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## Introduction to Capital

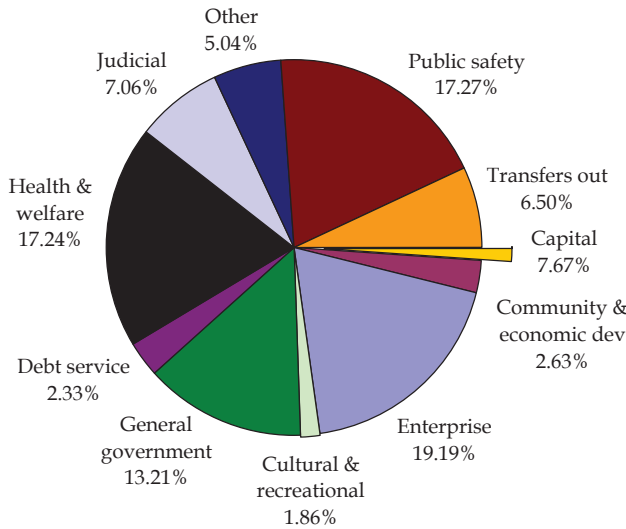
This section provides an overview of the Capital functional area, which includes expenditures related to Building Authority Construction, Bond Capital Improvement Capital Projects, and the Capital Improvement Program (CIP). The section provides program descriptions, discussion of any significant budget issues, and a three-year history of uses and budgeted personnel. The CIP description further provides a description of the annual CIP process, significant CIP policies and procedures, and a list of the approved CIP projects. Also included is a summary of each project and the impact on the operating budget where it exists. A schedule for future CIP project requests is also provided.

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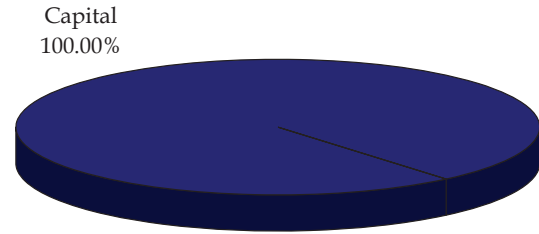
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## Capital Functional Area at a Glance

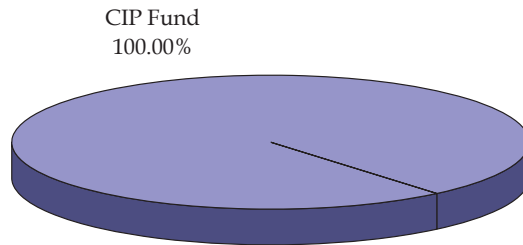
**2010 County Uses by Functional Area**  
\$441,301,041\*



**2010 Functional Area Uses by Fund Type**  
\$4,777,889



**2010 Functional Area Uses by Activity**



\* This chart is net of the \$2,993,502 estimated appropriation lapse that is allocated to functional areas subsidized by the General Fund (excludes the Enterprise Functional Area).

### Functional Area History of Uses by Category

Category	2007 Actual	2008 Actual	2009 Adopted	2010 Requested	2010 Adopted	Adopted % Change
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	NA
Commodities	-	-	-	-	-	NA
Contractual Services	-	-	-	-	-	NA
Capital Outlay	11,475,474	28,757,731	33,169,510	5,348,628	2,099,086	-93.67%
Other Charges	27,625	47,283	-	-	-	NA
Transfers Out	6,530,799	6,668,734	3,149,874	2,678,803	2,678,803	-14.96%
<b>Total Uses</b>	<b>\$ 18,033,898</b>	<b>\$ 35,473,748</b>	<b>\$ 36,319,384</b>	<b>\$ 8,027,431</b>	<b>\$ 4,777,889</b>	<b>-86.84%</b>

<b>Personnel FTE</b>	0	0	0	0	0
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The Fiscal Year 2010 Adopted Budget includes a, \$1.5 million, Transfer Out to the County General Fund to close out fund balances in the CIP Fund.

