

Olentangy Local Schools

**Permanent Improvement
Cost Projections
20 Year Analysis
2013-2033**

This analysis took a comprehensive look at the major assets of the district to help formulate a strategy for funding and maintaining the district over the long term.

- Historically permanent improvements costs have been included in bond issues passed for the construction of new buildings. Now that we are not building new facilities, there is not a mechanism in place to fund the ongoing maintenance of the district.
- 23 school buildings, two bus garages and various maintenance facilities
- 2.8 million square feet of buildings to maintain
- Approximately 1000 acres maintained by the district
- Started with the larger categories such as roof, asphalt and boilers
- This analysis does not include technology

- The process will continue to evolve as we gather data on smaller assets such as pumps, electric motors and building fixtures
- As the process moved forward we realized the the cost would mirror the growth of the district. Based on lifecycles there would be more replacements for longer lifecycle assets in the later part of the analysis. In order to capture this distinction, the analysis is broken down into two periods. The two periods are labeled Years 1-10 and 11-20.
- Does not account for any future growth in the district
- Totals calculated in todays dollars, then an inflation factor is applied to the totals
- Lifecycle data and replacement costs were established using similar projects completed in the district, current vendors, and the Ohio School Facilities Assessment Guidelines

Cost of Permanent Improvements for Each Ten Year Period

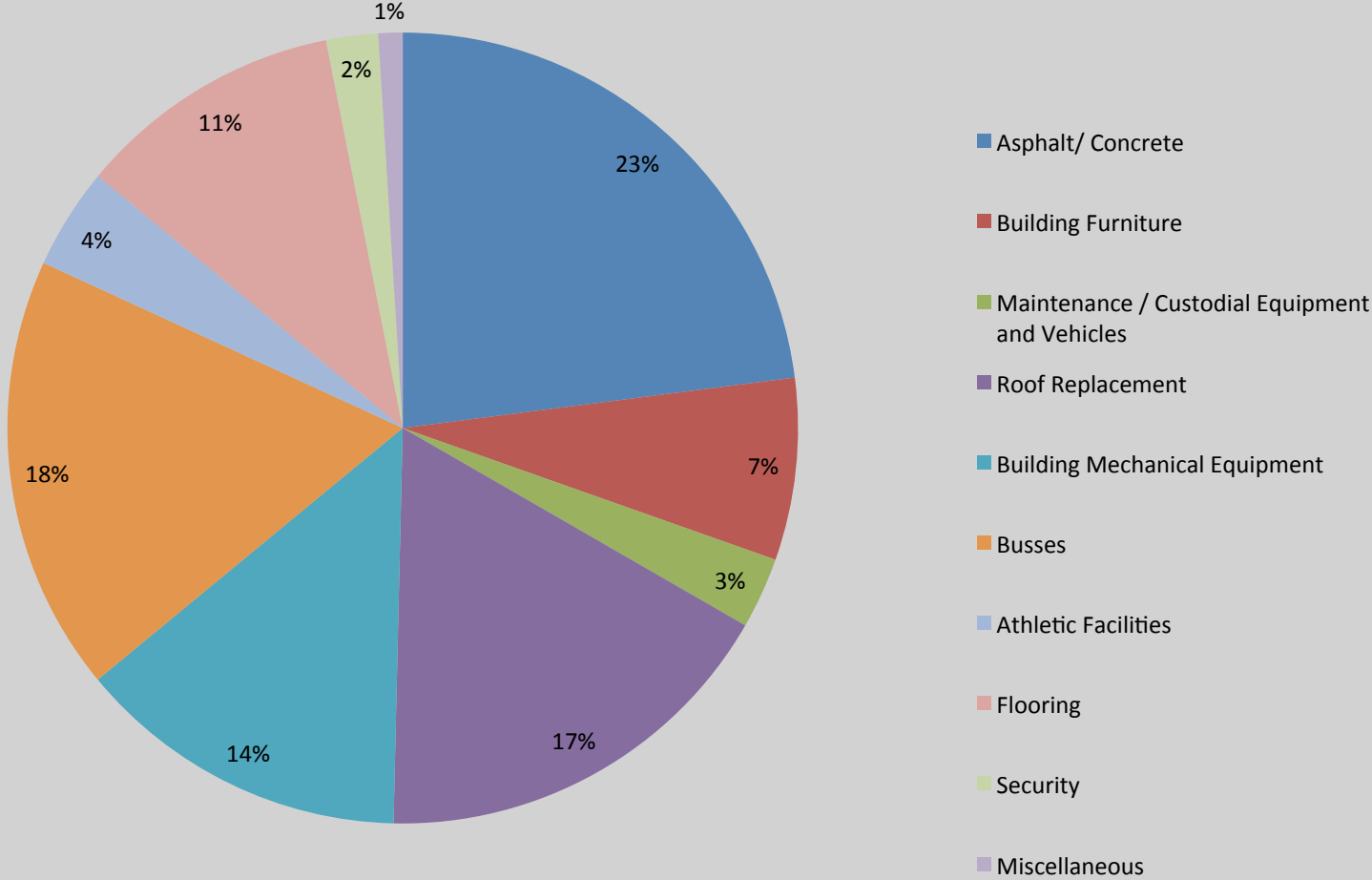


- ❖ Some categories have a shorter lifecycle and are scheduled for replacement early in the first ten year cycle. These include maintenance vehicles, equipment, and custodial equipment.
- ❖ Categories where the lifecycles are shorter and recurring multiple times over the 20 year time frame are more balanced in each ten year cycle. These include athletic surfaces and asphalt.
- ❖ There are categories with longer lifecycles and higher replacement costs. Based on the timing of the growth of the district a large number of these categories incur the largest part of their cost in years 11-20.

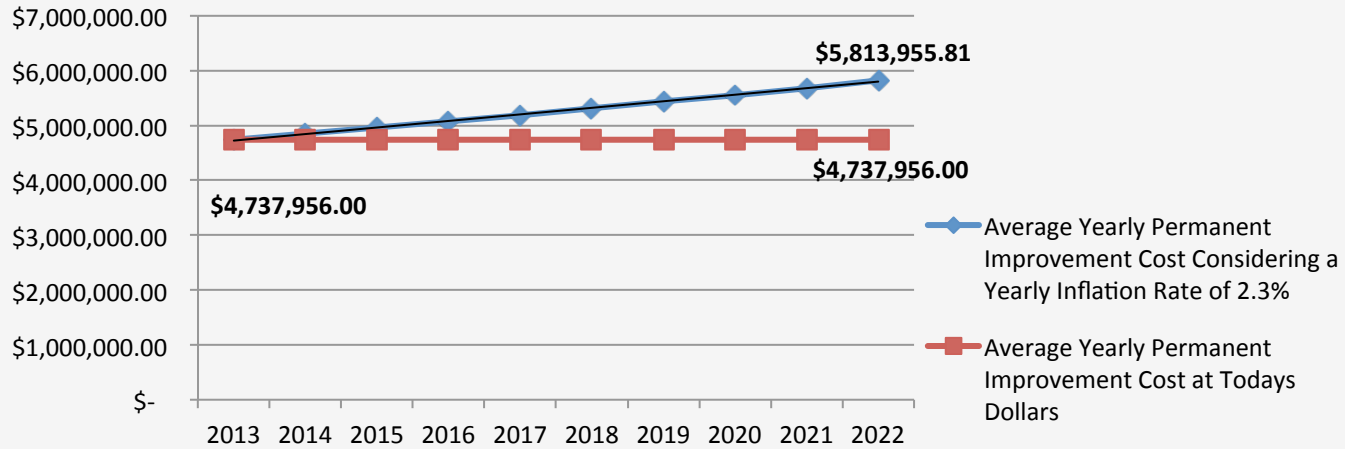
Category Totals

Description	Cost of Permanent Improvements Years 1-10	Cost of Permanent Improvements Years 11-20	Total Cost of Permanent Improvements Over 20 Years
Asphalt/ Concrete	\$ 11,377,843.17	\$ 14,044,540.07	\$ 25,422,383.24
Building Furniture	\$ 1,714,599.00	\$ 6,523,896.00	\$ 8,238,495.00
Maintenance / Custodial Equipment and Vehicles	\$ 2,605,665.00	\$ 620,908.00	\$ 3,226,573.00
Roof Replacement	\$ 6,855,024.60	\$ 12,025,320.00	\$ 18,880,344.60
Building Mechanical Equipment	\$ 4,799,925.00	\$ 10,316,925.00	\$ 15,116,850.00
Busses	\$ 10,839,585.30	\$ 8,901,855.00	\$ 19,741,440.30
Athletic Facilities	\$ 2,389,250.00	\$ 2,194,250.00	\$ 4,583,500.00
Flooring	\$ 4,228,565.20	\$ 7,830,029.80	\$ 12,058,595.00
Security	\$ 2,100,000.00	\$ 250,000.00	\$ 2,350,000.00
Miscellaneous	\$ 469,104.57	\$ 627,077.24	\$ 1,096,181.81
Total	\$ 47,379,561.84	\$ 63,334,801.11	\$ 110,714,362.95

