

ECISD Bond Committee Meeting #3

March 6, 2023 – Takeaways and Q & A

Facility Condition Index (FCI) Explanation

The Facility Condition Index (FCI) of a building (or campus) is calculated by dividing the anticipated total maintenance repair/replacement costs by the estimated replacement value of the facility.

- An industry-standard measure used to compare the relative condition of a group of facilities intended for use as a tool and not the sole determining factor in the decision-making process
- The lower the FCI, the better the condition of the building (less funding will be required relative to the value of the facility)
- FCI of **60%** or above is considered high (facilities with a higher FCI should be further evaluated; these facilities may be candidates for replacement)

Committee Takeaways (All Meetings)

- Concerns regarding 21st Century learning environments and “open concept” layouts. Many glass walls and open concept may not be functional spaces. Keep in mind for redesign/new construction.
- Instead of focusing on “Worst is First” possibly focus on “Future and Overcrowding.”
- Many portables in the district are not secure with fences
- Middle schools are extremely overcrowded
- Need to focus on the future. Many new housing developments are being built.
- We must think about the middle schools that are overcrowded and what can be done to alleviate this.
- The district should communicate how money is being spent concerning normal operating expenses. Possibly use Facebook to get this out to the public.
- This meeting was “very informative.”
- ECISD needs to include, alongside the CTE successes, all the other successes of Fine Arts, Athletics, etc. that prepare them for higher education and propel them to be successful in the future. This will reinforce the need for high-quality facilities at a new high school.
- Clarity is needed on what the future holds for schools when a program is removed from it, i.e. the empty areas of NTO if a CTE facility is built.
- Transparency is a must on what this committee decides to do. People remember what didn't happen in the past.

Q & A

- If the bond passes and the debt service increases, how will that affect the current bond payoff? **Currently, the district owes \$107.6 million in bond principal and \$27.1 million in bond interest. Those existing bonds are scheduled to be paid off by 8/15/37. We are working to pay**

them off early to give us more bond capacity for new bonds. The new bonds would be layered in and payments would be structured to be paid over the next 25 to 30 years accordingly.

- Can you provide an example of the breakdown for taxes. For example, a home that costs \$250,000 pays approximately \$4,000 in taxes. What would that breakdown be in taxes for ECISD based on current rates?
At this point in time, it is too early in the process to determine how much the tax rate or property taxes might change. We are hoping to shore up estimated property values and the amount of a bond and legislative changes to be able to calculate some rates and estimates in late April or May. We can only provide the breakdown for ECISD taxes, not all the other taxing entities that residents pay to. We will provide the amounts for the average taxable value of a home (\$145k at this time) and for a base of \$100k in taxable value so it is easy for people to calculate.
- How do we get this financial information out to the public?
All of the finance information and questions from the Bond Committee concerning finance, is available on the ECISD website found [here](#).
- Will the Bond Committee hear the updated information from the demographer?
Yes – any updates to our demographic study will be shared with the committee.
- Why can't we just pay for these new buildings instead of taking on more debt?
Our current budget does not have the capacity to take on the new construction of a school or CTE facility.
- Can you explain what happens with funds/property taxes for Midland County students who come to ECISD?
The state has a funding formula that dictates how much funding is given for each individual student, based on that student's demographics and attendance. If a student who lives in Midland County comes to ECISD, that's student's state funding follows that student to ECISD – for the purposes of Maintenance and Operations. A smaller percentage of revenue for Debt Service stays with the home district (for this example, MISD). As a reminder, ECISD only allows out-of-district students to enroll when seats in a school are open; meaning we are receiving no funding for that seat. ECISD does not "lose" money when enrolling out-of-district students.
- Are there any west Texas districts building new schools and would that impact the cost for ECISD?
Yes, there are schools being built in west Texas and our region of the state – Lubbock Cooper, Pecos, and Hobbs (CTE Facility now open). The construction of these facilities would have little to no impact on new construction for ECISD.

- Why do we see a disparity between private school new construction and public school new construction?

CHARTER SCHOOL FEATURES THAT CREATE A LOWER COST/ SQUARE FOOT

- Charter schools are designed and constructed as a revenue-generating facility much like a developer/investor would build, they are generally not constructed with materials that are as long-lasting and durable (an example would be using light gauge steel framing and sheetrock interior walls throughout).
- Charter school classroom sizes are often smaller and more crowded (saving square footage).
- Charter schools often do not have comparable athletic facilities to public schools (which is more expensive square footage than classroom space)
- Charter schools often do not have comparable fine arts facilities to public schools (which is more expensive square footage than classroom space)
- Charter schools often do not have comparable CTE facilities to public schools (which is more expensive square footage than classroom space)

- Where are we losing students to?

