

Charleston County School District
75 Calhoun Street
Charleston, SC 29401

TO: Board of Trustees
FROM: Michael L. Bobby, Chief Financial and Operations Officer
DATE: February 27, 2012
SUBJECT: Capital Projects Report – December 2011

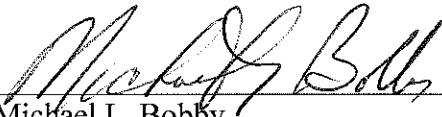
RECOMMENDATION: Monthly Capital Projects Report for December 2011

The material is submitted for:

Action Information
 Open Executive

Respectfully submitted:

Nancy J. McGinley, Ed.D
Superintendent of Schools



Michael L. Bobby
Chief Financial and Operations Officer

N/A
William Lewis
Chief Operating Officer, Capital Programs

Cindy Bohn Coats
Chair, Audit & Finance Committee

Item voted on and recommended
for Board approval by the
A&F Committee on _____

Finance
February 27, 2012

TOPIC:

Capital Projects Report for December 2011

BACKGROUND:

Monthly Capital Projects Report

DISCUSSION:

N/A

RECOMMENDATION:

N/A

FUNDING SOURCE/COST:

N/A

FUTURE FISCAL IMPACT:

N/A

DATA SOURCES:

Michael Bobby, CCSD

Joyce Costello, CCSD

PREPARED BY:

Michael Bobby, CCSD

Joyce Costello, CCSD

REVIEWED BY LEGAL SERVICES

N/A

REVIEWED BY PROCUREMENT SERVICES

N/A



Financial Report Capital Projects


Dr. Nancy J. McGinley
Superintendent

December 2011

Dr. Nancy J. McGinley
Superintendent of Schools

Michael L. Bobby
Chief Financial and
Operations Officer

Operations Division

To: Dr. Nancy J. McGinley
From: Mr. Michael L. Bobby 
Re: December 2011 Capital Projects Report
Date: February 27, 2012

Attached please find the Capital Projects Report for December 31, 2011.

The newly formatted report includes Board Approved projects for the 2005-2009 Capital Building Program, Qualified School Construction Bonds (QSCB), Seismic Relocations (summer 2010), Seismic Advanced Design and the Fixed Cost of Operations and Classroom Modernization Programs (FY11 & FY12). A separate report has been formatted for the 2010 – 2016 Capital Building Program.

- The 2010 - 2016 Capital Building Program: On August 9, 2010, the Board approved a Six Year Capital Program One Cent Tax Referendum (Item 9.8) and on November 2, 2010, the Charleston County voters approved the Referendum. Wave 1, 2 and 4 projects of the program have commenced. In the month of December, the District has processed and over \$800K in expenses.
- The 2005-2009 Capital Building Program has been completed and is in the project close out phase. Two projects remain from the program; Rivers MS and Sullivans Island ES. In the month of December, the District processed and paid over \$2.9M in expenses.
- The Fixed Cost of Operations Program and the Classroom Modernization Program – FY 2012 has commenced on November 9, 2011.
- The QSCB (Qualified School Construction Bond) Program – FY 2010 is in the final stage for spending and completion. The QSCB (Qualified School Construction Bond) Program – FY 2011 has commenced.
- The Fixed Cost of Operations Program and the Classroom Modernization Program – FY 2011 is in the final stage for spending and completion.

Charleston > excellence is our standard
 County SCHOOL DISTRICT

2010 - 2016 BUILDING PROGRAM
 (One Cent Sales Tax)
 December 31, 2011

CONSTRUCTION MANAGEMENT PROJECTS:

2010 - 2016 BUILDING PROGRAM

WAVE 1

5130	Buist Academy	3,504,730	1,065,858	2,438,872	
5131	Charleston Progressive ES	4,627,085	1,762,124	2,864,961	
5132	James Simons ES	2,053,630	164,917	1,888,713	
5133	Memminger ES	3,366,981	1,276,992	2,089,989	
5143	Chicora ES	700,000	155,097	544,903	