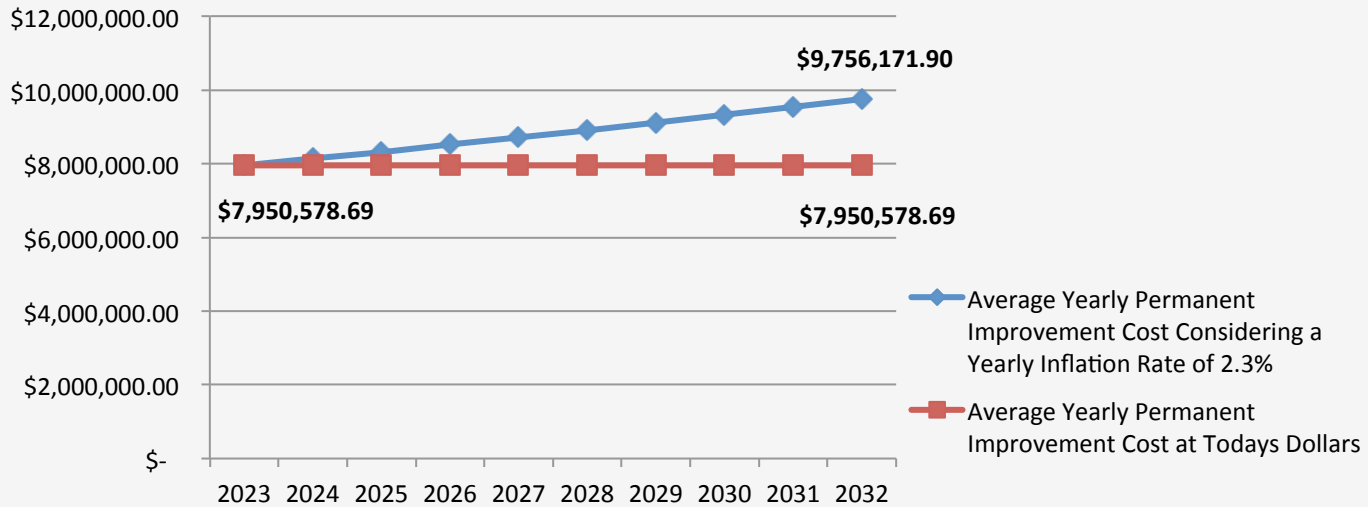
Total Permanent Improvements by Category