We are currently seeing students that live in Ector County going to schools in surrounding districts, charter, and private schools.

- Would we generate revenue by selling older properties?

Yes. Funds acquired from the selling of property would go into the general fund.

- Would students go to school full-time at the new CTE facility?

Full-day and partial-day options will be available to students.

- Will PHS/OHS students still be bused to the new CTE facility?

Yes.

- How much would a new CTE facility cost and how many students would benefit from it?

Projected costs would be \$80 Million and the building would serve 1,200 students during normal school hours and be open to adult learners in the evening through Odessa College programs.

- How many students are turned away from CTE programs each year in ECISD due to capacity issues?

We will have these numbers for 2023-2024 at the end of March to share with the committee.

- Which CTE programs are not currently at capacity?

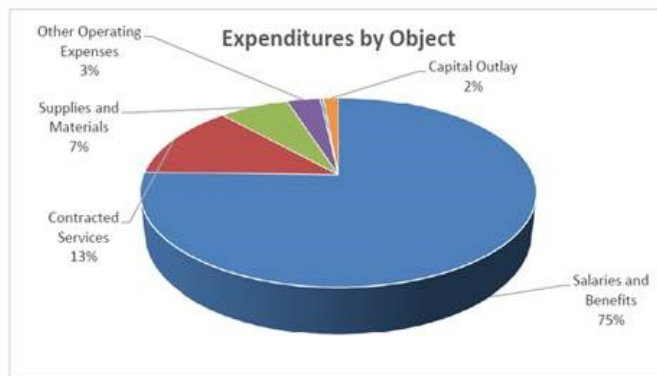
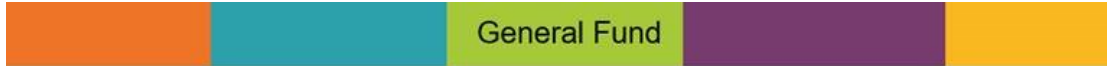
CTE programs are staffed based on course enrollments.

- How many students participate in the Ag program and is there a teacher for this program?

There are currently 254 students enrolled in ECISD Ag courses and certified Ag Sciences teachers provide instruction for the courses.

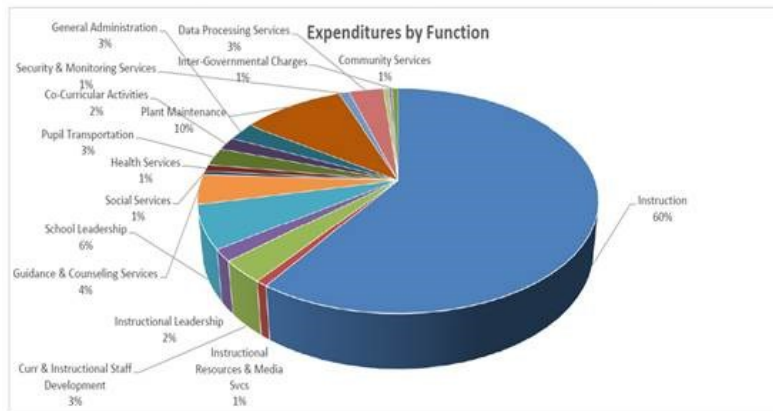
- Is our CTE program fully staffed? How many Alt Cert CTE teachers do we have?
 The CTE program is staffed to serve the current enrollment. There are currently two Auto Tech teaching positions open for the 2023-2024 school year and one welding teaching position. Odessa College provided faculty to cover ECISD Auto Tech sections for 2022-2023 which may not be available in future years. ECISD does not track whether teachers obtained their educator certifications through a traditional university program or through alternative certification programs.
- How much money would be spent per child in CTE as opposed to regular high schools?
 Students enrolled in CTE courses generate additional funding based on a three-tier funding system.
- Why should we build a CTE facility (like NTO with 145K square feet) that benefits 445 students, when we have schools like Nimitz and Wilson and Young that have less square footage with three times as many kids?
 A CTE Center will provide more opportunities for ECISD students to successfully transition into postsecondary college and career opportunities in order to compete in the global workforce. Moving CTE out of the space at NTO could free up additional space to serve middle school students.
- If CTE moves out of NTO, what happens to that vacated portion of the building?
 This would free up space at NTO for any number of things including but not limited to: a middle school of choice program, more classrooms to expand existing curriculum at NTO, etc. These options would ultimately be presented to ECISD Leadership and the Board of Trustees.
- If the CTE facility is built, what happens to the Frost Building?
 The decision would be up to district leadership with approval from the Board of Trustees.
- What was the total cost of the LIFT facility in Abilene?
 \$38.6 Million
- How much money is Permian Strategic Partnership going to assist with if a new CTE facility is passed through the bond?
 An exact amount has not been provided at this time.
- Where will the CTE facility be located and how will we staff it? Will we have enough bus drivers?
 A location has not been determined. CTE staffing will come from the existing staffing currently located at the CTE New Tech Odessa, Frost Technical Center, and Sewell Auto Tech. Consolidating CTE programs to a CTE center will improve transportation efficiencies.
- Are all students eligible to attend the new CTE facility if built?
 Yes, high school students will have access to their CTE programs of interests whether these programs are housed at their high school or the CTE Center.

