Asset Sustainability

Decision Development Framework

BRANDON
SCHOOL DIVISION
"Accepting the Challenge"

Green. Clean. Sustainable.

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Today's Issues

- On-going building deterioration (aging infrastructure)
- Growing operating needs (utilities, etc.)
- Shrinking capital renewal allowances
- Changing demographic demands
- Desire for extended building life

Quality of Space - Metrics

$ Limited funding

Financial
Stewardship

VIABILITY

Environmental
Responsibility

GREEN

Asset
Sustainment

SUSTAINABILITY

Capital Leveraging

- Quantification of Need
- Solutions & strategies
- Create Awareness
- Board Level Ready

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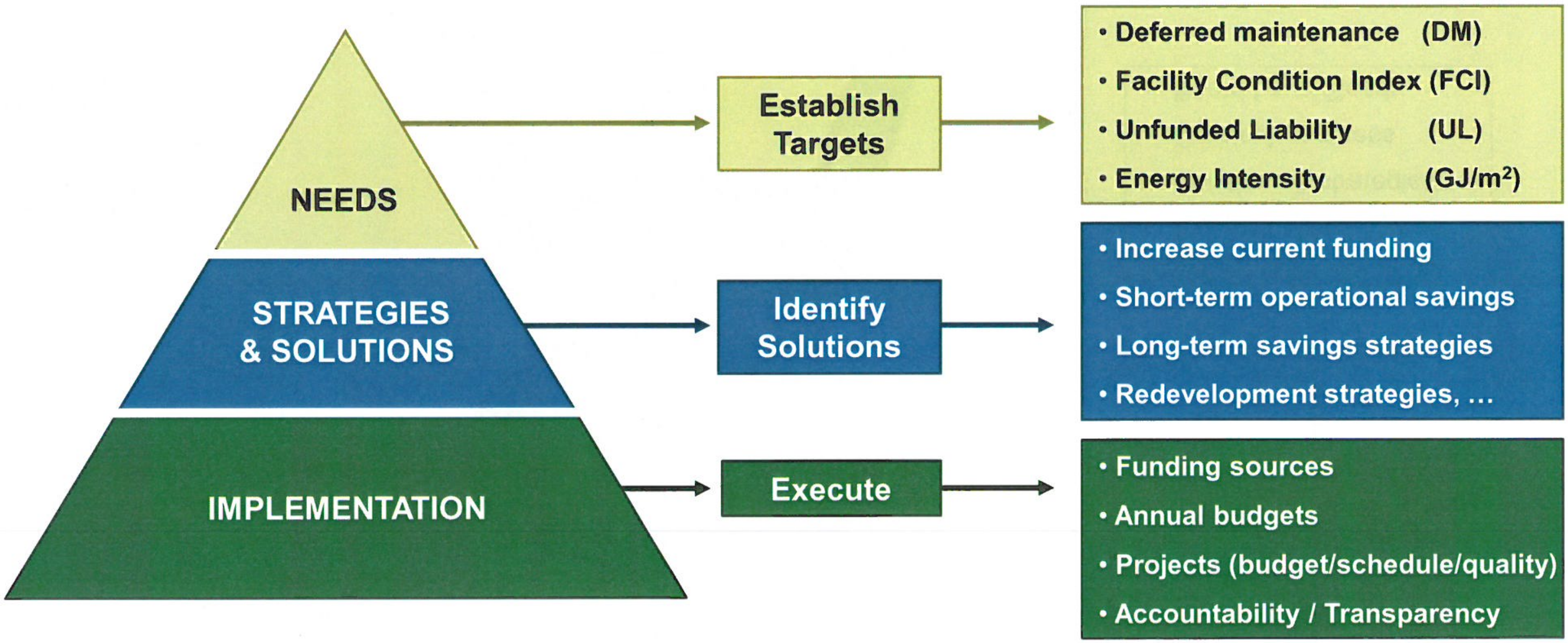
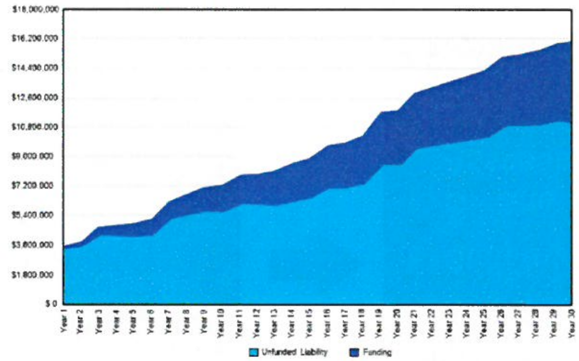
Asset Optimization



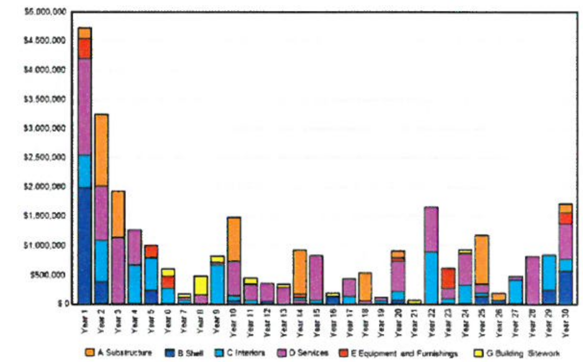
Needs Review (Dashboards)

NEEDS
REVIEW
(Capital Renewal)

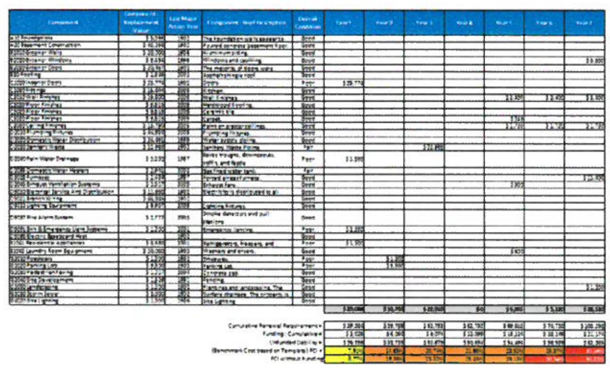
- Develop Decision Mapping
  - Asset Planning Framework
- Quantify Capital Renewal Needs
  - Data Development & Management
- 5 & 30 Year Capital Plan
  - Life Cycle Profiles
  - On-site assessments
- Capital Creation Strategies
  - Benchmark High level savings opportunities



