

Litchfield Elementary School District

Update of the Progress of Capital Improvements Financed Through Bonding

On November 3, 2009 our voters authorized the District to sell class B bonds in the amount of \$20,000,000. Per State Statute 15-491K a school district that has issued bonds must hold a public meeting each year between September 1 and October 31 to give an update on the progress of the capital improvements financed through bonds. The following is the breakdown of the 2009 Bond Issue for \$20,000,000 as noted in the election ballot documents:

2009 Bond Issue \$20,000,000:

Remodel Existing Schools	\$ 3,000,000	
New School Construction	\$12,000,000	
Administrative Construction	\$ 4,000,000	
Pupil Transportation Vehicles	<u>\$ 1,000,000</u>	
	\$20,000,000	Current Balance \$0

We are allowed to shift up to 10% between categories. Below you will find an update by category:

Remodel Existing Schools

Budget: \$3,000,000 Expenditures to Date: \$1,845,984 Balance: \$1,154,016

Litchfield Elementary School - \$734,973: Remodeling of classrooms into a cafeteria with a kitchen. Construction was completed August 2012.

Scott Libby Elementary School - \$1,106,011: All classrooms in the “C” building have been remodeled. We completed the design process for the remodeling of the Media Center, nurse’s office, main entrance, parking lot and bus drop off. These projects were started in June 2012 and completed by September 2012.

L. Thomas Heck Middle School - \$5,000: The District contracted with an engineer to redesign the storm drain on the west side of the campus.

New School Construction

Budget: \$12,000,000 Expenditures to Date: \$13,517,853 Balance: \$(1,517,853)

Litchfield Elementary School - \$5,366,694: Designed three new buildings to include a new gymnasium, school office, and classrooms. Before construction could begin, the old gymnasium, cafeteria/kitchen and administration buildings had to be demolished. Construction was completed August 2014.

Verrado Heritage School - \$8,151,159: Designed and built a new school. The school opened August 2015.

Operational and Administrative Construction:

Budget: \$4,000,000 Expenditures to Date: \$3,593,669 Balance: \$406,331

Support Services Facility - \$3,593,669: Construction of the Support Services Facilities began in October 2016. The project includes site improvements, warehouse, bus repair facility, offices for the facilities, purchasing, and transportation departments and two training rooms. Construction is expected to be completed by the end of September 2017.

Pupil Transportation Vehicles:

Budget: \$1,000,000 Expenditures to Date: \$1,045,873 Balance: \$(45,873)

Received and paid for 3 buses by June 30, 2012. Two buses were received in July 2012. Three buses were received in September 2015. Two buses were received in August 2016.

Financial Costs Associated with the 2009 Bond sale:

By law, the District may spend bond proceeds to cover the legal cost of issuing bonds. To date the bond premiums exceeded the cost of issuance for the sale of the 2009 Bonds by \$3,379.

	<u>Bonds</u>	-	<u>Expenditures</u>	=	<u>Balance</u>
2009 Bond Issue Total	\$20,000,000		\$20,000,000	=	\$0

On November 4, 2014 our voters authorized the District to sell class B bonds in the amount of \$35,000,000. Per State Statute 15-491K a school district that has issued bonds must hold a public meeting each year between September 1 and October 31 to give an update on the progress of the capital improvements financed through bonds. The following is the breakdown of the 2014 Bond Issue for \$35,000,000 as noted in the election ballot documents:

2014 Bond Issue \$35,000,000:

Remodel Existing Schools	\$ 2,100,000		
New School Construction	\$25,200,000		
Remodel Administrative Facilities	\$ 200,000		
Administrative Construction	\$ 3,500,000		
Pupil Transportation Vehicles	<u>\$ 4,000,000</u>		
	\$35,000,000	Current Balance	\$ 27,300,713
		Unsold Bonds	\$ 23,000,000
		Available Cash	\$ 4,300,713

Below you will find an update by category:

Remodel Existing Schools

Budget: \$2,100,000 Expenditures to Date: \$28,280 Balance: \$2,071,720

Corte Sierra - \$28,280: Installed fencing to secure outside restrooms, snack bar, and playground space.

New School Construction

Budget: \$25,200,000 Expenditures to Date: \$4,685,956 Balance: \$20,514,044

Verrado Heritage School - \$4,001,898: Designed and built a new school. The school opened August 2015.

School #16 - \$684,058: Researched historical use of school site & performed environmental & geotechnical testing in Sedella development. Contracted with civil engineer, architect, and construction manager at risk to design a new school. The plans are 90% ready for submission to the City of Goodyear for permitting.

Remodel Administrative Facilities

Budget: \$200,000 Expenditures to Date: \$40,504 Balance: \$159,496

Data Center - \$40,504: Remodel existing facility to accommodate needs of the technology department.

Operational and Administrative Construction

Budget: \$3,500,000 Expenditures to Date: \$1,157,324 Balance: \$2,342,676

Support Services Facility - \$1,157,324: Construction of the Support Services Facilities began in October 2016. The project includes site improvements, warehouse, bus repair facility, offices for the facilities, purchasing, and transportation departments and two training rooms. Construction is expected to be completed by the end of September 2017.

Pupil Transportation Vehicles:

Budget: \$4,000,000 Expenditures to Date: \$1,755,530 Balance: \$2,244,470

In March 2016, 13 buses were ordered. Eight of the buses were received in June 2016 the remaining 5 buses were received in July 2016.

Financial Costs Associated with the 2014 Bond sale:

By law the District may spend bond proceeds to cover the legal cost of issuing bonds. To date the cost of issuance for the sale of the 2014 Bonds is \$31,693.

2014 Bond Issue Total Bonds - Expenditures = Balance
\$35,000,000 - \$7,699,287 = \$27,300,713

Construction Costs and Future Plans: Construction of Verrado Heritage Elementary was completed in July 2015. Construction of a cafeteria & kitchen at Palm Valley was completed in August 2016. The Support Services Facility will be completed in September 2017. The District has started planning for School #16. The plans are 90% ready for submission to the City of Goodyear for permitting.

Other Funds Used for Construction:

The District used funds from the Capital Budget to help with the cost of construction at Litchfield Elementary. Since bonds could not be sold, due to decreased assessed values, \$1,216,366 of capital funds and \$292,000 of donated funds were used to complete the Litchfield Elementary School construction.

Community Education funds, totaling \$361,785 were used to construct the preschool classrooms and playground at Verrado Heritage Elementary. Donations totaling \$129,704 were used for fencing and site improvement upgrades.

The District has spent \$1,490,603 from the Capital Budget for the construction of the cafeteria & kitchen at Palm Valley.