

## Capital Improvements Program Guide to the Budget

In order to showcase those projects that are funded and have work in progress, the Fiscal Year 2010 Annual Capital Improvements Program (CIP) Budget incorporates project pages for projects with funding encumbered or expended, continuing appropriations, or budget appropriations in the budget year. The CIP currently incorporates six fiscal years of data and an aggregate column of funding for Fiscal Years 2016 through 2020; however, there are many projects that are not scheduled to begin for several years. Many of these projects will undergo dramatic changes in scope before they begin, thus rendering schedule and cost data in the project pages obsolete. In addition, projects with no funding identified are listed in the departments' Unfunded Needs List.

CIP Schedule X shows a one-line summary of every current and future project, through Fiscal Year 2020, in the planned CIP. The projects are sorted by department and are shown sequentially by project number. Projects shown in bold have corresponding project pages, whereas those in regular font are future projects that will be published when the project is scheduled to begin.

### **Project Pages**

The CIP project pages are designed to provide citizens and City officials with accurate and informative financial and logistical information for every CIP project currently in progress or scheduled for Fiscal Year 2010. A brief description of project page components is as follows.

### **Department and Improvement Type**

The department listed is the operating department sponsoring the CIP project. Each department's CIP may be broken down into improvement types. Improvement types are a more specific manner of categorizing the kinds of improvement offered by each project. In the project pages, the improvement type is listed below the department name. In some cases, the improvement type may be the same as the department name. A few improvement types, such as Facilities, are used in several departments. Following is a list of improvement types found in the Fiscal Year 2010 Annual CIP Budget.

#### ***Improvement Types***

Airports	Mission Bay
Balboa Park	Municipal Water
Bikeways	Other Parks
Centre City Development Corporation	Police
Communications	QUALCOMM Stadium
Economic Development	Reclaimed Water
Energy Program	Refuse Disposal
Environmental Protection	Sewer - Metropolitan
Facilities	Sewer - Municipal
Fire	Storm Drains and Flood Control
Fleet Services	Storm Drain Study
Golf Course	Storm Water Program
Library	Streets and Bridges
Lifeguard Services	Traffic Control

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### Project Number and Title

The first two digits of the CIP number represent the project type. The next digits represent the assigned project number.

#### *Project Types*

- 11 Storm Drains – Storm Drains
- 12 Flood Control – Flood Control
- 13 Flood Control – Annual Allocations
- 20 Other Parks – Annual Allocations
- 21 Balboa Park
- 22 Mission Bay Park
- 25 Golf Course
- 29 Other Parks – Community Parks
- 31 Buildings and Land – Airports
- 32 Environmental Services – Refuse Disposal and Environmental Protection
- 33 Buildings and Land – Fire
- 34 Buildings and Land – Stadium
- 35 Buildings and Land – Libraries
- 36 Buildings and Land – Police
- 37 Buildings and Land – Miscellaneous Buildings
- 39 Buildings and Land – Economic Development and Redevelopment
- 40 Sewer – Mains and Trunk Sewers
- 41 Sewer – Pump Stations, Force Mains
- 42 Sewer – Treatment Plants, Labs and Disposal
- 44 Sewer – Existing
- 45 Sewer – Other
- 46 Sewer – Existing
- 52 Streets and Highways – Streets
- 53 Streets and Highways – Bridges
- 54 Streets and Highways – Pedestrian Bridges
- 58 Streets and Highways – Bikeways
- 59 Streets and Highways – Miscellaneous
- 61 Traffic Control – Street Lighting
- 62 Traffic Control – Traffic Signals
- 63 Traffic Control – Median Barriers, Miscellaneous
- 68 Traffic Control – Annual Allocations
- 70 Water – Mains and Transmission Pipelines
- 73 Water – Existing Facilities Improvements and Upgrades
- 74 Water – Storage, including Reservoirs and Standpipes
- 75 Water – Upgrades and Improvements to Other Water Facilities
- 92 Enterprise Resource Planning System

In addition to the legacy CIP numbers, the project pages include a new alphanumeric number. The alphanumeric number will provide the necessary cross reference between the legacy and new system. All future reports will include the new alphanumeric number.

Following is a list of coding headers used to distinguish between different project types.