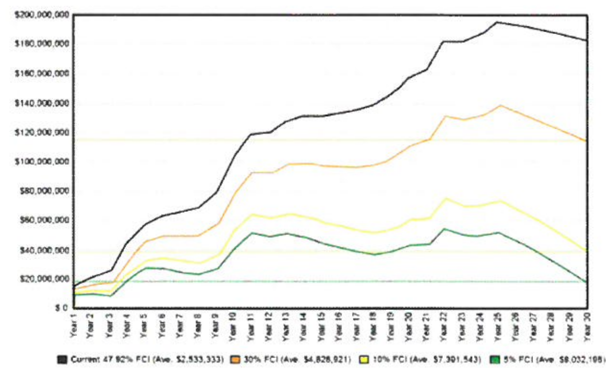
Unfunded Liability



Renewal Costs Per Year



Life Cycle Output



FCI Targets
& Capital Needs

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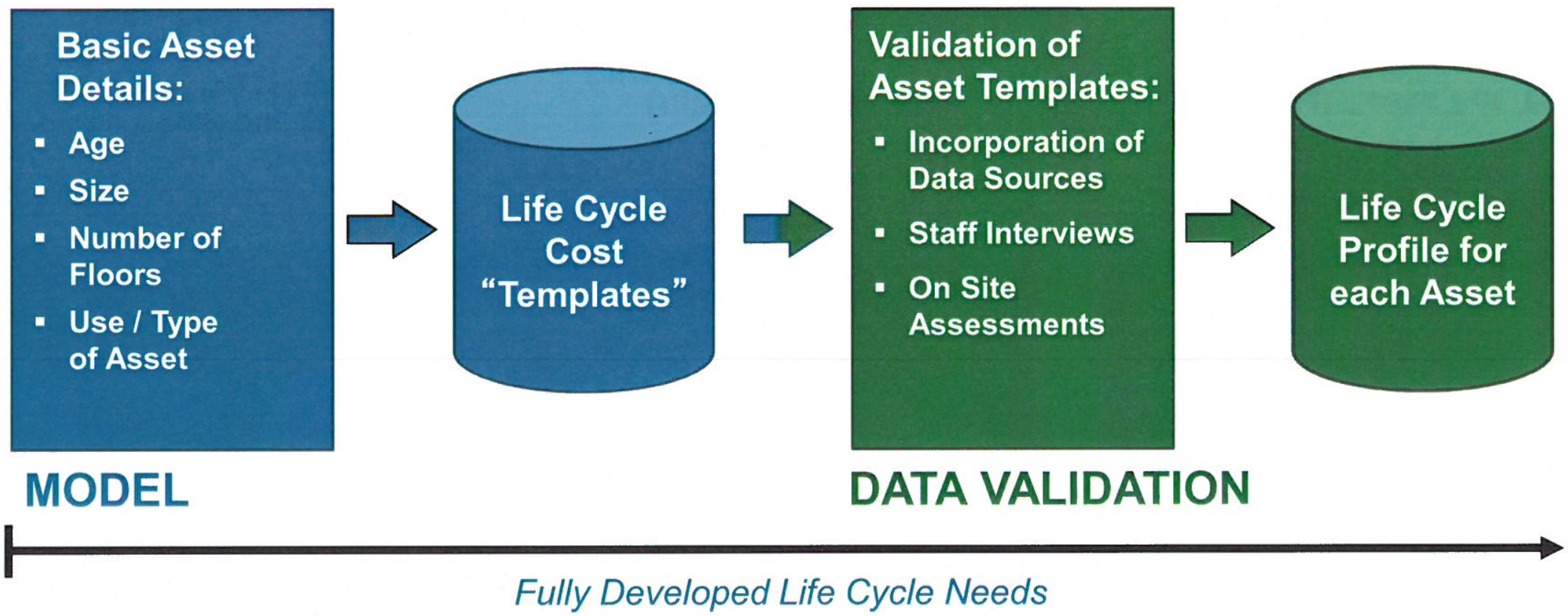
Life Cycle Models & Data Development

Unique Data Development : Best Practices

✓ **Quickly** establish Life Cycle cost profiles for all assets utilizing data modeling techniques

✓ Establish Life Cycle cost profiles and timelines for each facility



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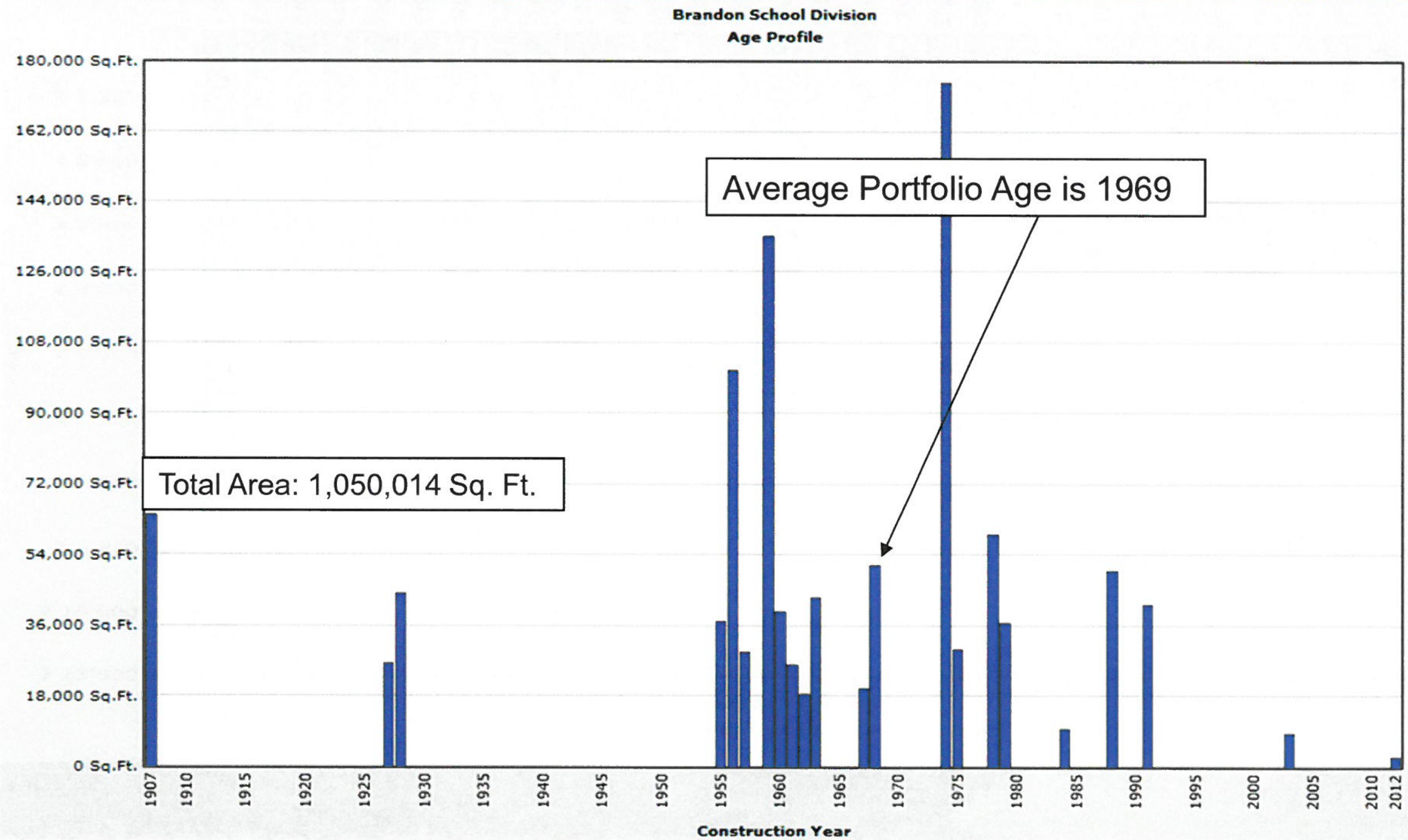
Age Profile



