

Board Goal III Long-Range Facilities Update

June 23, 2008

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Board Presentations

Goal I

January 28 – School Improvement Plans

February 25 – Middle Schools

March 10 – Elementary Schools

March 24 – High Schools

Goal II

April 14 – Parents and Community

Goal III

May 12 – Management & Administrative Systems

June 23 – Facilities

August 11 – Budget

August 25 – Governance

Board Goal III

Operate with fiscal responsibility, integrity and effectiveness

Demonstrate effective and efficient use of taxpayer dollars by using best management practices and systematic long range planning.

Facilities

Strategic Objectives:

- *Develop a sound long-range facilities plan in order to provide safe, clean, modern and well-equipped facilities acceptable to the community.*
- *Provide effective facilities management and stewardship.*

One Year Ago

- The community engaged in conversation regarding our facilities
- The community rejected the plan to address 42 buildings
- The law requires districts to wait one year to bring forward another plan

One Year Ago

- Last year's perfect storm in Fort Wayne
 - Smoking ordinance more restrictive
 - Harrison Square on the table
 - Tax increases as a result of reassessment
 - Property tax reform on the horizon

A Year Later

- Lessons learned
 - The district's academic focus and goals need to be articulated more effectively to the community

Board Goals

- Achieve and Maintain Academic Excellence
- Engage Parents and the Community
- Operate with Fiscal Responsibility, Integrity and Effectiveness

A Year Later

- Lessons learned
 - The district's academic focus and goals need to be articulated more effectively to the community
 - The project descriptions need to be more clearly defined

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 - The project descriptions need to be more clearly defined
 - Educational spaces

Teaching Occurring in Hallway at Nebraska Elementary



Photo courtesy of The News-Sentinel

A Year Later

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 - The project descriptions need to be more clearly defined
 - Educational spaces
 - Infrastructure conditions

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 - Secure entrances

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 - Educational spaces
 - Infrastructure conditions
 - Secure entrances
 - Capital Projects Fund limitations

Capital Projects Detail

Improvements & Replacements:	2008	2009 Est.
Building Improvements <i>Large project included</i>	\$10,018,123 3,468,974	5,256,300 -0-
Equipment	1,750,000	1,570,000
Building & Equipment Repair	3,247,999	3,329,600
Technology	2,783,400	2,696,400
Energy Savings Contracts	730,000	514,000
Emergency Allocation	600,000	600,000
Land	350,000	150,000
Total	\$19,479,522	\$14,116,300

A Year Later

- Building assessments still valid
 - Infrastructure conditions are now worse
 - Building issues still limit our ability to teach
- Cost is now higher; dollar is worth less

What has Changed

- The State has taken over 100% of the General Fund by increasing the sales tax by 1%
- The circuit breaker limits property taxes
- The increased homestead deductions will reduce property taxes
- The process for approval of large capital projects has changed

Circuit Breaker

- Why does it affect FWCS?
- What will it affect?
 - Transportation & Bus Replacement Funds
 - Racial Balance Fund
 - **Capital Project Funds**
- How much will it cost?
 - 2009 \$1.2 million (about 2%)
 - 2010 \$2.6 million (about 4%)
 - 2011 \$4.8 million (about 7%)

Increased Homestead Deductions

- Homeowner deductions are increasing
- These deductions result in lower net assessed value for calculating budgets with fixed rates
- These budgets are likely to be reduced as a result:
 - **Capital Projects (\$2.5 million)**
 - Racial Balance (\$1 million)

Public Approval Concepts

- **Remonstrance** – decision is made by property owners and registered voters by signing a yellow petition (for the project) or blue petition (against the project)
- **Referendum** – decision is made at the polls by voters during a primary, regular or special election

New Approval Rules

- A referendum is required for:
 - K-8 facilities costing over \$10 million
 - 9-12 facilities costing over \$20 million
 - Other facilities costing over \$12 million
- Amounts below referendum limits (and over \$2 million) must follow the current petition and remonstrance process

Referendum

- 100 property owners and/or voters may initiate a referendum
- The project is placed on ballot during next election or a special election

Remonstrance vs. Referendum and the Circuit Breaker

- A successful **referendum** = debt outside of the circuit breaker calculation (no further cuts to other budgets)
- A successful **remonstrance** = debt to be considered when calculating circuit breaker (further circuit breaker cuts to FWCS and other local government units)

Where do we go from here?

- Determine multiple-year CPF projections
- Formulate plan to implement Goal III, D. Facilities
 - Develop a sound long-range facilities plan in order to provide safe, clean, modern and well-equipped facilities acceptable to the community, and
 - Provide effective facilities management and stewardship.

Issues for Board to Consider

- Minimum expectations for district buildings for:
 - Educational spaces
 - Infrastructure
- Funding options
- Priorities
- Community input process
- Timeline
- ?????

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