The Impact of Inflation on the cost of Permanent Improvements 2013-2022

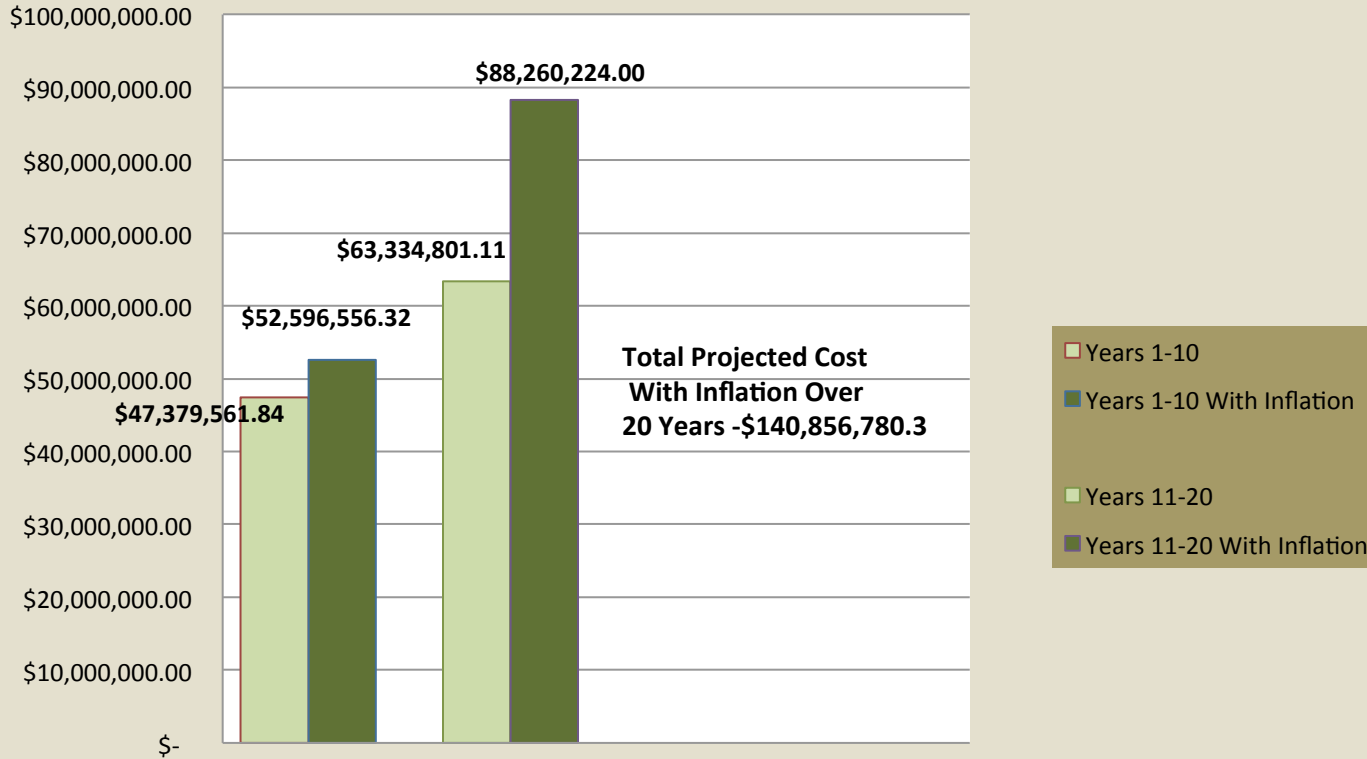


The Impact of Inflation on the Cost of Permanent Improvements 2023-2032



*Inflation Rate from the U.S. Department of Labor - Bureau of Labor Statistics - Consumer Price Index - Midwest Urban

**TOTAL PROJECTED COSTS OF PERMANENT IMPROVEMENTS IN EACH TEN YEAR PERIOD
CONSIDERING INFLATION**



Comparison of Permanent Improvement Costs in Each Ten Year Period In Current Dollars and Considering Inflation

Asphalt and Concrete

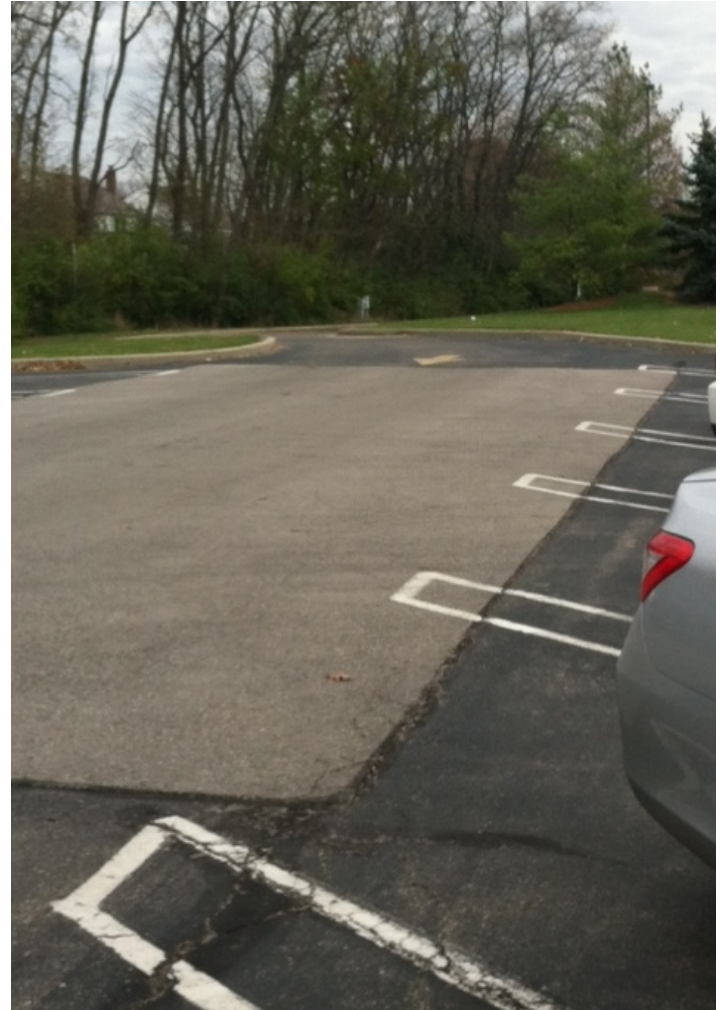
Description	Life Expectancy (Years)	Square yards / feet	Cost	Square Yards To Be Resurfaced Years 1-10	Total Asphalt/Concrete Repair Cost Years 1-10	Square Yards To Be Resurfaced Years 11-20	Total Asphalt/Concrete Repair Cost Years 11-20	Total Asphalt / Concrete Repair Cost
Asphalt Sealing (Yards)	5	666,670	\$ 1.90	666,670	\$ 1,266,673.00	666,670	\$ 2,600,014.90	\$ 3,866,687.90
Asphalt Recoat (Yards)	10	666,670	\$ 15.00	666,670	\$ 10,000,050.00	666,670	\$ 11,333,405.00	\$ 21,333,455.00
Cement Replacement (Feet)	20	118,466	\$ 4.69	23,693	<u>23,693</u>		<u>\$111,120.17</u>	<u>\$ 222,240.34</u>
Total					\$ 11,377,843.17		\$ 14,044,540.07	\$ 25,422,383.24