WAVE 2

5144	Montessori Community School	100,000	0	100,000	
5147	Laing MS	310,000	0	310,000	
5148	Career & Technology Academy (Wando Middle College)	500,000	0	500,000	
5149	St. Andrews Math & Science ES				

WAVE 4

5145	Jennie Moore ES	107,000	0	107,000	
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5136 CMFee - SMG

5137 CMFee - SMG 2010-2016

1,261,500	768,564	492,936
680,000	510,000	170,000

TOTAL PROJECTS

17,210,926	5,703,552	11,507,374
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	Working Budget	Expenditures Inception Dec-11	Projected Expenses to Go As of Dec-11	Notes
PROGRAM CONTINGENCY / MANAGEMENT				
5139	27,667	27,667	0	
5140	1,552	1,552	0	
5141	0	0	0	
5142	0	0	0	
5599	167,038	167,038	0	
9988	16,477	0	16,477	
9989	40,659	0	40,659	
TOTAL PROJECTS	253,393	196,257	57,136	
TOTAL 2010 - 2016 BUILDING PROGRAM	17,464,319	5,899,810	11,564,510	

PROGRAM CONTINGENCY / MANAGEMENT

5139 Capital Improvements
5140 Capital Projects-Finance
5141 Construction Procurement
5142 Construction Project Management
5599 Bond Fund Admin
9988 Program Contingency - BAN - Fund #573
9989 Program Contingency -One Cent Sales Tax- Fund #574

TOTAL PROJECTS

TOTAL 2010 - 2016 BUILDING PROGRAM

PROJECT - TO - DATE EXPENDITURE REPORT
CAPITAL PROJECTS
 December 31, 2011

		Reallocations/ Adjustments	Working Budget	Expenditures Inception Dec-11	Projected Expenses to Go As of Dec-11	Notes
CONSTRUCTION MANAGEMENT PROJECTS:						
2005-2009 Building Program						
1	5648	24,500,000	27,740,762	10,521,386	17,219,376	
2	5782	500,000	1,928,000	1,702,605	225,395	
3	5785	(7,050,000)	2,398,071	1,065,561	1,332,510	
4	5788	241,417	35,000	17,737	17,263	
QSCB						
5	5963	(841,001)	1,528,173	1,524,572	3,601	
6	5964	395,260	1,656,981	1,111,303	545,678	
7	5964	296,350	269,881	67,635	202,246	
8	5965	(58,075)	2,166,036	2,166,036	0	
9	5966	765,473	920,473	602,573	317,900	
10	5967	2,790,489	5,888,094	4,252,589	1,635,505	
11	5968	(166,157)	83,843	65,664	18,179	
12	5969	14,355,898	14,274,481	294,839	13,979,642	*1
SEISMIC RELOCATIONS						
13	5114	475,000	700,000	677,122	22,878	
14	5115	838,292	1,083,292	1,033,764	49,528	
15	5116	(95,507)	480,051	213,171	266,880	(2)
SEISMIC ADVANCE DESIGN						
16	5831	1,517,107	1,517,107	687,761	829,346	
17	5832	1,192,987	1,192,987	617,191	575,796	
18	5833	250,000	250,000	107,398	142,602	
19	5834	275,000	275,000	135,059	139,941	
20	5835	1,116,464	1,116,464	572,959	543,505	
21	5836	1,204,174	1,204,174	602,774	601,400	
TOTAL PROJECTS		42,523,171	66,708,870	28,039,698	38,669,171	

