

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.

BUDGET SUMMARY

Expenditures	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Budget
Capital Outlay	\$ 766,291	\$ 437,955		\$ 189,200
Contingency			\$1,617,664	2,435,800
Ending Fund Balance	6,202,039	6,796,573	5,000,000	5,727,062
Total Expenditures	\$6,968,330	\$7,234,528	\$6,617,664	\$8,352,062

2013-14 SIGNIFICANT BUDGET ITEMS

For the proposed budget, concrete driveway replacement behind Station 62 is planned. Contingency is increased to allow the Board to authorize the purchase of fire station sites during the year.

Property and Building Fund, continued

<i>Historical Data</i>				<i>Budget for Next Year 2013-14</i>		
Actual Second Preceding Year 2010-11	Actual First Preceding Year 2011-12	Adopted Budget This Year 2012-13	Resources	Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Board
\$ 6,932,305	\$ 6,202,039	\$ 6,087,228	Beginning Fund Balance - Working Capital	\$ 7,339,585	\$ 7,339,585	\$ 7,339,585
33,175	32,489	30,436	Earnings from Temporary Investments	12,477	12,477	12,477
	1,000,000	500,000	Transfers from Other Funds	1,000,000	1,000,000	1,000,000
	2,850		Surplus Property			
\$ 6,968,330	\$ 7,234,528	\$ 6,617,664	Total Resources	\$ 8,352,062	\$ 8,352,062	\$ 8,352,062
Requirements						
Capital Outlay						
\$ 69,415	\$ 59,000		Training Center			
	49,754		Station 33			
	7,027		Station 51			
94,810	45,122		Station 52			
	575		Station 58			
47,477	47,966		Station 60			
22,183			Station 61			
	57,179		Station 62	\$ 189,200	\$ 189,200	\$ 189,200
61,239	97,085		Station 67			
	59,826		Station 68			
131,507	14,421		Supply			
339,660			North Operating Center			
766,291	437,955	0	Total Capital Outlay	189,200	189,200	189,200
		1,617,664	Contingency	2,435,800	2,435,800	2,435,800
6,202,039	6,796,573	5,000,000	Reserved for Future Expenditures	5,727,062	5,727,062	5,727,062
\$ 6,968,330	\$ 7,234,528	\$ 6,617,664	Total Requirements	\$ 8,352,062	\$ 8,352,062	\$ 8,352,062

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	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Budget
Materials and Services	\$ 195,991			
Capital Outlay	9,037,215	\$5,902,757	\$11,376,866	\$12,430,000
Contingency			2,449,501	2,424,090
Ending Fund Balance	26,410,167	20,872,868	8,000,000	
Total Expenditures	\$35,643,373	\$26,775,625	\$21,826,367	\$14,854,090

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.

2013-14 PROJECT DESCRIPTIONS

Project	Cost	Description and Operating Budget Impact
Station Land Purchases	\$2,500,000	Future fire station sites – \$2,500,000. Operating impacts will be limited to site general maintenance until station construction commences.
Building and Improvements	\$9,600,000	Station 35 – \$1,500,000. Plan, design, permit for anticipated new construction project. No operating impact as replacement. Station 51 – \$2,400,000. Plan, design, permit for anticipated new construction project. No operating impact as replacement. Station 52 – \$1,500,000. Plan, design, permit for anticipated new construction project. No operating impact as replacement. Station 56 and South Operating Center – New construction. \$200,000. Operating budget impact will be to reduce facility monthly lease of current site and transfer existing personnel and utilities and insurance from other locations. Station 68 – Partial cost to relocate and build a new station. \$4,000,000. No operating budget impact as personnel will relocate and new station will be more energy efficient.
Fire Apparatus and District Vehicles	\$330,000	Light Brush Units – 3 @ \$110,000. Operating budget impact included in budget.

Capital Projects Fund, continued

STATUS OF 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
Status or Outcome:	A staffing plan evaluation was completed prior to retirement of the assigned Division Chief. The Capital construction projects continue to be managed by the capital project team with reduced staffing. The team consists of a half-time Administrative Assistant, Construction Technical Manager, and Construction Project Manager. The transition of the Division Chief's responsibilities and assignments was completed by November 2012.

STATUS OF 2012-13 CHANGE STRATEGIES

- None

ADDITIONAL 2012-13 ACCOMPLISHMENTS

- Completion of the new Pierce Heavy Duty Rescue.
- Acquisition of the two Pierce Tenders.
- Completion of one Light Brush unit.
- Staff completed construction of Station 65.
- Significant construction was completed on Station 56/South Operating Center.
- \$157,144 was awarded to the District in Business Energy Tax Credit pass-throughs for Stations 50, 53, 58, and 59.
- \$15,738 was awarded to the District in Energy Trust of Oregon reimbursements for Stations 50, 53, 58, and 59.
- \$11,892.00 was awarded to the District by Energy Trust of Oregon New Buildings Incentive Program for energy efficiency measures in design and construction for work on Stations 56, 65, and 68.