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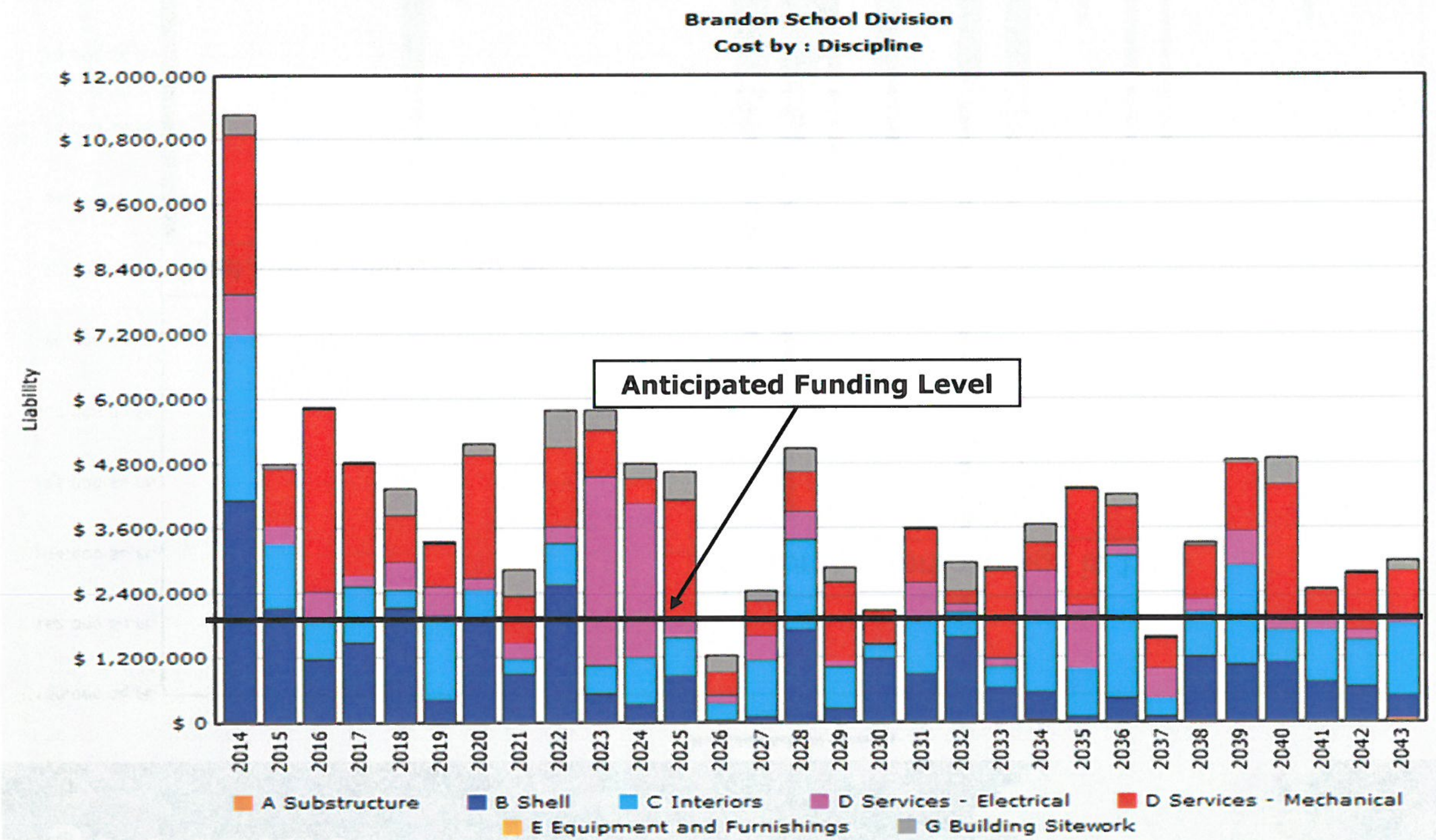
Projected Capital Needs



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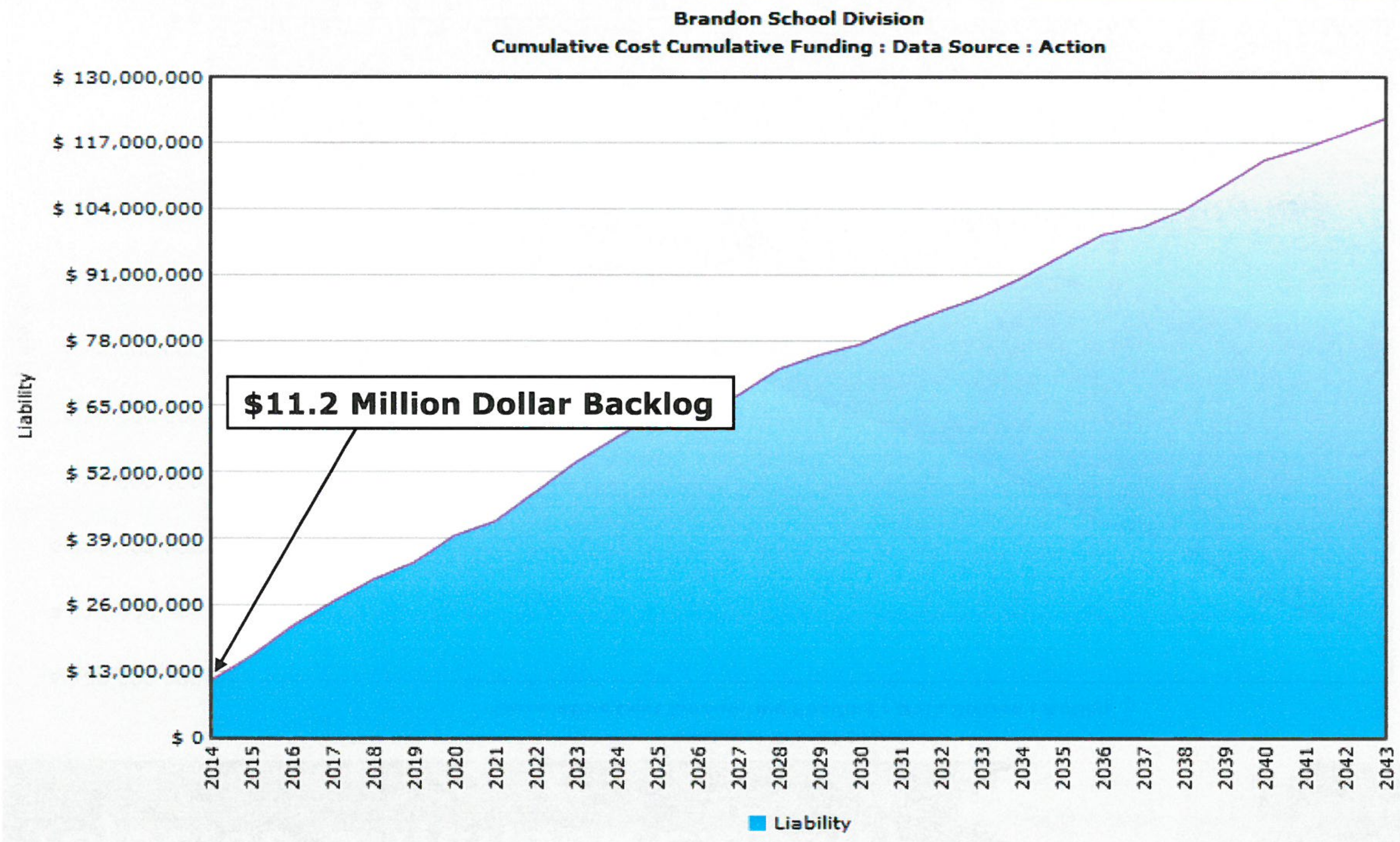
Projected Total Liability



