

# Revised Agenda

MEETING OF THE  
SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)  
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &  
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

May 4, 2017

**8:30 a.m.**

>>>>>>>>>San Diego Metropolitan Transit System<<<<<<<<<<  
1255 Imperial Avenue, 10th Floor  
San Diego, CA 92101  
Executive Committee Room

ACTION  
RECOMMENDED

1. ROLL CALL
2. APPROVAL OF MINUTES - May 5, 2016 Approve
3. James R. Mills Building - Adoption of Operating Budget for Fiscal Year 2017/2018 Approve  
Action would: (1) Approve the proposed FY 2017/2018 Operating Budget and authorize the Executive Officer to approve the expenditures in accordance therewith; and (2)(a) Approve the proposed FY 17/18 Capital Improvement Budget; (b) Authorize the Executive Officer to approve the expenditure of \$1,628,550 from the Capital Reserve Account; and (c) Allow the San Diego Regional Building Authority Executive Officer a onetime transfer of \$200,000 from the Operating Account to the Capital Reserve Account.
4. PUBLIC COMMENTS  
Limited to five speakers with three minutes per speaker. If you have a report to present, please give your copies to the Clerk.
5. NEXT MEETING DATE: June 1, 2017 (if needed)
6. ADJOURNMENT

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)  
JOINT POWERS AGENCY  
OF THE COUNTY OF SAN DIEGO AND  
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

DRAFT MINUTES

May 5, 2016

1. Roll Call

Chairman Roberts called the meeting to order at 9:18 a.m. Authority members present included Mr. Cox, Mr. Mathis and Chairman Roberts.

2. Approval of Minutes

Mr. Cox moved for approval of the minutes of the January 7, 2016 San Diego Regional Building Authority (SDRBA) meeting. Mr. Mathis seconded the motion, and the vote was 3 to 0 in favor.

3. James R. Mills Building – Adoption of Operating Budget for Fiscal Year 2016/2017

April Heinze, Director of the County of San Diego Department of General Services, discussed the projected fiscal year (FY) 2016/2017 operating budget for the James R. Mills Building. She stated that expenses are 1.7% less than the FY 2015/2016 budget. The parking structure revenues have increased and will continue to increase due to the lack of parking scarcity in the surrounding areas. The proposed capital improvements for FY 2016/2017 are \$794,500. Ms. Heinze also noted that reductions in water and energy costs, due to recent improvements, have helped save on operating costs.

Action Taken

Mr. Cox moved to (1) approve the proposed FY16/17 Operating Budget and Capital Expenditures and authorize the Executive Officer to approve the expenditures in accordance therewith; (2) approve the proposed FY16/17 Capital Improvements and allocate \$794,500 to the Capital Improvements Account and authorize the Executive Officer to approve the expenditures in accordance therewith; (3) approve the use of unanticipated LED lighting rebate revenue to expand the scope of LED lighting retrofits to provide additional LED lighting hardware to tenants of the building. The expanded scope would also include afterhours installation for four floors of interior space, the exterior, stairwells and the parking structure; and (4) approve installation of the Exterior Installation and Finishing System (EIFS) and authorize the Director of County of San Diego Purchasing and Contracting to advertise and award a construction contract and any amendment(s) and authorize the Executive Officer to execute and administer the contract and any amendment(s). Find that the proposed project for the Mills Building is exempt from California Environmental Quality Act (CEQA) review pursuant to CEQA Guidelines Section 15301 Existing Facilities. Mr. Mathis seconded the motion, and the vote was 3 to 0 in favor.

4. Public Comments

There were no public comments.

SDRBA – DRAFT MINUTES

May 5, 2016

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5. Next Meeting Date

The next SDRBA meeting is scheduled for June 2, 2016 in the Executive Conference Room at MTS.

6. Adjournment

The meeting adjourned at 9:24 a.m.

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Chairman

Attachment: Roll Call Sheet

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)  
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &  
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

ROLL CALL

MEETING OF (DATE) May 5, 2016

CALL TO ORDER (TIME) 9:18 a.m.

RECESS \_\_\_\_\_

RECONVENE \_\_\_\_\_

ADJOURN 9:24 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
COX	<input checked="" type="checkbox"/>	9:18 a.m.	9:24 a.m.
MATHIS	<input checked="" type="checkbox"/>	9:18 a.m.	9:24 a.m.
ROBERTS	<input checked="" type="checkbox"/>	9:18 a.m.	9:24 a.m.

