

**Propositions S and Z Monthly Controls Status Report**

**December 2016**



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

**All Data as of November 30, 2016**

Prepared for:

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

## Proposition S

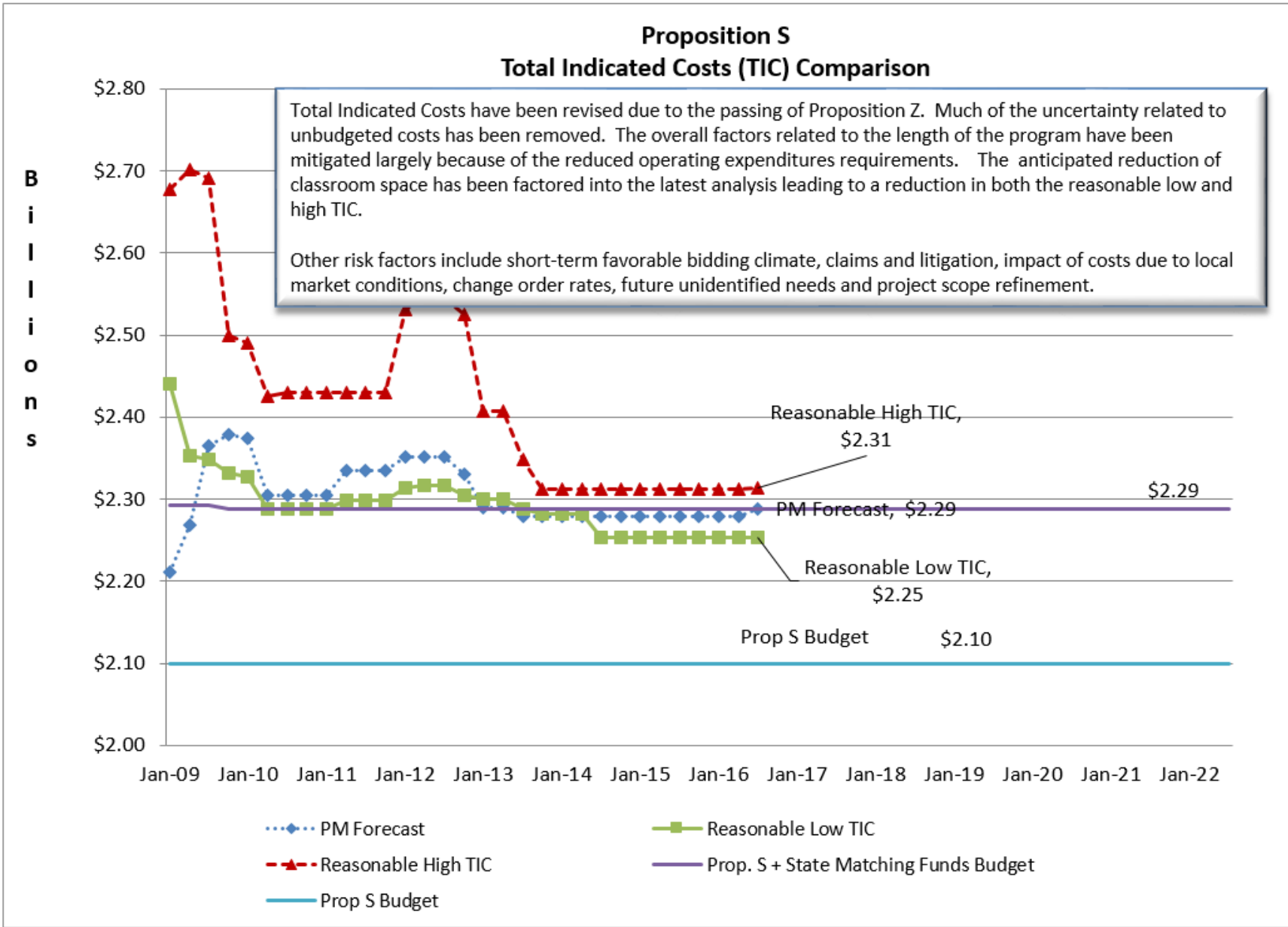
Prop. S Percent Complete	Duration	Expended
<b>23-Year \$2.28B Program</b> (includes Prop. S and State Matching Funds)	31.1%	28.5%
<b>Prop S Bond Sales Received</b>		\$ 765,966,349
<b>State Facility Program (Fund 35) Projected Revenue-to-Date</b>		34,251,860
<b>Current Revenue-to-Date</b>		800,218,209
<b>Projected Revenue thru June 2017</b>		800,218,209
<b>Total Expenditures-to-Date</b>		652,866,950
<b>2016/2017 Planned Expenditures</b>		45,000,000
<b>Projected Fund Balance - June 30, 2017</b>	*	102,351,259
<b>Current Fund Balance</b>	*	147,351,259