	Reallocations/ Adjustments	Working Budget	Expenditures Inception Dec-11	Projected Expenses to Go As of Dec-11	Notes
CCSD PROJECTS:					
FCO / CM - FY11					
22	5248				
	CAPITAL MAINT (FIXED COST - FY 11)-Facility Services	3,460,320	3,460,319	0	(3), (8)
23	5249	600,000	599,398	602	
24	5250	1,202,749	1,202,748	0	
25	5251	176,000	777,045	198,955	(5), (9)
26	5253	20,150	274,894	20,256	
27	5254	(92,950)	106,985	65	(9)
28	5255	0	388,582	191,418	
29	5256	0	678,964	1,036	
30	5257	(11,465)	4,916,401	472,134	
31	5258	(54,230)	508,250	0	
32	5259	249,657	1,498,407	390	
33	5260	(187,085)	251,343	322	
34	5261	115,000	1,105,000	0	
35	5262	158,465	156,499	1,966	(4), (6)
36	5014	1,241,375	321,681	1,097,694	(4)
37	5266	1,500,000	1,156,365	246,635	(6), (8)
38	5264	0	169,000	10,996	
FCO / CM - FY12					
39	5974	5,726,000	917,062	4,808,938	
40	5975	500,000	0	500,000	
41	5976	3,034,000	170	3,033,830	
42	5977	1,384,000	0	1,384,000	
43	5978	375,000	0	375,000	
44	5979	200,000	1,552	198,448	
45	5980	390,000	0	390,000	
46	5981	1,478,200	0	1,478,200	
47	5982	1,900,000	0	1,900,000	
48	5983	0	0	0	
49	5984	0	0	0	
50	5985	752,640	0	752,640	
51	5986	405,000	0	405,000	
52	5987	680,000	0	680,000	
53	5988	275,160	0	275,160	
54	5991	1,000,000	0	1,000,000	
55	5992	200,000	0	200,000	

	Reallocations/ Adjustments	Working Budget	Expenditures Inception Dec-11	Projected Expenses to Go As of Dec-11	Notes
PROGRAM CONTINGENCY:					
56 5994	1,741,600	1,741,600	1,527,913	213,687	
57 5599	16,198,651	16,198,651	16,193,225	5,426	
58 9984	0	0	0	0	
59 9985	219,582	219,582	0	219,582	
60 9986	130,185	130,185	0	130,185	
61 9979	(111,673)	188,327	0	188,327	
62 9980	152	152	0	152	
63 9981	(18,747,599)	40,236	0	40,236	(9)
64 9982	(14,736,522)	361,725	0	361,725	(5), (7)
65 9983	307	307	0	307	*1
66 9987	(2,275,678)	4,322	0	4,322	
67 9990	(13,464,487)	52,513	0	52,513	
68 9991	(558,699)	149,637	0	149,637	
69 9992	(440,467)	1,864	0	1,864	(1), (2)
70 9993	(8,321)	231	0	231	
71 9994	(82,801)	24,366	23,751	615	
72 9995	10,049,503	18,664,242	0	18,664,242	
73 9997	(6,790,990)	4,033,195	2,776,922	1,256,273	*2
74 9999	(73,473)	28,771	28,772	0	*2
TOTAL PROJECTS	(27,647,565)	79,943,072	39,030,063	40,913,009	
TOTAL CAPITAL PROJECTS	14,875,607	146,651,942	67,069,761	79,582,180	

NOTES:

- (1) Board Approved Reallocation - 1/24/11 - Item #11.5 - Project #5010
Board Approved Reallocation - 1/24/11 - Item #11.5 - Project #9991
- (2) Board Approved Reallocation - 2/28/11 - Item #11.5 - Project #9991
Board Approved Reallocation - 2/28/11 - Item #11.5 - Project #9991
- (3) Board Approved Reallocation - 2/28/11 - Item #11.6 - Project #5248
Approved recommendation to support list of priority projects.
No additional funding required. Funds are within Project #5248.
- (4) Board Approved Reallocation - 3/14/11 - Item #11.4 - Project #5262
Board Approved Reallocation - 3/14/11 - Item #11.4 - Project #5014
- (5) Board Approved Reallocation - 3/14/11 - Item #11.2 - Project #5251
Board Approved Reallocation - 3/14/11 - Item #11.2 - Project #9981
- (6) Board Approved Reallocation - 3/28/11 - Item #11.6 - Project #5262
Board Approved Reallocation - 3/28/11 - Item #11.6 - Project #5266
- (7) Board Approved Reallocation - 6/13/11 - Item #8.1 - Project #5262
Board Approved Reallocation - 6/13/11 - Item #8.1 - Project #5248

Reallocations/ Adjustments	Working Budget	Expenditures Inception Dec-11	Projected Expenses to Go As of Dec-11	Notes
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NOTES:

(8) Board Approved Reallocation - 9/26/11- Item #10.1A- Project #5266
 . Board Approved Reallocation - 9/26/11- Item #10.1A - Project #5248

(9) Board Approved Reallocation - 10/24/11- Item #10.1A- Project #5254
 . Board Approved Reallocation - 10/24/11- Item #10.1A- Project #9981
 Board Approved Reallocation - 10/24/11- Item #10.1A- Project #5251

^ FCO / CM - FY09 - Projects are completed and closed out.