OTHER ATTENDEES:

NAME	REPRESENTING
Rachel Witt	County Counsel/SDRBA Counsel
April Heinze	Director of General Services/SDRBA Executive Officer
Melanie Wilson	Office of Supervisor Ron Roberts
Amber Molina	Colliers/Mills Building Management
Fred Watz	County Real Estate Services
Adam Weinberg	County Real Estate Services
Hugh Rowles	County Real Estate Services
Paul Jablonski	MTS
Karen Landers	MTS
Julia Tuer	MTS

SIGNED BY THE CLERK OF THE BOARD: Julia Tuer

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL: <sup>MTS</sup> Fairbank

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)  
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &  
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

May 4, 2017

SUBJECT:

JAMES R. MILLS BUILDING - ADOPTION OF OPERATING BUDGET FOR  
FISCAL YEAR 2017/2018

INTRODUCTION:

In accordance with the James R. Mills Building Property Management Agreement and with prior review from County of San Diego (County) and San Diego Metropolitan Transit System (MTS), Colliers International Management Company (Colliers) has prepared the attached Proposed FY 17/18 Operating Budget and Capital Expenditures (Attachment A).

Fiscal Year 2016/2017 (FY 16/17) is projected to end with \$1,366,212 available in the Operating Account and \$610,290 available in the Capital Reserve Account.

The proposed budget for Fiscal Year 2017/2018 (FY 17/18) reflects net contributions by County and the MTS as well as projected parking revenue. Annual project Operating Expenses total \$2,131,754.

Budgeted Parking Revenue has experienced an increase of 16.1% from the FY 16/17 budget. The increased parking revenue is a trend that will continue for FY 17/18 as a result of an increase in the parking fees from events and parking lease revenue.

Proposed Capital Improvements in FY 17/18 are \$1,628,050 (Attachment B). To reduce Capital Reserve contributions during the Fiscal Year it is proposed to allow the San Diego Regional Building Authority Executive Officer a onetime transfer of \$200,000 from the Operating Account to the Capital Reserve Account and to utilize \$320,000 from the existing Capital Reserve Account.

Requested capital improvement items for FY 17/18 include, in part: repairs to address the spalling 6<sup>th</sup> floor parking structure deck, treating the building's exterior insulation and finish system, paint, parking structure striping and asphalt repair, parking structure painting, parking structure signage program, lobby upgrade, interior and exterior elevator finish upgrade, design for the lobby restroom, reseal of exterior tile, continuation of the LED lighting retrofit, security camera upgrades, AHU valve replacement, x-ray and metal detector replacement, one ADA lobby door install, 250 ton chiller replacement, and landscape fencing. The final stage of the LED lighting retrofit will also continue to reduce energy consumption and cost.

The Annual Cost Shares for the MTS and County are \$476,001 and \$2,067,118 respectively. Combined, this represents a 7% increase in Annual Cost Shares

due to increased capital expenses, security, and janitorial services. We will continue to retain at least 3 months of operating funds in the Operating Account, and a minimum base of \$200,000 in the Capital Reserve Account.

TABLE 1: BUDGET SUMMARY:

	Current	Projected	Proposed
	Budget	Estimated	Budget
Expenses and Parking Revenue	FY 2016/2017	FY 2016/2017	FY 2017/2018
Project Operating Expense	\$2,086,338	\$2,213,538	\$2,131,754
Less: Parking Revenue	-\$1,206,777	-\$1,416,139	-\$1,500,000
Direct Owner Expense and Parking	\$700,639	\$701,089	\$812,815
Total Capital Improvements	<u>\$794,500</u>	<u>\$794,500</u>	<u>\$1,628,550</u>
SUBTOTAL	\$2,374,700	\$2,292,988	\$3,073,119
Less: Drawdown from Capital Account	\$0	\$0	-\$330,000
Less: Transfer from Operating Account	<u>\$0</u>	<u>\$0</u>	<u>-\$200,000</u>
TOTAL	\$2,374,700	\$2,292,988	\$2,543,119
<b>Total Cost Shares (Owners Expense, Parking and Capital Improvements)</b>			
MTS Share	\$438,544	\$438,544	\$476,001
County Share	<u>\$1,936,156</u>	<u>\$1,936,156</u>	<u>\$2,067,118</u>
TOTAL	\$2,374,700	\$2,374,700	\$2,543,119

RECOMMENDATIONS:

1. That the San Diego Regional Building Authority approve the proposed FY 2017/2018 Operating Budget and authorize the Executive Officer to approve the expenditures in accordance therewith.
2. That the San Diego Regional Building Authority: (a) approve the proposed FY 17/18 Capital Improvement Budget; (b) authorize the Executive Officer to approve the expenditure of \$1,628,550 from the Capital Reserve Account; and (c) allow the San Diego Regional Building Authority Executive Officer a onetime transfer of \$200,000 from the Operating Account to the Capital Reserve Account.

