

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Paul Navazio  
Director of Finance

**SUBJECT:** Review, discuss and possibly approve a budget amendment for the Recreation Expansion Project

**DATE:** December 14, 2022

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### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees authorizes Fiscal Year 2022/2023 budget amendment related to the Recreation Center Expansion Project (CIP# BI23350100) to:

- 1) Reduce the appropriation provided for in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) in the amount of \$24,346,656 representing unexpended appropriations at project close-out; and
- 2) Reduce the estimated amount of grant revenue included in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) by \$24,303,932, representing grant revenue that will not be billed or collected as a result of termination of the project.

### **II. BACKGROUND**

The Fiscal Year 2022/2023 Capital Budget approved by the Board of Trustees includes appropriations totaling \$25,435,000 (Recreation Fund: 350) in support of a project to expand the District's Recreation Center. This project was anticipated to be funded through a grant from a private donor. However, earlier this year, the project was terminated.

Based on a final accounting of project costs, expenditures totaling \$1,212,034 were charged to the project, of which \$1,088,344 were incurred in the current fiscal year. As a result of the \$25,435,000 in appropriations provided for in the Fiscal Year 2022/2023 Capital Budget, \$24,346,366 will not be required and are thus recommended to be de-appropriated.

Pursuant to the Memorandum of Understanding and subsequent Grant Agreement entered into with the donor, the District is being reimbursed for eligible costs incurred through project termination. A total of \$1,131,068 in costs have been determined to be eligible for reimbursement from the donor, and will be recorded as grant revenues. Staff is therefore recommending that the Fiscal Year 2022/2023 capital budget also be amended to reflect that, of the \$25,435,000 in grant revenues assumed in the budget, \$24,303,932 will not be billed and therefore are recommended to be removed from the budget.

### **III. FINANCIAL IMPACT AND BUDGET**

If approved by the Board of Trustees, the recommendations included in this report will result in a budget amendment reducing the appropriations included in the Fiscal Year 2022/2023 Capital Budget (Recreation Fund 350) by \$24,346,656, and a corresponding reduction in the amount of grant revenues supporting the Fiscal Year 2022/2023 Capital Budget (Recreation Fund 350) by \$24,303,932.

### **IV. CONCLUSION**

Staff recommends that the Board of Trustees authorize Fiscal Year 2022/2023 budget amendment related to the Recreation Center Expansion Project (CIP# BI23350100) to:

- 1) Reduce the appropriation provided for in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) in the amount of \$24,346,656 representing unexpended appropriations at project close-out; and
- 2) Reduce the estimated amount of grant revenue included in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) by \$24,303,932, representing grant revenue that will not be billed or collected as a result of termination of the project.

### **V. ATTACHMENT**

Project Close-out – Financial Summary

**Recreation Expansion Project - Financial Summary**

Project Phase	FY2021/22		FY2022/23		Project Totals	Funding Source	
	Budget	Actual	Budget	Actual		Grant	IVGID
<b>30% Schematic Design Phase</b>							
H&K Architects	\$ 65,000.00	\$ 65,000.00			\$ 65,000.00	\$ 65,000.00	
H&K Architects (T/I's)	7,000.00	7,000.00			7,000.00		\$ 7,000.00
IVGID Staff Costs	29,000.00	22,299.00			22,299.00		22,299.00
	<u>\$ 101,000.00</u>	<u>\$ 94,299.00</u>			<u>\$ 94,299.00</u>	<u>\$ 65,000.00</u>	<u>\$ 29,299.00</u>
<b>Permitting / Pre-Design</b>							
Exline & Co. *	\$ 7,500.00	7,468.61			7,468.61	7,468.61	
Shaw Engineering*	5,000.00	2,243.20			2,243.20	2,243.20	
Odyssey Engineering*	21,000.00	10,500.00		10,500.00	21,000.00	21,000.00	
Black Eagle Consulting*	9,180.00	9,180.00			9,180.00	9,180.00	
* Donor-approved pass-through items	\$ 42,680.00	\$ 29,391.81	\$ -	\$ 10,500.00	39,891.81	\$ 39,891.81	\$ -
<b>100% Design</b>							
Exline & Co.			\$ 150,000.00	\$ 55,395.43	\$ 55,395.43	\$ 55,395.43	
Exline & Co. (T/I's)				\$ 48,739.82	\$ 48,739.82		\$ 48,739.82
H&K Architects			\$ 2,025,000.00	886,905.00	886,905.00	886,905.00	
CORE West, Inc.			\$ 125,000.00	37,500.00	37,500.00	37,500.00	
Brycon Corp.			\$ 19,700.00	19,700.00	19,700.00	19,700.00	
IVGID Staff Costs			\$ 115,000.00	26,676.02	26,676.02	26,676.02	
IVGID Staff Costs (T/I's)				2,927.29	2,927.29		2,927.29
			<u>\$ 2,434,700.00</u>	<u>\$ 1,077,843.56</u>	<u>\$ 1,077,843.56</u>	<u>\$ 1,026,176.45</u>	<u>\$ 51,667.11</u>
<b>Project Totals</b>	<u>\$ 143,680.00</u>	<u>\$ 123,690.81</u>	<u>\$ 2,434,700.00</u>	<u>\$ 1,088,343.56</u>	<u>\$ 1,212,034.37</u>	<u>\$ 1,131,068.26</u>	<u>\$ 80,966.11</u>

	Adopted Budget	Actual Expenditures	Unexpended Budget
FY2022/23 Budget	\$ 25,435,000	\$ 1,088,343.56	\$ 24,346,656.44

Reimbursements	
\$ 401,621.42	Paid (9/26/22)
\$ 729,446.84	Pending