S – Standard/Standalone

A – Annual

### **Council District**

This lists the City Council District (1-8) in which a project is located. Projects that have a Citywide impact or are outside the City limits are so noted.

### **Community Plan**

This component lists affected Community Planning Area(s). Projects that have a Citywide impact or are outside the City limits are so noted.

### **Description**

This component represents a brief statement explaining the scope and boundaries of a project as well as defining its outcome in the surrounding neighborhood(s).

### **Justification**

This component explains why a project is needed and describes any legal requirements for the project, including State or federal mandates.

### **Operating Budget Effect**

This component describes any ongoing operating expenses anticipated upon completion of a project. An operating budget effect table may be included to provide more information. The table indicates the fiscal year of the impact; if the completion date of the project is unknown, the fiscal year will be listed as TBD (to be determined). Operating budget effects are displayed in three categories in the table: operating costs are the expenses for operating the building, facility, park, or other infrastructure once it is opened; maintenance costs are the expenses for maintaining the new project; and other department are other expenses associated with the project that are not related to operating or maintaining the facility. Staffing refers to the number of full-time equivalent (FTE) positions required to operate and/or maintain the facility. The personnel expense (PE) represents the cost of positions or other personnel expense, and the non-personnel expense (NPE) represents other costs associated with ongoing operations and maintenance. The operating budget effect table shows the estimated net impact of the new or expanded facility or infrastructure on the City's operating budget.

### **Relationship to General and Community Plans**

This component indicates whether a project is consistent with the affected community plan(s) and is in conformance with the City's General Plan. Additional information can be found in the Community Planning section.

### **Scheduling**

This component provides the anticipated project schedule and includes the year(s) when design, construction, and other phases are expected to begin and end.

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### Summary of Project Changes

This component provides a comparison between the Fiscal Year 2009 Annual Budget and the Fiscal Year 2010 Annual Budget. Changes may have resulted from modifications to the project scope, City Council action (resolutions and/or ordinances), changes to a community's Public Facilities Financing Plan, updated total project cost estimates, and/or revised revenue sources.

### Expenditures by Revenue Source

This table lists the amounts and sources of funding (revenue sources) for the project through Fiscal Year 2020. Not all projects will have funding for the entire projected time. Descriptions of common funding sources can be found in the Revenue Sources section as well as a listing of all Revenue Source titles.

### *Total Estimated Project Cost*

Projects typically extend beyond a given fiscal year. The 11-year CIP presents the total estimated project cost since project inception, including expenditures, encumbrances, continuing appropriations, Fiscal Year 2010 Annual Budget and projections of expenses in outlying years. Any project, other than an annual allocation, that was initiated prior to the current fiscal year will have expenditures, encumbrances, and/or continuing appropriations. These projects may be budgeted for additional funding in Fiscal Year 2010, as well as in outlying years, depending upon project scheduling. Any project scheduled to begin during Fiscal Year 2010 will have a budget for that year as well as any outlying years, depending upon project scheduling. **The total estimated project cost for annual allocation projects only includes the current budget year.**

**Expended and Encumbered** - Projects initiated prior to Fiscal Year 2010 typically have costs and encumbrances. This is shown on the project page as expended and encumbered and includes all funds that have been expended in the project as well as any contractual or other obligations shown as encumbrances. Expended and encumbered is a cumulative amount since project inception. In addition, annual allocation project costs are reflective of the Fiscal Year 2010 Budget only and do not show expended and encumbered amounts.

**Continuing Appropriations** - Appropriated funding previously approved by City Council but not yet expended or encumbered is reflected as continuing appropriation amounts. Continuing appropriations are a cumulative amount of unexpended and unencumbered appropriations since project inception. In addition, annual allocation project costs are reflective of the Fiscal Year 2010 Budget only and do not show continuing appropriations.

**Fiscal Year 2010 Budget** - The Fiscal Year 2010 budget is the increase in the project budget for the upcoming fiscal year. This budget amount is included in the annual appropriation ordinance, which gives the City the authority to expend from that capital improvement project. The annual appropriation ordinance also provides guidance regarding the administration of the CIP during the course of the fiscal year. Modifications to a project budget may occur during the course of the fiscal year through City Council action.

