


<h2 style="text-align: center;">Looking Forward: Strategies for future facility and fiscal needs</h2> <hr/>	
	<p style="text-align: right;">Presentation to the Board of Trustees Brett W. McFadden Chief Business Officer March 9, 2011</p>
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<h2 style="text-align: center;">What we will cover tonight</h2> <hr/>	
<ul style="list-style-type: none"><input type="checkbox"/> Brief background on facility development in the district<input type="checkbox"/> Status of facility projects and maintenance<input type="checkbox"/> Future needs<input type="checkbox"/> Recommended next steps	

<h2>Facility development in PVUSD</h2>	
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<ul style="list-style-type: none">□ 1999 – District qualifies for 100% of State Facility Hardship Funds<ul style="list-style-type: none">■ All schools received elements of modernization and structural retrofits■ All state funding, no local match □ 2002 District passes Measure J<ul style="list-style-type: none">■ District share \$58 million■ Targeted to specific areas – Aptos and Watsonville area schools■ Specific projects – gyms, pools, tennis courts, fields, performing arts centers, PV High, Mintie White Cafeteria■ Two oversight committees - Aptos and Watsonville areas □ Misc. Certificates of Participation (COPs)<ul style="list-style-type: none">■ Used for bridge financing■ Specific projects – ILC Adult Ed Building Downtown Watsonville	
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<h2>Status update on Measure J</h2>	
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<ul style="list-style-type: none">□ Last major Measure J Project – EA Hall Gym – will be completed in May □ Tax rate average has been \$28.52 per \$100,000 assessed value – below \$32.89 projected rate □ Citizen oversight committees have provided oversight and annual independent audits have indicated appropriate fiscal management by the district	
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No "shovel ready" projects

- With completion of Measure J projects, the district does not have an updated financing strategy for future projects
- Facility Master Plan needs to be updated – last done in 2008 (data is from 2007)
- District has not been able to qualify for various state and federal facility funds because it does not have state-approved facility plans and local matching funds
- Missed opportunities:
 - Qualified School Construction Bonds
 - Federal ARRA bonds
 - Emergency repair grants
 - State Priority Facility Funds

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Future facility needs

- The district faces significant deferred maintenance and modernization needs
 - Now eligible for state modernization funds for buildings 25 years or older, portables 20 years +
 - But need local match and approved plans to be eligible for this state funding
- District demographic projections should be updated to determine future need for new school facilities
- Portions of the district (North area) do not qualify for certain state and federal funds – Bond funding could be used to address state and federal funding discrepancies

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Initial needs assessment	
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District staff have identified the following facility and infrastructure needs:	
<ul style="list-style-type: none"><input type="checkbox"/> Technology and related infrastructure – especially in the North area<input type="checkbox"/> Modernization and upgrades (roofs, parking lots, walkways, windows etc)<input type="checkbox"/> Complete PV High School (but update the current plan)<input type="checkbox"/> Upgraded / expanded cafeterias at specific sites<input type="checkbox"/> School safety and health related matters<input type="checkbox"/> Elementary play structures – many old and out of compliance<input type="checkbox"/> Implement solar and other environmental upgrades<input type="checkbox"/> Additional funding to help offset loss of deferred maintenance funds	
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Possible financing options	
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<ul style="list-style-type: none"><input type="checkbox"/> Bond funding can be used to relieve district General Fund costs for maintenance and operations<input type="checkbox"/> Bonds can be utilized to offset the loss of state Deferred Maintenance funding<input type="checkbox"/> Parcel tax funding can be used to protect board priorities – technology, class-size reduction, art and music programs, libraries, student health and safety<input type="checkbox"/> All of these options provide the district greater fiscal control – outside of Sacramento's influence	
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Recommended next steps

- Update district Facility Master Plan and Needs Assessment – current plan is obsolete

- Seek input from district stakeholders via the Fiscal and Facilities Advisory Committee – conduct a facility needs tour

- Bring recommended action strategy for board consideration in May
 - Develop a short range plan
 - Develop long range plan

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Questions, comments, input

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