

Propositions S and Z Monthly Controls Status Report

September 2015



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

All Data as of August 31, 2015

Prepared for:

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

Proposition S

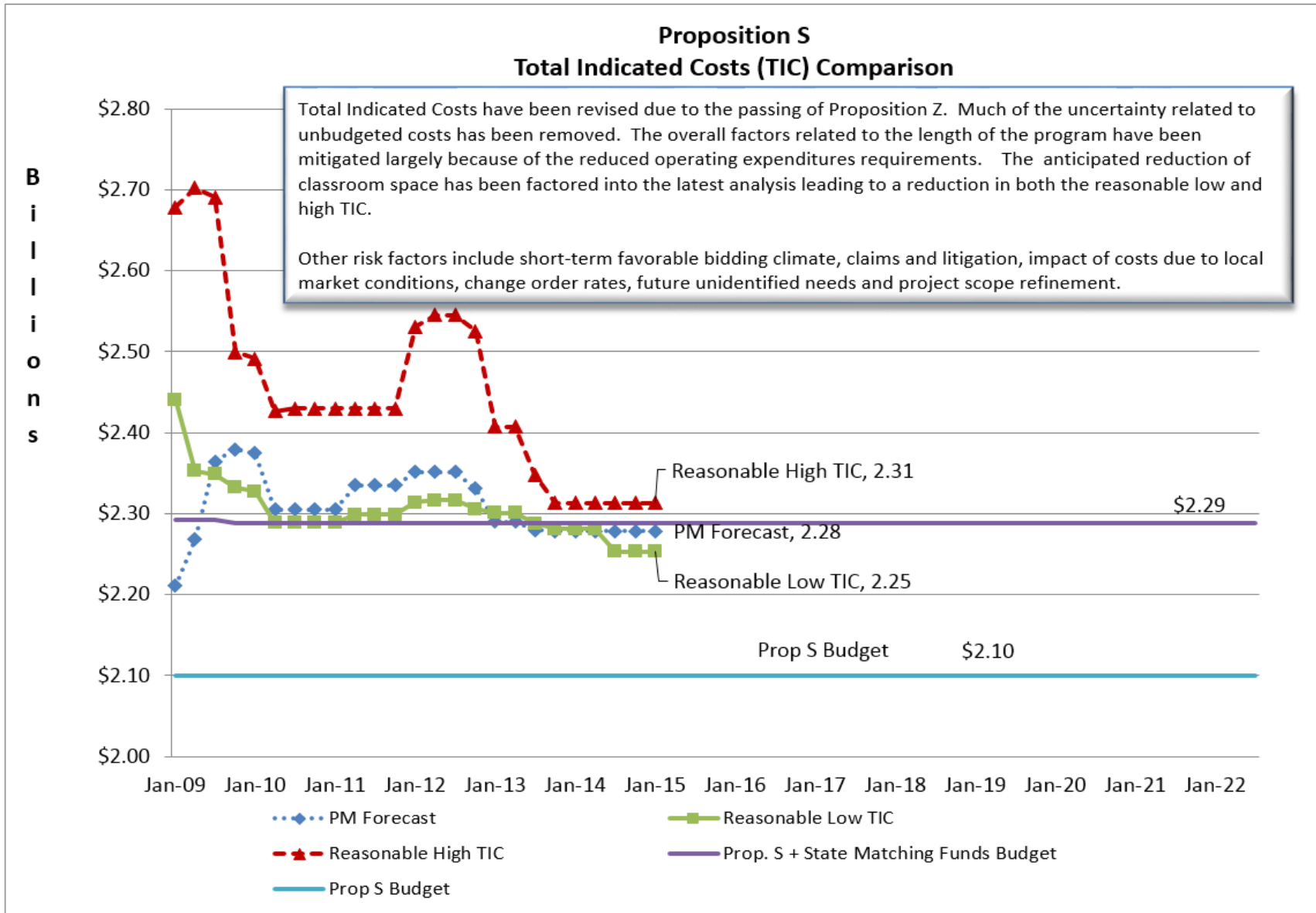
Prop. S Percent Complete	Duration	Expended
15-Year \$2.28B Program (includes Prop. S and State Matching Funds)	43.4%	26.4%
Prop S Bond Sales Received		\$ 583,191,477
State Facility Program (Fund 35) Projected Revenue Thru June 2014		34,251,860
Current Revenue-to-Date		653,317,771
Projected Revenue thru June 2016		753,317,771
Total Expenditures-to-Date		603,406,858
2015/2016 Planned Expenditures		48,500,135
Projected Fund Balance - June 30, 2016	*	103,231,364
Current Fund Balance	*	49,910,913