2013-14 SERVICE MEASURES

- Complete design and permitting for Station 51 by June of 2014.

Goal(s)/Call(s) for Action:	VI/1 and 5; VII/1 and 2; VIII/B and 2
Service Type(s):	Increase required
Measured By:	Construction documents complete and permit approved.

Capital Projects Fund, continued

2013-14 SERVICE MEASURES, CONTINUED

- Complete design and permitting for Station 52 by June of 2014.

Goal(s)/Call(s) for Action: VI/1 and 5; VII/1 and 2; VIII/B and 2
Service Type(s): Increase required
Measured By: Construction documents complete and permit approved.

- Complete construction of Station 68 by June of 2014.

Goal(s)/Call(s) for Action: VI/1 and 5; VII/1 and 2; VIII/B and 2
Service Type(s): Increase required
Measured By: Completion of new station construction.

- Complete feasibility study and schematic design for construction of new Station 35 by June of 2014.

Goal(s)/Call(s) for Action: VI/1 and 5; VII/1 and 2; VIII/B and 2
Service Type(s): Increase required
Measured By: Schematic design complete and approved by leadership.

2013-14 CHANGE STRATEGIES

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

Goal(s)/Call(s) for Action: VI/1, 5 and 6; VII/1 and 2; VIII/2 and 4
Budget Impact: Increase required
Duration: Year 7 of 10
Budget Description: Bond related capital construction projects and apparatus acquisition will continue through at least fiscal year 2016. The program has defined continuous improvement metrics and cost accountability within both areas of the bond capital projects and apparatus.
Partner(s): Logistics, Finance, Integrated Operations, architects, engineers, contractors

- Design for future seismic upgrades and new construction to include substantial work with a new architectural firm. Communicate District Fire Station Standards for design and construction. Integrate architectural firm with TVF&R Capital Projects team and partners (e.g., standards, specifications, quality assurance and quality control measures).

Goal(s)/Call(s) for Action: VI/1, 5 and 6; VII/1 and 2
Budget Impact: Resource neutral
Duration: Year 1 of 1
Budget Description: Hennebery Eddy Architects was successful in the selection process. The Capital Projects team will need to ensure quality control/quality assurance through this process as time is spent with a new firm establishing owner's project requirements and station standards.
Partner(s): Logistics, Finance, architects, engineers, contractors

Capital Projects Fund, continued

2013-14 CHANGE STRATEGIES, CONTINUED

- Finalize and publish the new Fire Station Standards document.

Goal(s)/Call(s) for Action: VI/1, 5 and 6; VII/1 and 2
Budget Impact: Resource neutral
Duration: Year 2 of 2
Budget Description: Continue work on the project initiated in fiscal year 2013 to incorporate standardization and best practices. The District has established revised standards for the size and functionality of fire stations. During this year, the document will be finalized based on input from Integrated Operations, Logistics, and leadership. The Fire Station Standards will be utilized in the design and construction of fire stations as well as communication of standards and specifications to leadership, stakeholders, work groups/end users, Logistics, and consultants/contractors.
Partner(s): Logistics, Integrated Operations

Capital Projects Fund, continued

<i>Historical Data</i>				<i>Budget for Next Year 2013-14</i>		
Actual Second Preceding Year 2010-11	Actual First Preceding Year 2011-12	Adopted Budget This Year 2012-13	Resources	Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Board
\$ 10,852,844	\$ 26,410,167	\$ 21,750,241	Beginning Fund Balance - Working Capital	\$ 14,838,790	\$ 14,838,790	\$ 14,838,790
25,527	66,018	76,126	Earnings from Temporary Investments	15,300	15,300	15,300
			Surplus Property			
	291,254		Donations and Grants			
15,738	8,186		Miscellaneous			
24,749,264			Proceeds from Debt Issuance			
\$ 35,643,373	\$ 26,775,625	\$ 21,826,367	Total Resources	\$ 14,854,090	\$ 14,854,090	\$ 14,854,090
Requirements						
\$ 195,991			Bond Issuance Expenses			
6,296,397	5,180,557	\$ 8,722,783	Buildings and Improvements	\$ 9,600,000	\$ 9,600,000	\$ 9,600,000
1,942,424	139,692	25,000	Land and Improvements	2,500,000	2,500,000	2,500,000
798,394	582,508	2,629,083	Fire Apparatus	330,000	330,000	330,000
9,037,215	5,902,757	11,376,866	Total Capital Outlay	12,430,000	12,430,000	12,430,000
9,233,206	5,902,757	11,376,866	Total Expenditures	12,430,000	12,430,000	12,430,000
		2,449,501	Contingency	2,424,090	2,424,090	2,424,090
26,410,167	20,872,868	8,000,000	Reserved for Future Expenses			
\$ 35,643,373	\$ 26,775,625	\$ 21,826,367	Total Requirements	\$ 14,854,090	\$ 14,854,090	\$ 14,854,090

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