

Property and Building Fund

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	\$1,617,664
Ending Fund Balance	6,932,305	6,202,039	4,560,588	5,000,000
Total Expenditures	\$7,351,566	\$6,202,039	\$7,101,836	\$6,617,664

Property and Building Fund, continued

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

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	\$11,376,866
Contingency			1,834,150	2,449,501
Ending Fund Balance	10,852,844	26,410,167	10,702,237	8,000,000
Total Expenditures	\$22,643,112	\$35,643,373	\$26,252,604	\$21,826,367

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>Station 35 – \$909,750. Plan, design, permit for anticipated new construction project. No operating impact as replacement.</p> <p>Station 51 – \$989,120. Plan, design, permit for anticipated new construction project. No operating impact as replacement.</p> <p>Station 52 – \$928,000. Plan, design, permit for anticipated new construction project. No operating impact as replacement.</p> <p>Station 56 and South Operating Center – 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>Station 65 – Relocate the station. \$543,000. No operating budget impact as personnel will relocate and new station will be more energy efficient.</p> <p>Station 68 – 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>Hazard abatement and demolition – \$25,000. No impact on operating budget.</p>
Fire Apparatus and District vehicles	\$2,629,083	<p>Tenders – \$700,000. Operating budget impact for both Tenders included in budget.</p> <p>Light Brush Engine – \$125,000. Operating budget impact included in budget.</p> <p>Heavy Rescue – \$654,083. Operating budget impact in budget.</p> <p>Pumpers – \$1,150,000. Replacement operating costs in budget.</p>

Capital Projects Fund, continued

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.

Goal(s)/Call(s) for Action:	VI/D, VII/B, VIII/B
Budget Impact:	Resource neutral
Duration:	Year 1 of 1
Budget Description:	None
Partner(s):	Finance, Community Services
Status or Outcome:	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.

Goal(s)/Call(s) for Action:	VI/1, VI/5
Budget Impact:	Increase required
Duration:	Year 6 of 7
Budget Description:	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.
Partner(s):	Logistics, Finance, Integrated Operations

2012-13 CHANGE STRATEGIES

- None

Capital Projects Fund, continued

<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
91,092	25,527	65,230	Earnings from Temporary Investments	76,126	76,126	76,126
398,907			Surplus Property			
	15,738	95,068	Miscellaneous			
	24,749,264		Proceeds from Debt Issuance			
\$ 22,643,112	\$ 35,643,373	\$ 26,252,604	Total Resources	\$21,826,367	\$ 21,826,367	\$ 21,826,367
			Requirements			
	\$ 195,991		Bond Issuance Expenses			
\$ 10,207,831	6,296,397	\$ 12,078,217	Buildings and Improvements	\$ 8,722,783	\$ 8,722,783	\$ 8,722,783
823,496	1,942,424	543,000	Land and Improvements	25,000	25,000	25,000
758,941	798,394	1,095,000	Fire Apparatus	2,629,083	2,629,083	2,629,083
11,790,268	9,037,215	13,716,217	Total Capital Outlay	11,376,866	11,376,866	11,376,866
11,790,268	9,233,206	13,716,217	Total Expenditures	11,376,866	11,376,866	11,376,866
		1,834,150	Contingency	2,449,501	2,449,501	2,449,501
10,852,844	26,410,167	10,702,237	Reserved for Future Expenses	8,000,000	8,000,000	8,000,000
\$ 22,643,112	\$ 35,643,373	\$ 26,252,604	Total Requirements	\$21,826,367	\$ 21,826,367	\$ 21,826,367

This page intentionally left blank.