### FY 2017 Expenditures

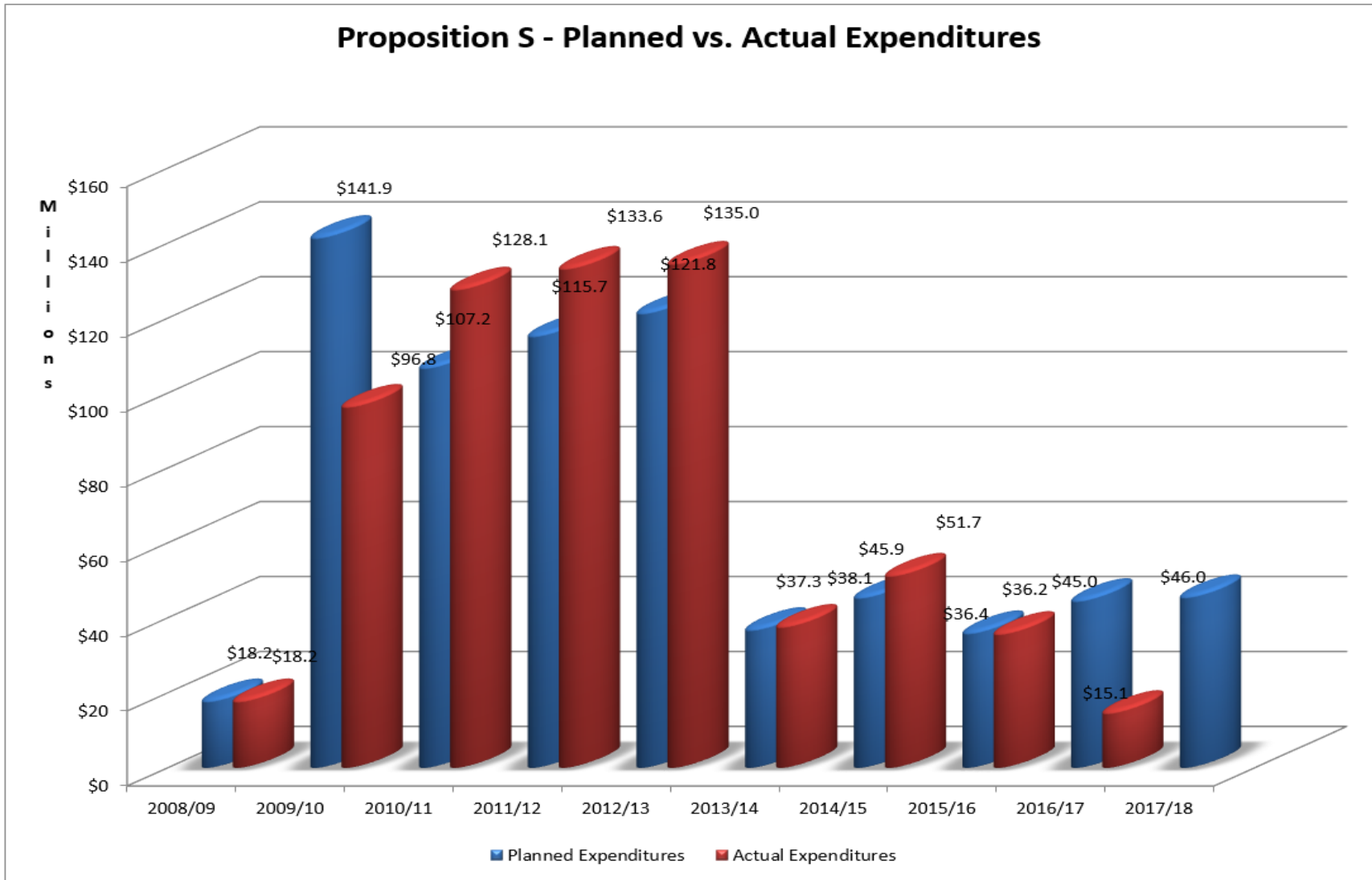
Category	Planned Percentage (Five-Year)	Percent of Ex- penditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
<b>Planning &amp; Design</b>	14.8%	6.9%	\$ 1,038,735	\$ 701,105	\$ 633,550
<b>Construction &amp; Equipment</b>	80.0%	90.6%	13,666,920	2,327,277	2,197,447
<b>Program Management Office</b>	5.2%	2.5%	384,407	181,270	216,866
<b>Sub-Total</b>	100%	100%	\$ 15,090,063	\$ 3,209,652	\$ 3,047,862
<b>Prop. S Percent of Budget and Amount Committed-to-Date**</b>				<b>85.6%</b>	<b>\$ 685,228,659</b>
<b>Current Remaining Uncommitted Balance***</b>					<b>114,989,550</b>