FY 2016 Expenditures

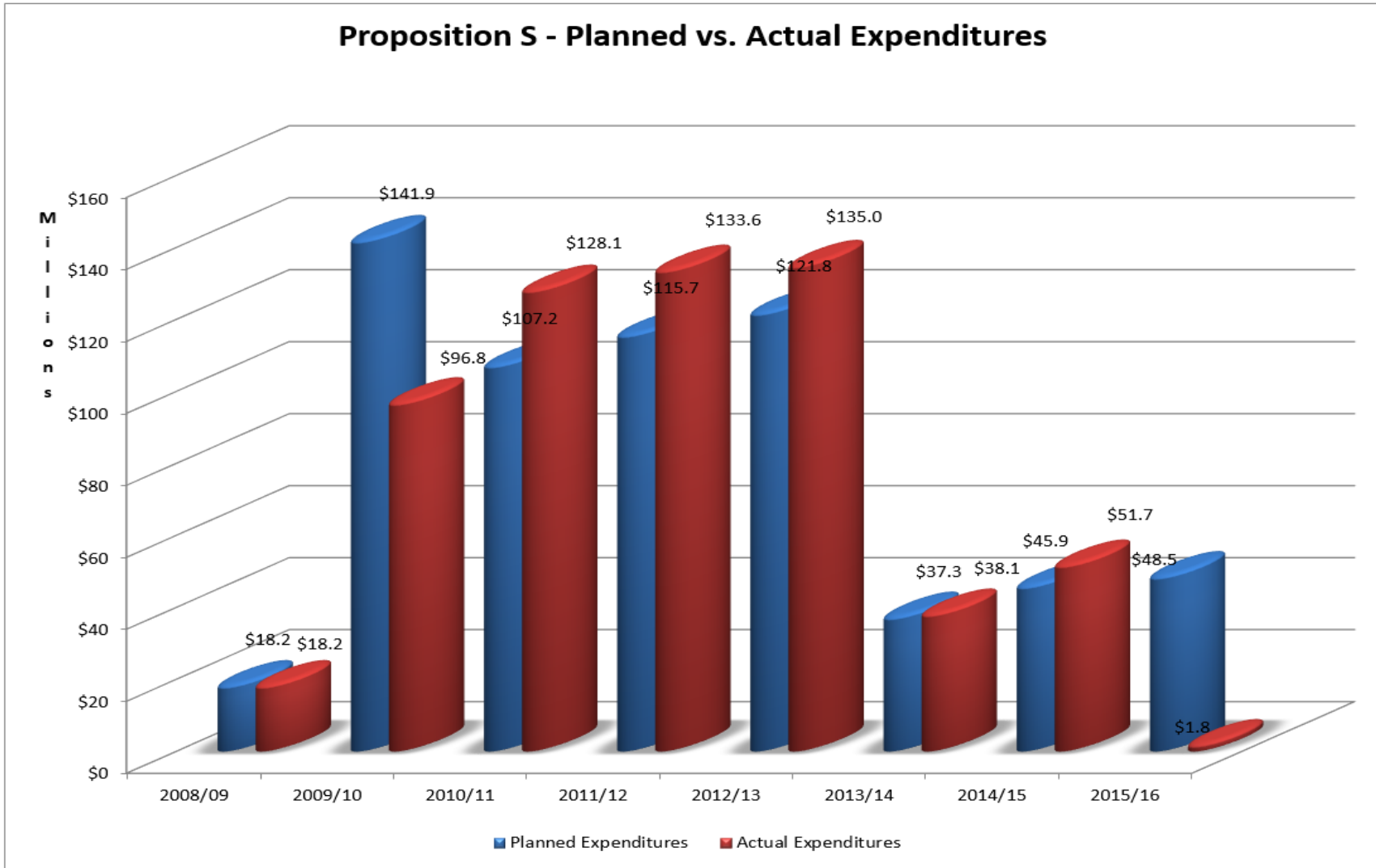
Category	Planned Percentage (Five-Year)	Percent of Ex- penditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
Planning & Design	14.8%	19.3%	\$ 351,553	\$ 446,587	\$ (95,034)
Construction & Equipment	80.0%	74.1%	1,348,231	1,670,708	(322,478)
Program Management Office	5.2%	6.6%	120,803	223,947	(103,145)
Sub-Total	100%	100%	\$ 1,820,586	\$ 2,341,242	\$ (520,657)
Prop. S Percent of Budget and Amount Committed-to-Date**				27.1%	\$ 620,918,590
Current Remaining Uncommitted Balance***					629,180

