



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: September 18, 2017

AGENDA ITEM: Financial Update on 2015 and 2008 Bond Programs

PRESENTER: Earl Husfeld

ALIGNS TO BOARD GOAL(S): Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

BACKGROUND INFORMATION:

- The 2015 Bond Program was approved by the District's voters on May 9, 2015 and the 2008 Bond Program was approved by the District's voters on May 10, 2008.
- During several board meetings over the course of the past year, the topic of using remaining bond funds to repay outstanding debt has been discussed by the Board of Trustees and Administration.
- To assist with this on-going discussion, the following financial information and considerations are being shared with you this evening.

ADMINISTRATIVE CONSIDERATIONS:

- 2008 Bond Program:
 - As of August 31, 2017, there was \$499,511.02 remaining in 2008 Bond Program bank/investment accounts. Additionally, there is \$6,025,000 of bond authorization that has not been issued, and there is no plan to do so.
 - The funds in bank/investment accounts are not unspent bond funds, but rather interest income earnings that have accumulated over the years since the bonds were originally issued.
 - After talking to Business Department staff and researching the District's 2008 Bond Program financial records, to our combined knowledge, the only outstanding commitment remaining is for the purchase of furniture for the expansion of the Aledo ISD Learning Center. It is anticipated this commitment will be approximately \$150,000.
 - According to the following 2008 Bond Program information, \$2,000,000 for future school sites was included in Proposition 2 of the 2008 Bond Program. A search of the 2008 Bond Program financial records reveals \$1,206,751.49 was identified as being spent for land/school sites.
 - A suggestion for your consideration and discussion would be to use the remaining approximately \$350,000 to assist with the cost of the land purchase for Elementary School No. 6.



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- 2015 Bond Program:
 - As of August 31, 2017, there was \$14,030,611.45 remaining in 2015 Bond Program bank/investment accounts.
 - In order to give you the most up-to-date information possible, a financial analysis of the 2015 Bond Program, similar to the August 14th handout, will be distributed at the board meeting.
 - Following are items for your consideration and discussion related to the use of 2015 Bond Program funds:
 - When the original bids/quotes were received for Walsh Elementary School, several items were “value engineered” out in order to get the anticipated cost within budget parameters. The thinking was the District would re-assess the need for these items at a later date after determining if funds were available for them.
 - The primary item we are asking for your consideration and discussion is for funding to complete three (3) classrooms on the lower level of Walsh Elementary that were removed from the scope of the original construction. I will have a budget amount for this item at the board meeting.
 - Another item we are asking for your consideration and discussion is for funding for a District owned (private) fiber optic pathway from the District’s Technology/Police Building to Walsh Elementary School.
 - We are currently utilizing a VPN (virtual private network) connection over the Internet to connect Walsh Elementary School. This method has some limitations and is not the long term goal. However, the VPN was used because Internet access was the only available option as construction ended and the school year started. Long-term, we need either the private fiber connection or will need to acquire a 10 GB circuit from a service provider for Walsh Elementary School.
 - One of the primary benefits of this private fiber is improved Internet for the District. This fiber will allow us to leverage the 10 GB Internet connection at Walsh Elementary School with the rest of the District. This connection is 20 times faster than the existing district connection.
 - Another benefit is this private fiber connection will provide connectivity for all future campuses to be built in the Walsh Development. This fiber will be connected at the service provider’s facility in Walsh Development. This means we will utilize this same fiber pathway to connect all future campuses



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within Walsh Development. For comparison, a 10 GB connection between campuses can cost \$5,000 per month per campus from a service provider. Over the long-term scale of the Walsh Development, this private fiber will easily pay for itself many times over.

- Due to the issues our instructional and technology staff experienced with the roll-out of the Promethean panels the District purchased, the Promethean Company provided all of the panels for Walsh Elementary School at no cost to the District. This savings is estimated to be worth approximately \$250,000.
- The one-time budgeted cost for this private fiber pathway and installation is estimated to be \$350,000.
- The last item we are asking for your consideration and discussion is for funding to purchase additional student technology devices. In April 2017, the Board of Trustees approved Technology Package No. 3 in the amount of \$1,512,579.36 for student technology devices. This award provided for five (5) devices per classroom. During the roll-out of this project, we shared with District staff that if technology funds remained after the completion of all technology projects provided for in the 2015 Bond Program, the Administration would approach the Board of Trustees with the idea of utilizing any remaining technology funds to expand the number of technology devices for each classroom.

FISCAL NOTE:

None – Informational Report

ADMINISTRATIVE RECOMMENDATION:

None – Informational Report

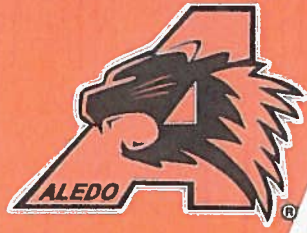
What is Included in the 2008 Bond Program

Proposition 1 School Facilities / Equipment \$59,060,000

Project	Estimated Cost
Ninth-grade Campus (Includes core facilities: library, cafeteria, gymnasiums needed to accommodate 700 additional students)	\$45,655,248
Classroom Instructional Technology	\$5,267,575
Campus Security	\$616,380
Teacher Training Center	\$4,354,611
Technology / Security Center	\$3,166,186
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	\$59,060,000

Proposition 2 Renovations, Buses & Land \$7,965,000

Project	Estimated Cost
Aledo H.S. North Entrance (Land & Paving)	\$1,500,000
Future Expansion of Aledo Learning Center / DAEP	\$1,617,950
Carpet	\$652,702
Awnings	\$87,348
Paving (Middle School)	\$727,000
Cafeteria Equipment	\$620,000
Elementary Playgrounds	\$200,000
Buses (7)	\$560,000
Future School Sites	\$2,000,000
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	\$7,965,000



Aledo ISD

2008 Bond Election

May 10, 2008



Past, Present & Future Bearcat Graduates

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A Past to Remember,
a Future to Mold