

## MINUTES

### Fairfax County School Board and Fairfax County Board of Supervisors

#### Fairfax County Government Center, Rooms 9 and 10

Work Session No. 14/**Infrastructure Financing Committee (IFC)**

August 7, 2013

#### 1.01 Call to Order and Announcements

Fairfax County Board Supervisor John Cook convened the meeting at 3:05 p.m. with the following Fairfax County School Board members and Fairfax County Board of Supervisors present:

Sandy Evans (Mason)	Supervisor John Cook (Braddock)
Patty Reed (Providence)	Supervisor John Foust (Dranesville)
Kathy Smith (Sully)	Supervisor Jeff McKay (Lee)

#### County Personnel Present:

Fairfax County Executive Edward Long, Jr.; Fairfax County Chief Financial Officer Susan Datta; County Debt Manager Joe LaHait; County Capital Program Coordinator Martha Reed; Management Analyst Mary Casciotti; Park Authority Acting Director Cindy Messinger; Park Authority Management Analyst Mike Baird; Director of Planning and Development Division Park Authority David Bowden; Director of Planning Division DPZ Marianne Gardner; Deputy Director DPWES Ron Kirkpatrick; Director of Building Design and Construction DPWES Carey Needham; Tom Williamson, DPWES; Kiel Stone, Chief of Staff to Supervisor Cook; Linda Waller, Aide to Supervisor McKay; Clayton Medford, Aide to Chairman Bulova; County Board Auditor Michael Longhi, Jessica Tucker, Office of the Board's Auditor; Christina Manning, Office of the Board's Auditor

#### Fairfax County Public Schools Personnel:

Fairfax County Public Schools Superintendent Karen Garza; Chief Financial Officer Susan Quinn; Assistant Superintendent of Facilities and Transportation Services Jeffrey Platenberg; Director of Design and Construction Kevin Sneed; Coordinator of Financial Management Shelton Williams; School Board Facilities Planning Advisory Council member Karen Hogan; Fairfax County Public School staff Ajay Rawat; Fairfax County Public School staff Pam Goddard

#### Others Present:

Charlie Dane; John Wittman; Rob Whitfield; Tim Thompson

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### DISCUSSION

#### 1.02 Administrative Items

- The Committee approved the minutes from the June 5, 2013 meeting with no changes.
- The Committee approved its name, which will be Infrastructure Financing Committee (IFC).
- The Committee approved the goals with no changes.
- The 10 Principles of Sound Fiscal Management and the 10 Principles of Sound Capital Planning were provided to the Committee. The Committee asked that the entire School Board receive a briefing on the 10 Principles.

#### 1.03 County Paydown Program

- The Committee listened to a presentation on the County's Capital Paydown Program by County Capital Program Coordinator Martha Reed, the presentation included the following:
  - A discussion regarding the reallocation of Capital project funds. The Committee asked that the Park Authority describe its process of reallocating projects funds at the next meeting.
  - A discussion of capital project contingency budgeting. The Committee asked that both County and School staff present information in the form of a memo describing actual experience in the use of contingencies budgeted in capital projects.

#### 1.04 FCPS CIP Process

- The Committee listened to a presentation on the School CIP process and requirements, by Fairfax County Public School staff members Jeff Platenberg and Kevin Sneed, which included the following:
  - A discussion regarding how programming changes such as additional requirements for Advanced Academic Program (AAP) sites were prioritized against what was already in the CIP. The group agreed to put this topic on the parking lot of issues.
  - A discussion of external drivers that could increase the cost of school construction (i.e. federal/state/local code requirements, kiss and rides, trails, etc.).
  - A discussion of what was a realistic amount of bond sales for schools. What could be done on both the spending and the revenue sides to help close the gap of unfunded needs. What would the \$25 million requested increase in bond sales provide and what would not be provided?

#### 1.05 Proposed Meeting Schedule

- There was consensus that each agenda would include the upcoming meeting schedule and the topic to be discussed that day. Upcoming meetings include: Sept. 11 (room 232), October 2 (Room 232), November 6 (Room 232), and December 4 (Room 232).

The meeting adjourned at 5:20 p.m.

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Follow-up Actions

Q and A:

1. Why is maintenance being paid for out of school general obligation bonds
2. Provide a chart that includes actual ratio of debt to disbursements for neighboring jurisdictions (include their bond rating) – **Provided on August 7, 2013**
3. Present a chart showing forecasted bond sales and capacity – **Provided on August 7, 2013**
4. Present the pros and cons of short vs. long term bond maturities (20 years vs. 30 years) – **Provided on August 7, 2013**
5. Provide information on the history of the 10% debt ratio, showing how capacity can disappear when expenditures are reduced – **Provided on August 7, 2013**
6. What can be done to reduce the cost of construction to help close the gap of unfunded school capital requirements? What would the \$25 million requested in increased bond sales provide and what would not be provided?
7. Are there changes in code or other practices that could reduce the cost of renovating/building schools?
8. What is the impact of scheduling school renovations at 30, 35 or 40 years, rather than 25 years?
9. Please provide a list of all schools, their age, when they were last renovated, and the cost of that renovation. Please include examples of the schools renovated in the last 6 years.
10. Please provide details regarding space allocation policies for particular kinds of instructional programs. For example, what size space is required for music, for art, for gifted and talented programs, for classrooms for children with special needs, etc... compared to those for ordinary classrooms.
11. Please provide statistics and back up data for the chart on page 17 of the Schools CIP presentation.
12. For all Schools please provide capacity levels, including current enrollment numbers over or under capacity.
13. Analyze a program of conducting a "mini-renovation" at the 20-25 year mark that would update essential systems only, followed by a more complete renovation at the 40 year mark. Outline what such a program would look like, assess the impact on students, and analyze the cost impact on the CIP program.

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Other Actions:

1. Refer the concept of PPEAs (opportunities and challenges) to a joint Board of Supervisors/School Board meeting
2. Refer the discussion of the 10 Principles of Financial Management to a Joint School Board/County Board meeting
3. At August 7, 2013 meeting, include a summary of paydown expenditures over the last several years and some general comments about paydown funding and limitations – ***Provided on August 7, 2013***
4. At future meeting, discuss the Comprehensive Plan (how it works, how it is changed)
5. At a future meeting discuss the Joint Use resolution and how we can better work together on use of facility space

Parking Lot:

1. How are programming changes, such as additional requirements for AAP schools prioritized against what is already in the CIP.