



# **Fort Wayne Community Schools**

Capital Projects Planning  
March 15, 2011

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# District Balanced Scorecard

- Goal III – Operate effectively with integrity and fiscal responsibility
  - Condition scores unchanged
  - Use of available capacity improved

## 2010-2011 BALANCED SCORECARD WORKING DOCUMENT

**Posted February 25, 2011**

### MISSION

Fort Wayne Community Schools educates all students to high standards enabling them to become productive, responsible citizens.



### VISION

Fort Wayne Community Schools will be the school system of choice and a source of community pride.

### GOALS

1. Achieve and Maintain Academic Excellence
2. Engage Parents and Community
3. Operate effectively with Integrity and Fiscal Responsibility

### BALANCED SCORECARD PERSPECTIVES

Academic Achievement  
Customer  
Financial  
Internal Business Process  
Learning and Growth

Meets expectations (met 2009 Target) 
 Steady or Improving but needs continued focus (did not meet 2009 Target but improved over 2008) 
 Not meeting expectations (did not meet 2009 Target/did not improve over 2008)

BSC Perspective	Key Component/Strategic Objectives		Measures	Actual 2007-08	Actual 2008-09	Actual 2009-10	Target 2010-11
<b>Goal 3: Operate effectively with Integrity and Fiscal Responsibility</b>							
<u>Internal Business</u>  <u>Financial</u>	3.0 A. Governance	D	% of <b>School Buildings</b> whose <b>condition</b> score is greater than 75. (Condition score measures the useful life of infrastructure and equipment. A score of 75 is the minimum score considered adequate.)	13%	13%**	15%**	13%**
	B. Financial	D	% of our <b>Schools</b> whose enrollment is over 85% capacity of the school facility N=53	6%	6%**	6%**	6%**
	C. Management and Administrative Systems	D	% of our <b>Schools</b> whose enrollment is under 65% capacity of the school facility N=53	25%	25%**	25%**	23%**
	D. Facilities	D	# of <b>Schools</b> whose facility is <b>suitable</b> for the educational program being offered N=53	12 of 53	12 of 53	13 of 53**	12 of 51**

**Actual**

**16%**

**14%**

N = size of data sample

\* Impacted by communication plan

\*\* Impacted by facilities and school closing plan

\*\*\* Corrected data/target

TBD = To Be Determined

Shaded Light Green = new Measure for 2010-11 BSC

# Unit Balanced Scorecard Measures

- Facilities
  - Percent of HVAC plan on schedule
  - Percent of roof replacement plan on schedule
  - Energy consumption
- Maintenance & Operations
  - Turn around time for repairs
  - Work orders closed by per day
  - Customer service satisfaction
  - Annual building inspection results

# Building Inventory

- 62 buildings in use, 5.2 million sq. ft., 838 acres
  - 52 school buildings
  - Other – Grile, Nutrition Center, M & O, warehouse & media services, facilities construction, transportation north & south, natatorium, construction trades, auto center
- 2 buildings are closed; Elmhurst & Pleasant Center
- Average age of buildings in use - 53

	<u>Current Inventory</u> 62		<u>Capital Fund Changes</u>
2010			
	1	Nutrition Center	2009 - Circuit breaker losses begin 2005 - Pension Bond tax neutrality begins 2004 - Utilities & Insurance added to CPF tax rate
2000			
	1	Natatorium	
1990			
	1	Auto Center	1989 - CPF reduced for Racial Balance Fund 1987 - Capital Projects Fund replaced CBF
1980			
	11	schools	} 39 schools
	1	Grile	
	1	Warehouse	
	1	Transportation-North	
	1	Facilities Annex (former Food Service)	
1970			
	15	schools	
	1	Anthis Construction Trades	
1960			
	13	schools	
	1	Transportation-South	
1950			
	1	school	1948 - Cumulative Building Fund (CBF)
1940			
	2	schools	
	1	Maintenance & Operations	
1930			
	9	schools	
1920			
1910			
	1	Anthis Career Center	
1900			



# Capital Projects Fund Processes & Budget

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# Statutory Processes

- 3 Year Plan approved by board
  - FWCS Priorities
    - Maintenance & Operations and Facilities input
    - Roof & HVAC replacement schedules
    - Other replacement schedules – fire alarms, HS tracks
    - Energy efficiency
    - Building capacity
    - Learning conditions
- Architects required for projects over \$100,000
- Sealed bids required for projects over \$75,000
- Common wage hearing





# State CPF Budget Lines

1. Land
2. Professional Services
3. Educational Spec. Dev.
4. **Building Acquisition, Construction, Improvement**
5. Rental
6. Purchase of Equipment
7. Emergency Allocations
8. Utilities
9. Equipment
10. Maintenance
11. School Sports Facilities
12. Insurance
13. Other Staff Services
14. Technology
15. Allocation for Future Projects
16. Transfer to Repair & Repl. Fund
17. Interest transferred to General Fund.