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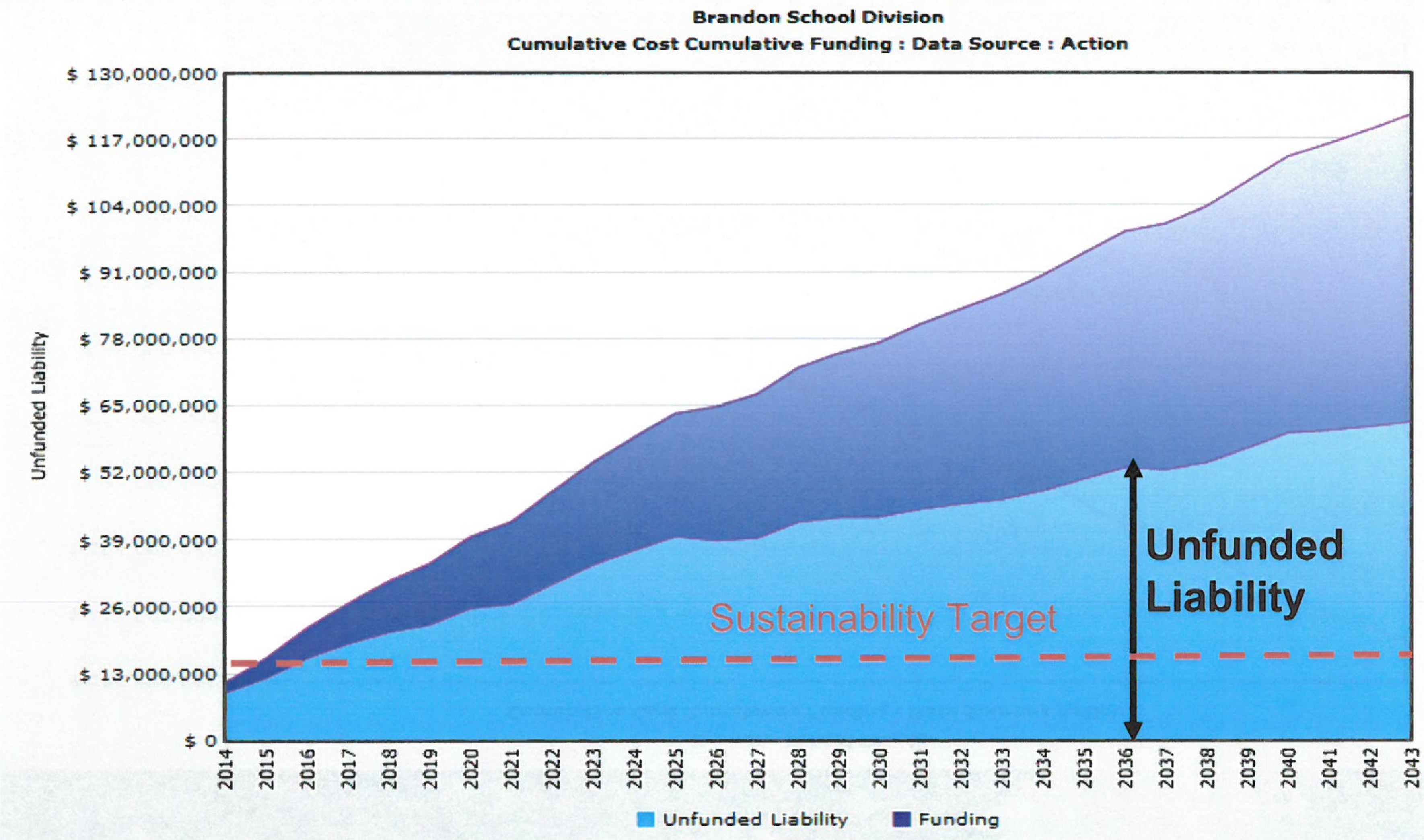
Projected Unfunded Liability



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Facility Condition Index (FCI)

- Industry Standard Index Used to Track Condition Performance of Facilities / Portfolios

$$\text{FCI} = \frac{\text{Renewal and Repair Costs}}{\text{Replacement Cost}}$$

GOOD Range: FCI (0% - 5%)

FAIR Range: FCI (5% - 10%)

FCI Target — FCI Target

POOR Range: FCI (10%-30%)

CRITICAL Range: FCI (> 30%)

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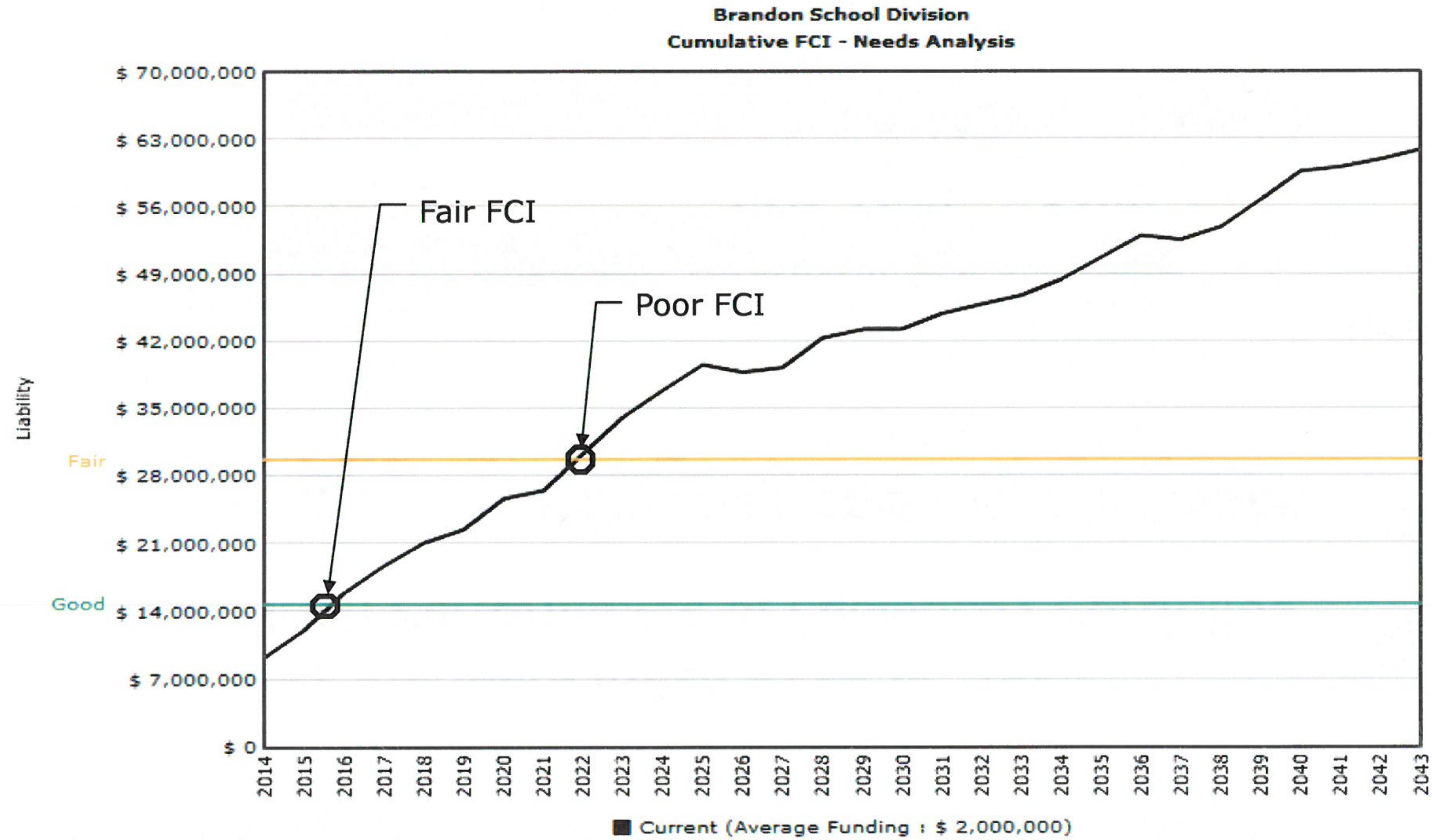
Projected FCI