Attachments: A. Proposed FY 17/18 Operating Budget and Capital Expenditures.  
 B. Proposed FY 17/18 Capital Improvements.  
 C. Mills Budget FY16/17 to FY17/18 Comparison.

Project Sq. F 179438  
Type: Office

A-1

## James R. Mills Budget 2017-2018

Project Sq. F 179438  
Type: Office

Acct No			Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total	Square Feet: 179,438																	
																County 75.06%	MTS 24.96%	Cost P.S.F.															
5645-0012	Parking-M&S Parking Equipment	\$	50.00	\$	50.00	\$	50.00	\$	50.00	\$	50.00	\$	50.00	\$	50.00	\$	600.00	\$	450.30	\$	149.70	\$	0.00										
5645-0013	Parking-Sweeping & Steam Cleaning	\$	-	\$	-	\$	-	\$	-	\$	-	\$	5,100.00	\$	-	\$	5,100.00	\$	3,827.55	\$	1,272.45	\$	0.03										
5645-0014	Parking-Security Contract	\$	11,350.00	\$	11,350.00	\$	11,350.00	\$	6,350.00	\$	6,350.00	\$	6,350.00	\$	11,350.00	\$	111,200.00	\$	83,455.80	\$	27,744.40	\$	0.62										
5645-0015	Electricity- Autopark	\$	4,150.00	\$	4,500.00	\$	4,500.00	\$	4,100.00	\$	3,900.00	\$	3,600.00	\$	3,500.00	\$	46,250.00	\$	34,710.63	\$	11,539.38	\$	0.26										
5645-0016	Water-Autopark	\$	100.00	\$	100.00	\$	100.00	\$	100.00	\$	100.00	\$	100.00	\$	100.00	\$	1,200.00	\$	900.80	\$	299.40	\$	0.01										
Total Parking		\$	48,120.00	\$	48,070.00	\$	48,070.00	\$	44,820.00	\$	24,970.00	\$	24,670.00	\$	25,645.00	\$	24,570.00	\$	29,570.00	\$	44,420.00	\$	44,470.00	\$	45,270.00	\$	452,765.00	\$	339,800.13	\$	112,964.87	\$	2.52
Security/Fire/Safety																																	
5775-0001	SFS- Telephone/Alarm	\$	100.00	\$	220.00	\$	100.00	\$	1,855.00	\$	220.00	\$	100.00	\$	100.00	\$	5,190.00	\$	3,895.10	\$	1,294.91	\$	0.03										
5775-0002	SFS- Contract Service	\$	28,355.00	\$	28,500.00	\$	28,500.00	\$	28,355.00	\$	28,500.00	\$	27,835.00	\$	28,355.00	\$	28,500.00	\$	28,500.00	\$	28,500.00	\$	326,555.00	\$	245,079.53	\$	81,475.47	\$	1.82				
5775-0003	SFS-Materials & Supplies	\$	650.00	\$	550.00	\$	550.00	\$	650.00	\$	550.00	\$	550.00	\$	650.00	\$	550.00	\$	7,000.00	\$	5,253.50	\$	1,746.50	\$	0.04								
5775-0004	SFS-Permits/Testing	\$	885.00	\$	-	\$	930.00	\$	-	\$	250.00	\$	-	\$	535.00	\$	-	\$	2,800.00	\$	1,951.30	\$	648.70	\$	0.01								
5775-0005	SFS Repairs & Maintenance	\$	1,450.00	\$	1,450.00	\$	1,450.00	\$	1,450.00	\$	1,450.00	\$	1,450.00	\$	3,470.00	\$	1,450.00	\$	1,450.00	\$	1,450.00	\$	3,470.00	\$	21,440.00	\$	16,090.72	\$	5,349.28	\$	0.12		
Total Security/Fire/Safety		\$	31,440.00	\$	28,720.00	\$	29,530.00	\$	32,310.00	\$	28,970.00	\$	29,735.00	\$	33,110.00	\$	28,720.00	\$	28,600.00	\$	32,310.00	\$	28,720.00	\$	30,620.00	\$	362,785.00	\$	272,270.14	\$	90,514.86	\$	2.02
Utilities																																	
5205	Electricity-Common Area	\$	17,000.00	\$	20,000.00	\$	22,000.00	\$	21,000.00	\$	17,000.00	\$	17,000.00	\$	16,000.00	\$	16,000.00	\$	16,000.00	\$	16,500.00	\$	16,500.00	\$	16,500.00	\$	211,500.00	\$	158,730.75	\$	52,769.25	\$	1.18