- What portion of our M&O budget is made up of teacher salaries?
 School districts across the state use about 75 to 85% of their general operating M&O fund budget on payroll. Due to all the different account codes, we can't provide an exact amount that is spent on teacher's salaries and benefits, but instructional salaries and benefits (which include instructional paraprofessionals as well as teachers) is about \$166 million, or about 65% of the total salaries and benefits in this fund. Instruction does account for approximately 60% of the general fund costs, and the other 40% is spent in various areas such as maintenance, school leadership, counseling, curriculum and instruction, and data processing services. Snips from our 22/23 budget are noted below.



Expenditures By Object

Object Code	Description	Amount	Total
0100	Salaries and Benefits	\$ 7,828	\$355,484,078
0200	Contracted Services	\$ 1,200	\$ 43,217,841
0300	Supplies and Materials	\$ 884	\$ 22,600,801
0400	Other Operating Expenses	\$ 331	\$ 11,087,482
0500	Debt Service	\$ 31	\$ 1,050,000
0600	Capital Outlay	\$ 149	\$ 5,000,000
7xxx	Other Sources	\$ (151)	\$ (5,070,000)
8xxx	Other Uses	\$ 18	\$ 550,000
Total	Other Sources/Uses	\$ 9,078	\$334,200,000



Expenditures by Function

Function Code	Budgeted Expenditure	%	Per Enroll	Total
11	Instruction	60%	\$ 6,825	\$317,348,812
12	Instructional Resources & S	1%	\$ 1	\$ 2,779,018
13	Curr & Instructional Staff D-	3%	\$ 325	\$ 13,887,248
21	Instructional Leadership	2%	\$ 188	\$ 8,837,274
23	School Leadership	0%	\$ 633	\$ 2,251,581
31	Guidance & Counseling Se	4%	\$ 438	\$ 14,833,119
32	Social Services	1%	\$ 85	\$ 3,828,748
33	Health Services	1%	\$ 88	\$ 3,282,711
34	Pupil Transportation	10%	\$ 282	\$ 9,783,844
36	Co-Curricular Activities	2%	\$ 190	\$ 6,878,278
41	General Administration	3%	\$ 255	\$ 8,677,523
51	Plant Maintenance	2%	\$ 666	\$ 23,881,542
53	Security & Monitoring Serv	1%	\$ 99	\$ 3,319,758
55	Data Processing Services	3%	\$ 358	\$ 13,318,072
61	Community Services	1%	\$ 82	\$ 2,728,808
71	Debt Service	0%	\$ 31	\$ 1,050,000
81	Facilities Acquisition and C	0%	\$ -	\$ -
81	Resapture Payment to state	0%	\$ -	\$ -
82	Resapture Investment Cost	0%	\$ -	\$ -
82	Shared Service Arrangeme	0%	\$ -	\$ -
88	Inter-Governmental Charge	1%	\$ 85	\$ 3,123,388
Total	Budgeted Expenditure	100%	\$ 11,111	\$334,200,000
Total	OP			\$ -
00-7xxx	Other Sources	\$ (151)	\$ (5,070,000)	
00-8xxx	Other Uses	\$ 18	\$ 550,000	
Total	Other Sources/Uses	\$ (133)	\$ (4,520,000)	
Total	Exp & Operating Transfer Out			\$34,200,000
Estimate	Increase (Decrease) to Fund Bal.		(133)	\$ -