- \* 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

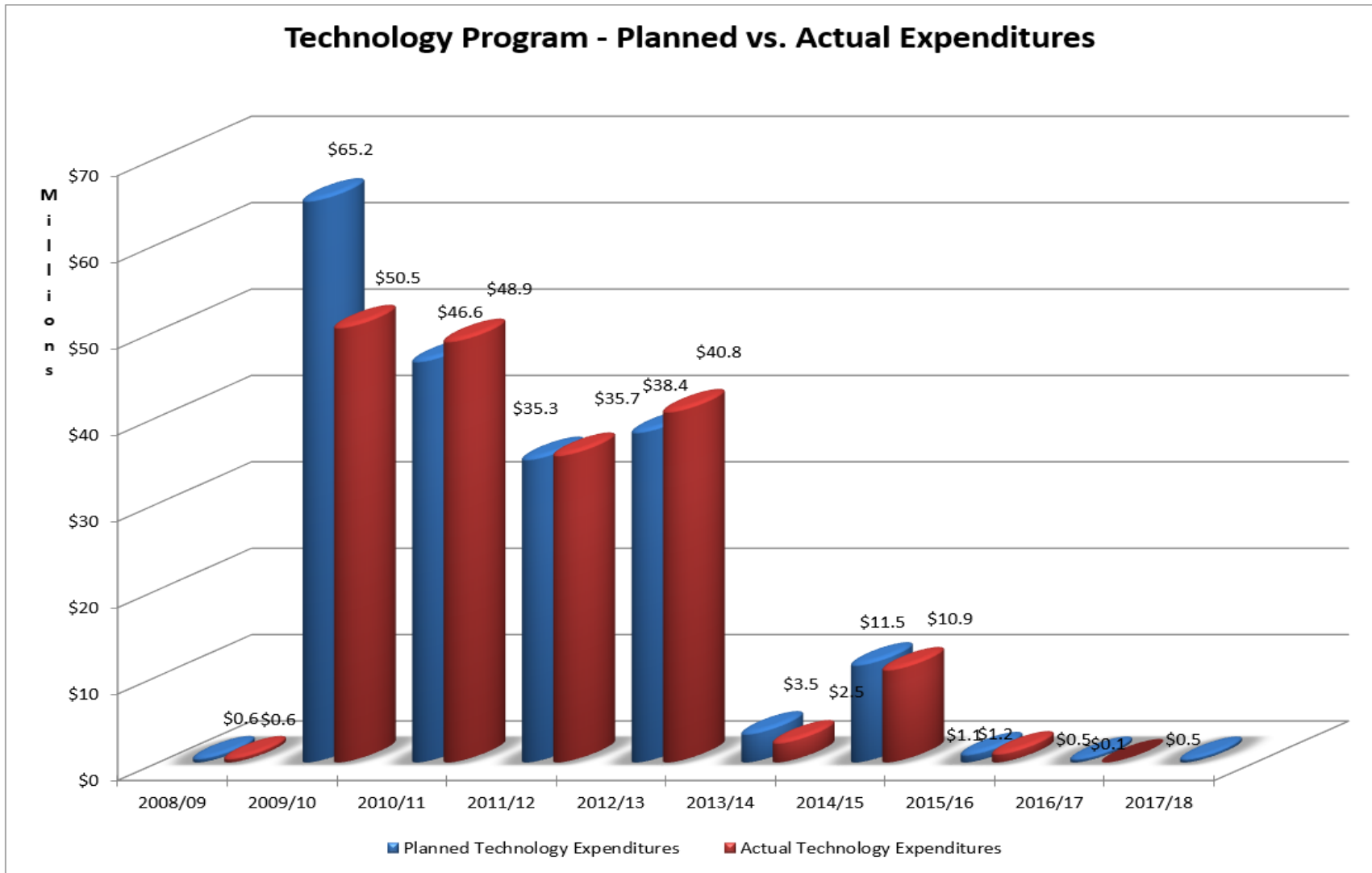


# Proposition S



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

# Proposition S



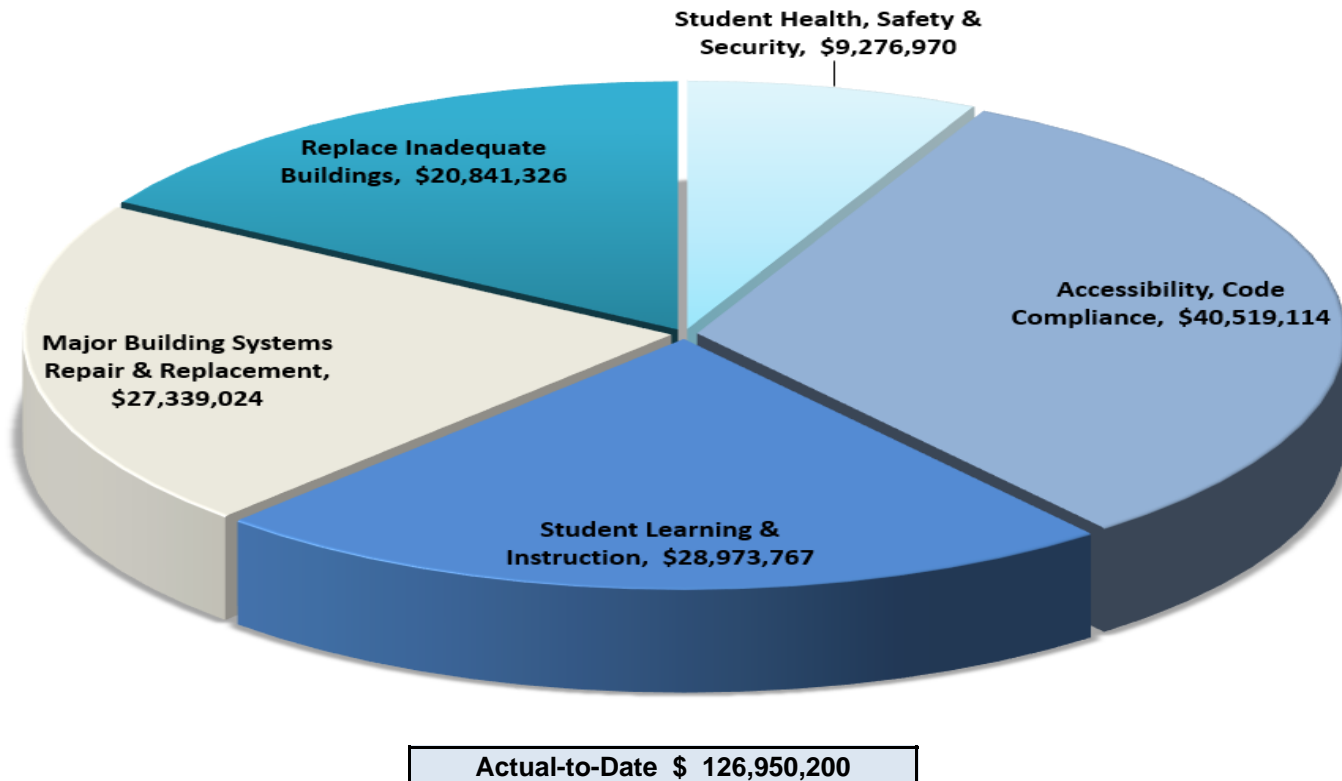
Technology Expenditure Burn Rate

Current Month	Last Month	FY 2017 to date	Total-to-date
280	273	-110,839	191,052,600