- * 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

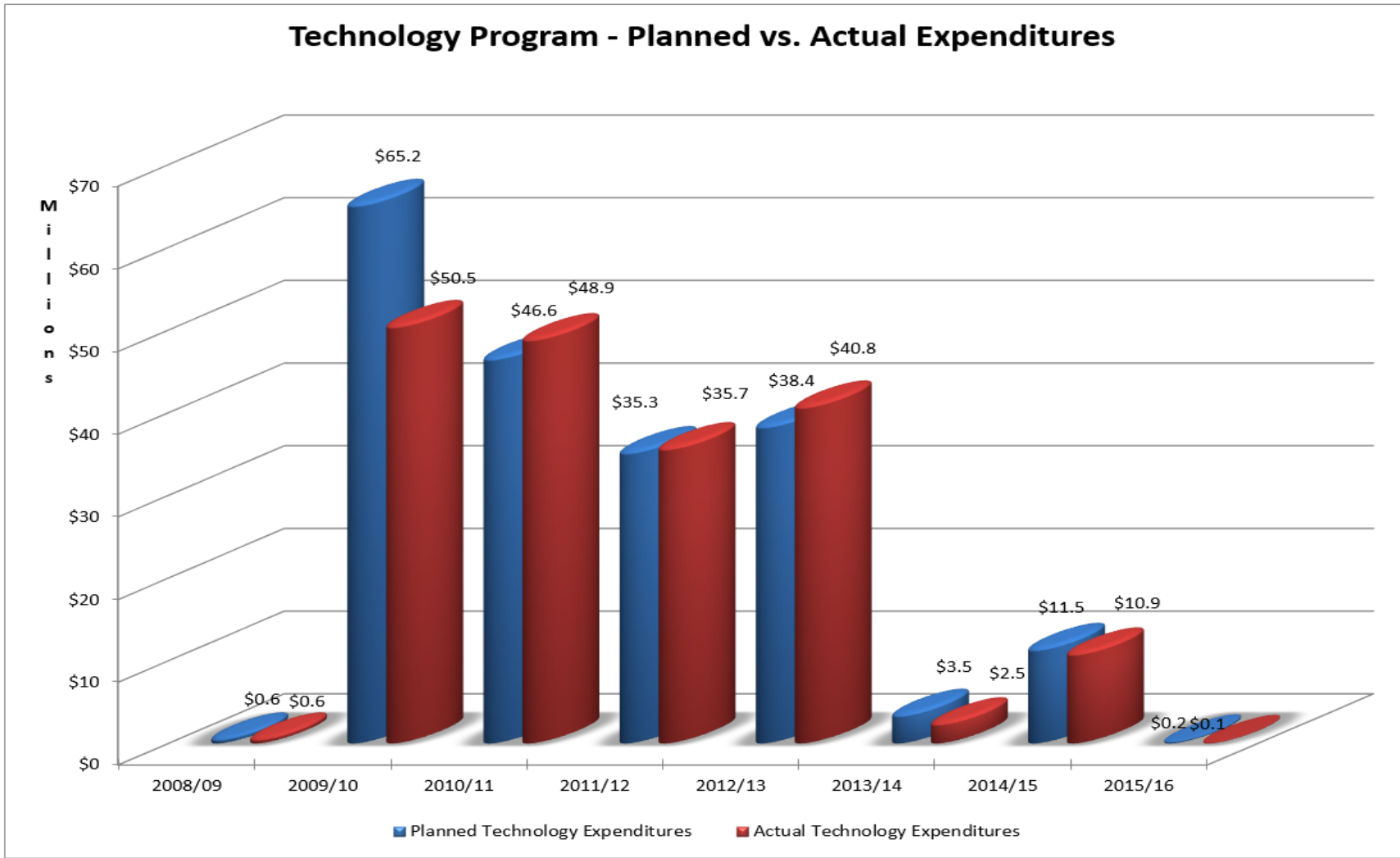


Proposition S



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

Proposition S



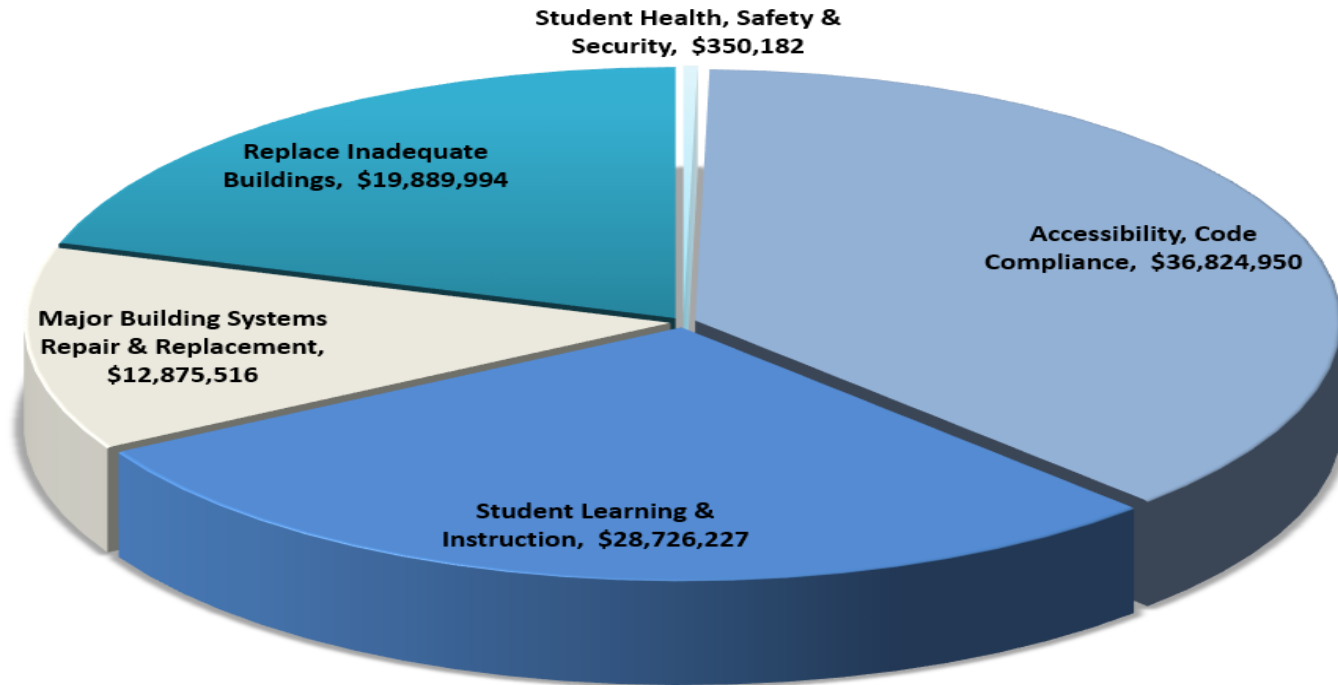
Technology Expenditure Burn Rate

Current Month	Last Month	FY 2016 to date	Total-to-date
40,913	66,125	107,038	190,085,388