- ❖ As you can see there is a fairly balanced cost in the asphalt category between both periods. Asphalt is on a ten year replacement cycle meaning all asphalt would be replaced twice over the 20 year period.
- ❖ The yearly revenue needed to maintain asphalt in the first ten year cycle is about \$1.1 million, the average yearly revenue needed in years 11-20 is about \$1.4 million per year. This is in today's dollars and does not include inflation.
- ❖ The district currently has a budget of \$1.3 for FY 14 and had a budget of \$1.1 in 2013 for all permanent improvements in the district.

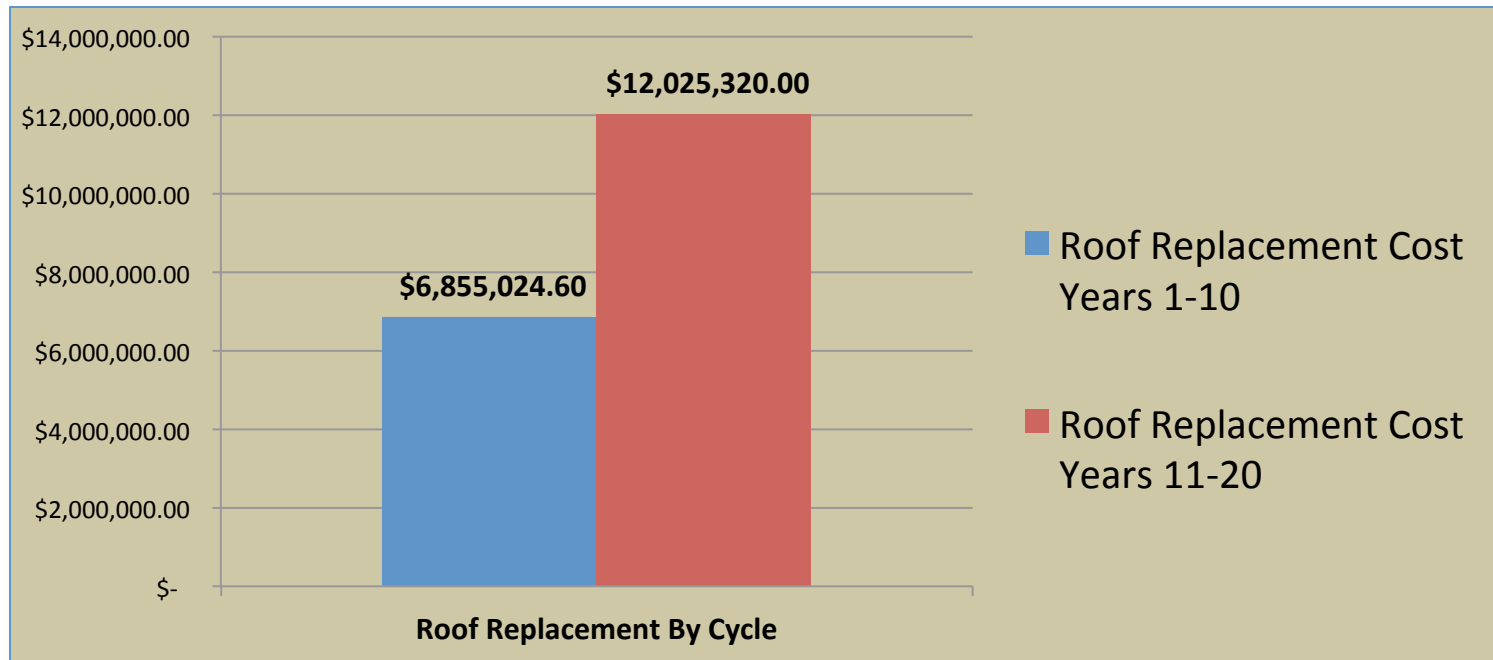
Liberty High at Ten Years



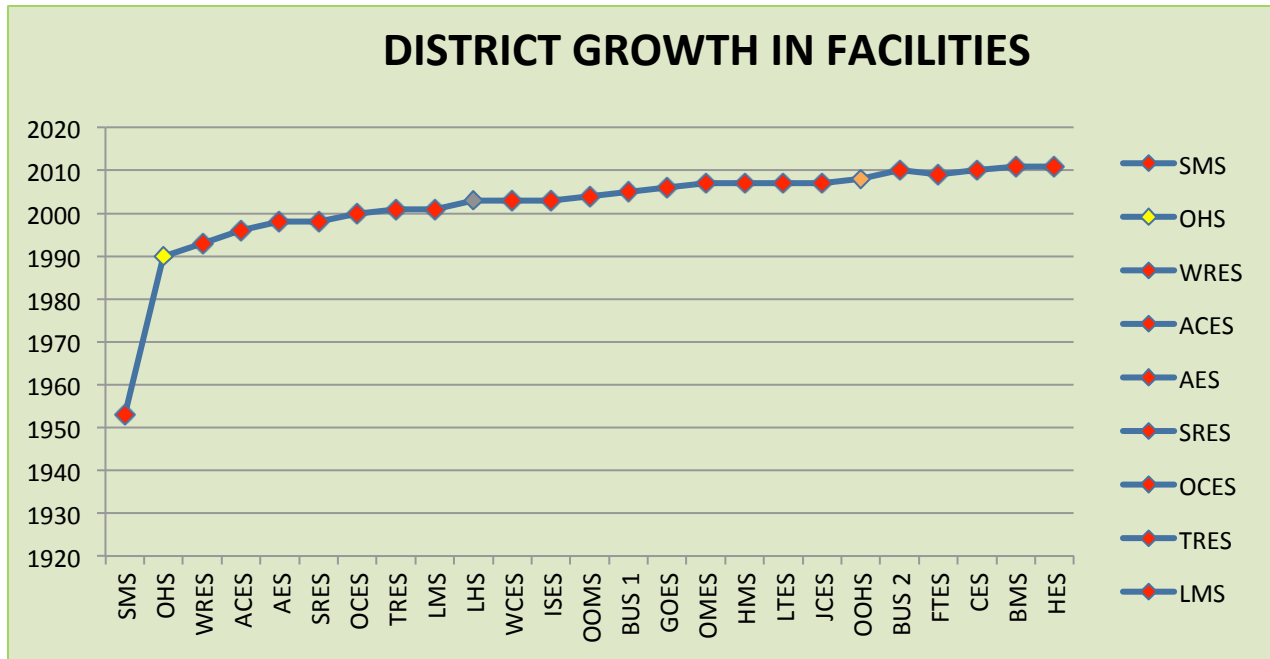
Tyler Run at 13 Years



Roof Replacement Costs



- ❖ A large portion of the roof replacement cost will occur in years 11-20. This is because of the longer lifecycle and the time period of when most of the buildings were built.
- ❖ The yearly revenue needed to maintain the roofs in the first ten year cycle is about \$685,000, the average yearly revenue needed in years 11-20 is about \$1.2 million per year. This is in today's dollars and does not include inflation.
- ❖ The district currently has a budget of \$1.3 for FY 14 and had a budget of \$1.1 in 2013 for all permanent improvements in the district.



Over the last 20 years the district has spent a great deal of time and energy building facilities to accommodate the growth in the district. Now the district will need to spend the same time and energy on maintaining current facilities while managing future growth.