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



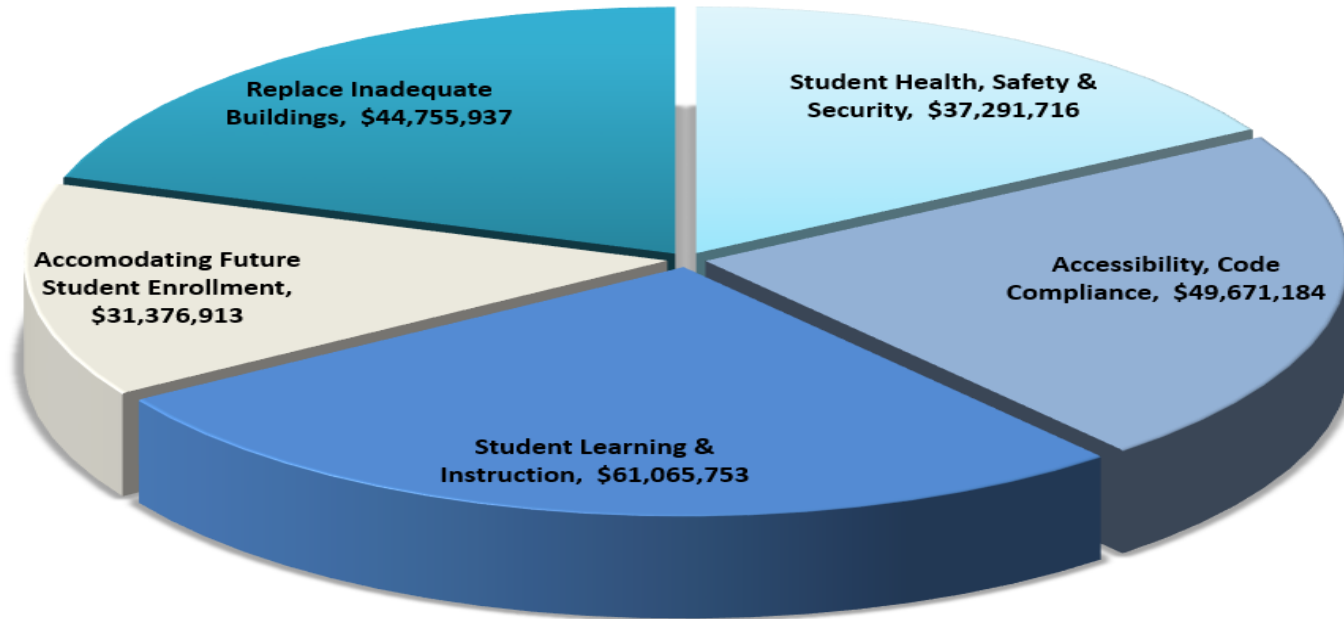
**Planned Total = \$1,004,000,000**

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



Actual-to-Date \$ 224,161,502

Planned Total = \$669,550,000

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

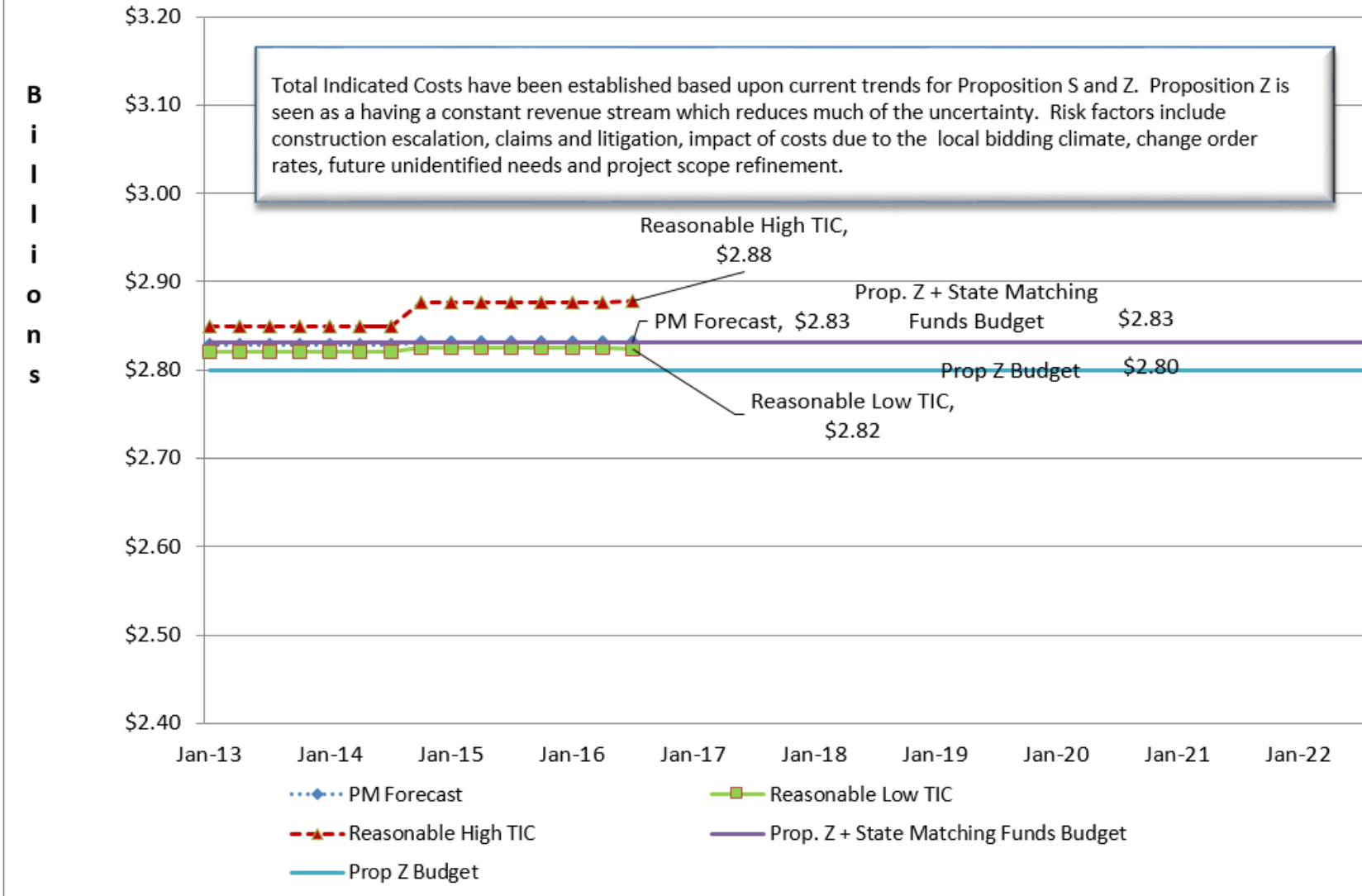
<b>2.8B Prop. Z Planned Revenue - 15-Years</b>		<b>Duration</b>	<b>Expended</b>		
<b>Prop. Z Percent Complete</b>		22.5%	24.3%		
<b>State Facility Program (Fund 35) Received-to-date</b>			29,420,197		
<b>State Facility Program (Fund 35) Projected Revenue Thru June 2017</b>			539,214		
<b>Revenue Received-to-Date</b>			1,187,450,548		
<b>Projected Revenue thru June 2017</b>			1,187,989,762		
<b>Total Expenditures-to-Date</b>			680,697,005		
<b>FY 2017 Planned Expenditures</b>			239,412,300		
<b>Projected Fund Balance - June 30, 2017</b>		*	267,880,457		
<b>Current Fund Balance</b>		*	507,292,757		
<b>FY 2017 Expenditures</b>					
<b>Category</b>	<b>Planned Percentage</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%	5.3%	\$ 4,320,829	\$ 3,402,231	\$ 2,776,624
<b>Construction &amp; Equipment</b>	80.0%	89.3%	\$ 72,470,475	11,788,717	19,805,777
<b>Program Management Office</b>	5.2%	5.4%	\$ 4,385,525	1,051,105	1,177,622
<b>Sub-Total</b>	100%	100%	\$ 81,176,828	\$ 16,242,052	\$ 23,760,023
<b>Prop. Z Percent of Revenue Received and Amount Committed-to-Date**</b>				<b>70.9%</b>	<b>\$ 842,345,121</b>
<b>Current Remaining Uncommitted Balance***</b>					<b>345,105,427</b>

- \* 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.