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 \$ 98,666,868

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

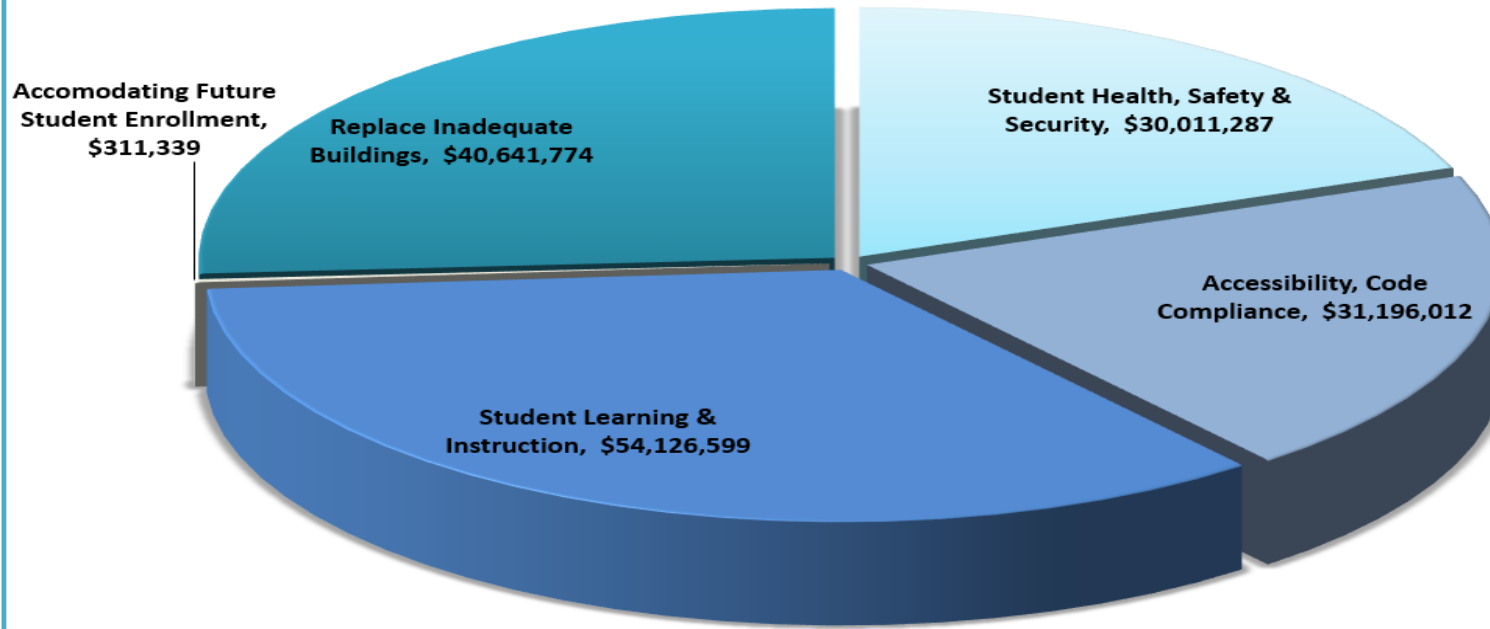
Major Repair and Replacement (MRR) type work is repairs to existing facilities. MRR work is done in several categories with the MRR category being the largest. For example, under Accessibility and Code Compliance restrooms, kitchens, stadiums and hard-scape are repaired and replaced.

- ◆ 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 \$ 156,287,011

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

Proposition Z

2.8B Prop. Z Planned Revenue - 15-Years	Duration	Expended
Prop. Z Percent Complete	14.1%	15.0%
Prop Z Bond Sales Received		\$ 530,000,000
Prop Z Bond Sales Projected FY 2016		\$ 575,000,000
State Facility Program (Fund 35) Received-to-date		26,463,385
State Facility Program (Fund 35) Projected Revenue Thru June 2015		1,945,701
Revenue Received-to-Date		559,021,839
Projected Revenue thru June 2016		1,134,021,839
Total Expenditures-to-Date		421,249,137
FY 2016 Planned Expenditures		214,861,734
Projected Fund Balance - June 30, 2016	*	752,850,508
Current Fund Balance	*	137,772,701

