

IASD Facility Study

Summary of Financing Options

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Existing Debt 6/30/2010 Outstanding Principal

2003A	JH Renovation	\$ 105,000
2004	ICTC (district share)	\$ 1,710,939
2005	SH Gym	\$ 4,980,000
2008	JH Renovation	\$ 9,830,000
2009	JH Renovation	\$10,000,000

Existing Debt Local Share

2010-11	\$3,022,223	12.74 mils
2015-16	\$2,997,199	12.64 mils
2018-19	\$2,634,717	11.11 mils
2020-21	\$1,592,466	6.71 mils
2021-22	\$ 150,965	0.64 mils
2025-26	\$ - 0 -	

\$237,200 per mil

Market Value Aid Ratio

2009-2010	0.4985
2008-2009	0.4932
2007-2008	0.4589
2006-2007	0.4730
2005-2006	0.4892
2004-2005	0.5091
2003-2004	0.4965
2002-2003	0.5031

Reimbursable Projects

JH 30.58% x Aid Ratio

ICTC 53.30% x Aid Ratio

East Pike Elementary 55.48% x Aid Ratio

SH 52.49% x Aid Ratio

\$5 Million Bond Issue

No state reimbursement

Term – 12 years

Interest rates – 1.25% to 4.09%

Total interest expense - \$2,150,506

Increased Local Effort - \$202,671, 0.86 mils

No offsetting savings

\$10 Million Bond Issue

No state reimbursement

Term – 14 years

Interest rates – 1.25% to 4.27%

Total interest expense - \$4,813,584

Increased Local Effort - \$410,730, 1.74 mils

No offsetting savings

\$11,380,000 Bond Issue

Capital Improvements to 3 Elementary Schools

No educational improvements

Estimated reimbursement percentage – 75.09%

Term – 13 years

Interest rates – 1.25% to 4.27%

Total interest expense - \$5,145,278

Increased Local Effort - \$291,137, 1.23 mils

No offsetting savings

\$21,940,000 Bond Issue

Capital Improvements to 3 Elementary Schools and Senior High

No educational improvements

Estimated reimbursement percentage – 80.73%

Term – 15 years

Interest rates – 1.25% to 4.37%

Total interest expense - \$11,254,076

Increased Local Effort - \$545,477, 2.30 mils

No offsetting savings

Option A-1 (less JH and East Pike) 10-12, 7-9, four K-6

Bond Issue - \$47,570,000

Educational improvements to SH and 3 Elementary Schools

Estimated reimbursement percentage – 41.71%

Term – 21 years

Interest rates – 1.25% to 4.97%

Total interest expense - \$35,006,264

Increased Local Effort - \$1,694,600, 7.15 mils

No offsetting savings

Option B-1 (most expensive)
9-12, 6-8, four K-5

Bond Issue - \$51,090,000

Estimated reimbursement percentage – 37.38%

Term – 22 years

Interest rates – 1.25% to 4.97%

Total interest expense - \$39,279,580

Increased Local Effort - \$1,887,854, 7.96 mils

No offsetting savings

Option A-2
10-12, 7-9, three K-6

Bond Issue - \$49,560,000

Estimated Data:

Term – 21 years

Total interest expense - \$37,287,000

Increased Local Effort - \$1,749,000, 7.37 mils

Staff savings if 2011-12 \$836,536, 3.84 net mil
increase

Staff savings if 2012-13 \$936,674, 3.42 net mil increase

Option A-3
10-12, 7-9, two K-6

Bond Issue - \$44,830,000

Estimated Data:

Term – 20 years

Total interest expense - \$32,990,000

Increased Local Effort - \$1,572,000, 6.63 mils

Staff savings if 2011-12 \$1,299,263, 1.15 net mil increase

Staff savings if 2012-13 \$1,456,004, 0.49 net mil increase

Option B-2
9-12, 6-8, three K-5

Bond Issue - \$47,570,000

Estimated Data:

Term – 21 years

Total interest expense - \$35,006,264

Increased Local Effort - \$1,722,500, 7.26 mils

Staff savings if 2011-12 \$1,615,637, 0.45 net mil increase

Staff savings if 2012-13 \$1,810,234, 0.37 net mil decrease

Option B-3

9-12, 6-8, two K-5

Bond Issue - \$42,830,000

Estimated Data:

Term – 20 years

Total interest expense - \$31,518,000

Increased Local Effort - \$1,595,000, 6.72 mils

Staff savings if 2011-12 \$2,247,740, 2.76 net mil
decrease

Staff savings if 2012-13 \$2,519,152, 3.90 net mil
decrease

Option C-1

9-12, 5-8, three K-4

Bond Issue - \$46,560,000

Estimated Data:

Term – 21 years

Total interest expense - \$34,263,000

Increased Local Effort - \$1,768,000, 7.45 mils

Staff savings if 2011-12 \$1,961,269, 0.82 net mil
decrease

Staff savings if 2012-13 \$2,198,641, 1.82 net mil
decrease

Option C-2 9-12, 5-8, two K-4

Bond Issue - \$41,830,000

Estimated Data:

Term – 20 years

Total interest expense - \$30,782,000

Increased Local Effort - \$1,597,000, 6.73 mils

Staff savings if 2011-12 \$2,477,137, 3.71 net mil
decrease

Staff savings if 2012-13 \$2,776,48, 4.98 net mil
decrease

Staffing Costs Salaries and Benefits 2009-10 to 2012-13

	<u>2009-10</u>	<u>2012-13</u>
Principal–least senior	\$91,015	\$115,205
Teacher–Step 1	\$72,464	\$94,794 (Step 4)
Secretary–least senior	\$24,770	\$32,675
Custodian–least senior	\$32,292	\$43,035
Aide-least senior	\$27,826	\$36,582

Note: Secretary is single benefit package

Enrollment Projections

2008-09 Actual		2,846
2009-10 Actual		2,856
PDE Projections	<u>10/2009</u>	<u>01/2009</u>
2012-13	2,677	2,648
2013-14	2,633	2,644
2017-18	2,463	2,744

Considerations

Immediate needs: roof and HVAC replacements, ADA issues

Costs of construction – present and future

Interest rates – present and future

PSERS crisis (not just a spike)

Enrollment – stable or declining?

Higher interest expense for wrap-around debt but lower millage impact

Referendum

Annual Operating Budget



What will IASD look like for the next 30 years?

Can programs and small class sizes be maintained with minimal increases in state funding and decline in federal funding?

What will the community support?