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**Outlying Fiscal Year Projected Cost Estimate** - Projects that extend beyond Fiscal Year 2010 are projected based on project scheduling and funding availability. The City is not legally bound to any projections made in Fiscal Years 2011-2020 because they are not contained within the annual appropriation ordinance. Revisions and refinements of project scope, cost estimates, scheduling, and funding will affect the outlying year projections.

**Unidentified Funding** – If a specific funding source has not yet been identified to fund completion of the project, the needed funding amount will be reflected as Unidentified Funding. This amount is an estimate based upon the current estimated total project cost and schedule. Changes in project scope, cost estimates and scheduling may affecting future funding needs.

### *Capital Project Funding*

In addition to traditional project funding, annual allocations, phased funding, and split funding methods are used in the CIP.

**Annual Allocation** - Annual allocations are programmed expenditures that allow the City to better plan for the expansion, renovation, relocation, or replacement of facilities and equipment that have reached or exceeded their anticipated service life; provide for emergency and accelerated construction needs; and provide for capital improvement project contingency needs. Annual allocations have many component tasks which are typically completed on an annual basis. Funding in annual allocation projects may not carry forward from year-to-year. Any amount not allocated to a component task is typically returned to the contributing fund. This type of financial planning has allowed the City to better address State and federal standards and provide for implementation of City Council policies, such as traffic light and streetlight construction and replacement.

**Phased Funding** - Phased funding is a means by which large projects may be budgeted, appropriated, and contracted for in an efficient manner that maximizes the City's use of available funds. This method of funding allows the contract or project to be broken down into clearly defined portions, or phases, to fund on a contingent basis. A single large project may be considered as a series of component tasks and contracted for by phase, making pursuit of each phase contingent on the availability of funds.

**Split Funding** - Split funding is a method by which two different revenue sources are used to fund a capital project on a percentage basis. This approach is most commonly used in Water and Metropolitan Wastewater projects to differentiate revenue sources that are frequently used for projects within these programs.

### *Work Codes*

Work codes are required in projects, except annual allocations, to identify the type of expenditure.

A Apparatus, including fire engines and trucks

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- C Construction costs, including construction, demolition, and project management
- D Design, including environmental analysis, project engineering and related costs
- F Furnishings for a completed new facility, such as furniture, modular equipment
- L Land acquisition
- M Mitigation for impacts to construction site
- P Preliminary design for a project prior to initial construction
- R Reimbursement to various entities or funds
- B Library books for proposed branch libraries
- T Telecommunications equipment such as telephones, computers, IT infrastructure
- S Reserve payments for future
- I Interest payments
- Y Debt payment for financed projects

### **Contact Information**

This provides the contact person for the project including name, email address, and phone number. If a specific person has not been identified in connection with a project, a generic contact name is provided instead.

### **Unfunded Needs List**

The Unfunded Needs List for each department provides a concise list of projects that are partially funded or not funded in the Fiscal Year 2010 Annual Budget. This list provides the project number, title, amount of funding required for the project to be initiated in Fiscal Year 2011, and the amount of funding required for the project to continue or be completed. If a project has a project sheet and also appears in the Unfunded Needs List, the amount of funding required will match the Unidentified Funding line in the Expenditures by Revenue Source table on the project page.

### **Financial Summary - Schedules**

The schedules summarize the funding sources and spending areas of the CIP. These are presented in the Financial Summary - Schedules section.

### **Schedule VIII: Capital Improvements Program by Revenue Source**

This schedule displays expended and/or encumbered funds, continuing appropriations, this fiscal year's budget, and ten years of projected expenditures by the revenue sources utilized.

### **Schedule IX: Capital Improvements Program by Improvement Type**

This schedule displays expended and/or encumbered funds, continuing appropriations, this fiscal year's budget, ten years of projected expenditures, and unidentified funding needs by department and improvement type.

### **Schedule X: Capital Improvement Project by Department**

This schedule displays all projects that have expended/encumbered, continuing appropriations, budgets in any fiscal year from 2010 to 2020, or unidentified funding needs. Projects are ordered by department and sequentially by project number. Projects in bold have a project page. For specific project pages, refer to the Index by Number or Index by Project Title.

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### **Schedule XI: Capital Improvement Projects by Revenue Source**

This schedule displays projects with budget this fiscal year by revenue source. These projects are listed by CIP number within each revenue source. Projects with multiple funding sources may be displayed multiple times within Schedule XI.