FY 2016 Expenditures

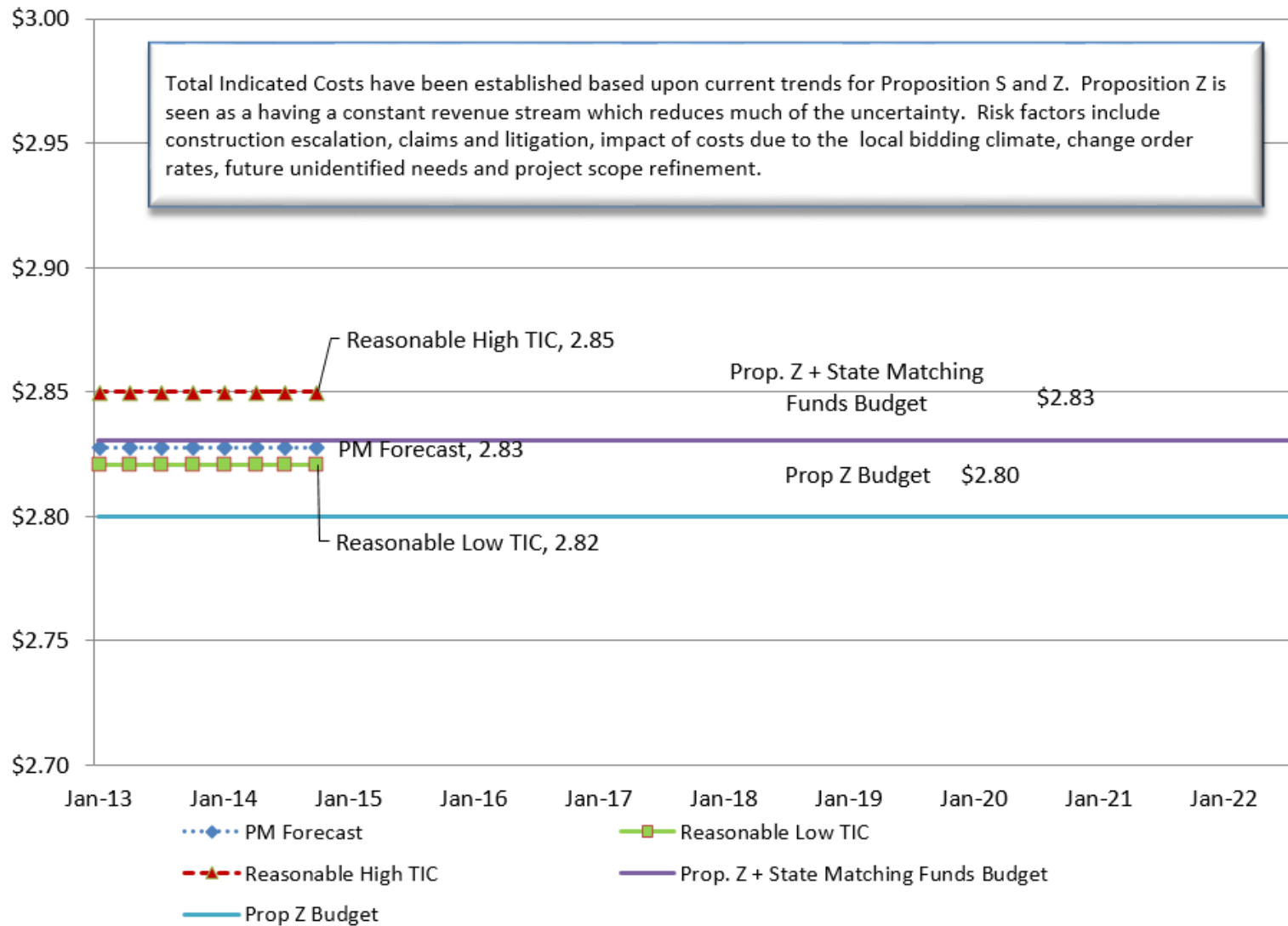
Category	Planned Percentage	Percent of Expenditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
Planning & Design	14.8%	86.3%	\$ 6,834,848	\$ 4,094,977	\$ (3,565,210)
Construction & Equipment	80.0%	6.7%	\$ 529,767	9,005,932	(2,171,084)
Program Management Office	5.2%	7.0%	\$ 551,400	647,183	(95,783)
Sub-Total	100%	100%	\$ 7,916,015	\$ 13,748,092	\$ (5,832,077)
Prop. Z Percent of Budget and Amount Committed-to-Date**				99.9%	\$ 558,433,545
Current Remaining Uncommitted Balance***					588,293

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- Management Costs include all labor, services, equipment and supplies that are not direct charges to projects.

Proposition Z

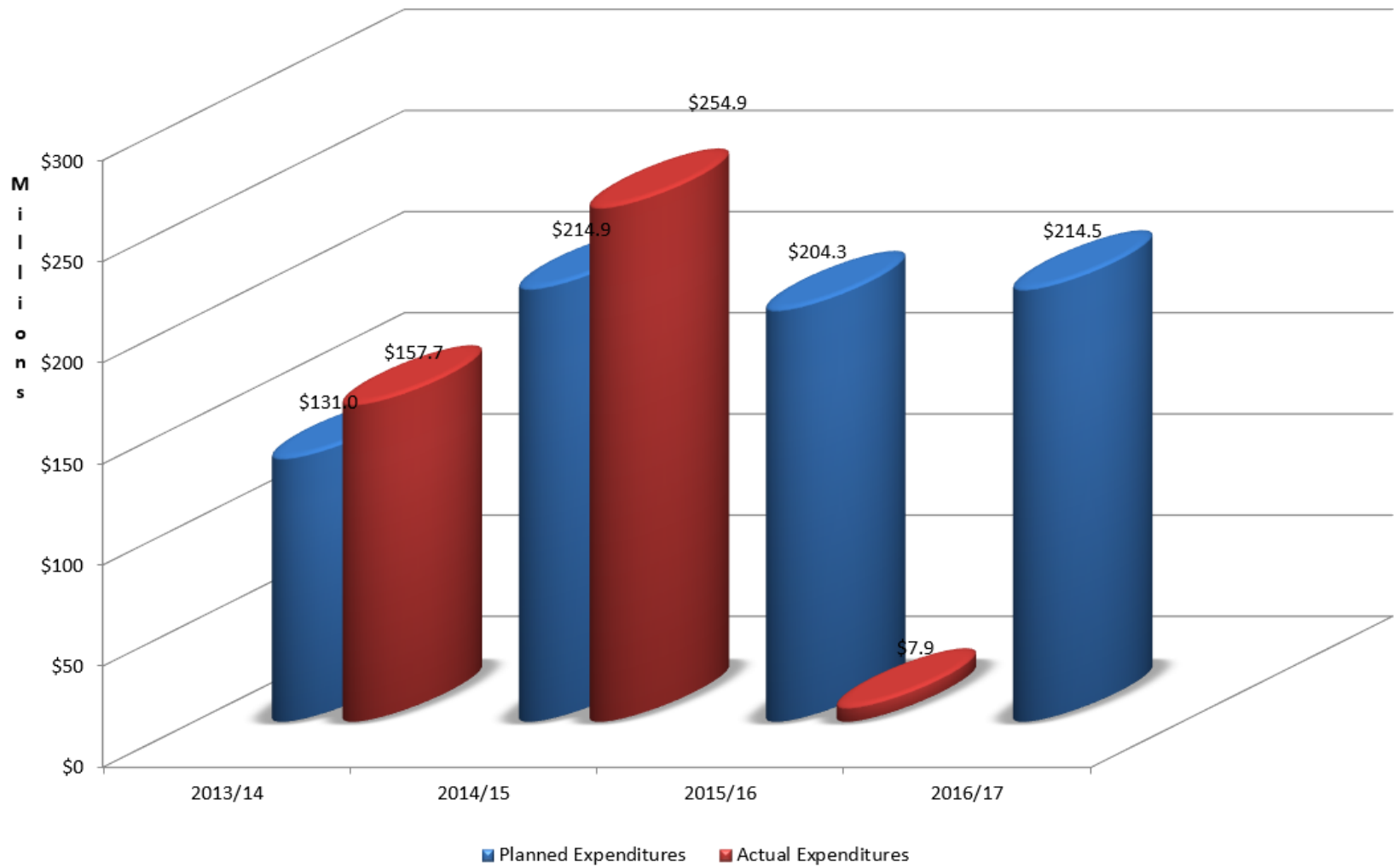
Proposition Z Total Indicated Costs (TIC) Comparison