* Pinehurst ES (Old Birney MS) - Roof Settlement - Project #5964
 Roof Settlement funds received in 2009 are being used to fund a portion of the roofing project. Total budget is \$290,373 (reflected on the May report).

* 1 West Ashley Montessori is funded by QSCB - FY11

* 2 05-09 Building Program Close Out - CMFee reconciliation to projects. As the CMFee is being reconciled at the project level, the Program Contingencies balances will fluctuate slightly until the process has been completed over the next few months.

^ FCO / CM - FY10 - Projects are completed and closed out.

Project working budgets do not include construction management fees. Fees are tracked in a separate project which ties back to the total contract.

SALES TAX PROGRAM UPDATE

January 5, 2012

Presentation Outline

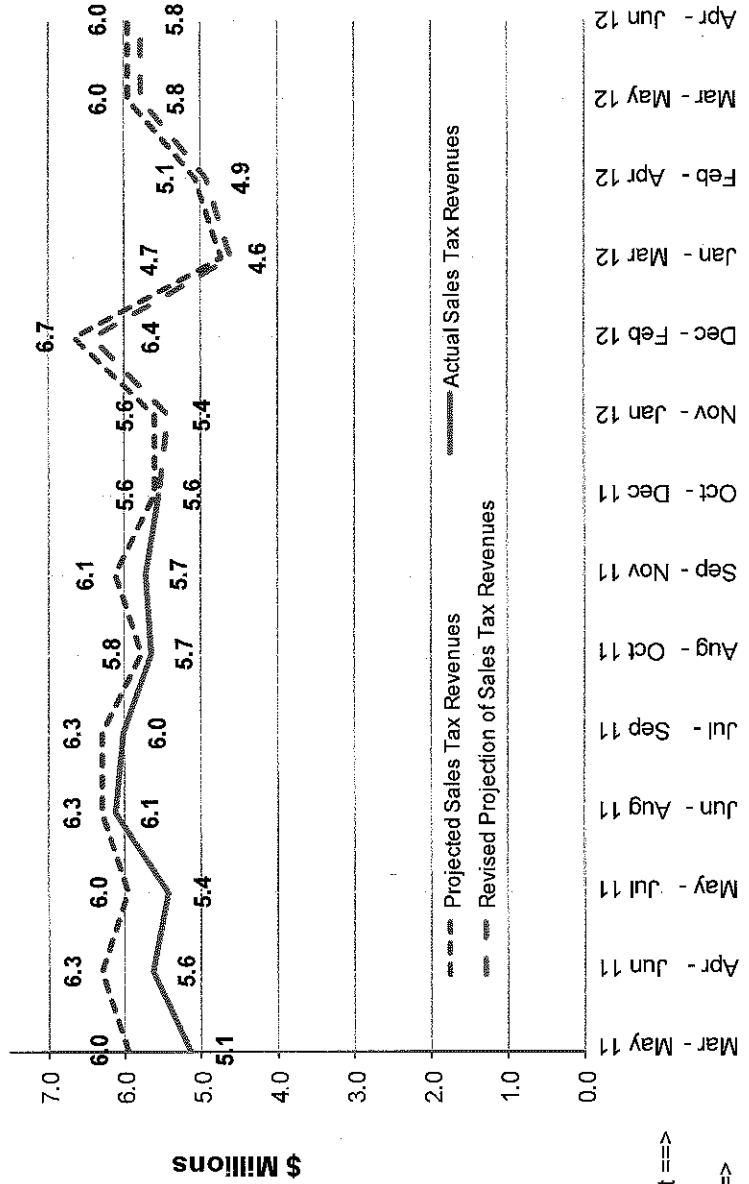
- 1. Sales Tax Collections**
- 2. Project Expenses**
- 3. Current Funding Model**
- 4. Debt Projections**
- 5. Detailed Cashflows**
- 6. Sales Tax Collections (County vs. School District)**
- 7. Net Taxable Sales by NAICS Sector**