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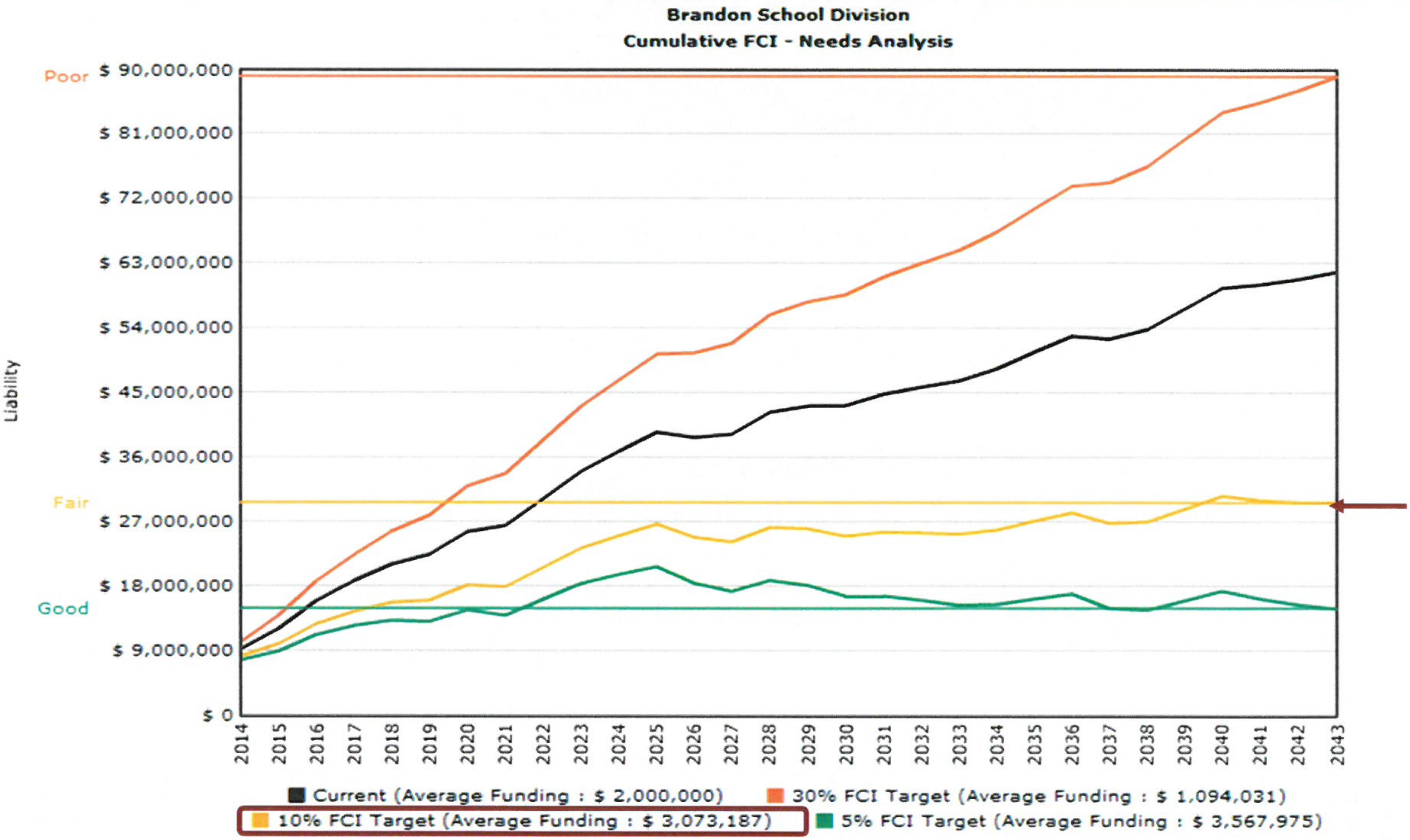
Projected FCI



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FCI Migration

Brandon School Division

FCI Analysis using : Benchmark Cost based on Template

School Portfolio	Benchmark Cost based on Template	Average Funding Per Year	FCI - 2014	FCI - 2015	FCI - 2016	FCI - 2017	FCI - 2018	10 Year FCI	20 Year FCI
Crocus Plains	$ 55,481,799	$ 321,735	6.75%	7.07%	7.53%	8.76%	8.91%	13.22%	17.26%
Neelin	$ 21,874,910	$ 127,334	2.26%	1.68%	6.22%	8.23%	8.94%	10.94%	12.03%
Vincent Massey	$ 32,606,550	$ 157,310	2.82%	2.63%	3.47%	3.58%	3.82%	4.05%	6.45%
Administration	$ 3,137,707	$ 27,309	1.96%	8.00%	14.15%	15.71%	15.16%	21.29%	28.11%
Maintenance/Transportation	$ 1,283,393	$ 10,678	2.04%	1.63%	2.50%	1.67%	0.83%	6.40%	16.03%
St. Augustine	$ 7,512,094	$ 52,688	1.46%	3.39%	3.59%	10.09%	9.38%	9.92%	19.40%
Alexander	$ 3,416,522	$ 23,519	1.02%	3.73%	4.09%	8.27%	8.97%	14.81%	16.72%
Betty Gibson	$ 8,107,217	$ 60,208	3.10%	7.14%	7.24%	6.49%	5.90%	10.66%	14.70%
Earl Oxford	$ 12,233,140	$ 80,086	2.30%	1.65%	2.10%	1.45%	3.72%	17.91%	17.95%
George Fitton	$ 10,571,111	$ 90,304	5.25%	5.83%	7.05%	10.82%	11.71%	9.84%	19.59%
Green Acres	$ 5,245,819	$ 32,799	8.29%	8.22%	9.02%	8.40%	7.77%	13.52%	10.18%
Harrison	$ 11,123,250	$ 86,804	4.94%	13.18%	14.74%	16.09%	15.37%	16.55%	16.93%
J.R. Reid	$ 8,618,298	$ 63,749	2.32%	1.78%	3.61%	2.87%	5.42%	17.06%	21.47%
King George	$ 9,776,568	$ 72,246	5.16%	8.37%	12.61%	17.59%	22.45%	30.46%	34.40%
Kirkcaldy Heights	$ 14,103,786	$ 129,232	1.30%	1.10%	0.86%	0.00%	7.78%	9.91%	25.90%
Linden Lanes	$ 11,719,121	$ 85,846	0.39%	2.39%	4.20%	4.54%	3.86%	13.17%	15.45%
Meadows	$ 10,843,157	$ 76,771	0.94%	0.29%	2.08%	3.75%	4.93%	14.37%	15.07%
New Era	$ 16,942,703	$ 102,635	0.10%	2.37%	2.80%	4.39%	4.34%	6.60%	11.57%
O'Kelly (T101)	$ 9,015,233	$ 61,088	3.50%	3.16%	4.70%	4.29%	4.72%	9.11%	16.90%
Riverheights	$ 15,628,012	$ 105,408	2.57%	2.21%	2.27%	1.59%	2.98%	8.49%	15.12%
Riverview	$ 7,268,468	$ 46,559	0.84%	2.53%	6.06%	5.69%	5.05%	11.73%	14.56%
Spring Valley (Leased)	$ 2,394,875	$ 14,945	0.00%	1.84%	1.21%	0.59%	0.00%	0.00%	15.46%
Valleyview	$ 5,998,533	$ 45,596	2.28%	2.74%	6.28%	6.72%	5.96%	7.91%	5.52%
Waverly Park	$ 11,971,094	$ 125,152	0.22%	2.41%	3.17%	3.19%	2.16%	9.00%	14.12%
Total Replacement Value	**$ 296,873,359**								

