

FACILITIES MAINTENANCE RESERVE FUND BUDGET NARRATIVE, FY 05/06

The Facilities Maintenance Reserve Fund is the capital replacement fund for most Village-owned buildings including the Glen Ellyn Civic Center (50,000 Square Feet, Built 1927), Reno Public Works Center (36,000 SF, 1977), Fire Station #1 (North: 9,900 SF, 1957), and Fire Station #2 (South: 11,000 SF, 1972). In 2003, Stacy's Tavern & Museum (4,235 SF, built in 1846) and the History Center (approx. 8,000 SF, 1950's) were added to the Fund. The Facilities Reserve Fund operates in a similar fashion to the Equipment Replacement Fund in that these buildings and their various components covered by the Fund are assigned a life span and their replacement costs are amortized over that span. Dollars are added to the Fund through regular, annual contributions from each of the budget divisions using these buildings and, when the time comes, major components are replaced with little or no fluctuation in the annual obligation to capital replacement.

The Facilities Maintenance Reserve Fund was created in Fiscal Year 1990-1991 with an infusion of dollars available from the General Fund Cash Reserves. In the first year, the Fund received \$250,000 as the first of two installments for funding of previous years on the Civic Center and the two fire stations. Funding was based on an analysis of building components performed by the engineering firm of Donohue and Associates. In the second fiscal year of the Reserve Fund's existence (FY 91-92), the General Fund contributed the second \$250,000 installment plus \$32,400 for previous years at the Reno Public Works Center and \$42,000 for the first annual contribution for the Civic Center. In addition, in FY 91-92, the fund revived its first contributions (\$44,600) from the enterprise fund users of the Reno Center (Equipment Services, Water, and Sanitary Sewer). Reserve Advisors completed a follow up to the Donohue Study in 1998. After the study, the Village adjusted its replacement schedule and funding contribution schedule.

Since its inception, the Fund has been the expense point for all major building projects at the Civic Center, the Reno Center, and the two fire stations. Significant projects completed through the Fund have included:

1. Removal and replacement of the original, 1927 boiler in the Civic Center (Completed in 1992; Total expense \$130,000).
2. Removal and replacement of the Civic Center's Wiedner Auditorium roof-top heating and air conditioning unit (Completed in 1992; Total expense \$60,000).
3. Various roof replacements, Cupola rehabilitation and tuckpointing at the Civic Center (Completed in 1992-1993, 1995-1996; Total expenses \$420,000)
4. Partial roof replacements at Fire Station #2 (Completed in 1992; Total expense \$30,000).
5. Phases I, II and III of the Civic Center Rehabilitation Project including ventilation system improvements, addition of fire sprinklers, and general space improvements, the meeting rooms on all three floors, the

Cashiers Office, Police Department, second floor offices, all new plumbing fixtures, and some new HVAC equipment. (Completed in 1993-1997; Total expense \$1,350,000). Electric heaters in main lobby and the east end of the 2nd floor.

6. Heating, Ventilating, and Air Conditioning (HVAC) system replacement and other building improvements including fire sprinklers at Reno Service Center. Also completed was additional work related to lower level and exterior wall pack lighting, wall insulation, HVAC and floor drain replacement, CO/CO2 evacuation system, as well as other smaller replacements and upgrades. (Completed in 1995-1997; Total expense \$870,000).
7. Rehabilitation of most of the Civic Center windows (Completed in 1994-1996; Total expense \$240,000).
8. Fire Station #1 rehabilitation and expansion including complete HVAC system replacement, addition of fire sprinklers, general building improvements and a second story addition. New electrical switchgear and plumbing systems except for the main waste line. Exterior windows are new. CO/CO2 evacuation system. (Completed in 1994-1996; Total expense \$675,000).
9. Rehabilitation of Fire Station #2-similar to FS#1 without addition. (Completed in 1998; Total expense \$650,000) new concrete apron and interior bay concrete; new floor drains, triple basin, 125KW generator, exterior windows and doors. CO/CO2 evacuation system. Addition of fire sprinklers.
10. Replacement of the main Civic Center HVAC unit and control system (Completed- 2001; Total expense \$480,000)
11. Replacement of the Civic Center and FS2 parking lots (Completed 2001; Total expense \$350,000).
12. Restoration of Stacy's Museum included all new HVAC systems, a new water service, fire sprinklers, and ADA washroom, and an upgraded security and fire detection systems. (Completed 2002; \$210,000-. Note: project not paid for from this Fund as the facility was not in the fund at the time – expensed in the Special Programs Fund.)
13. Installation of a new PVC roof over the original 1977 metal roof at the Reno Center. Work included new gutters with heat cable and skylights. (Completed 2003; \$250,000)
14. Replacement of the eastern FS1 Parking lot. (Comp. 2004, \$9,000)
15. Stacy's Tavern window restoration (Completed 2005, \$70,000)

The near-future expenses of the Fund will vary since the Village completed an eight-year program of major system replacement and upgrades at the four main buildings (Civic Center, Reno, Fire Station #1 & 2). Stacy's Tavern & Museum was recently restored and upgraded, while the History Center will need additional work (roof, HVAC units, finishes, interior remodeling) in the near future. Additionally, plans for the current FY include a reconfiguration of the Planning & Development Department, new finishes at both the Civic and Reno Centers, and replacements of roofs 4& 5 at the Civic Center.

The Facilities Maintenance Reserve Fund, as established, uses cash reserves to fund improvements. Since it is scheduled to reach the end of a replacement cycle wherein *most* of the significant replacements have occurred, the Fund will now begin to grow. If funding continues as planned, the Village will be prepared for future replacements. In fiscal year 02-03 Reserve Advisors updated the Reserve Study. Replacement of the History Center roof is the next major expense. Assuming there are no major facility additions, the next plan update is scheduled for the FY07/08.