

# ***Property and Building Fund***

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*Fund 51 • Capital Projects Fund Type*

## **FUND DESCRIPTION**

The Property and Building Fund, a *capital projects fund*, is funded by transfers from the General Fund and any revenue from surplus real property sales, rental revenue, and interest earnings. The purpose of this fund is to accumulate resources dedicated for fire station site acquisition and construction costs for new or existing facilities and major facility maintenance projects. This fund is utilized for items not planned to be part of the capital bond program, as well as providing a resource between bond financings. The District intends to maintain sufficient reserves to allow construction of a fire station post capital bond program in this fund, as well as reserves for future major roof repairs and other sizeable building maintenance projects. There are no renovations or projects anticipated to be paid from this fund in the 2012-13 fiscal year.

## **BUDGET SUMMARY**

Expenditures	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Capital Outlay	\$ 419,261	\$ 766,291	\$ 617,000	
Contingency			1,924,248	<b>\$1,617,664</b>
Ending Fund Balance	6,932,305	6,202,039	4,560,588	<b>5,000,000</b>
Total Expenditures	\$7,351,566	\$6,202,039	\$7,101,836	<b>\$6,617,664</b>

## ***Property and Building Fund, continued***

<i><b>Historical Data</b></i>			<i><b>Budget for Next Year 2012-13</b></i>		
<b>Actual Second Preceding Year 2009-10</b>	<b>Actual First Preceding Year 2010-11</b>	<b>Adopted Budget This Year 2011-12</b>	<b>Resources</b>	<b>Proposed by Budget Officer</b>	<b>Approved by Budget Committee</b>
\$ 5,959,548	\$ 6,932,305	\$ 6,077,010	Beginning Fund Balance - Working Capital	\$ 6,087,228	\$ 6,087,228
42,018	33,175	32,826	Earnings from Temporary Investments	30,436	30,436
1,350,000		1,000,000	Transfers from Other Funds	500,000	500,000
	2,850		Surplus Property		
<b>\$ 7,351,566</b>	<b>\$ 6,968,330</b>	<b>\$ 7,109,836</b>	<b>Total Resources</b>	<b>\$ 6,617,664</b>	<b>\$ 6,617,664</b>
<b>Requirements</b>					
<b>Capital Outlay</b>					
\$ 48,975	\$ 69,415	\$ 59,000	Training Center		
		53,000	Station 33		
40,640			Station 34		
37,450		12,000	Station 35		
12,875	94,810	49,500	Station 51		
		10,000	Station 52		
12,980	47,477	49,000	Station 58		
	22,183		Station 60		
12,050		195,500	Station 61		
	61,239	100,000	Station 62		
7,213			Station 67		
13,655		49,000	Station 68		
153,499			Station 69		
	131,507	40,000	Facilities		
79,924	339,660		Supply		
419,261	766,291	617,000	North Operating Center		
		1,924,248	Total Capital Outlay		
6,932,305	6,202,039	4,560,588	Contingency	\$ 1,617,664	\$ 1,617,664
			Reserved for Future Expenditures	5,000,000	5,000,000
<b>\$ 7,351,566</b>	<b>\$ 6,968,330</b>	<b>\$ 7,101,836</b>	<b>Total Requirements</b>	<b>\$ 6,617,664</b>	<b>\$ 6,617,664</b>

# Capital Projects Fund

Fund 52 • Capital Projects Fund Type

## FUND DESCRIPTION

This fund is utilized to account for the proceeds of general obligation bonds. The District received voter approval at the November 2006 election to issue a series of general obligation bonds up to \$77,500,000 in the next several years to fund phased land purchases, station construction and seismic remodeling projects, and other items. The District has issued the bonds in phases to meet construction and apparatus purchase needs. The final \$5,000,000 of bond authority is expected to fund projects after 2015-16.

## BUDGET SUMMARY

Expenditures	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget
Materials and Services		\$ 195,991		
Capital Outlay	\$11,790,268	9,037,215	\$13,716,217	<b>\$11,376,866</b>
Contingency			1,834,150	<b>2,449,501</b>
Ending Fund Balance	10,852,844	26,410,167	10,702,237	<b>8,000,000</b>
Total Expenditures	\$22,643,112	\$35,643,373	\$26,252,604	<b>\$21,826,367</b>

## BUDGET TREND

The District's policy is to fund its station capital and station emergency response apparatus needs through the utilization of general obligation bonds, and allow future recipients of the services of these stations and apparatus to pay for the infrastructure.

## 2012-13 PROJECT DESCRIPTIONS

Project	Cost	Description and Operating Budget Impact
Building and Improvements, and Land purchases	\$8,747,783	<p><b>Station 35</b> – \$909,750. Plan, design, permit for anticipated new construction project. No operating impact as replacement.</p> <p><b>Station 51</b> – \$989,120. Plan, design, permit for anticipated new construction project. No operating impact as replacement.</p> <p><b>Station 52</b> – \$928,000. Plan, design, permit for anticipated new construction project. No operating impact as replacement.</p> <p><b>Station 56 and South Operating Center</b> – New construction. \$4,810,913. Operating budget impact will be to reduce facility monthly lease of current site and transfer existing personnel and utilities and insurance from other locations.</p> <p><b>Station 65</b> – Relocate the station. \$543,000. No operating budget impact as personnel will relocate and new station will be more energy efficient.</p> <p><b>Station 68</b> – Partial cost to relocate and build a new station. \$542,000. No operating budget impact as personnel will relocate and new station will be more energy efficient.</p> <p><b>Hazard abatement and demolition</b> – \$25,000. No impact on operating budget.</p>
Fire Apparatus and District vehicles	\$2,629,083	<p><b>Tenders</b> – \$700,000. Operating budget impact for both Tenders included in budget.</p> <p><b>Light Brush Engine</b> – \$125,000. Operating budget impact included in budget.</p> <p><b>Heavy Rescue</b> – \$654,083. Operating budget impact in budget.</p> <p><b>Pumpers</b> – \$1,150,000. Replacement operating costs in budget.</p>

