

BUILDING FUND ASSESSMENT BACKGROUND

(Assessed FY2003-2004)

- The revenue the County Supervisors Association of Arizona (CSA) earned administering a portion of the SOBRA program for counties ended in 2001-2002 when the program was turned over to the state due to the implementation of Proposition 204. (Approx. \$170,000/yr loss)
- The proposal for a special assessment of each CSA member county grew from conversations with the county managers and administrators. The discussions at the monthly manager/administrator meetings were carried over to two CSA Board of Directors meetings, and a determination to endorse the proposal was made at the request of the County Managers Association. Discussions among the managers/administrators resulted in a proposal to invoice each county for an equal amount (\$20,000) rather than an amount based on the CSA dues population formula.
- This unanimous approval of the \$20,000 special assessment by the board took place at the February 19, 2004, meeting. Total \$300,000.
- **It was determined the assessment monies received would be used for infrastructure, i.e., computer hardware/software and building maintenance and repair, and contingencies.** These dedicated funds are held in a separate account and used only for the above purposes. *The approval of the original assessment included a prohibition on using the monies for personnel expenditures.*

Typical expenditures from the Building Contingency Fund: boardroom furniture and audio/visual equipment purchase/upgrade/repair; copier lease; computers/software; website development; building upkeep and repair: elevator repair/motor replacement, plumbing, a/c water tower repair and then replacement, a/c units repair/replacement, alarm system repairs/replacements, carpet cleaning/repair, painting inside walls, outside building vandalism (graffiti, destruction to sprinkler system, main water valve, and covered parking), window replacement, landscaping/drainage erosion, asphalt resurface, air/water quality issues from next door fire, termite damage and maintenance, pigeon control, bee hive removal, etc.

The Building Contingency Fund was established in FY03-04 at \$300,000 (\$20,000 across the board)

The CSA Executive Committee has authorized to work with the CMA in how to replenish the building contingency fund

Estimated balance of Building Contingency Fund to date (12/13): \$59,996

The Building Contingency Fund was established to provide for building contingencies, boardroom improvements, and office equipment improvements. One cost savings measure was to renegotiate the lease on the copier to a lower rate plus include faxing capability through the copier, thus releasing the fax machine maintenance. Another was to negotiate a service contract on the building alarm system in order to ward off the spiraling maintenance costs on the system.

Possible upcoming expenses: water tower electronic data panel, carpet cleaning/replacement, kitchen floor replacement, awning over back door, front entrance lobby cement repair/replacement, landscaping/tree/shrub/gravel replacement, asphalt resurface, fireproof safe, upgraded office computers and software, audio/video equipment upgrades/additional mics, projector replacement, additional boardroom tables and chairs to accommodate additional membership; would like to turn two offices into a conference room and would need a conference table and chairs, a Polycom, and an additional telephone system unit to allow an additional Polycom (approx. \$5,500)

Building Contingency Fund (est. 2004):

Established FY03-04 at	\$300,000	
Funds used FY03-FY10	- <u>152,182</u>	(approx. 50% of balance expended during first 7 yrs)
Funds avail. at FYE10	147,818	
Funds used FY10-11	- <u>19,651</u>	
Funds avail. at FYE11	128,167	
Funds used FY11-12	- <u>10,710</u>	
Funds avail. at FYE12	117,457	
Funds used FY12-13	- <u>45,468</u>	
Funds avail. at FYE13	71,989	(another approx. 50% of balance expended during next 3 yrs)
Est. funds expended 7/13-12/13	- <u>11,993</u>	
Est. funds at 12/13	\$ 59,996	(thru 12/15/13)

