



Master Facilities Committee Evaluation and Identification

January 20, 2016

Agenda

1. Welcome
 - Upcoming Tours
2. Westlane Facility Tour
 - 30 minutes (5:00 PM)
3. Funding Information
 - ICE Miller
 - Umbaugh and Associates
4. Possible Project Options
 - CSO Architects
 - Skillman Construction
5. Q & A
 - Exit Ticket

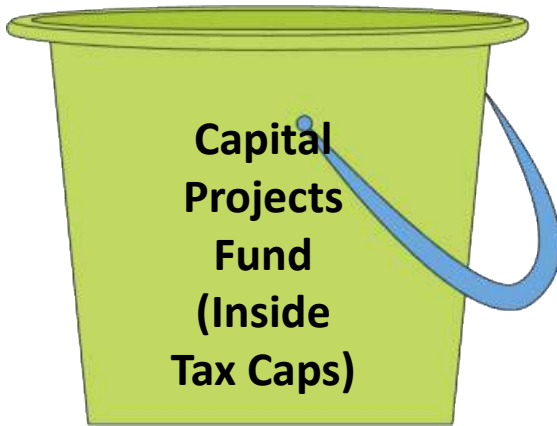
M.S.D. of Washington Township
Financing Options for Capital Projects

January 20, 2016

Discussion Topics

- Overview of Funding Sources
- Property Tax Caps (AKA Circuit Breaker)
- Capital Projects Fund
- Debt Issuance (Inside Tax Caps)
- Debt Issuance (Outside Tax Caps)

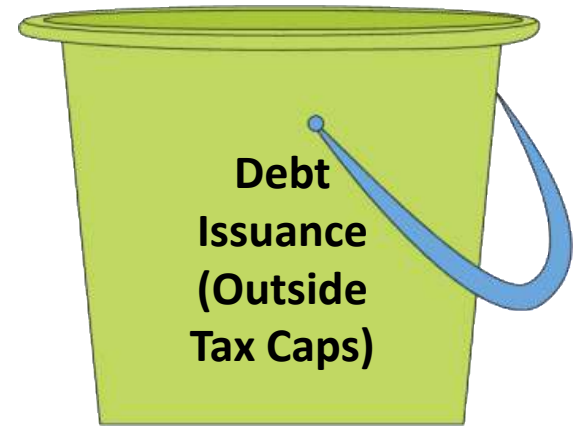
Overview of Funding Sources



- One of the School's property tax supported funds
- Used for ongoing maintenance and smaller projects
- State limits the amount that can be collected annually



- Short or long term financing for projects
- Must be approved by applicable legal process
- Considered a protected fund and thus has priority in receiving property tax revenues.



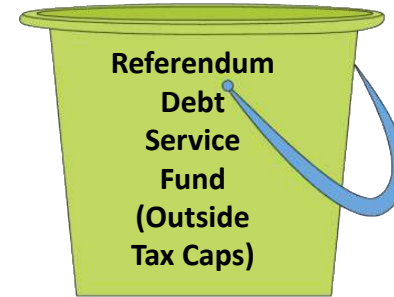
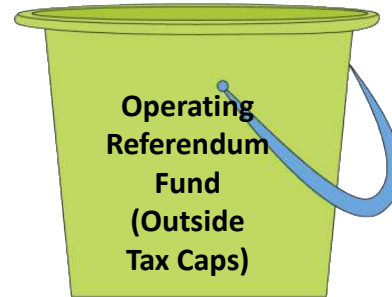
- Short or long term financing for projects
- Voter approved (referendum)
- Not subject to tax cap revenue losses

