



West Linn – Wilsonville Schools

LONG RANGE PLANNING COMMITTEE

AGENDA

February 1, 2012
6:30 pm, Board Room

1. Check-In
2. Position Vacancy- Appointment 1-9-12 Tim
 - a. Kent Wyatt West Linn
3. Bond Activity Report Tim
 - a. Current status-New Schools
 - b. Willamette Primary
 - c. Bolton Trash & Storm
 - d. WLHS Storm & Parking
 - e. COP Storm
 - f. Athey Interiors
4. Primary Boundary update Bill/Tim
5. LRPC Financial Report Tim
6. Update the Long Range Plan Keith/Kimi
7. Present the Long Range Plan Tim/David
8. Anything else?

[SUGGESTED]

Next LRPC Meeting: Thursday, March 1st, Admin Board Room

Department of Operations

Mail: P.O. Box 35 • West Linn, Oregon 97068 • 503-673-7995 Fax 503-638-9143 • www.wlww.k12.or.us

Location: 2755 SW Borland Road, Tualatin, Oregon 97062

WEST LINN-WILSONVILLE SCHOOL DISTRICT LONG RANGE PLANNING COMMITTEE

2008 BOND PROGRESS REPORT FOR THE FOURTH QUARTER, 2011

In November 2008 the voters of the West Linn-Wilsonville School District passed a \$98,000,000 capital improvement bond to finance school construction, remodeling and various upgrades throughout the district. This report measures what we said we would spend and what we have actually spent. The School District is currently projecting expenses equal to our budget.

FUNDING SOURCES

Funding Sources	Original Funding	Prior Funding	Current Funding
Bond Proceeds	98,000,000.00	98,000,000.00	98,000,000.00
Bond Premium	0	2,355,736.85	2,355,736.85
Interest Revenue	0	1,300,000.00	1,000,000.00
Partnerships	0	98,470.00	112,041.00
Grand Totals	98,000,000.00	101,454,206.85	101,467,777.85

DISCUSSION

We have more money than the \$98,000,000 because the bond was sold at a premium of \$2,355,736.85. This is the difference between the "coupon" interest rates and the market interest rates when the bond was sold. In addition, we expect to earn interest of \$1,000,000 (Note: Interest Revenue is lower than initially expected because of current market conditions). Partnerships increased to \$112,041 because of work with the Energy Trust of Oregon in the area of sustainability.

PROJECT SOFT COSTS

Soft Costs are those costs associated with the bond work but not directly associated with capital equipment and "bricks and mortar"; that is, they are costs such as consulting services which might include outside planning, engineering, architectural, environmental and a host of other consulting services needed when the school district does not have the in-house expertise to complete complex projects. Soft costs also include expenses for permits, insurance, printing, advertising, and office expenses (among others).

	Original Budget	Current Budget	% Over / (Under) Original Budget	Estimate At Completion (Q4 2011)	Over / (Under) Budget	% Over / (Under) Current Budget
Project Hard Cost						
Subtotal	78,400,000.00	80,680,330.55	2.9%	80,680,330.55	0	0
Percentage of						
Total	80.00%	79.51%		79.51%		
Project Soft Cost						
Subtotal	19,600,000.00	20,787,447.30	6.1%	20,787,447.30	0	0
Percentage of						
Total	20.00%	20.49%		20.49%		

Grand Totals	98,000,000.00	101,467,777.85	3.5%	101,467,777.85	0	0
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DISCUSSION

In 2007/08, during Bond planning, the accepted standard for soft costs as a percent of total costs was 20%. At present soft costs are 20.49% of total cost, well within the expected range.

PROJECT HARD COSTS

Hard costs are the costs of capital equipment and "bricks and mortar". They include those things you can see, touch, and feel including buildings, equipment, pipes, books, school furniture, and many other tangible items.

	2008 Estimate	Current Budget	% Differenc e Current Budget to 2008 Estimate	Estimate At Completion (Q4 2011)	Current Over / (Under) Budget	% Over / (Under) Budget
New Wilsonville Primary School	27,000,000.00	24,890,891.11	(7.8%)	24,890,891.11	0.00	0.0%
New West Linn Primary School	28,000,000.00	25,601,223.25	(8.6%)	25,601,223.25	0.00	0.0%
New Library at Stafford Primary	2,000,000.00	1,556,739.59	(22.2%)	1,556,739.59	0.00	0.0%
New Library at Cedar Oak Park Primary	2,000,000.00	1,556,739.59	(22.2%)	1,556,739.59	0.00	0.0%
Site Athletic Improvements	4,000,000.00	4,737,248.77	18.4%	4,737,248.77	0.00	0.0%
New District Storage/Freezer	2,000,000.00	1,692,489.03	(15.4%)	1,692,489.03	0.00	0.0%
Library Renovations	2,000,000.00	1,645,052.38	(17.7%)	1,645,052.38	0.00	0.0%
Kitchen Remodels	3,000,000.00	2,388,097.06	(20.4%)	2,388,097.06	0.00	0.0%

Remodels at Bolton Primary	2,000,000.00	1,556,739.59	(22.2%)	1,556,739.59	0.00	0.0%
New School Planning and Design	4,000,000.00	2,306,432.46	(42.3%)	2,306,432.46	0.00	0.0%
District-Wide Technology	7,000,000.00	7,000,000.00	0.0%	7,000,000.00	0.00	0.0%
Deferred Maintenance	15,000,000.00	26,536,125.02	76.9%	26,536,125.02	0.00	0.0%
Totals	98,000,000.00	101,467,777.85	3.5%	101,467,777.85	0.00	0.0%

DISCUSSION

1. It should be noted that all Component's "Current Budget" and "Estimate to Completion" are now the same. We are at that point in the Bond Cycle where both final budgets (based on greater knowledge regarding interest income) and final costs can be accurately estimated.
2. Work on the two new Primary Schools is proceeding according to plan. The bids for these schools were very favorable and both schools should be completed at a cost lower than originally budgeted. Because more hard and soft costs are now known, the Estimate at Completion has been reduced this quarter and some reserves moved to other components. There are still adequate reserves for construction activities at both schools through completion.
3. Deferred Maintenance as a bond component is inclusive of part or all of 61 of the 71 projects in the bond. This bond component is also the holding category for all "added value" projects including eligible general fund offsets. Accordingly this bond component has risen as money is released from other completed/adjusted accounts and queued deferred maintenance projects are funded.