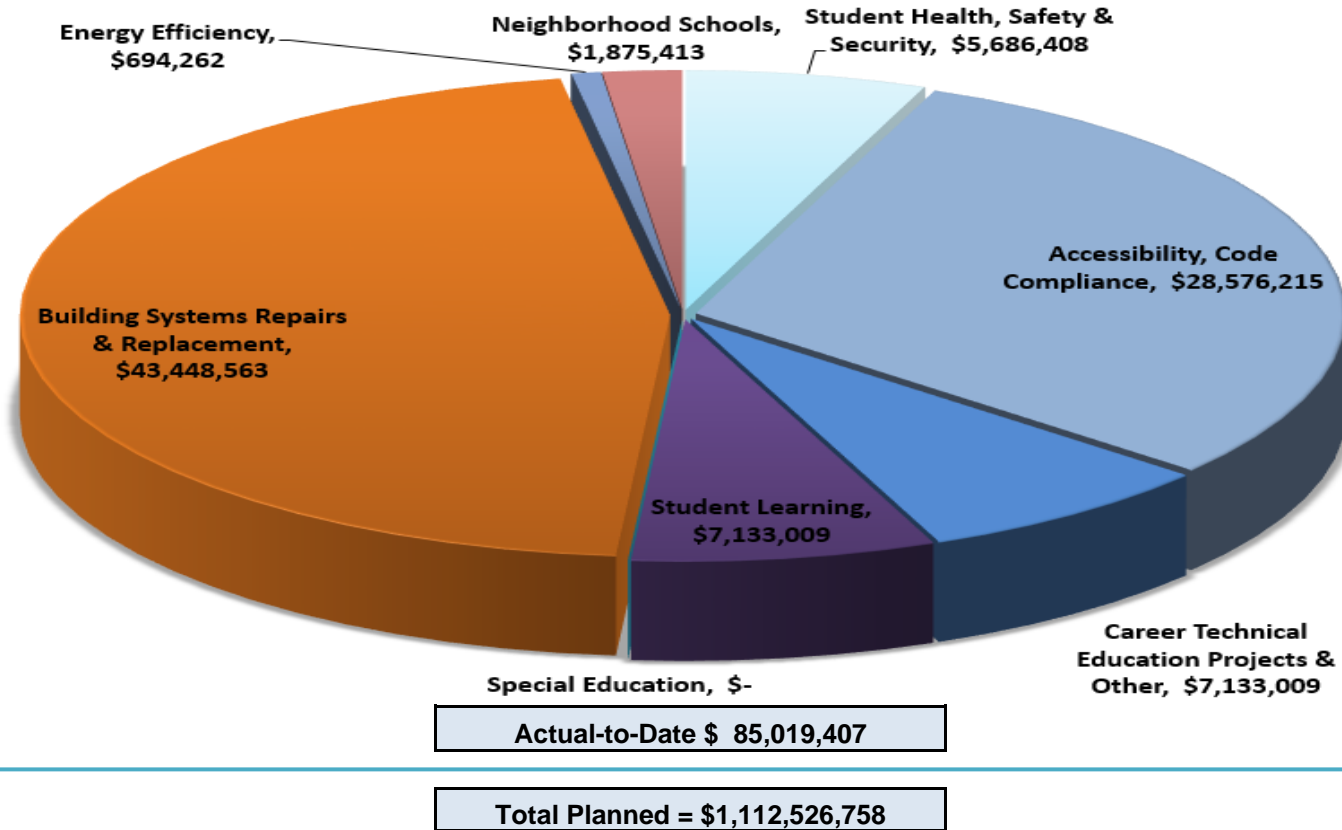


Proposition Z



Proposition Z

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

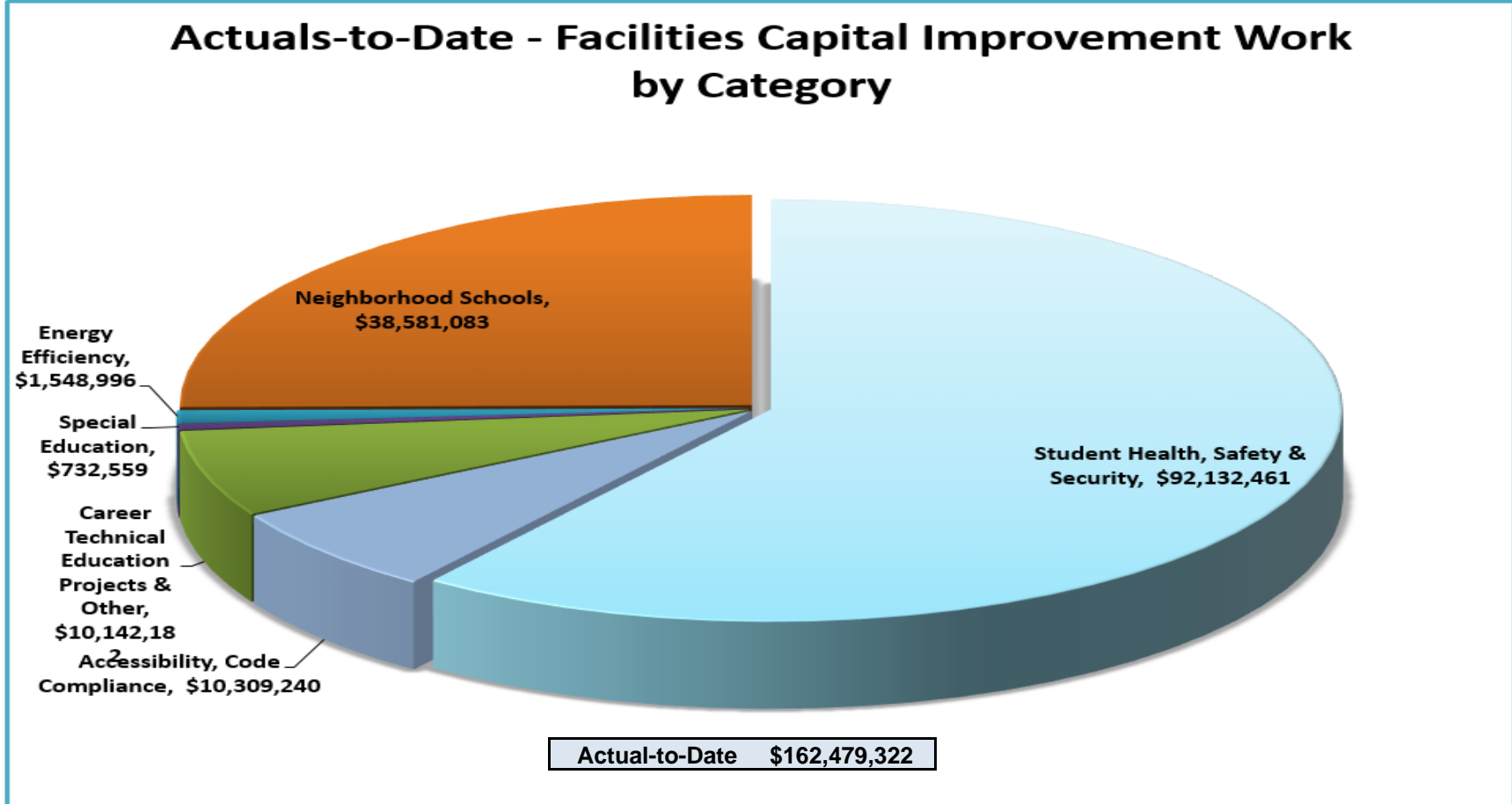


Major Repair and Replacement (MRR) type work is repairs to existing facilities. MRR type work is done in several categories with the BSRR category being the largest. For example, under Accessibility and Code Compliance restrooms, kitchens, stadiums and hardscape are repaired and replaced.

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

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) +2.4%	Despite a .8% increase in labor, the annual escalation rate for the CCI fell to 2.4% from 2.5%	1913 = 100	INDEX VALUE	MONTH	YEAR
		CONSTRUCTION	10036.4	0.0%	2.4%
		COMMON LABOR	21425.7	0.8%	2.4%
		WAGE \$/HR.	40.71	0.0%	1.6%
Builder Cost Index (BCI) +2.6%	The annual inflation rate for the BCI dropped to 2.6% from 2.7% in April due to declines in materials and wages.	1913 = 100	INDEX VALUE	MONTH	YEAR
		BUILDING	5513.3	0.0%	2.6%
		SKILLED LABOR	9534.1	0.6%	2.6%
		WAGE \$/HR.	52.91	0.0%	2.2%
Material Cost Index (ICI) +2.6%	A decline in materials and cement did not offset the 1.3% increase in lumber prices as the MCI increased to 2.6%.	1913 = 100	INDEX VALUE	MONTH	YEAR
		MATERIALS	3056.5	-0.2%	2.6%
		CEMENT \$/TON	114.5	-2.0%	1.3%
		STEEL \$/CWT	50.0	0.0%	1.1%
		LUMBER \$/MBF	467.03	1.3%	6.3%

- 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. Cement declined, steel held steady and lumber increased last month. Labor increased over last month and is up 2.6% over the last year.
- SDUSD FPC is currently applying a 3.0% yearly escalation factor for our internal construction estimates. The Office of Public School Construction is applying 4.27% per RS Means Index.
- Over the last 33 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 2.7%.

Propositions S and Z

This chart measures general contractor construction bids as a percentage of the construction budget for projects awarded since June 2012. The award amount during this period is 2.8% under budget. Since the inception of Prop. S, the overall award amount is 7.5% under budget.