# Line 4 Priorities: Roofs

2011 = \$1,355,000

- 20-year replacement plan
  - Roofs next on plan but in good condition are delayed
  - Roofs later on plan but in need are moved up
- Replacement plan is school roof sections not entire roofs

# Line 4 Priorities: HVAC

Heating, Ventilation, Air Conditioning

2011 = \$1,300,000

- Replacement plan based on expected useful life of equipment
  - Boilers, chillers, air handlers, roof top units, condensers, fan units
- Equipment next on plan but in good condition is delayed
- Equipment later on plan but in need is moved up
- Does not include complete replacement of mechanical systems

# Line 4: Site, Traffic & Safety 2011 = \$425,000

- Playgrounds
- Parking lots
- Bus lanes
- Traffic improvements
- Sidewalk and access improvements
- Parent pick-up lanes

## Line 4: School Programmatic Needs & General Building Systems (GBS)

2011 = \$355,368

- Examples
  - Restroom partitions, plumbing fixtures
  - Drinking fountains
  - Blinds
  - Flooring
  - Lockers
  - White boards
  - Gym bleachers
  - Doors & hardware

## Line 4: Guaranteed Energy Savings Contracts

- Statute allows projects that generate energy savings (General Fund savings) paid back over 10 years to be financed and paid from CPF
- Installed energy efficient lighting and mechanical systems
- Projects financed:
  - 1998 \$1,145,782 (last payment 2007)
  - 1999 \$1,485,213 (last payment 2008)
  - 2000 \$1,897,385 (last payment 2009)
  - 2002 \$1,737,794 (last payment 2011)
- 2011 budget \$253,000

## Line 4: Other

- Physical Plant Improvements (PPI)
  - Site \$250,000
  - Mechanical/Electrical \$500,000
  - School programmatic needs \$31,874
- General Repair \$1.5 million
- Skilled Craft Employees \$1.7 million
- Hazardous Materials \$147,444
- ADA Projects \$120,000

# CPF Other Line Items (2011 budgets)

Line 1: Land \$50,000

Line 6: School Equipment \$700,000 – desks, cafeteria tables, office equipment, printers

Line 6: Equipment unassigned \$1.7 million (set aside for loss due to circuit breaker)

Line 7: Emergency Allocation \$400,000

Line 9: Building & Equipment Repair \$215,000

Line 13: Technology \$2.8 million

- Equipment
- Maintenance agreements
- Repair & installation technicians



# Components of Past Major CPF Projects 2011 budget = 0

- Replaced heating, electrical, & mechanical systems
- Added air conditioning
- Added classrooms
- Replaced all windows and exterior doors
- Renovated existing classrooms (casework, ceilings, flooring)

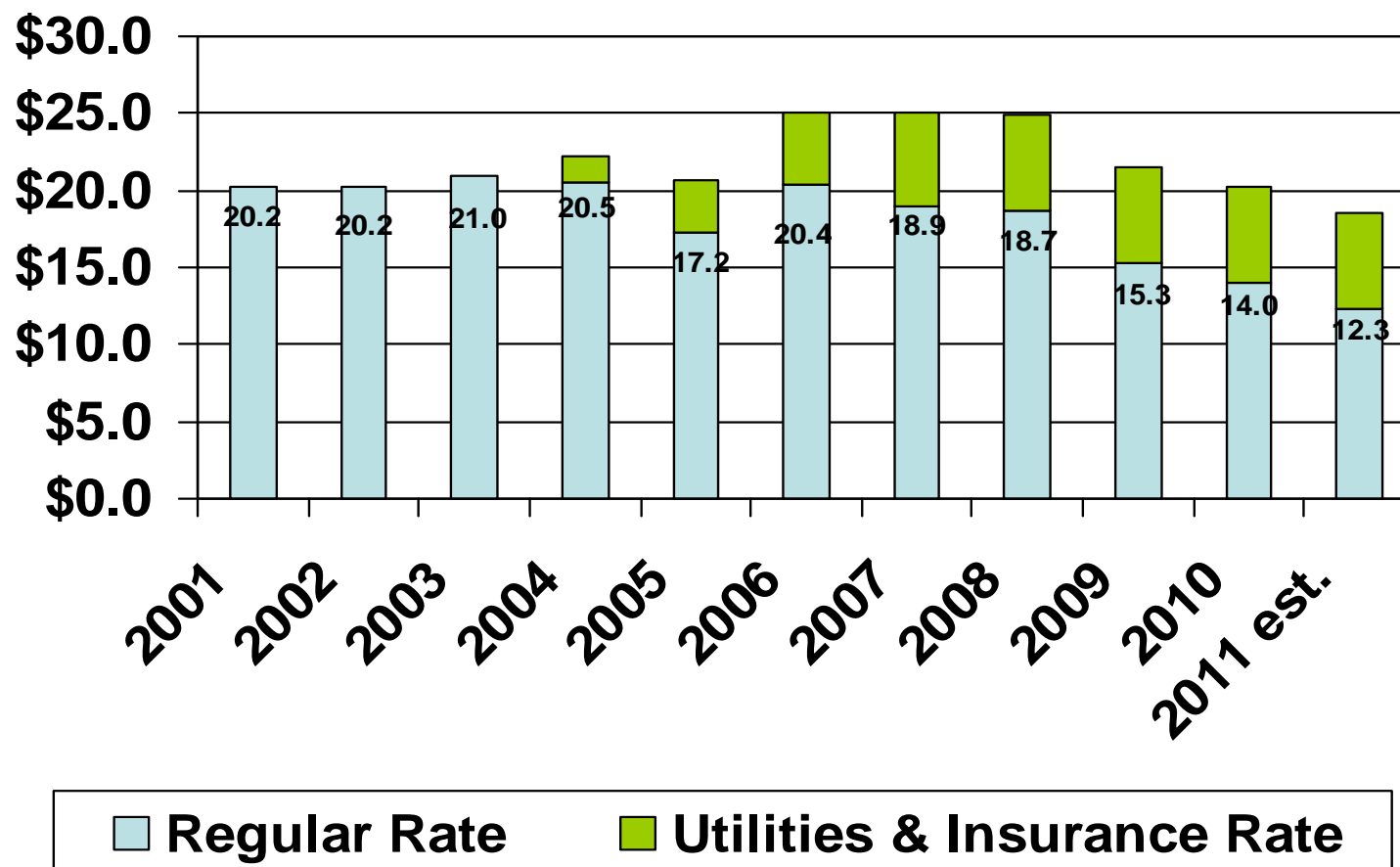


# CPF Revenue

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# History of CPF Revenue

(in millions)