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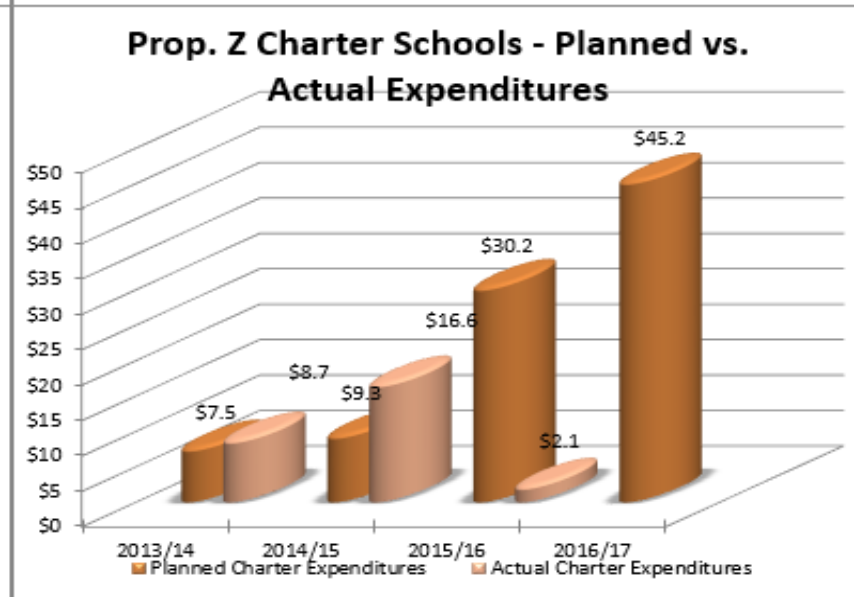
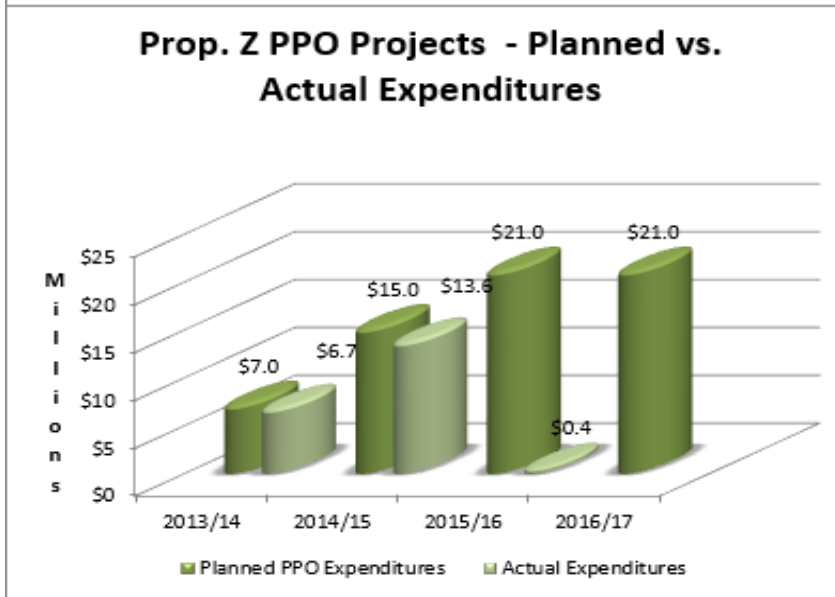
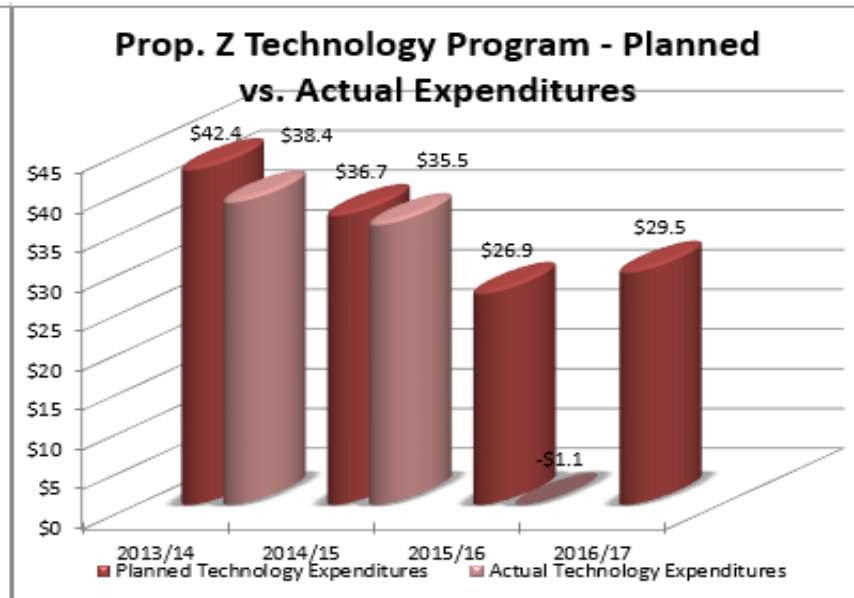
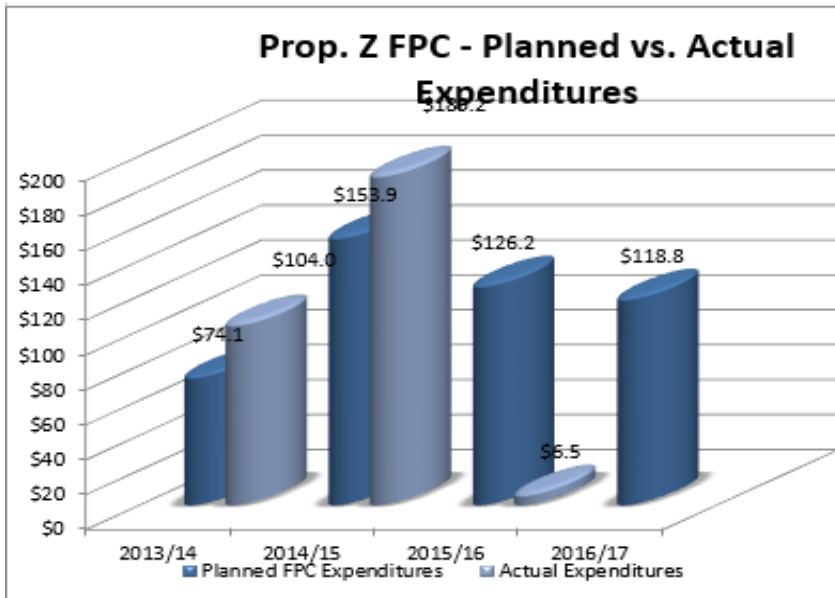