Sales Tax Collections – Recent revenue collections are closer to original projections

Difference attributed to:

- Different treatment of purchases between County Tax and Education Tax; difference was initially larger than originally estimated

Monthly Sales Tax Revenues
Actual vs. Projected

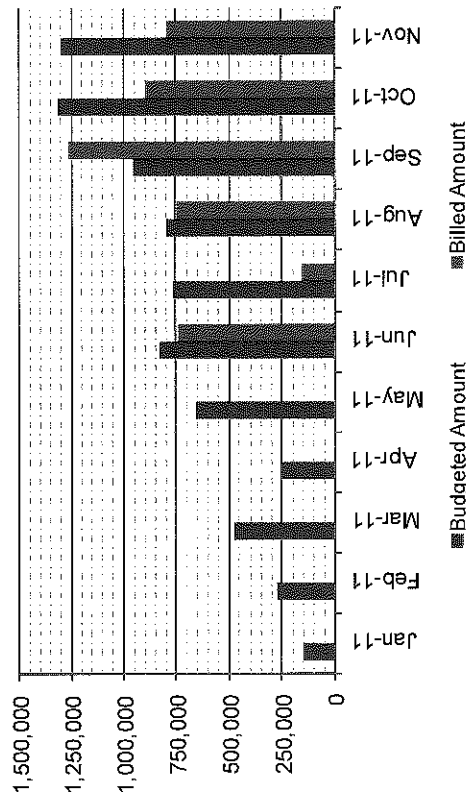


Distribution to District ==>

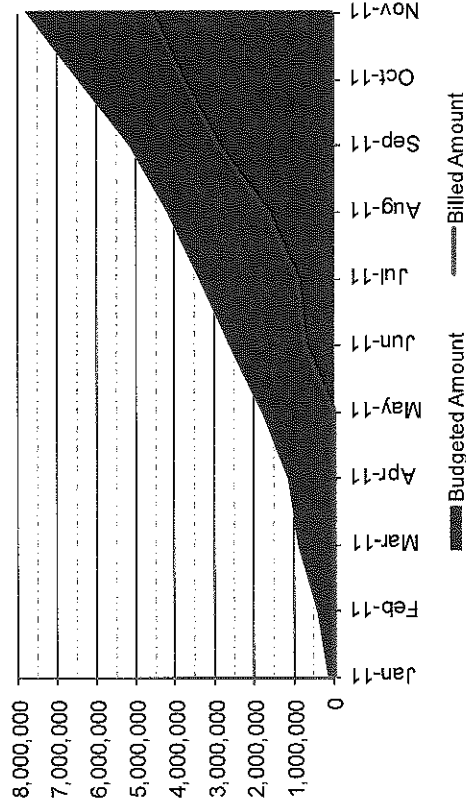
Receipt by Vendor ==>

Expenses – Budget Amounts are compared against Billed Amounts to look for trends (there is a 1-month lag in recorded expenses)

ONE CENT SALES TAX EXPENSES (Monthly)



ONE CENT SALES TAX EXPENSES (Cumulative)