# Impacts to CPF Revenue

- Racial Balance Fund
- Utilities & Insurance
- Pension Bond Tax Neutrality
- Assessed Value Changes
  - Statutory reductions
  - Market decline
- Circuit Breaker (Tax Caps)

# Racial Balance Impact

## Beginning 1989

- New fund to only FWCS after PQEI  
(Parents for Quality Education Through Integration)  
desegregation settlement
- Tax rate to support racial balance in district
- Adding rate was tax neutral by reducing CPF rate
- 2011 revenue estimated \$6 million

# Utilities & Insurance Impact Beginning 2004

- No impact to CPF projects
- Legislature allowed higher CPF tax rate to support increased costs of utilities & insurance
  - State unable to adequately fund General Fund during difficult economic times
- Provides \$6.2 million of property tax
  - Same amount since 2007
  - Not available for any other use
- Ends 2011 without legislative action

# Pension Bond Impact

## Beginning 2005

- Legislature required retirement severance and post retirement health benefits be actuarially funded
  - Some Indiana districts provided large, unmanageable benefits and sought relief
  - Allowed bond issues to comply
  - Debt payments required to be tax neutral, CPF one of the funds often reduced



# Pension Bond Tax Neutrality Limits Amounts for Projects

	<u>2010</u>	<u>2011</u>	<u>Since Inception 2005</u>
Capital Projects Fund	\$ 1,800,000	\$ 2,300,000	\$ 19,811,862
Bus Replacement	906,346	900,758	5,707,104
Transportation	1,000,000	675,000	1,675,000
	<b>\$ 3,706,346</b>	<b>\$ 3,875,758</b>	<b>\$ 27,193,966</b>

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# CPF Circuit Breaker

## Limits Amounts for Projects

	<u>CPF</u>	<u>Other Funds</u>	<u>Total</u>
2009	399,180	757,865	1,157,045
2010	1,349,450	2,618,306	3,967,756
2011	1,848,928	4,079,236	5,928,164



# Building Assessments

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# Facilities Assessments

- Barton Malow Study in 1994
  - Review of infrastructure
- MSKTD Study in 2005
  - Assessed infrastructure only
    - Mechanical, masonry, electrical, plumbing, fire alarm systems, windows, ADA
  - Assessment data reviewed by architects and engineers and building scores determined
- MGT Study in 2006
  - Review of infrastructure
  - Assessed educational suitability of buildings

# Lowest Building Condition Scores (2005-06)

- |                 |                  |
|-----------------|------------------|
| 1. Ward         | 6. Harris        |
| 2. Weisser Park | 7. Harrison Hill |
| 3. Nebraska     | 8. Snider        |
| 4. Lane         | 9. Northrop      |
| 5. Jefferson    | 10. Croninger    |

**\*some buildings were removed from original list  
if since renovated or closed**

# Other Large Capital Considerations

- Technology
  - Computers, wireless, projectors, interactive boards
- Addition at Wayne New Tech for professional development center