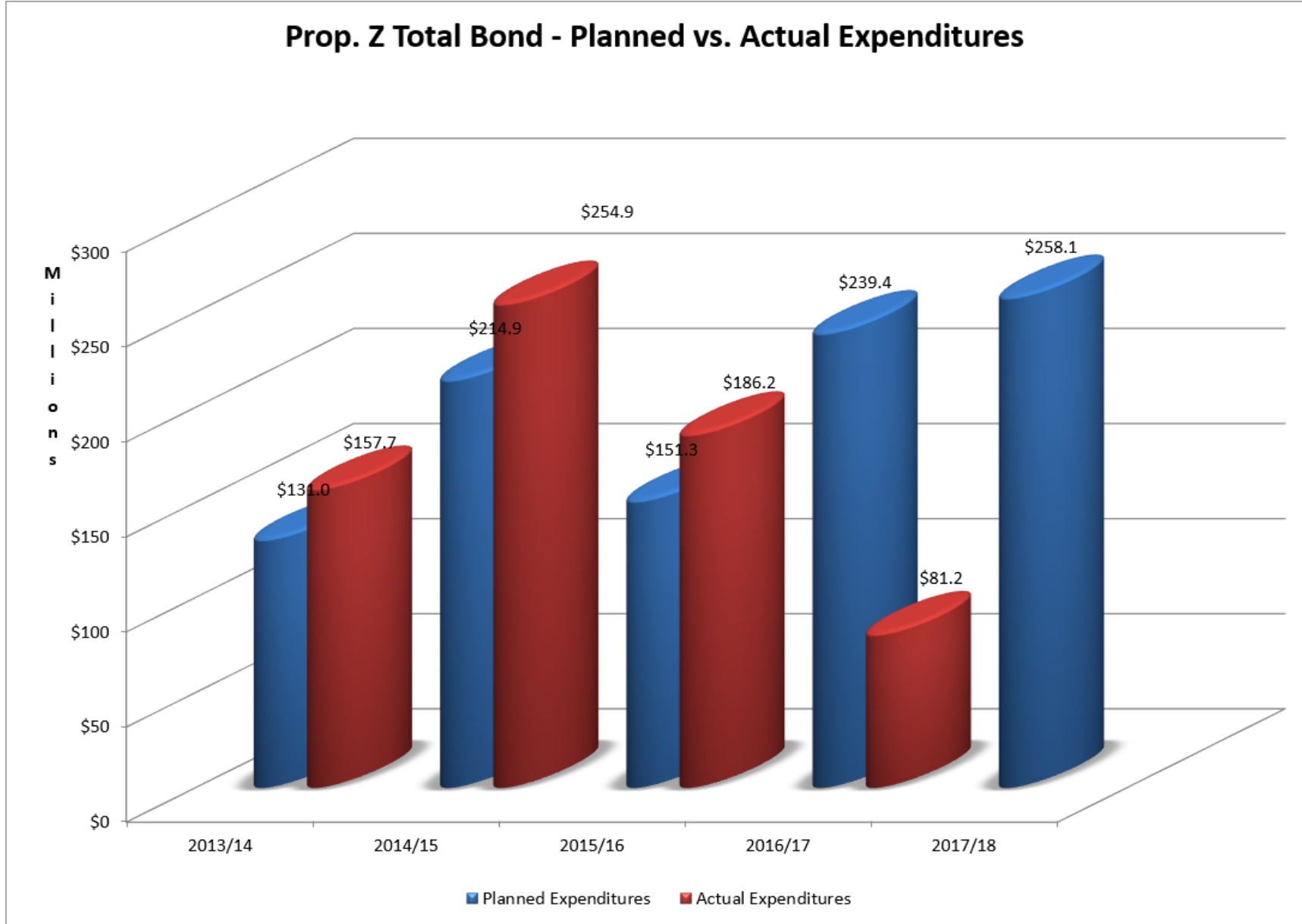


# Proposition Z

**Proposition Z  
Total Indicated Costs (TIC) Comparison**

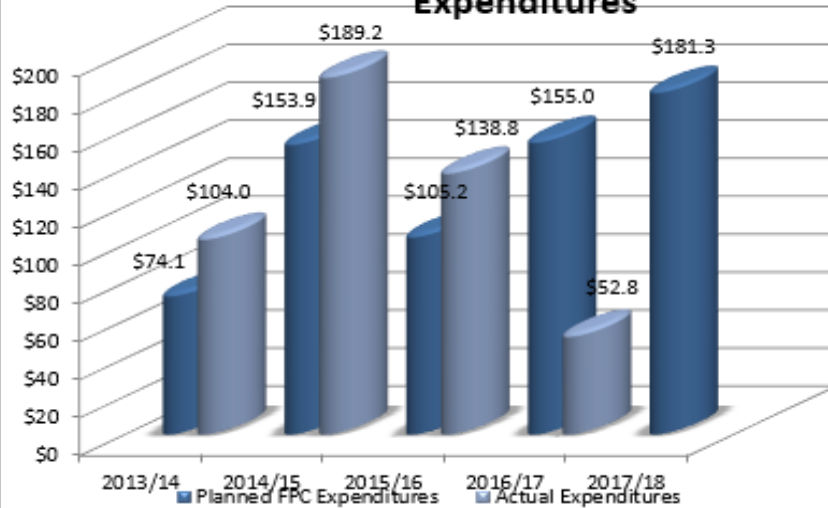


# Proposition Z

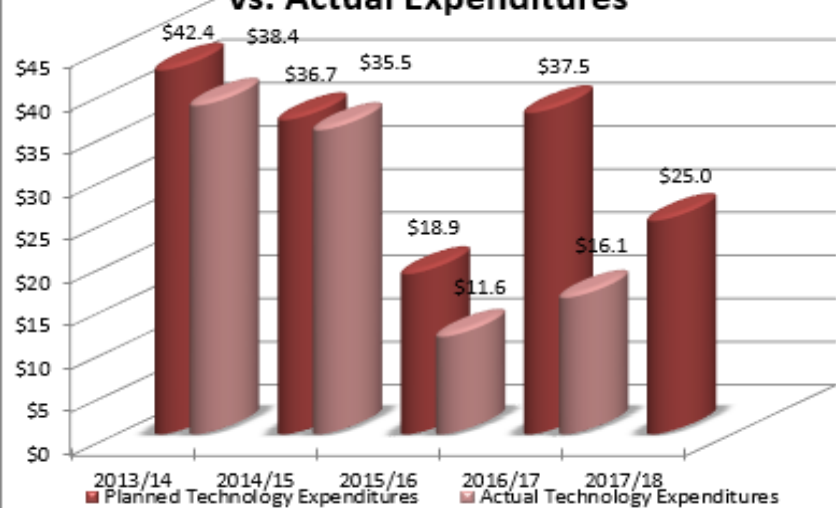


# Proposition Z

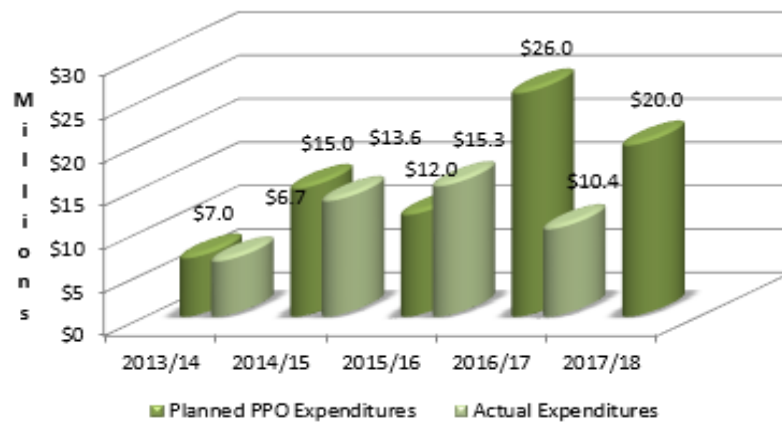
### Prop. Z FPC - Planned vs. Actual Expenditures