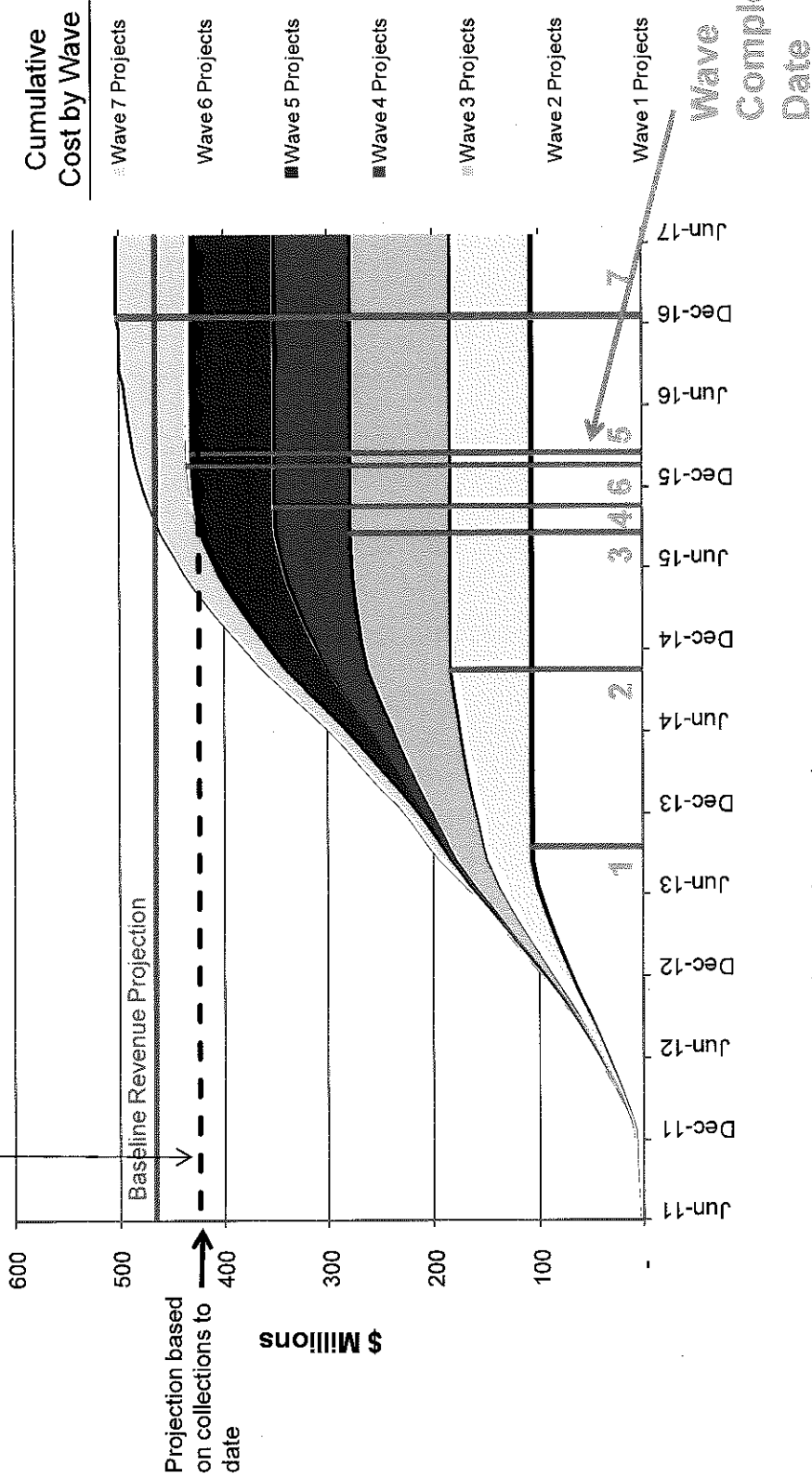


Variance Analysis:

Cumulative Budgeted Amount	7,767,502
Cumulative Billed Amount	4,609,255
Difference	(3,158,247)