5210	Gas	\$	20.00	\$	20.00	\$	20.00	\$	100.00	\$	300.00	\$	700.00	\$	1,000.00	\$	700.00	\$	300.00	\$	200.00	\$	100.00	\$	20.00	\$	3,480.00	\$	2,611.74	\$	868.26	\$	0.02
5215	Water- Building	\$	3,800.00	\$	3,500.00	\$	3,500.00	\$	3,200.00	\$	2,800.00	\$	2,800.00	\$	2,800.00	\$	2,600.00	\$	2,600.00	\$	3,000.00	\$	3,200.00	\$	38,100.00	\$	27,093.05	\$	9,009.95	\$	0.29		
Total Utilities		\$	20,820.00	\$	23,520.00	\$	25,520.00	\$	24,300.00	\$	20,200.00	\$	20,300.00	\$	19,800.00	\$	19,300.00	\$	18,900.00	\$	19,300.00	\$	19,600.00	\$	19,720.00	\$	251,080.00	\$	186,435.54	\$	62,644.46	\$	1.40
TOTAL OPERATING EXPENSES		\$	168,916.11	\$	166,749.33	\$	167,745.33	\$	166,142.33	\$	157,025.33	\$	167,145.33	\$	167,449.37	\$	161,558.77	\$	163,855.77	\$	199,507.22	\$	182,477.22	\$	181,182.22	\$	2,131,754.31	\$	1,599,881.81	\$	531,872.70	\$	11.88
NET PROJECT EXPENSE		\$	33,796.11	\$	1,829.33	\$	32,825.33	\$	53,022.33	\$	121,905.33	\$	132,025.33	\$	132,329.37	\$	128,438.77	\$	(228,474.23)	\$	149,387.22	\$	41,057.22	\$	38,012.22	\$	631,754.31	\$	474,131.81	\$	157,622.70	\$	3.52
Capital Expenses																																	
Capital		\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	1,628,550.00	\$	1,222,226.78	\$	406,323.23	\$	9.08
Total Capital		\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	135,712.50	\$	1,628,550.00	\$	1,222,226.78	\$	406,323.23	\$	9.08
Direct Owner Expenses (not calculated on 75/25 split)																																	
5655-1000	HHSA Additional Security & Cleaning Expenses	\$	21,124.00	\$	20,693.00	\$	21,288.00	\$	20,530.00	\$	21,450.00	\$	20,888.00	\$	21,124.00	\$	20,041.00	\$	21,450.00	\$	20,204.00	\$	21,450.00	\$	20,530.00	\$	250,752.00	\$	250,752.00	\$		\$	1.40
5655-2000	County Electric (floors 2-9)	\$	18,500.00	\$	18,500.00	\$	22,500.00	\$	20,500.00	\$	18,000.00	\$	18,500.00	\$	18,000.00	\$	17,000.00	\$	17,000.00	\$	17,500.00	\$	18,000.00	\$	18,500.00	\$	217,500.00	\$	217,500.00	\$		\$	1.21
5655-3000	MTS & 1st Floor Tenants	\$	1,575.00	\$	1,575.00	\$	26,525.00	\$	1,475.00	\$	1,475.00	\$	1,425.00	\$	1,400.00	\$	1,400.00	\$	1,475.00	\$	1,475.00	\$	1,525.00	\$	1,525.00	\$	42,850.00	\$		\$	42,850.00	\$	0.24
5140	County portion City Maintenance Assessment	\$	-	\$	-	\$	22,603.00	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	13,870.00	\$	38,273.00	\$	36,273.00	\$		\$	0.20
	HHSA Monthly Parking	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	22,000.00	\$	284,900.00	\$	284,000.00	\$		\$	1.47
	MTS Monthly Parking	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	120.00	\$	1,440.00	\$		\$	1,440.00	\$	0.01
Total Tenant Direct Owner Expenses		\$	63,319.00	\$	63,888.00	\$	92,433.00	\$	87,228.00	\$	81,045.00	\$	80,913.00	\$	80,844.00	\$	80,561.00	\$	82,045.00	\$	81,299.00	\$	83,098.00	\$	78,345.00	\$	812,815.00	\$	768,525.00	\$	44,290.00	\$	4.53
ADJUSTED TOTAL AMOUNT DUE		\$	232,827.61	\$	201,229.83	\$	280,770.83	\$	275,962.83	\$	318,662.83	\$	328,650.83	\$	328,685.87	\$	322,712.27	\$	(30,718.73)	\$	346,386.72	\$	239,664.72	\$	248,069.72	\$	3,073,119.31	\$	2,464,883.38	\$	608,235.92	\$	\$17.13