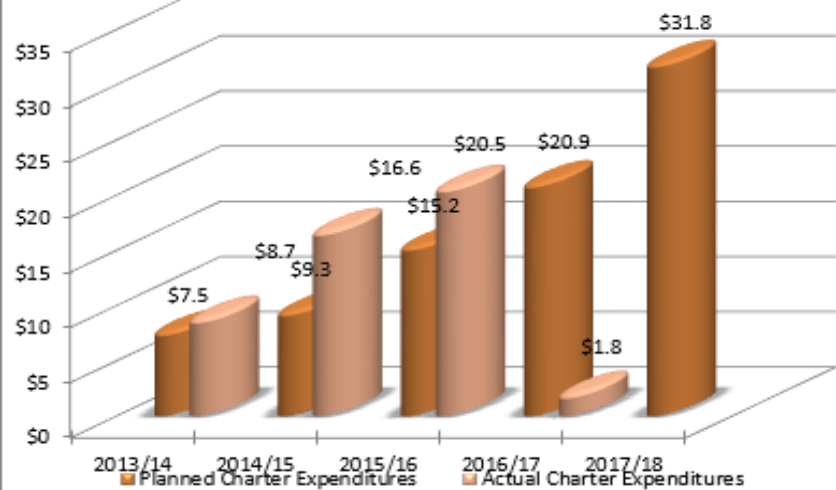
### Prop. Z Technology Program - Planned vs. Actual Expenditures



### Prop. Z PPO Projects - Planned vs. Actual Expenditures



### Prop. Z Charter Schools - Planned vs. Actual Expenditures



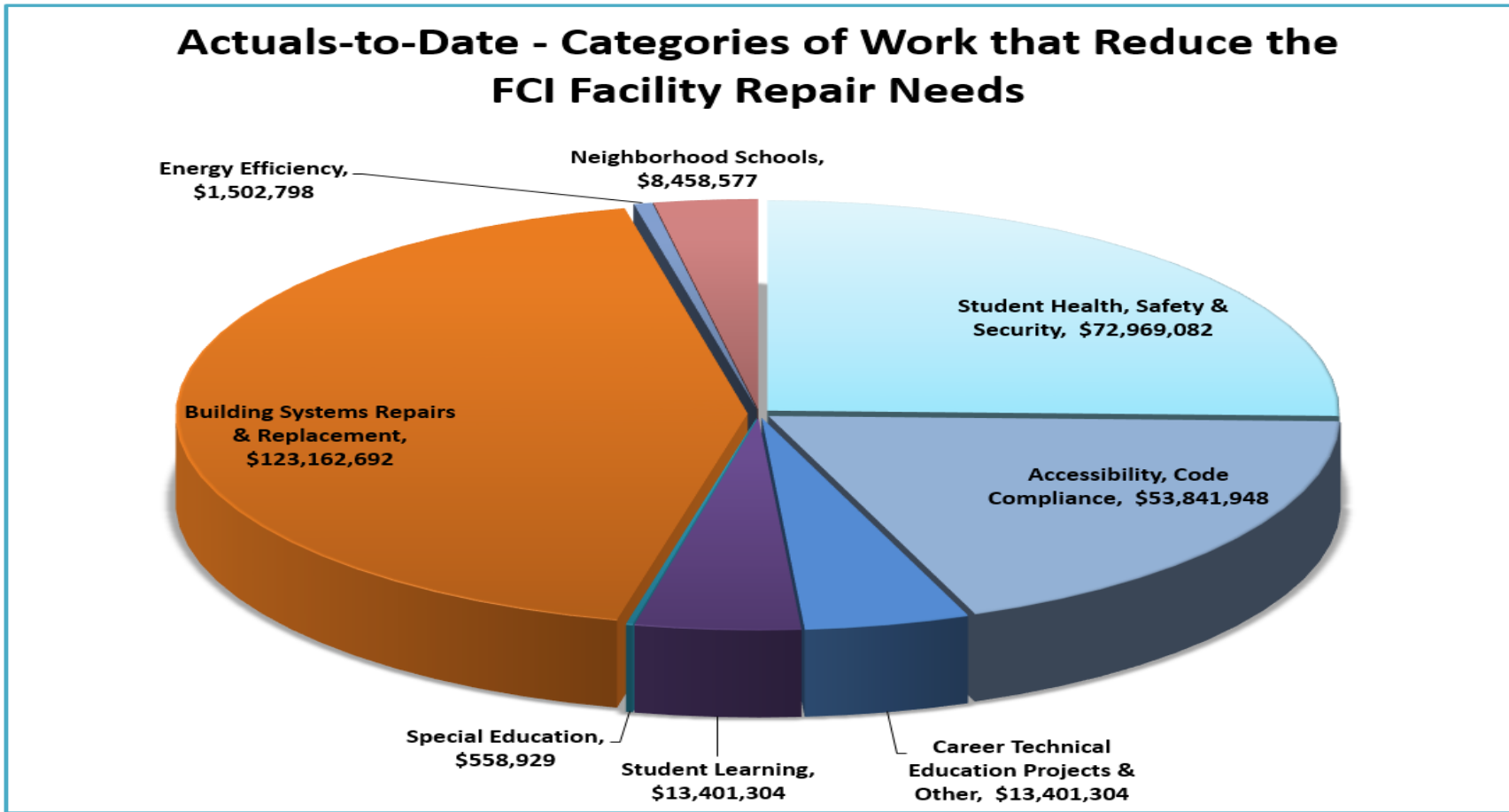
## Proposition Z



Green Bond Expenditures Include projects for:

- ◆ Renewable Energy
- ◆ Water Conservation and Water Quality
- ◆ Energy Efficiency
- ◆ Green Modernization
- ◆ Sustainable Waste Management

