

Estimated Cost Impact of Wake County School Board Majority Decisions - Dec 2009-Sep 2011
Based on Available Data through BOE Agenda Items, Meeting Minutes, News Articles

BOE Majority Cost Impacts December 2009 - September 2011	One Time Costs	Annual Costs
1 Abandonment Forest Ridge HS Site	\$ 15,400,000	
2 Previous Longview Improvements for Alternative School	\$ 11,900,000	
	Sunk costs: \$ 27,300,000	
3 Lease for Crossroads space - 2011-2026	\$ 52,619,409	
4 Conversion of Leesville schools to trad. Calendar	\$ 14,100,000	
5 Rolesville HS Site - purchase & improvements	\$ 9,900,000	
6 Converting Longview to Boys Academy (incl. River Oaks, Philips, & Mt. Vernon)	\$ 3,600,000	\$ 2,800,000
7 Estimated Increase Costs of Transportation - New Student Assignment Plan	\$ 2,175,000	\$ 1,333,333
8 Converting Hilburn to K-8	\$ 2,100,000	
9 Converting Pilot Mill Site to Girls Academy	\$ 1,300,000	\$ 3,300,000
10 Pay for Supt. Del Burns' administrative leave	\$ 145,500	
11 Extra attorneys (minimum)	\$ 125,000	
12 Superintendent search firm (excludes expenses)	\$ 82,500	
13 Parent calendar survey February 2010	\$ 80,000	
14 Tata Hire - transformation officer		\$ 140,000
15 Walnut Creek Elementary School - operations incremental cost		\$ 1,000,000
	New Expenditures: \$ 86,227,409	\$ 8,573,333
Total Sunk Costs & New Expenditures: \$ 113,527,409		

Crossroads Lease Calculations - 15 year term 2011-2026³

Year	Rate	Payment	173741 Area (sf)
2011		16.500	\$1,433,363 Discounted first 24 months at half-months
2012		16.913	\$1,433,363 2.5% annual increase in lease rate
2013		17.335	\$3,011,855
2014		17.769	\$3,087,151
2015		18.213	\$3,164,330
2016		18.668	\$3,243,438
2017		19.135	\$3,324,524
2018		19.613	\$3,407,637
2019		20.104	\$3,492,828
2020		20.606	\$3,580,149
2021		21.121	\$3,669,652
2022		21.649	\$3,761,394
2023		22.191	\$3,855,428
2024		22.745	\$3,951,814
2025		23.314	\$4,050,609
2026		23.897	\$4,151,875
			\$52,619,409

Estimated Increase in Transportation Costs - New Student Plan ⁷

\$ 49,759,989	Estimated cost of transportation 2010-11: 73,069 @ \$681/student		
0.0268	Capital cost in buses:	\$ 2,175,000	25 buses at 87,000 each
\$ 1,333,333	Annual increase based on % increase in buses:	0.0268	25 buses out of 933 = 2.7% increase in buses

Compared to: Annual Estimated Cost Savings from Removing Diversity from Policy (Staff estimate at 3% of transportation costs) ¹⁶
\$ 1,492,800

Line Item:

Notes:

- 1 \$8.7M sunk costs in site; \$6.7M for trailers/accommodations for affected students; <http://www.newsobserver.com/2010/02/16/342647/wake-school-board-drops-forest.html>
- 2 Construction completed 2006; proposed budget - 5/17/05 BOE Agenda #3; actual costs unavailable.
- 3 May 2010 Agenda #26; 1st 2 years at half-month rent at \$16.5/sf for 173741 sf, 2.5% increase ea year thereafter; incl new furniture
- 4 Additional construction cost for lost capacity to convert Leesville MS & ES back to traditional calendar; <http://www.northraleighnews.com/2010/03/10/2509/2-leesville-schools-go-traditional.html>
- 5 <http://rolesvillebuzz.com/rolesville-high-school-frenzy>
- 6 BOE Meeting September 6, 2011; Annual costs estimated at 400 students x \$7,000 incremental cost consistent with Guilford Co.
- 7 Snidemiller, BOE Mtg September 6, 2011; http://www.wral.com/news/education/wake_county_schools/story/10158623/
- 8 http://www.wral.com/news/education/wake_county_schools/story/10158623/
- 9 BOE Meeting September 6, 2011; Annual costs estimated at 400 students x \$7,000 consistent with Guilford Co. + \$500,000/year lease.
- 10 <http://blogs.newsobserver.com/wakeed/del-burns-to-get-145550-while-on-administrative-leave>
- 11 <http://wakeupwakecounty.com/cms/gsiwmoneywatch>
- 12 http://www.wcpss.net/news/2010_june15_annual-meeting/
- 13 <http://www.wcpss.net/Board/2010-calendar-survey/#feb3>
- 14 <http://blogs.newsobserver.com/wakeed/wake-hires-deputy-superintendent-and-chief-transformation-officer>
- 15 Keith Sutton, Candidate Forum, District 4, League of Women Voters & Wake Up Wake County
- 16 <http://wakeupwakecounty.com/cms/files/pdf/gsiwstudenttransportation.pdf>