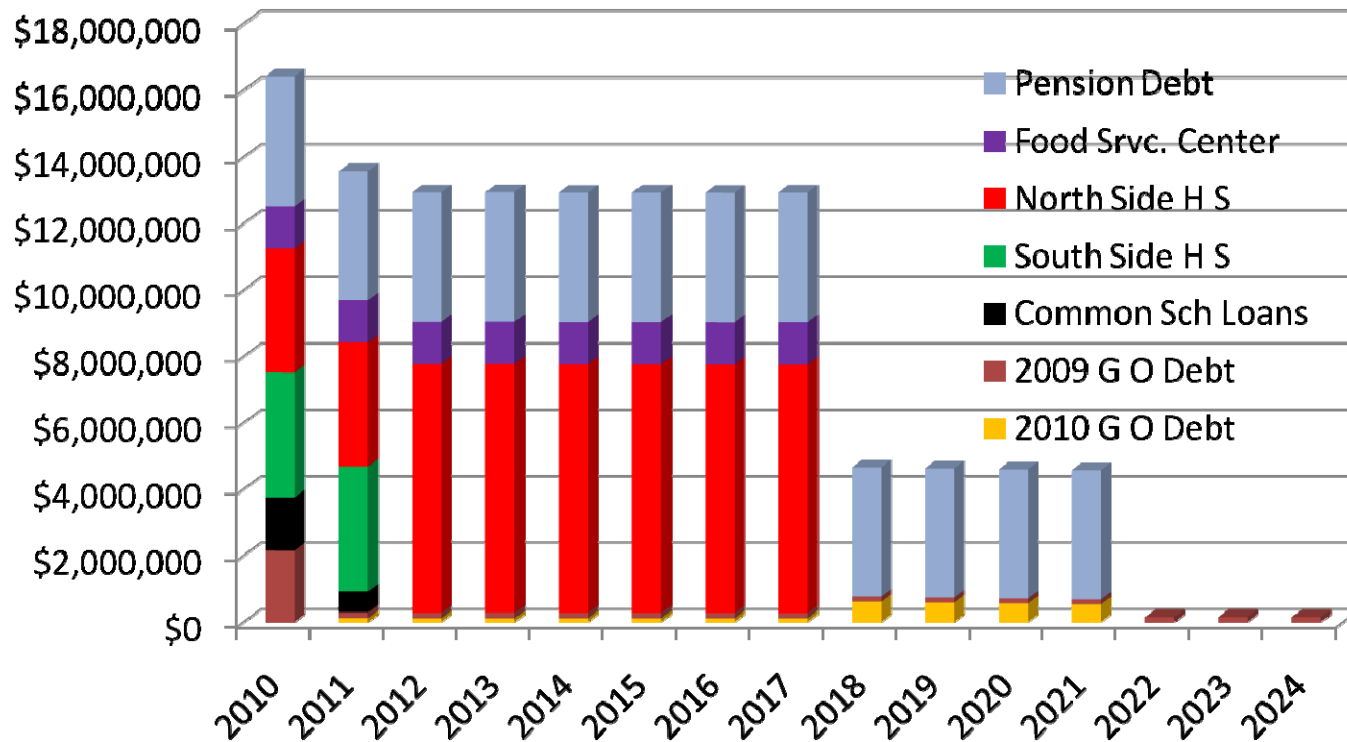
# Project Financing

- Current debt
- Referendum timeline
- Comparisons to other districts

# Debt Service Budget

	<u>Final Payment</u>	<u>2011</u>
South Side	2012	\$ 3,757,732
North Side	2018	3,735,000
Food Service Center	2018	1,280,000
New Tech - Project 2	2022	171,075
New Tech - Project 3 (anticipated)		46,667
State Technology Loans	2012	3,084,218
Interest on tax anticipation warrants (if needed)		50,000
Unfunded textbooks		<u>272,127</u>
		\$ 12,396,819
Pension Bond (tax neutral)	2021	<u>3,887,307</u>
		\$ 16,284,126

## Fort Wayne Community Schools Existing Annual Debt Service Payments



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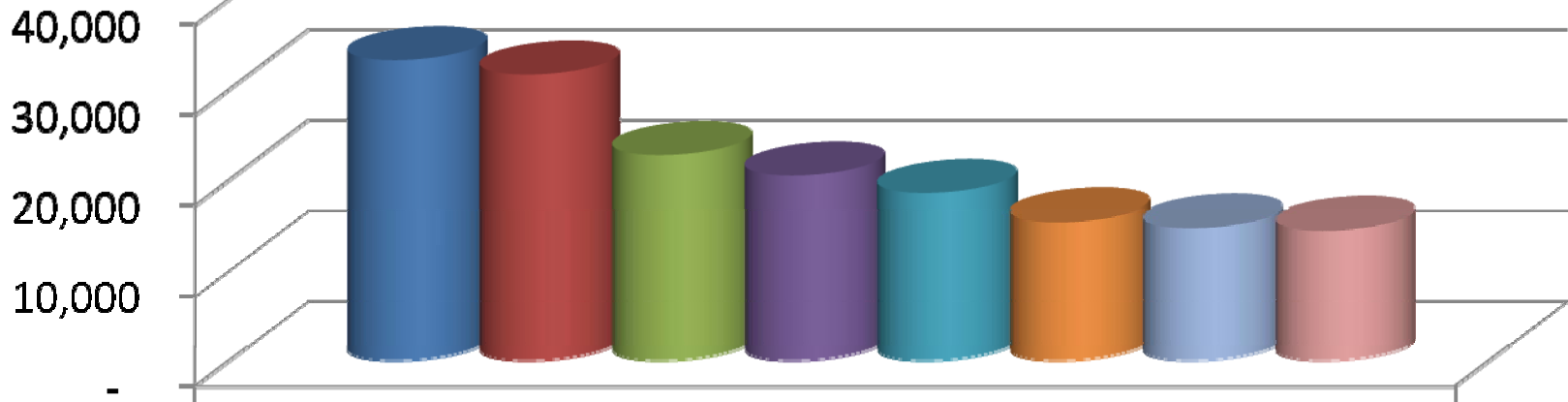


# Sample Timeline for May 2012 Referendum

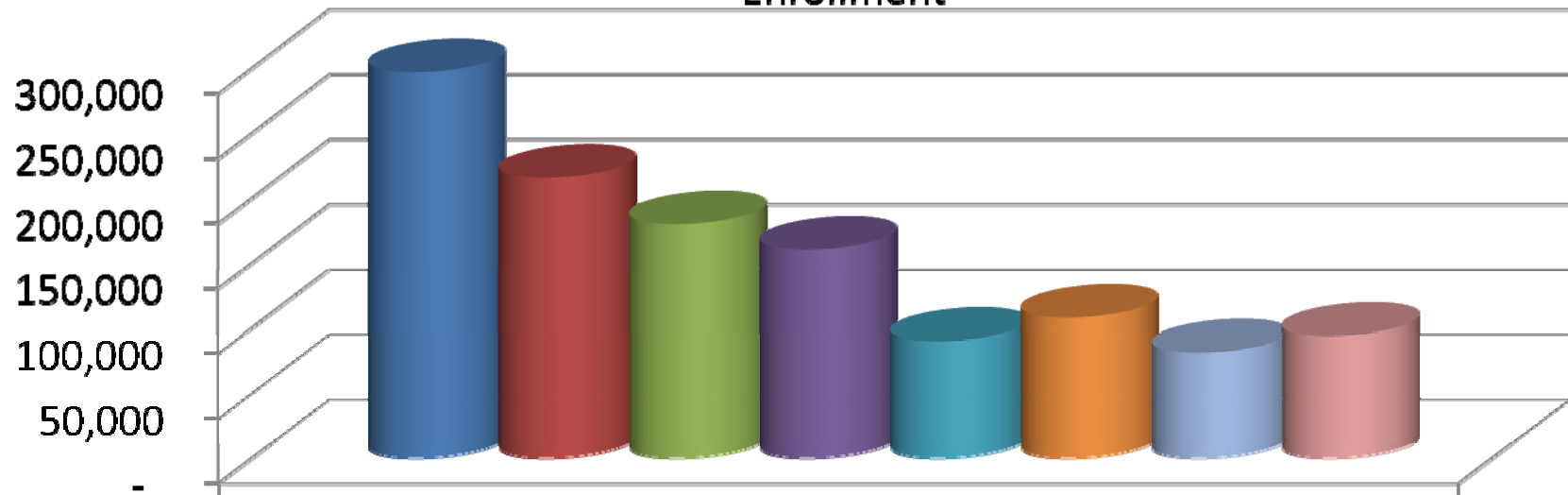
Public Meeting/Item		Potential Date
Public Presentation of Plan		May 2011
Public Forums and Discussions		Fall 2011
1028 Hearing Pre-Determination Hearing – <b>Board VOTE</b>		December 2011
<b>Referendum – Public Approval or Rejection</b>		May 2012
Lease Hearing – <b>Board VOTE</b>		Summer 2012
Construction Bids – <b>Board VOTE</b>		February 2013
Final Budget Approval – <b>Board VOTE</b>		March 2013
Complete Financing		April 2013
Construction Period		2013-2015
Move-In		August 2014-2015