Overview of Tax Caps

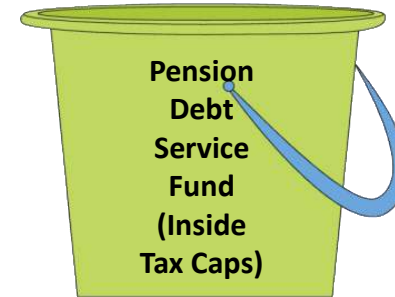
Flow of Property Tax Revenues



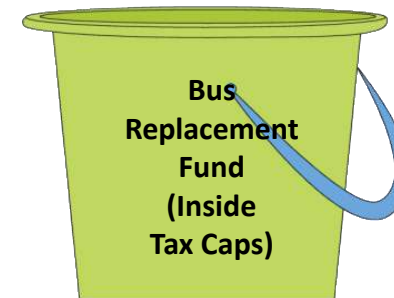
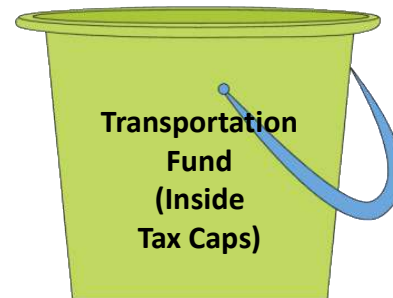
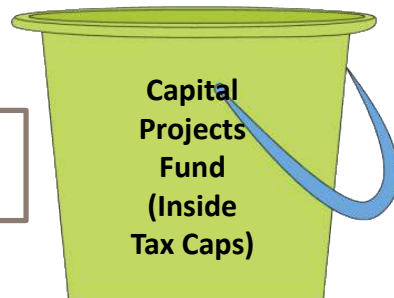
**First
Priority**



**Second
Priority**



**Remaining
Revenues**



Note: A taxpayer's individual tax cap would be adjusted for the operating referendum and debt service funds that are approved by referendum. Remaining property tax revenues would then first go to meet debt service and pension debt service obligations and then to the other property tax supported funds proportionate to their tax levy in relation to the School's total tax levy.

Capital Projects Fund

- One of the School's property tax supported funds (inside tax caps)
- Authorized expenses: expenditures for equipment, technology, maintenance of buildings and equipment and utilities (up to a certain amount)
- In 2015, about \$8 million was levied in property tax revenue
 - Of the \$8 million, \$2 million is dedicated to utility expenses
 - 2015 tax cap loss of about \$300,000
- An additional \$4.5 million will be available annually after the current operating referendum expires

M.S.D. of Washington Township

Illustrative Amount of Bonds That Could Be Supported

	\$0.0100 Increase in Debt Service Tax Rate	\$0.0500 Increase in Debt Service Tax Rate	\$0.1000 Increase in Debt Service Tax Rate	\$0.1500 Increase in Debt Service Tax Rate
Estimated Levy Increase (Capacity for annual payment)	\$562K	\$2.8M	\$5.6M	\$8.4M

Illustrative Amount of Bonds That Could Be Supported:

5 Year Repayment (2.5%)	\$2.6M	\$13.0M	\$26.1M	\$39.1M
10 Year Repayment (3.7%)	4.6M	23.1M	46.2M	69.3M
15 Year Repayment (5.0%)	5.8M	29.1M	58.3M	87.4M

Note: The total general obligation debt capacity based upon the 2016 certified net assessed value of the School District is \$37,308,665. Any amount exceeding the general obligation debt capacity would need to be structured as a lease financing. To the extent that the illustrative bonds increase tax rates over current levels, there could be an increase in circuit breaker losses to the School's other property tax supported funds depending on where a taxpayer is in relation to the tax caps.

Possible Project Scope Options for Capital Improvements (DRAFT)