Proposition Z

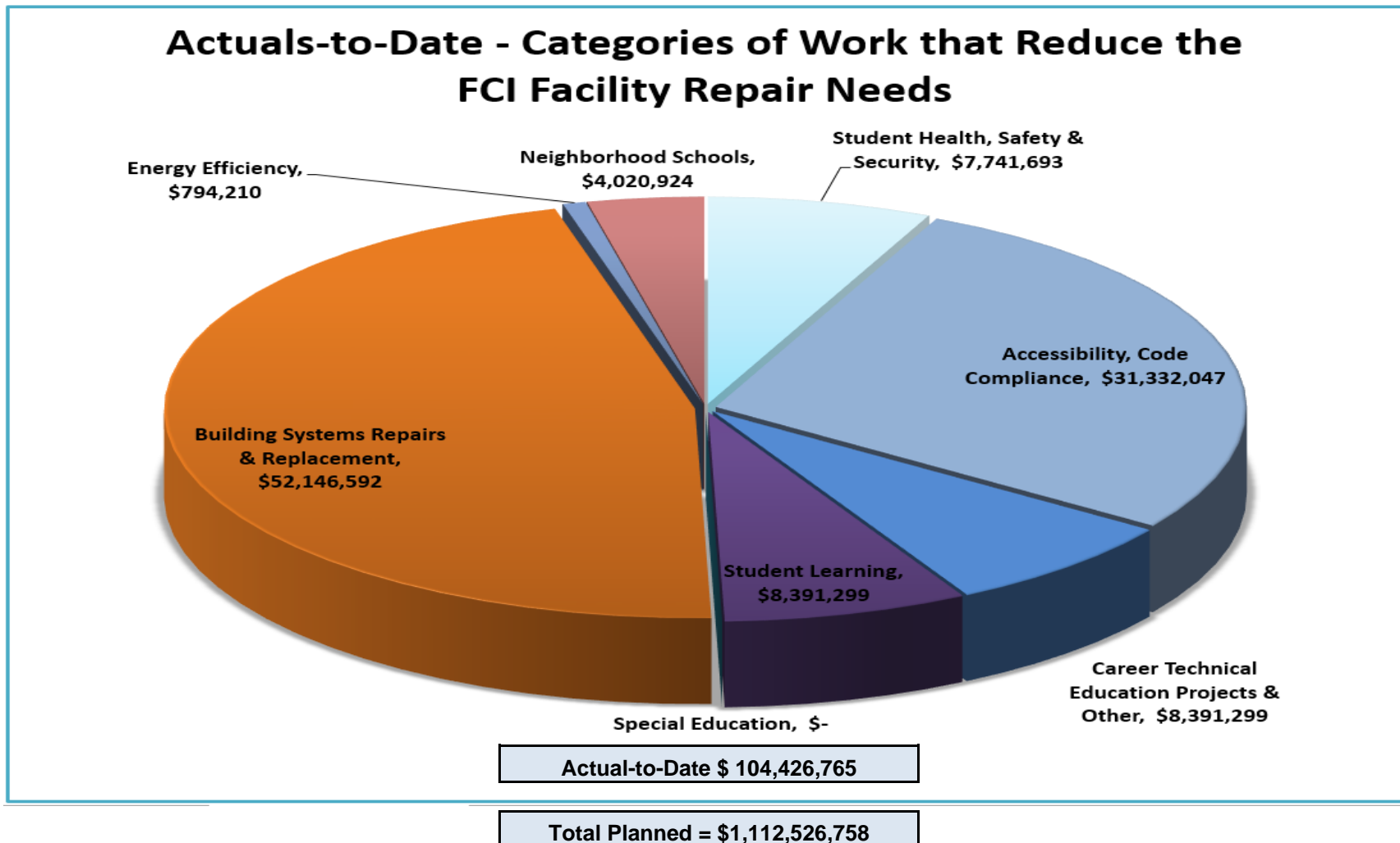
Prop. Z Total Bond - Planned vs. Actual Expenditures