# Indiana's Large School Corporations

■ IPS ■ FWCS ■ Evansville ■ So Bend ■ HamiltonSE ■ Vigo ■ Hammond ■ Perry



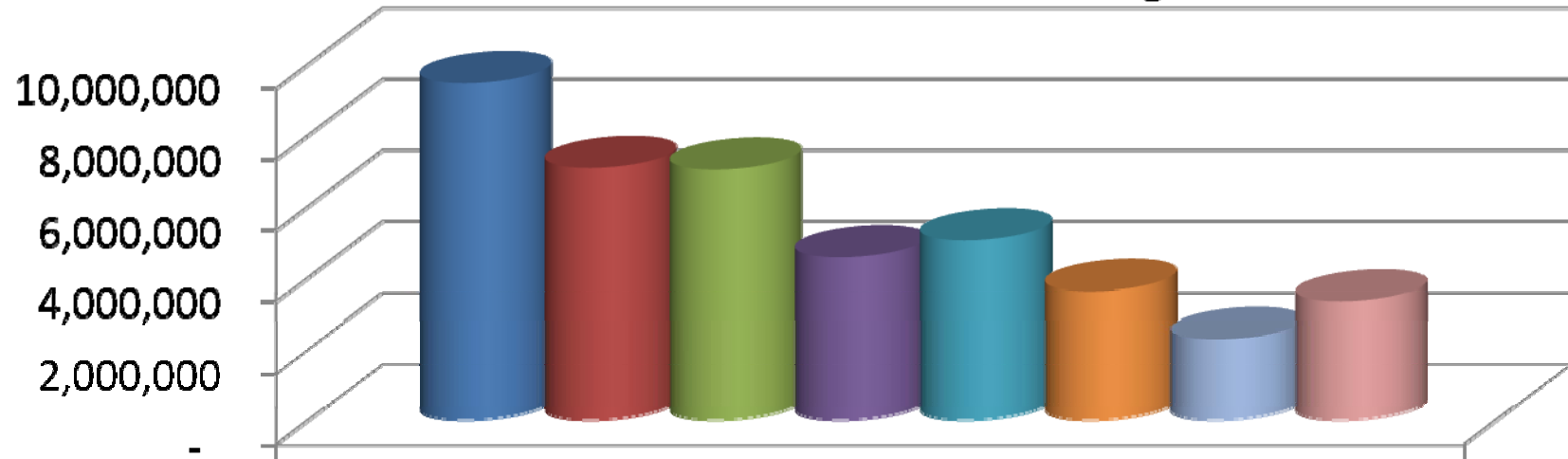
Enrollment



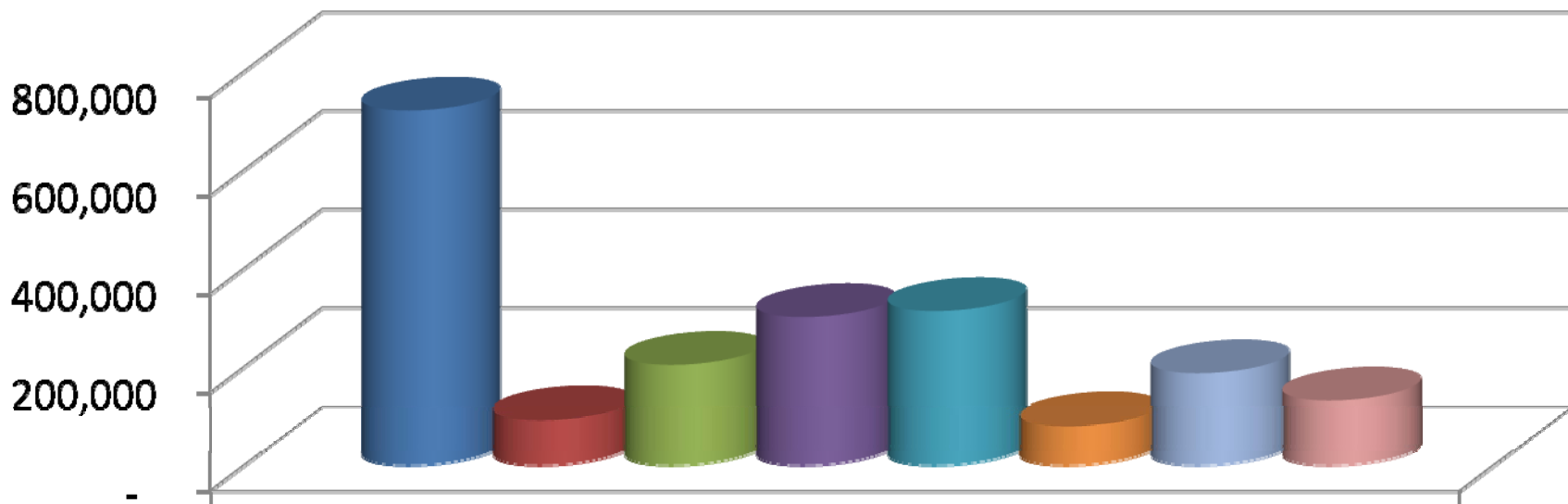