Sales Tax projection is based on first 8 months of actual collections

Sales Tax Funding Model - Board Accepted Scenario

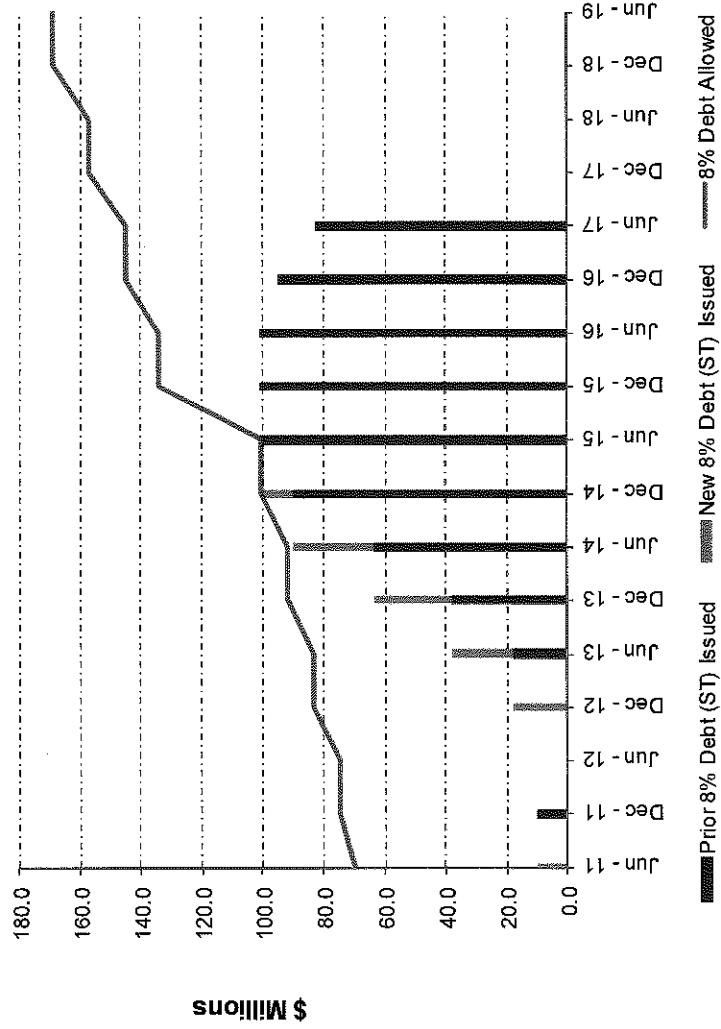


Note: Contingency amounts are shown above each wave

Debt Projections and 8% GO Debt Capacity

- Funding Model tracks actual and projected use of 8% GO Debt

8% Debt Issued as Interim Financing



Cashflow analysis includes program contingency as a separate allocation each month that accumulates over time to insure flexibility to react to changes as needed.