	OPTION 1	OPTION 2	OPTION 3	Not Included in Capital Referendum
Elementary	<p>Addresses the most critical needs for capacity, safety and security.</p> <p>Examples:</p> <ul style="list-style-type: none"> • 2 new elementary buildings • Secured entry/administration (every building) • New control access doors – as needed • New fire alarm & PA systems (every building) 	<p>Everything from Option 1 plus:</p> <p>Necessary renovations to three elementary buildings to address priorities and concerns identified by the Master Facility Committee.</p> <p>Examples:</p> <ul style="list-style-type: none"> • Renovate academic space – as needed (2 buildings) • Eliminate open concept classrooms (2 buildings) • Replace roof (1 building) • Mechanical, plumbing & electrical system replacement/upgrades – (3 buildings) • Renovation/updating of existing areas – wall and floor finishes (3 buildings) • Create small group spaces (2 buildings) • Add fire sprinkler system (2 buildings) • Replace operable walls (2 buildings) • Replace exterior windows (1 building) • Add public restrooms (1 building) • Redesign site traffic pattern (1 building) • Fence playground (1 building) 	<p>Everything from Option 2 plus:</p> <p>Necessary renovations to two elementary buildings to address priority concerns in addition to ADA improvements to playgrounds at all buildings.</p> <p>Examples:</p> <ul style="list-style-type: none"> • Renovate academic space – as needed (3 buildings) • ADA improvements to playground (every building) • Replace roof (1 building) • Enlarge cafeteria & gym – as needed (1 building) • Renovation/updating of existing areas (2 buildings) • Mechanical, plumbing & electrical system replacement/upgrades (1 building) • Redesign site traffic pattern (1 building) • Add outdoor storage (1 building) 	<p>Provide improvements for optimal learning environments that are not included in the Capital Referendum.</p> <p>Examples:</p> <ul style="list-style-type: none"> • Hilltop Improvements • Replace classroom furniture (every building) • Add security cameras (every building) • Upgrade technology infrastructure & equipment (every building) • Update parking lot lighting (4 buildings) • Replace gym & cafeteria light fixtures (2 buildings) • Replace roof (2 buildings) • Mechanical, plumbing & electrical system replacement/upgrades as needed (1 building) • Fence playground (1 building) <p>Note: Items listed in this column are not considered low priority or unimportant. These items could potentially be paid for with additional funding sources outside the referendum project.</p>

Possible Project Scope Options for Capital Improvements (DRAFT)

	OPTION 1	OPTION 2	OPTION 3	Not Included in Capital Referendum
Middle	<p>Addresses the most critical needs for capacity, safety, security and priorities for optimal learning environments.</p> <p>Examples:</p> <ul style="list-style-type: none"> Secured entry/administrative area (3 buildings) Fire alarm and PA systems (3 buildings) Fire sprinklers (3 buildings) Mechanical, plumbing & electrical system replacement/upgrades (3 buildings) Renovation/updating of existing areas (3 buildings) Classroom additions, Cafeteria expansions (2 buildings) Traffic pattern redesign (2 buildings) Ramp to stage (gym) (1 building) Exterior lighting (1 building) 	<p>Everything from Option 1 plus:</p>	<p>Everything from Option 2 plus:</p> <p>Examples:</p> <ul style="list-style-type: none"> Replace gym bleachers (every building) 	<p>Provide improvements for optimal learning that are not included in the Capital Referendum.</p> <p>Examples:</p> <ul style="list-style-type: none"> Replace classroom furniture (every building) Improve and expand current security camera system (every building) Upgrade technology infrastructure & equipment (every building) Replace roof (2 buildings) Extra-Curricular Improvements <p>Note: Items listed in this column are not considered low priority or unimportant. These items could potentially be paid for with additional funding sources outside the referendum project.</p>

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Possible Project Scope Options for Capital Improvements (DRAFT)

	OPTION 1	OPTION 2	OPTION 3	Not Included in Capital Referendum
High School	<p>Addresses the most critical needs for safety, security and priorities for optimal learning environments.</p> <p>Examples:</p> <ul style="list-style-type: none"> Secured entry/administrative area Improve and expand current security camera system Renovations to Auditorium and Performing Arts spaces 	<p>Everything from Option 1 plus:</p> <p>Examples:</p> <ul style="list-style-type: none"> Cafeteria expansion Replace corridor carpeting and remove wall carpet 	<p>Everything from Option 2 plus:</p> <p>Examples:</p> <ul style="list-style-type: none"> Convert offices to classrooms Expand Dean's Office Renovate Information Center Renovate science labs Create second floor learning commons Replace four (4) boilers Demo 1605 building and add parking 	<p>Provide improvements for optimal learning environments that are not included in the Capital Referendum.</p> <p>Examples:</p> <ul style="list-style-type: none"> J. Everett Light Career Center Improvements Replace classroom furniture Replace lighting in the gyms Upgrade technology infrastructure & equipment Extra-Curricular Improvements <p>Note: Items listed in this column are not considered low priority or unimportant. These items could potentially be paid for with additional funding sources outside the referendum project.</p>

Questions and Comments

Next Meeting

Wednesday, February 10, 2016

4:30 PM

Eastwood Middle School