Population

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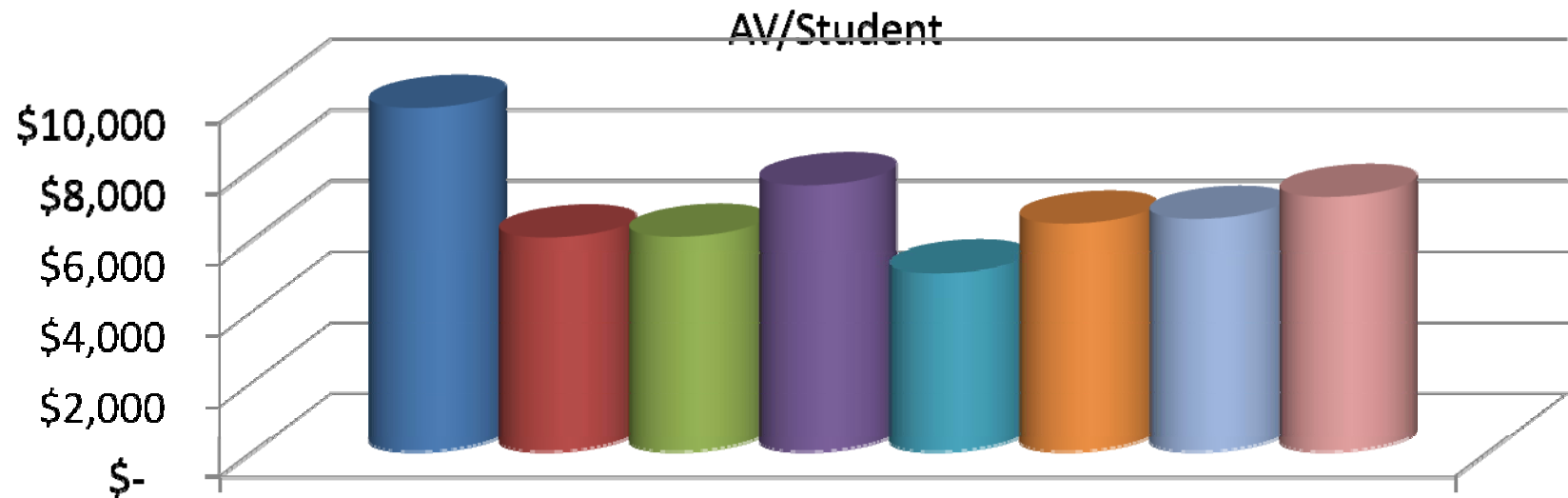
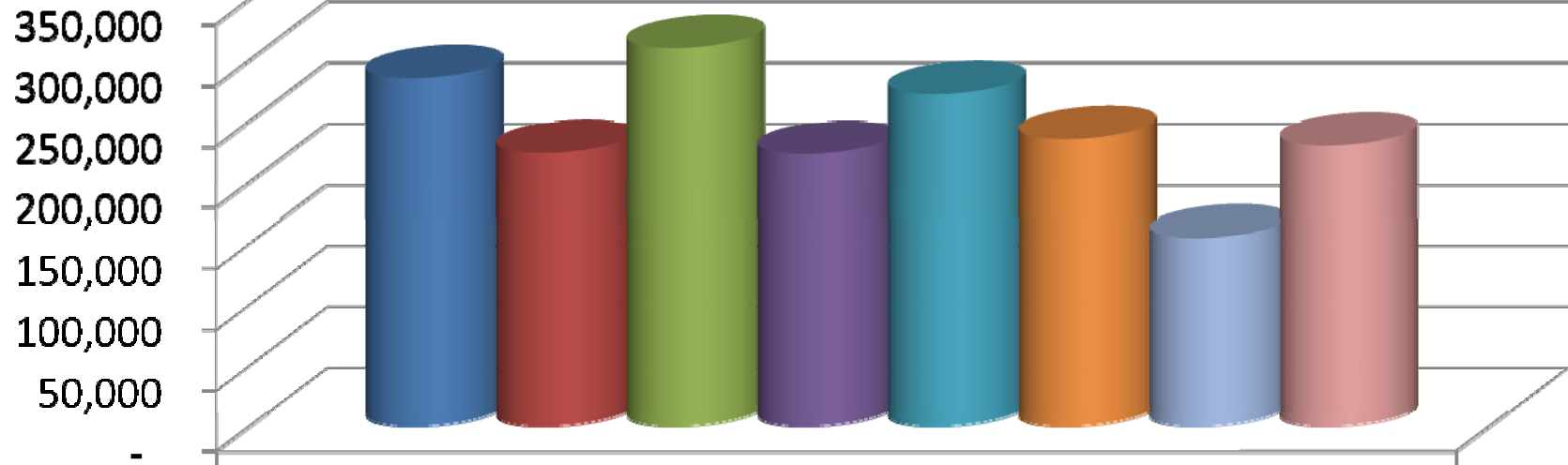
Net AV (\$000)



Debt (\$000)