James R. Mills Budget 2017-2018

Capital Improvements

Ⓢ Denotes completed project

Project	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>9190 BUILDING SHELL</b>					
EIFS: EXT BLDG, CLOCK TOWER, MECH PLANT SEALING		\$712,250		\$111,050	
AUTO PARK 6TH FI DECK RE-SURFACING			\$120,000	\$90,000	
EXTERIOR BUILDING PAINT	\$45,010			\$17,000	
ROOF REPLACEMENT/REPAIR Ⓢ	\$29,000				
AUTO PARK STRIPING & ASPHALT REPAIRS				\$50,000	
AUTO PARK SIGNAGE PROGRAM				\$165,000	
AUTO PARK PAINTING				\$365,000	
<b>TOTAL 9190</b>	<b>\$74,010</b>	<b>\$712,250</b>	<b>\$120,000</b>	<b>\$798,050</b>	<b>\$0</b>
<b>9190 TENANT IMPROVEMENT</b>					
COMMON AREA INTERIOR DOOR REPLACEMENT 1st FLOOR			\$13,500		
MANAGEMENT OFFICE FURNITURE UPGRADE			\$27,000		
LOBBY UPGRADE: SECURITY CONSOLE, FLOORING, PAINT & DOORS INSTALL				\$245,000	
ELEVATOR INTERIOR UPGRADE & DOOR FAÇADE FL 1-10				\$75,000	
RESTROOM UPGRADE: ADA COMPLIANCE & INTERIOR FINISHES				\$135,000	\$635,000
	\$0	\$0	\$0		\$0
<b>TOTAL 9190</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40,500</b>	<b>\$455,000</b>	<b>\$635,000</b>
<b>9190 EQUIPMENT</b>					
PLUMBING: PIPE REPLACEMENTS & CLEAN OUT INST Ⓢ	\$30,618				
ENERGY MGMT SYSTEM CONTROL UPGRADES Ⓢ	\$76,500	\$165,000			
BUILDING ECONOMIZERS / BLDG MAKE UP AIR RETROFIT					\$212,000
COOLING TOWER REPLACEMENT			\$175,000		
200 TON CHILLER REPLACEMENT			\$135,000		
CHILLER CONTROL BOARD RETROFIT Ⓢ	\$44,250				
CLOCK TWR INTERIOR & EXTERIOR LIGHTING RETROFIT Ⓢ	\$30,000				
AUTO PARK SECURITY CAMERA INSTALL Ⓢ	\$12,000				
EXTERIOR BUILDING TILE RESEAL				\$23,000	
6th FL VAV ZONE REVISION Ⓢ		\$17,000			
2 CHILLER VFD INSTALL Ⓢ		\$18,500			
FLS FIRE PANEL POINTS REVISION Ⓢ		\$13,000			
LOBBY ADA SLIDING DOOR INSTALL Ⓢ		\$14,500	\$17,000		
<b>BUILDING &amp; AUTO PARK, LED LIGHTING RETROFIT &amp; LIGHTING CONTROL PANELS</b>		\$107,500	\$307,000	\$89,000	
BIRD CONTROL SPIKE INSTALL ON EXT BUILDING	\$11,000				
SECURITY CAMERA UPGRADES				\$20,000	
ELEVATOR CONVEYOR ALIGNMENT					\$84,000
REPLACE AHU VALVES FL 2-9				\$25,000	
X RAY & METAL DETECTOR (For redundancy)				\$42,000	
SOUTH LOBBY DOOR INSTALL				\$16,500	
250 TON CHILLER #2 REPLACEMENT				\$135,000	
<b>TOTAL 9190</b>	<b>\$204,368</b>	<b>\$335,500</b>	<b>\$634,000</b>	<b>\$350,500</b>	<b>\$296,000</b>
<b>LANDSCAPE IMPROVEMENT</b>					
LANDSCAPE FENCING				\$25,000	
<b>TOTAL 1713</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$0</b>
<b>TOTAL BUILDING CAPITAL</b>	<b>\$278,378</b>	<b>\$1,047,750</b>	<b>\$794,500</b>	<b>\$1,628,550</b>	<b>\$931,000</b>
<b>RESERVE ACCOUNT RECONCILIATION AND ESTIMATE</b>	<b>2016/2017</b>	<b>2017/2018</b>			
*Reflects balance as of 2/28/17. 2017/2018 reflects anticipated balance.	\$1,681,076	\$610,290			
TRANSFER FROM OPERATING ACCOUNT (+)		\$200,000			
INTEREST (+)					
CONTRIBUTION (+)	\$474,974	\$1,098,550			
CAPITAL EXPENSES (remaining from previous FY)(-)	\$768,260				
CAPITAL EXPENSES (remaining from current FY)(-)	\$777,500	\$1,628,550			
<b>NET REMAINING RESERVES</b>	<b>\$610,290</b>	<b>\$280,290</b>			