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Capital Creation Strategies™

- Review of Possibilities & Opportunities
  - Request for additional funds to sustain assets
  - Capital Creation Strategies
  - Maintenance Strategies
  - Real Estate Strategies
  - Redevelopment Strategies
  - Off Balance Sheet Strategies

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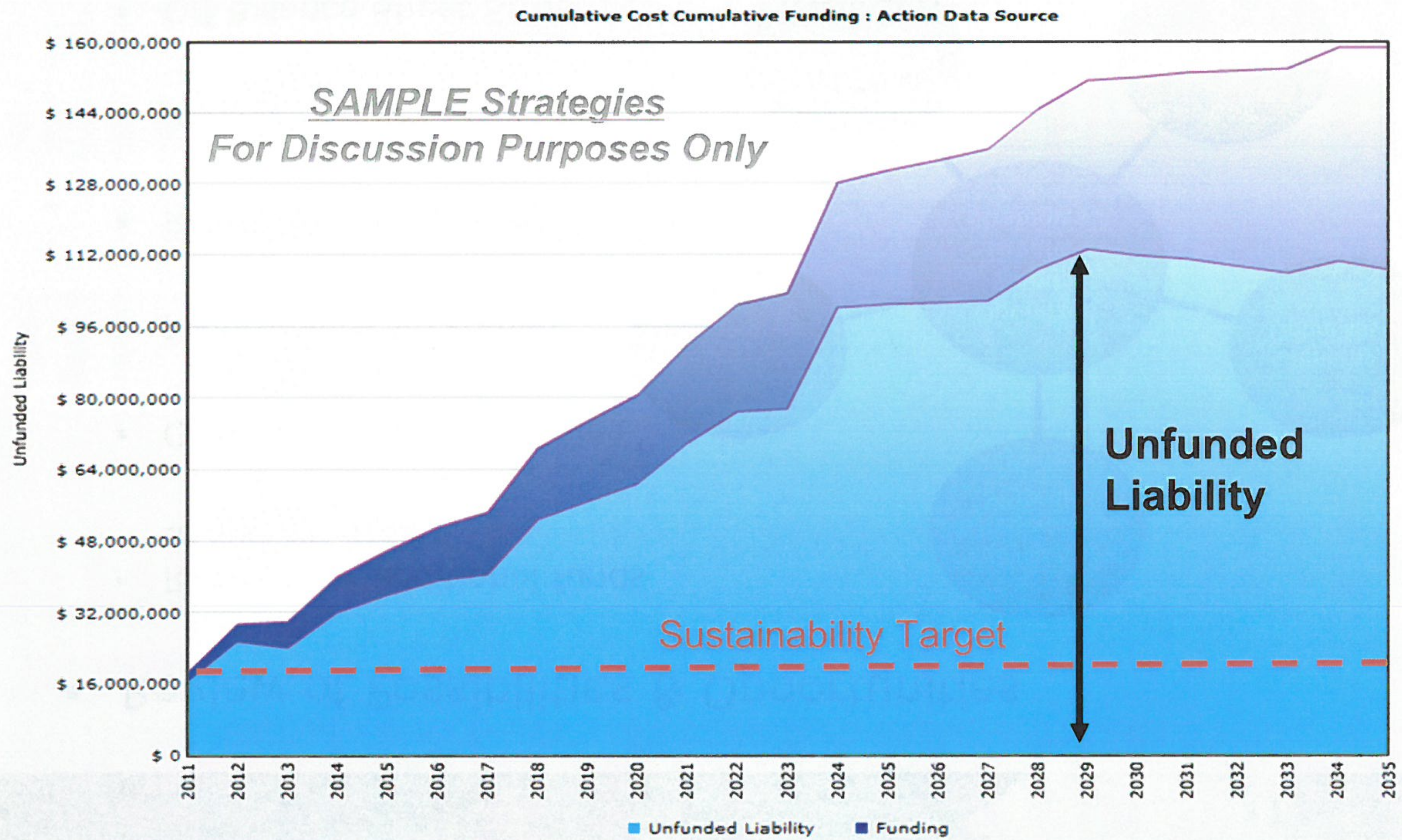
Sample Projected Unfunded Liability
(assuming $2 M per year in capital funding)