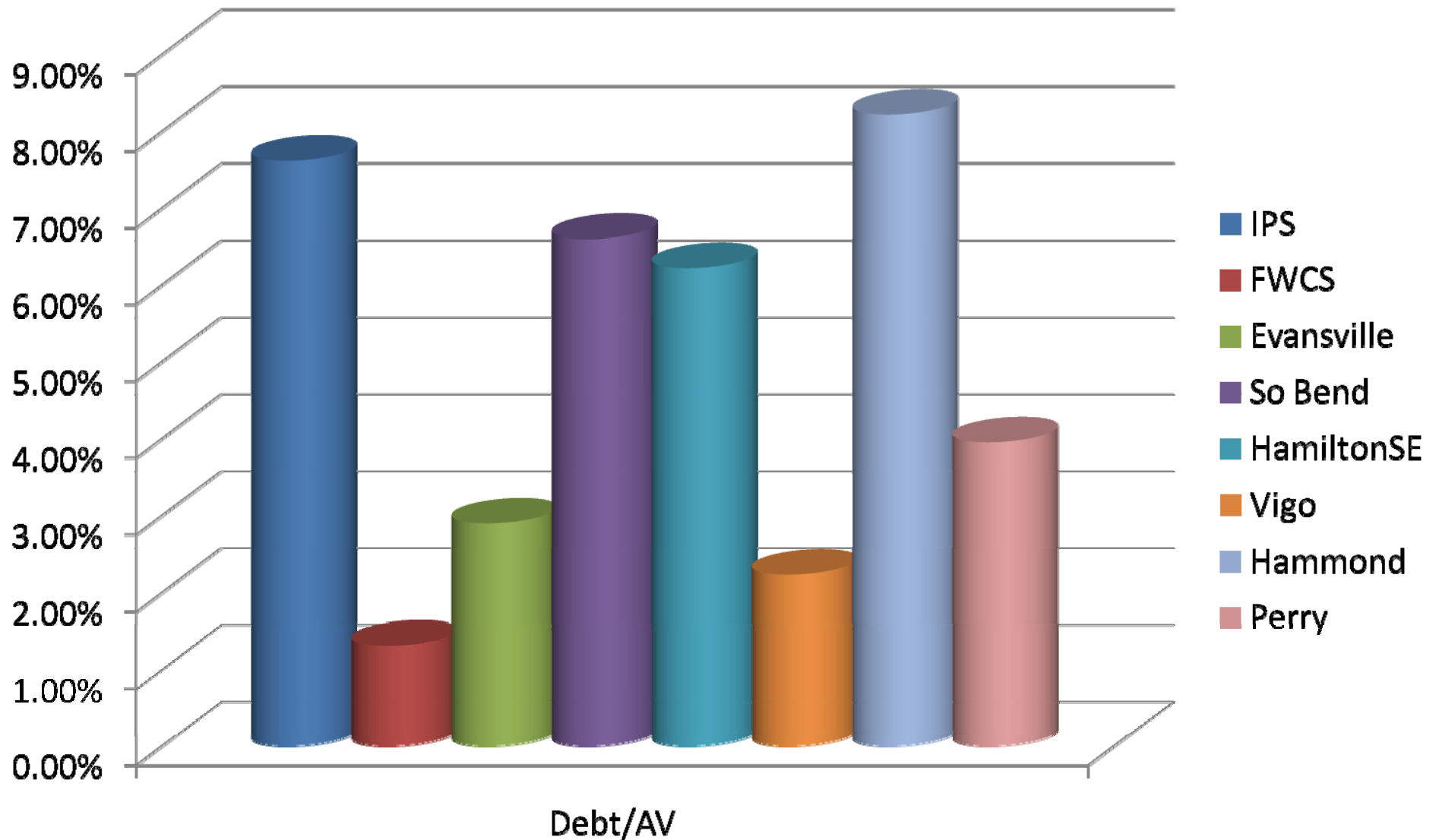
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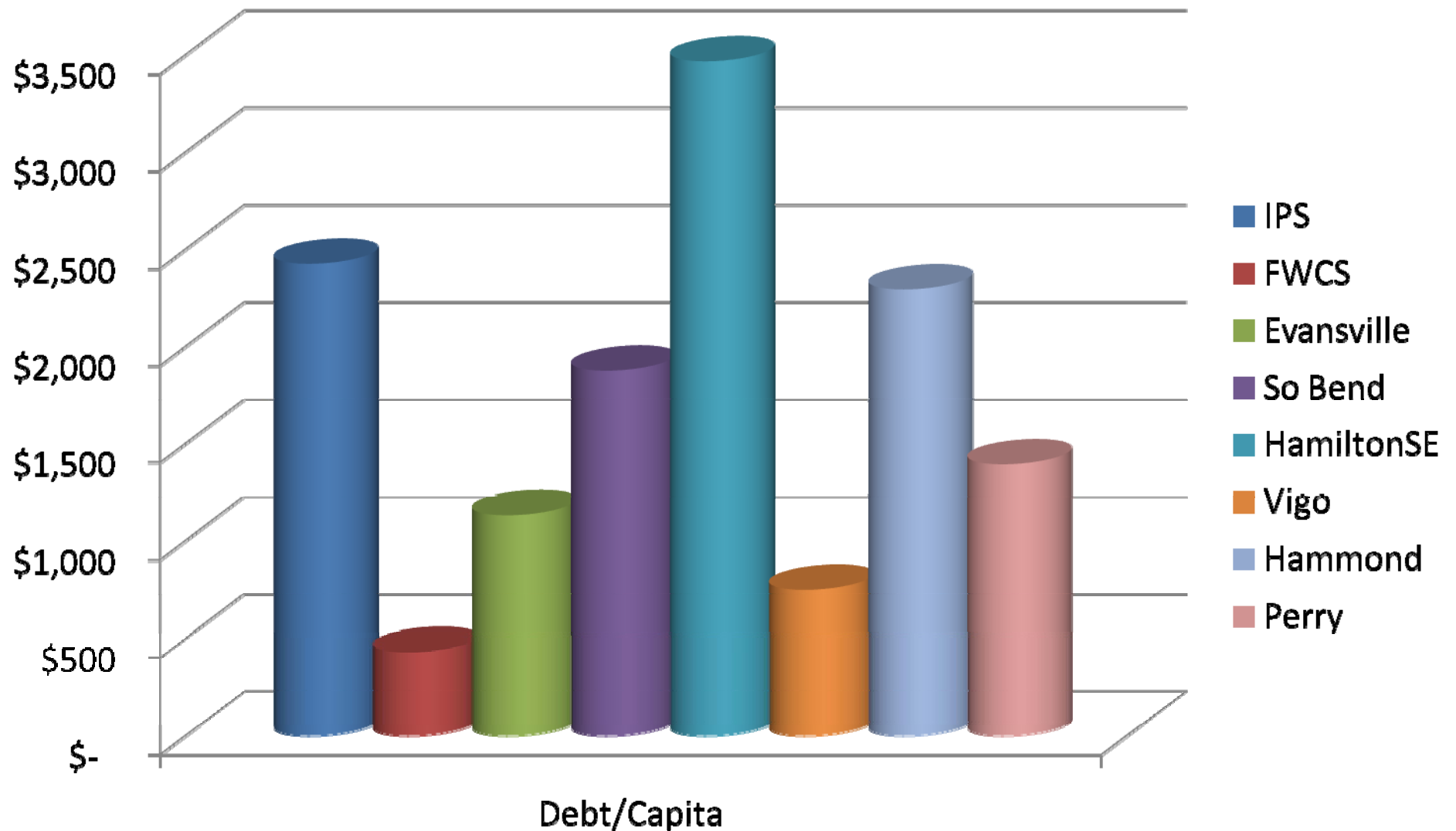