## Proposition Z



Actual-to-Date	273,895,329
Total Planned =	\$1,112,526,758

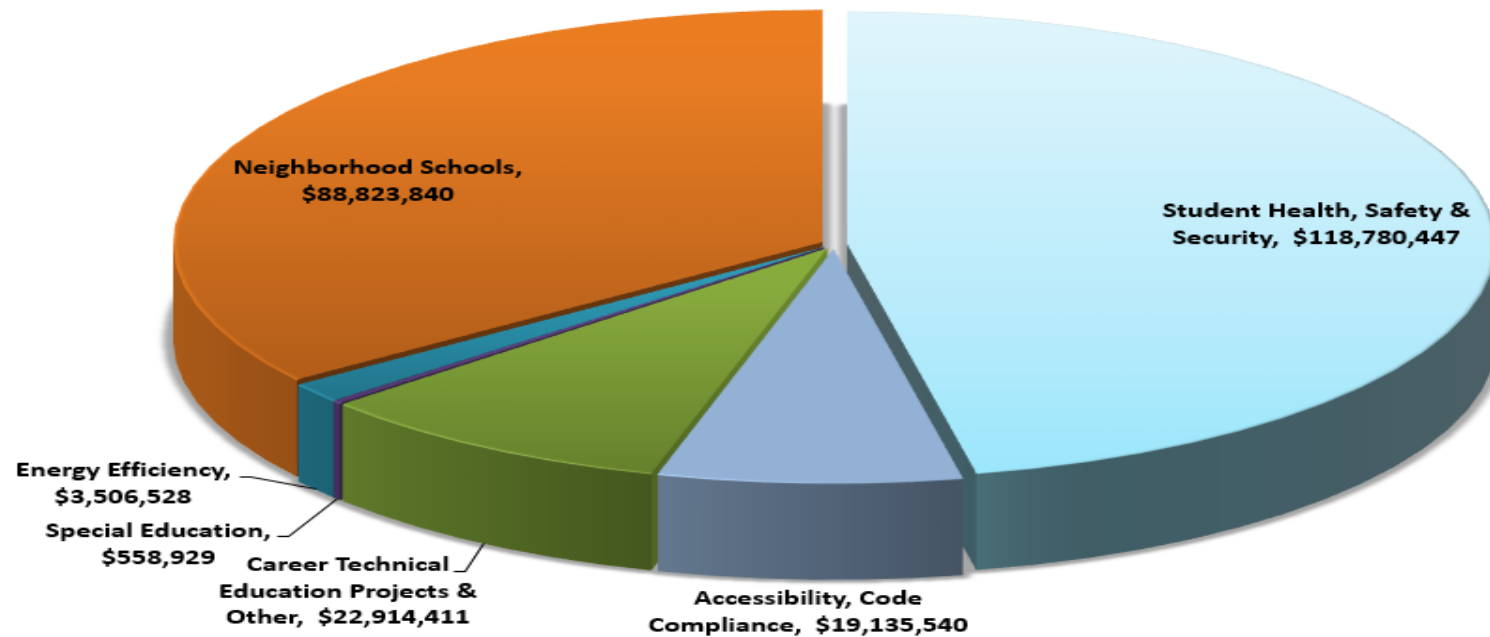
Major Repair and Replacement (MRR) type work is repairs to existing facilities. MRR type work is done in several categories with the BSRR category being the largest. For example, under Accessibility and Code Compliance restrooms, kitchens, stadiums and hardscape are repaired and replaced.

- ◆ 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

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



**Actual-to-Date \$253,719,695**

**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

<b>Construction Cost Index (CCI)</b> +3.6%	The Construction Cost Index's annual escalation rate slid to 3.6% from 3.7% the previous month, as the labor cost component held steady.	<b>1913 = 100</b>	<b>INDEX VALUE</b>	<b>MONTH</b>	<b>YEAR</b>
		<b>CONSTRUCTION</b>	10442.61	0.1%	3.6%
		<b>COMMON LABOR</b>	22172.53	0.0%	3.7%
		<b>WAGE \$/HR.</b>	42.53	0.0%	3.7%
<b>Builder Cost Index (BCI)</b> +2.5%	The Building Cost Index's annual escalation rate slipped to 2.5% from 2.6% in October, as the labor component showed no gain.	<b>1913 = 100</b>	<b>INDEX VALUE</b>	<b>MONTH</b>	<b>YEAR</b>
		<b>BUILDING</b>	5690.35	0.1%	2.5%
		<b>SKILLED LABOR</b>	9927.94	0.0%	2.3%
		<b>WAGE \$/HR.</b>	54.92	0.0%	2.3%
<b>Material Cost Index (ICI)</b> +0.4%	The MCI rose 0.4% this month, based on the strength of a 1.5% increase in lumber prices.	<b>1913 = 100</b>	<b>INDEX VALUE</b>	<b>MONTH</b>	<b>YEAR</b>
		<b>MATERIALS</b>	3149.55	0.4%	3.7%
		<b>CEMENT \$/TON</b>	109.74	-0.9%	-5.1%
		<b>STEEL \$/CWT</b>	49.96	0.1%	0.8%
		<b>LUMBER \$/MBF</b>	518.41	1.5%	9.8%

- 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

- SDUSD FPC is currently applying a 4.0% yearly escalation factor for our internal construction estimates. The Office of Public School Construction is applying 4.27% per RS Means Index.
- Since June 2013 SDUSD construction projects were awarded at 4.5% 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 .5% variance.
- Program change order (CO) rate is 2.8%.

# Propositions S and Z

This chart measures general contractor construction bids as a percentage of the construction budget for projects awarded since June 2013. The award amount during this period is 4.5% under budget. Since the inception of Prop. S, the overall award amount is 7.4% under budget.