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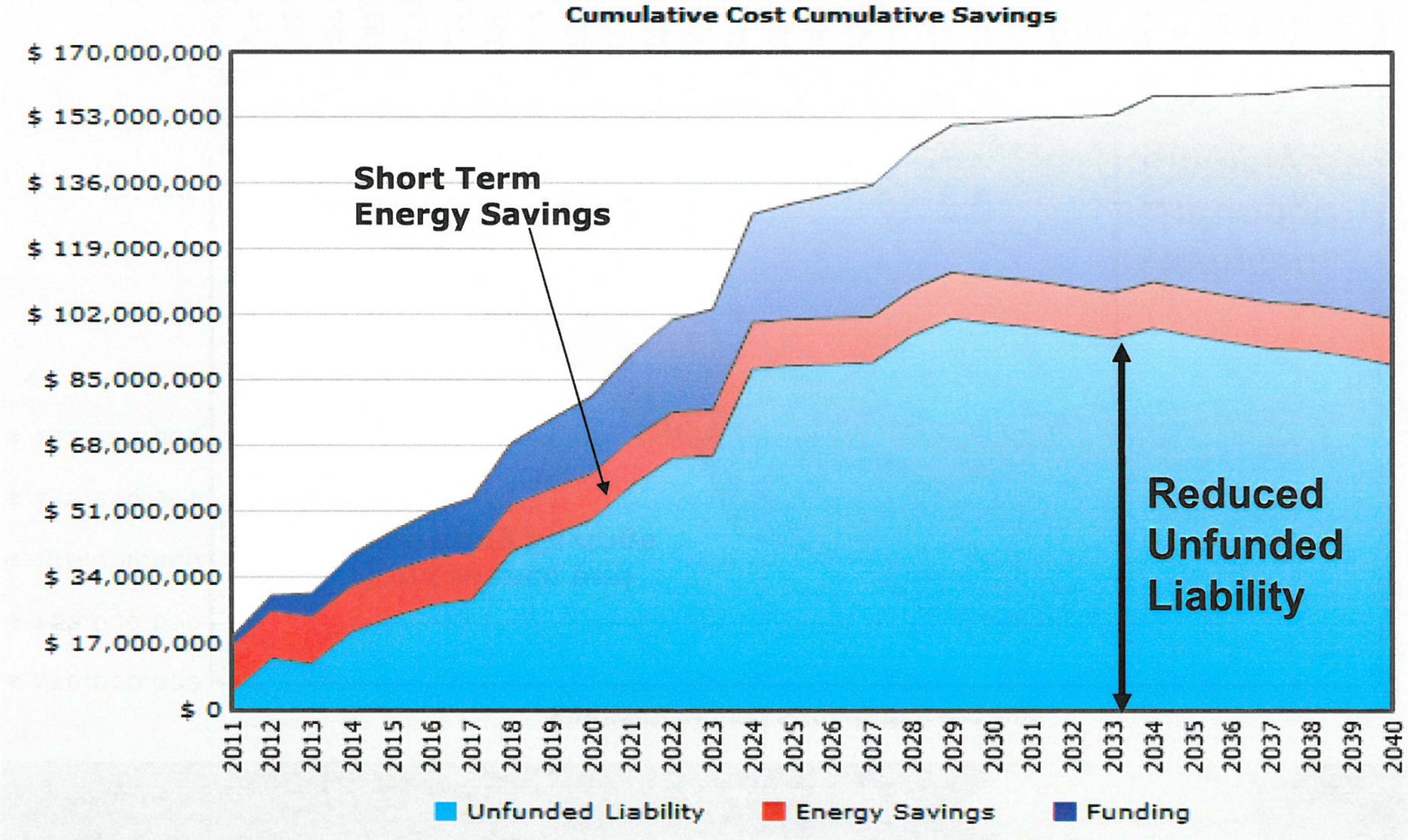
Sample Projected Unfunded Liability (Renewal Gap)



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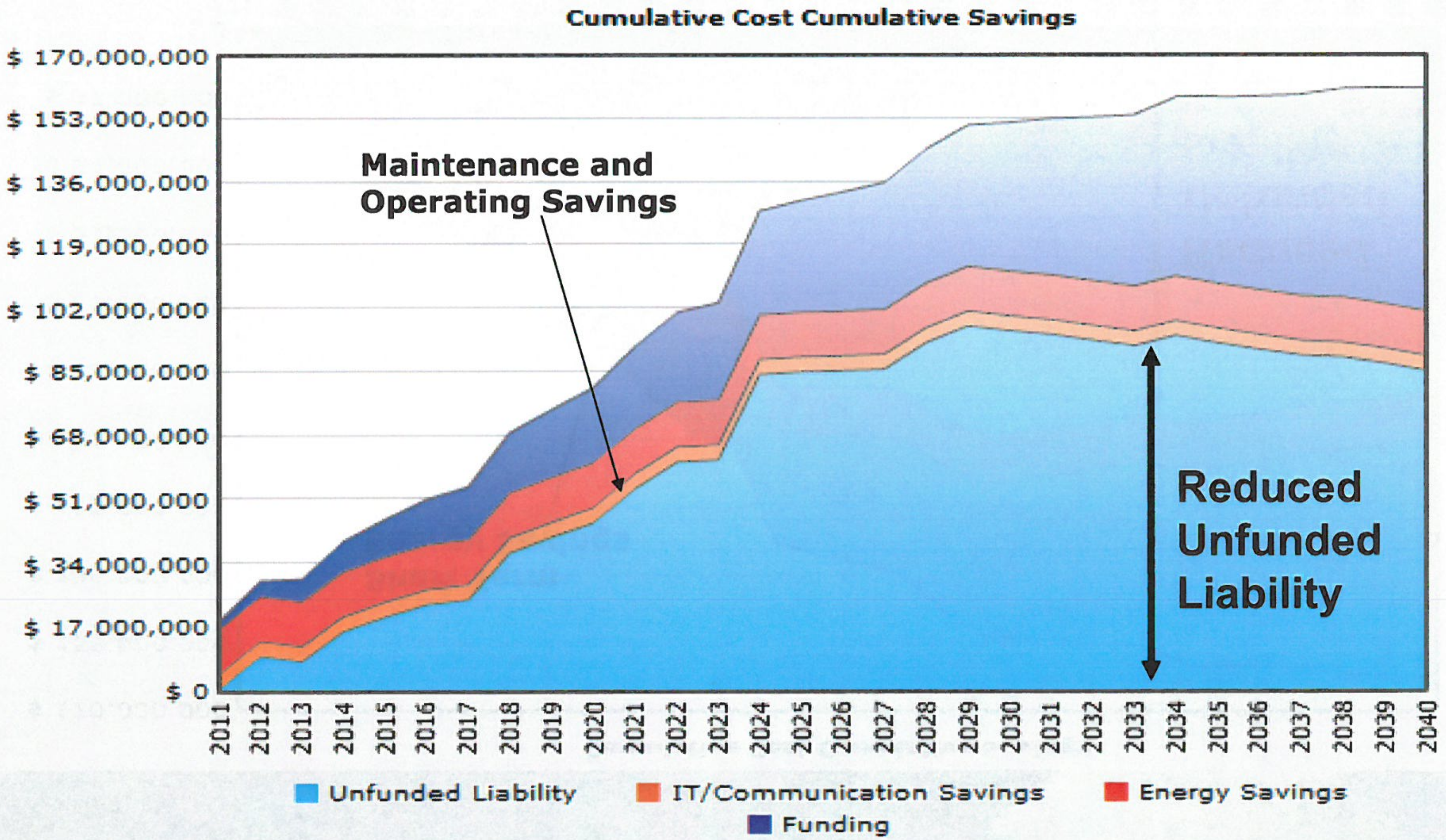