\* Account balance forecast amounts represent best estimate based on anticipated budgeted amounts for capital expenses.

\* Reflects Minimum \$200K Capital Balance Reserves

**MILLS BUDGET FY 16-17 TO FY 17-18 COMPARISON; CURRENT VS. PROPOSED**

	2016-2017	2016-2017	2017-2018	DIFFERENCE \$	DIFFERENCE %	NOTES
	(Approved Budget)	(Reforecasted year end)	(Proposed Budget)	(Budget to budget)	(Budget to budget)	
<b>PROJECT OPERATING EXPENSE CATEGORIES:</b>						
ADMINISTRATION	\$214,793	\$215,897	\$213,692	-\$1,101	-0.51%	
GENERAL BUILDING	\$234,751	\$235,017	\$241,866	\$7,115	3.03%	
JANITORIAL	\$410,788	\$464,929	\$430,462	\$19,674	4.79%	
ELECTRICAL & LIGHTING SYSTEM	\$24,870	\$25,066	\$27,270	\$2,400	9.65%	
ELEVATORS	\$51,600	\$57,549	\$54,000	\$2,400	4.65%	
HVAC SYSTEM	\$58,525	\$57,705	\$57,225	-\$1,300	-2.22%	
LANDSCAPE & GROUNDS	\$40,310	\$38,210	\$40,610	\$300	0.74%	
PARKING EXPENSES	\$459,855	\$455,461	\$452,765	-\$7,090	-1.54%	
SECURITY/FIRE/SAFETY	\$337,285	\$407,666	\$362,785	\$25,500	7.56%	
UTILITIES	\$253,560	\$256,038	\$251,080	-\$2,480	-0.98%	
(equals) TOTAL PROJECT OPERATING EXP:	\$2,086,337	\$2,213,538	\$2,131,754	\$45,417	2.18%	
(minus) PROJECT REVENUE (parking income)	\$1,206,777	\$1,416,139	\$1,500,000	\$293,223	24.30%	2017-2018 Parking revenue continues to rise as parking becomes in higher demand with more surface parking lots in downtown are being lost to new construction
(plus) DIRECT OWNER BILLINGS *	\$700,639	\$701,089	\$812,815	\$112,176	16.01%	2017-2018 Increase due to HHSA requested janitorial dayporter and additional common area security guard expense.
(equals) OWNERS OPERATING CONTRIBUTION	\$1,580,199	\$1,498,488	\$1,444,569	-\$135,630	-8.58%	
(plus) OWNERS CAPITAL PROJECTS CONTRIBUTION	\$794,500	\$794,500	\$1,628,550	\$834,050	104.98%	
(equals) ANNUAL OWNER'S EXPENSE:	\$2,374,699	\$2,292,988	\$3,073,119	\$698,420	29.41%	
(minus) CAPITAL RESERVE ACCOUNT DRAW DOWN	\$0	\$0	\$330,000			
(minus) OPERATING ACCOUNT TRANSFER	\$0	\$0	\$200,000			
(equals) TOTAL PROJECTED <u>NET</u> PROJECT EXPENSE	\$2,374,699	\$2,292,988	\$2,543,119	\$168,420	7.09%	

\* This is SDRBA's monthly parking expenses, County and MTS utility costs and \$22K for City's Padres tax assessment district. There will always be a \$264,000 annual surplus (favorable variance) in the operating account for this billing as the parking paid by the County is not offset by any real expense throughout the year.