- Quarterly Cost Curve update expected in the next 4-6 weeks

One Cent Sales Tax Cash Flow for Capital Program

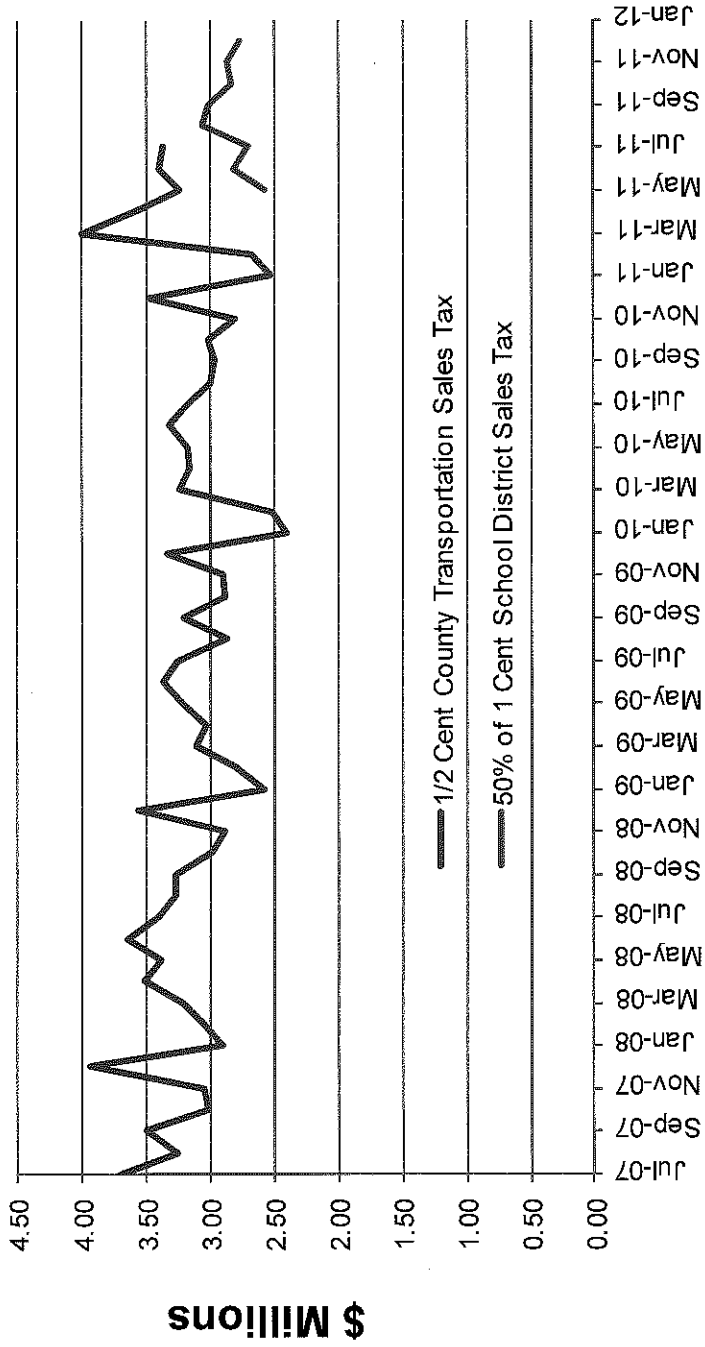
	Funds Available for Projects				Expenses - Projects and Interest				Contingency Fund Balance ³			
	Interest on Sales Tax Fund Balance ¹	Monthly Sales Tax Revenues	Sales Tax Revenue Total	New 8% GO Debt (ST) Issued	Period Ending Funds Available	Project Costs ²	Contingency Costs ³	Interest Expense		8% GO Debt (ST) Principal Repayment	Total Paid for Project Costs and Debt Service	Period Ending Cash Balances
Jan 2011	-	-	-	-	-	-	-	-	-	-	-	-
Feb 2011	-	-	-	-	-	-	-	-	-	-	-	-
Mar 2011	-	-	-	-	-	-	-	-	-	-	-	-
Apr 2011	-	-	-	-	-	-	-	-	-	-	-	-
May 2011	-	5,145,960	5,145,960	-	5,145,960	-	90,156	-	-	90,156	5,055,804	90,156
Jun 2011	-	5,637,699	10,683,503	10,000,000	20,693,503	738,477	37,325	-	-	775,802	19,917,701	127,481
Jul 2011	-	5,424,060	25,341,761	-	25,341,761	159,887	34,070	-	-	193,957	25,147,804	161,551
Aug 2011	-	6,113,316	31,261,119	-	31,261,119	746,921	35,707	-	-	782,628	30,478,492	197,258
Sep 2011	-	6,014,022	36,492,514	-	36,492,514	1,269,328	43,457	-	-	1,312,786	35,179,728	240,715
Oct 2011	-	5,664,365	40,844,093	-	40,844,093	894,508	61,421	-	-	955,929	39,888,164	302,136
Nov 2011	-	5,736,204	45,624,368	-	45,624,368	800,134	60,739	-	-	860,873	44,763,495	362,875
Dec 2011	-	5,556,017	50,319,512	-	50,319,512	1,276,470	83,823	50,000	-	1,390,293	48,929,219	426,699
Total	-	45,291,642	-	10,000,000	-	5,885,725	426,699	50,000	-	6,362,424	-	-

Notes:

- ¹ Assumes 0.25% earnings starting in January 2012
- ² Most recent month - December 2011 - shows budgeted amount (actual expenses are shown in blue)
- ³ Contingency costs are deposited monthly based on the budgeted project costs. Contingency funds are held separately through the construction period, and released if not utilized.

Collection information for the County's 1/2 Cent Transportation Sales Tax has been tracked for several years and available through July 2011, and compared to the School District's 1 Cent Sales Tax below:

Monthly Sales Tax Receipts



County and School District Sales Taxes are assessed on an identical basis, with one exception:

- Food coupon eligible items purchased without food coupons are charged the ½ Cent Transportation Sales Tax, but are not subject to the School District's 1 Cent Sales Tax.

Total Net Taxable Sales by NAICS Sector