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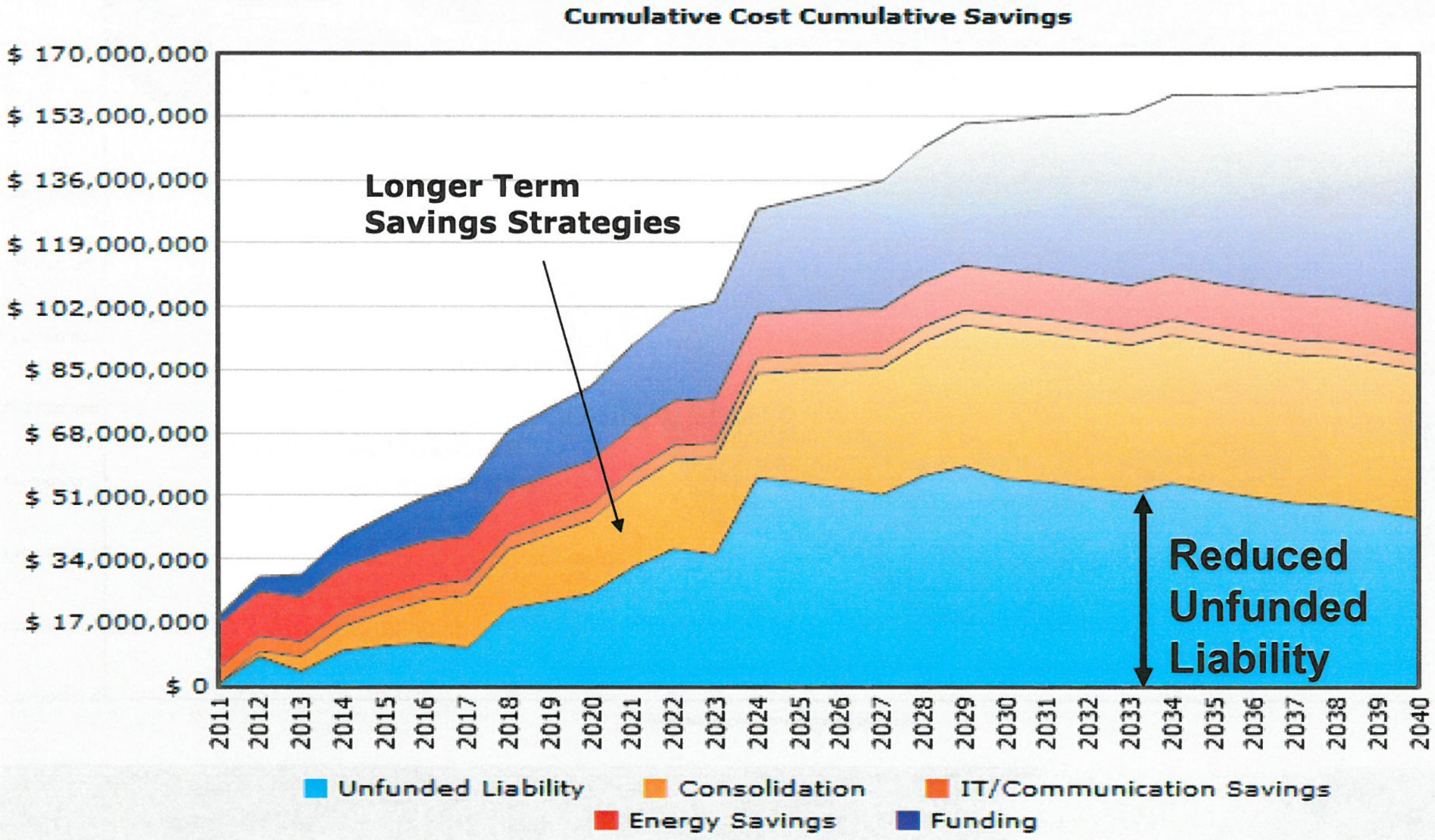

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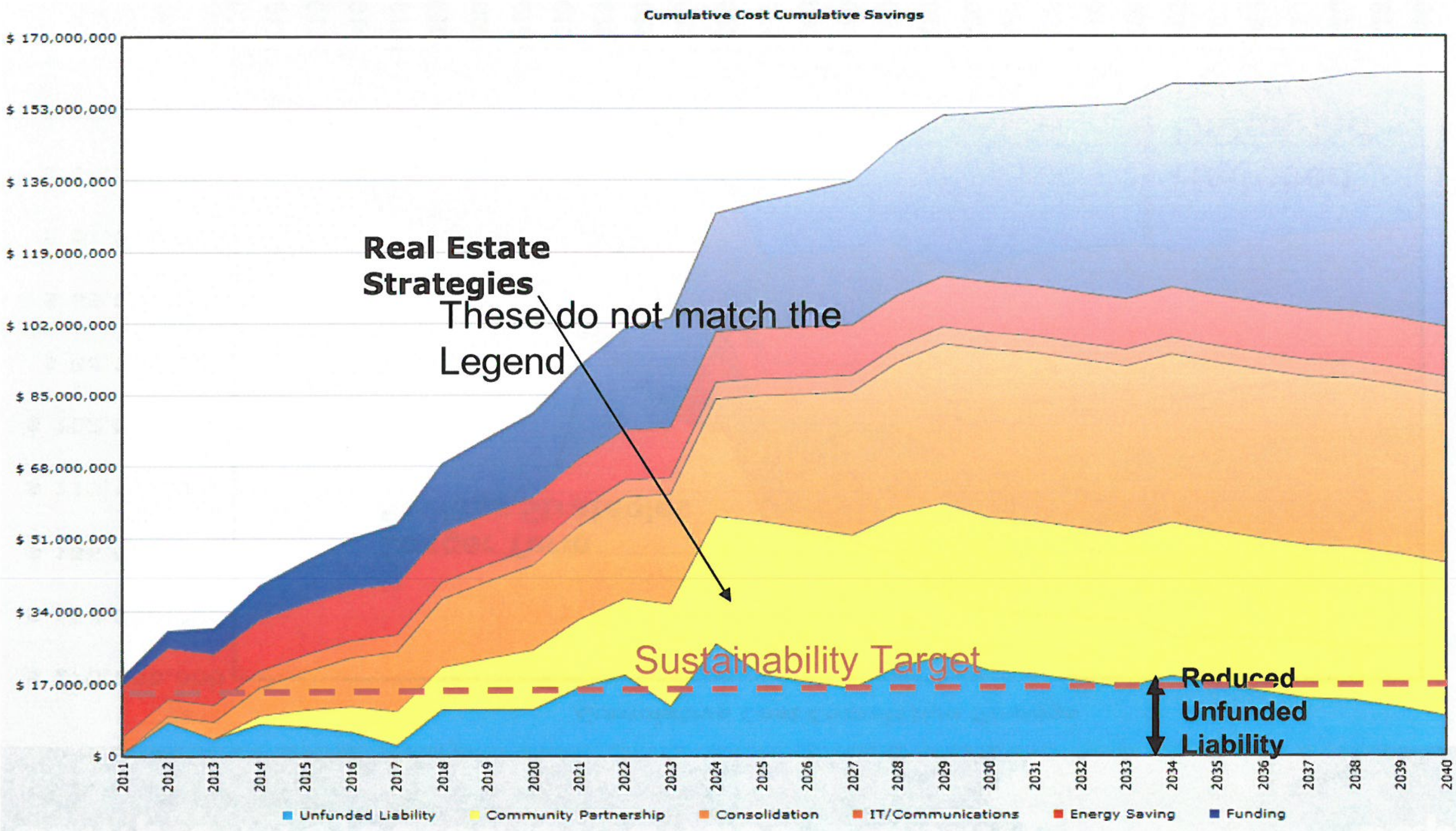

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Strategic Outcomes

Outcomes to Enhance "Quality of Teaching and Learning"

- 1. Understanding and **quantifying** capital replacement needs
- 2. **Data management** methods and accountability reporting
- 3. Enhanced **decision making framework** utilizing **best practices**
- 4. **Enhanced** asset value
- 5. **Asset** sustainability
- 6. **Optimal** use of capital dollars
- 7. Provides **leveraged** and bundled solutions

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