GF/Student

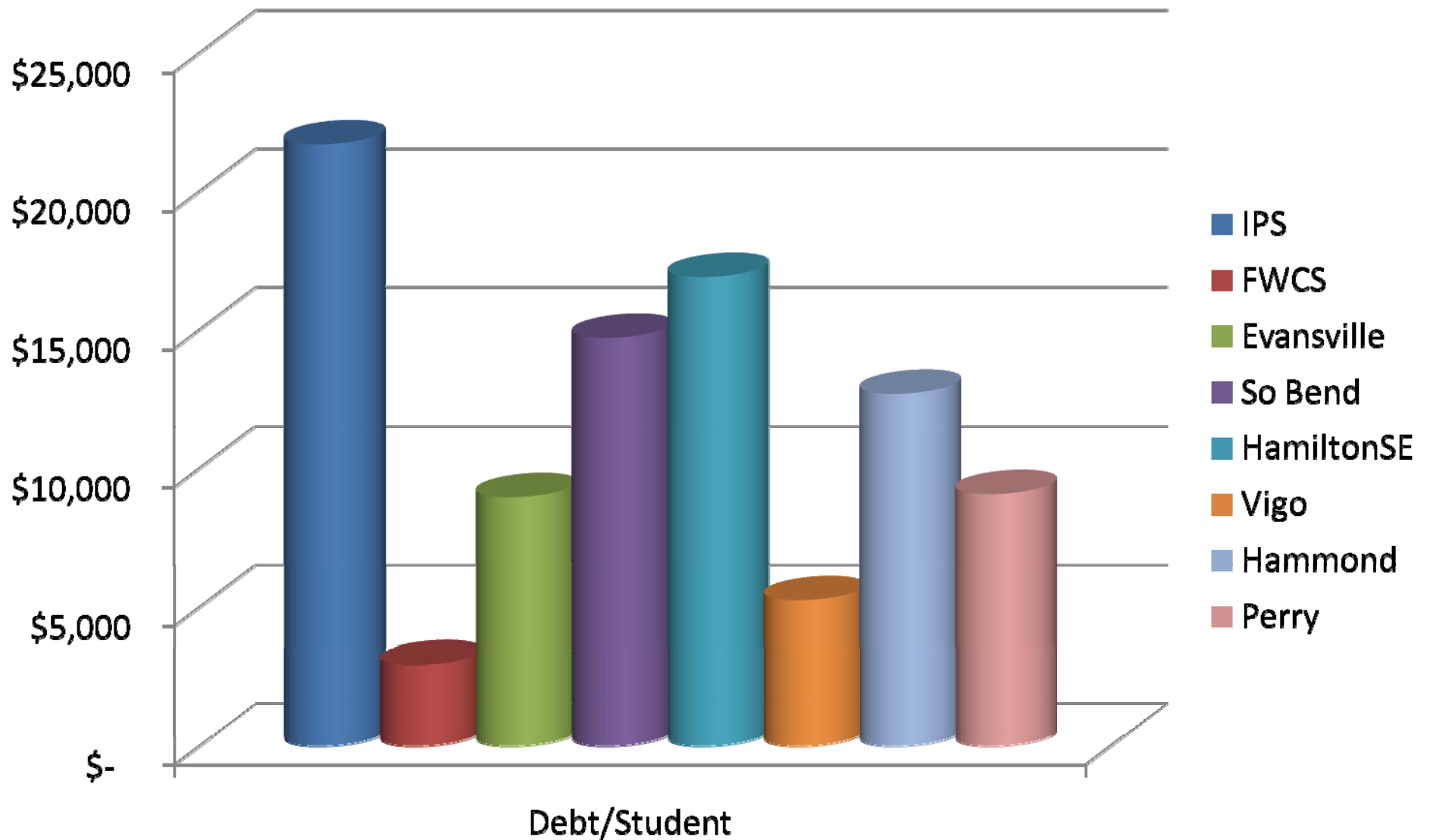
# Indiana's Large School Corporations



# Indiana's Large School Corporations



# Indiana's Large School Corporations



# Next Steps

- Board commitment
- Timeline
- Scope of next project
- Tax impact
- Community education and support





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March 15, 2011

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