Proposition Z



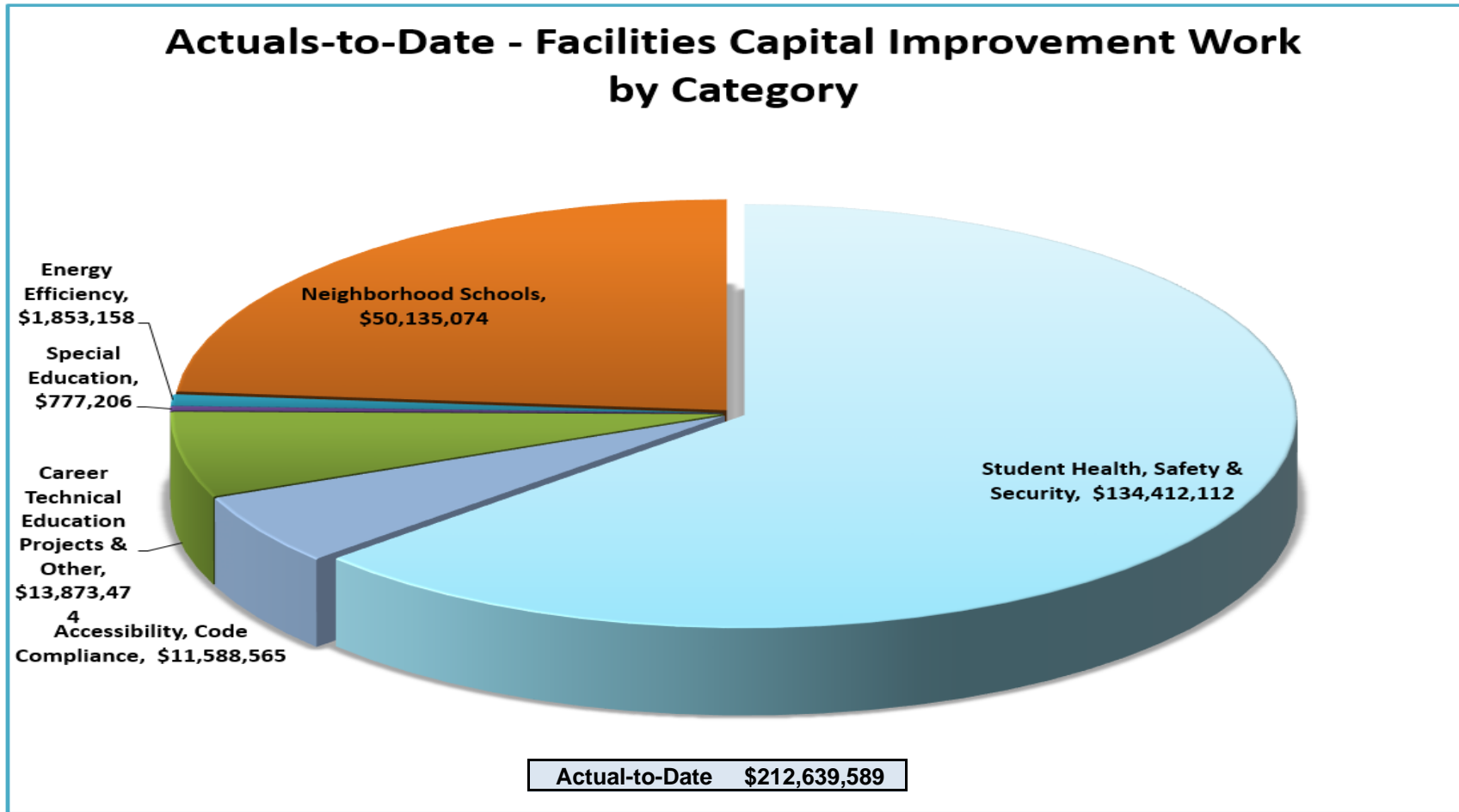
Proposition Z



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):

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) +2.1%	Construction costs have held steady over the last month and have seen an overall decline over the last year.	1913 = 100	INDEX VALUE	MONTH	YEAR
		CONSTRUCTION	10037.4	0.0%	2.1%
		COMMON LABOR	21463.0	0.0%	2.2%
		WAGE \$/HR.	40.78	0.0%	2.9%
Builder Cost Index (BCI) +2.4%	Building costs have declined slightly over the last year.	1913 = 100	INDEX VALUE	MONTH	YEAR
		BUILDING	5510.5	0.1%	2.4%
		SKILLED LABOR	9562.5	0.1%	2.8%
		WAGE \$/HR.	53.07	0.1%	2.8%
Material Cost Index (ICI) +1.7%	Materials costs have declined .9% over last year due to declines in cement and lumber.	1913 = 100	INDEX VALUE	MONTH	YEAR
		MATERIALS	3034.5	-0.1%	1.7%
		CEMENT \$/TON	115.6	-0.8%	0.9%
		STEEL \$/CWT	49.7	0.0%	0.3%
		LUMBER \$/MBF	466.41	-0.4%	5.2%

- 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 declined over the last year. Cement and lumber declined while steel held steady last month. Skilled labor increased over last month and is up 2.8% 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 35 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 June 2012. The award amount during this period is 2.6% under budget. Since the inception of Prop. S, the overall award amount is 7.6% under budget.