## ***Capital Projects Fund, continued***

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### **STATUS OF 2011-12 SERVICE MEASURES**

- None

### **STATUS OF 2011-12 CHANGE STRATEGIES**

- **Institutionalize organizational structure, roles, planning methodology, and business practices** for construction project management and major facilities improvements.

<b>Goal(s)/Call(s) for Action:</b>	VI/D, VII/B, VIII/B
<b>Budget Impact:</b>	Resource neutral
<b>Duration:</b>	Year 1 of 1
<b>Budget Description:</b>	None
<b>Partner(s):</b>	Finance, Community Services
<b>Status or Outcome:</b>	A draft of the 'Capital Projects Guidelines' was completed. It documents the organizational structure, roles/responsibilities, planning methodology, and processes for capital projects. In addition, a detailed financial reporting system for capital projects was implemented using the District's new business software. A 'Capital Projects Management Team' was established to integrate and coordinate functions from all departments that support capital projects.

### **ADDITIONAL 2011-12 ACCOMPLISHMENTS**

- Staff completed a detailed scoping and assessment study of the construction projects for the remainder of the bond funding. A revised plan includes rebuilding Station 35.
- Staff established a temporary Station 56 in preparation for the construction of a new Station 56 and South Operating Center. New construction began in the spring.
- Significant construction was completed on Station 65.
- Planning began for the remodels of Station 51 and 52 and the new construction of Station 35.
- Staff has completed the specification development and preconstruction on the Heavy Duty Rescue, which is scheduled to arrive in October 2012.

### **2012-13 SERVICE MEASURES**

- Coordinate implementation of bond-funded major capital construction projects.

<b>Goal(s)/Call(s) for Action:</b>	VI/1, VI/5
<b>Budget Impact:</b>	Increase required
<b>Duration:</b>	Year 6 of 7
<b>Budget Description:</b>	Capital construction continues to be managed by a Division Chief, Construction Projects Manager, Construction Technical Manager, and a half-time Administrative Assistant. As the Division Chief prepares to retire, continued staffing plans are being evaluated. Substantial capital construction projects remain in the next several years that will continue to require a construction management team.
<b>Partner(s):</b>	Logistics, Finance, Integrated Operations

### **2012-13 CHANGE STRATEGIES**

- None

## ***Capital Projects Fund, continued***

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<i>Historical Data</i>			<i>Budget for Next Year 2012-13</i>				
Actual Second Preceding Year 2009-10	Actual First Preceding Year 2010-11	Revised Budget This Year 2011-12	Resources		Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Board
\$ 22,153,113	\$ 10,852,844	\$ 26,092,306	Beginning Fund Balance - Working Capital	\$ 21,750,241	\$ 21,750,241	\$ 21,750,241	\$ 21,750,241
91,092	25,527	65,230	Earnings from Temporary Investments	76,126	76,126	76,126	76,126
398,907			Surplus Property				
	15,738	95,068	Miscellaneous				
	24,749,264		Proceeds from Debt Issuance				
<b>\$ 22,643,112</b>	<b>\$ 35,643,373</b>	<b>\$ 26,252,604</b>	<b>Total Resources</b>	<b>\$ 21,826,367</b>	<b>\$ 21,826,367</b>	<b>\$ 21,826,367</b>	<b>\$ 21,826,367</b>
<b>Requirements</b>							
\$ 10,207,831	6,296,397	\$ 12,078,217	Bond Issuance Expenses				
823,496	1,942,424	543,000	Buildings and Improvements	\$ 8,722,783	\$ 8,722,783	\$ 8,722,783	\$ 8,722,783
758,941	798,394	1,095,000	Land and Improvements	25,000	25,000	25,000	25,000
11,790,268	9,037,215	13,716,217	Fire Apparatus	2,629,083	2,629,083	2,629,083	2,629,083
11,790,268	9,233,206	13,716,217	Total Capital Outlay	11,376,866	11,376,866	11,376,866	11,376,866
		1,834,150	Total Expenditures	11,376,866	11,376,866	11,376,866	11,376,866
10,852,844	26,410,167	10,702,237	Contingency	2,449,501	2,449,501	2,449,501	2,449,501
<b>\$ 22,643,112</b>	<b>\$ 35,643,373</b>	<b>\$ 26,252,604</b>	Reserved for Future Expenses	8,000,000	8,000,000	8,000,000	8,000,000
<b>Total Requirements</b>			<b>Total Requirements</b>	<b>\$ 21,826,367</b>	<b>\$ 21,826,367</b>	<b>\$ 21,826,367</b>	<b>\$ 21,826,367</b>

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