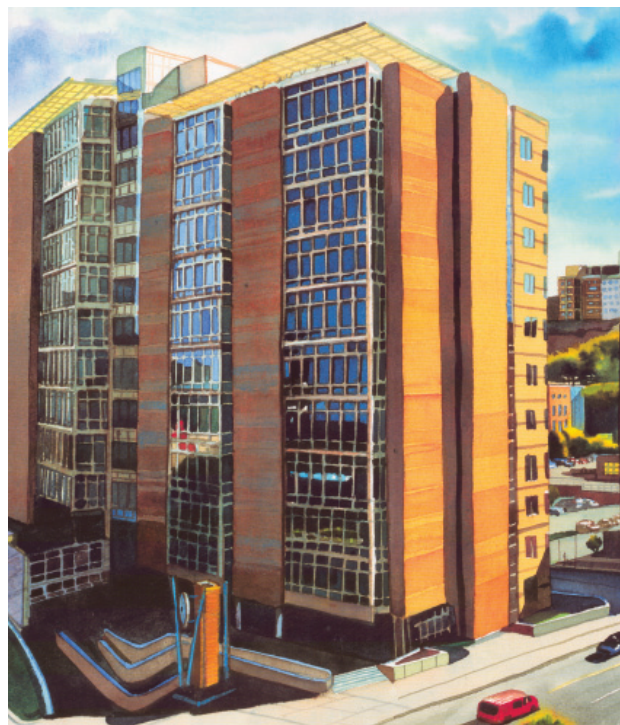
### Functional Area History of Uses by Activity

Department	2007 Actual	2008 Actual	2009 Adopted	2010 Requested	2010 Adopted	Adopted % Change
Build Auth Construction Fund	\$ 3,648,516	\$ 12,836,325	\$ 30,195,384	\$ -	\$ -	-100.00%
Bond Capital Imp Fund	1,220,179	9,158,199	1,393,000	-	-	-100.00%
Capital Imp Program Fund	13,165,203	13,479,225	4,731,000	8,027,431	4,777,889	0.99%
<b>Total Uses</b>	<b>\$ 18,033,898</b>	<b>\$ 35,473,748</b>	<b>\$ 36,319,384</b>	<b>\$ 8,027,431</b>	<b>\$ 4,777,889</b>	<b>-86.84%</b>

## Building Authority Construction

### Overview

The Kent County Building Authority was created in March 1989 for the purposes of acquiring, constructing or improving County facilities as directed by the Board of Commissioners. Projects are assigned to the Building Authority by resolution on a project-by-project basis. Major projects started in 2001 and completed 2002 include the completion of the Courthouse and the Sheriff's Administration Building (accounted for in the 2001 budget). The Facilities Management Department provides the primary support for the specified building projects, and staff assistance to the Authority.



Kent County Courthouse

### History of Uses

	2007 Actual	2008 Actual	2009 Adopted	2010 Adopted
<b>Category</b>				
Personnel	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	2,927,292	11,646,231	29,600,000	-
Other	27,625	325	-	-
Transfers Out	693,599	1,189,769	595,384	-
<b>Total Uses</b>	<b>\$ 3,648,516</b>	<b>\$ 12,836,325</b>	<b>\$ 30,195,384</b>	<b>\$ -</b>
<b>Personnel FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

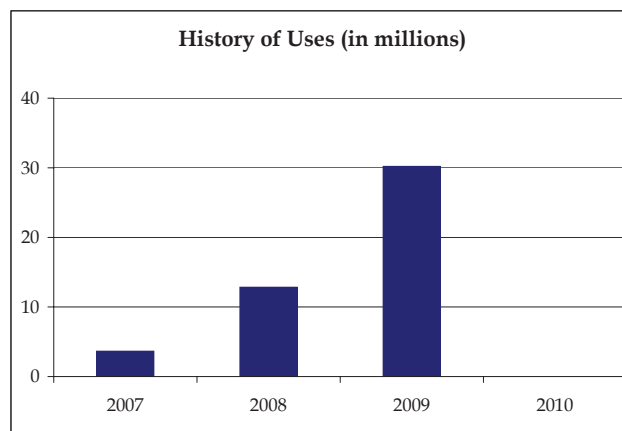
There is a Fund Statement for this activity on page C-37.

### Significant Budget Issues

On May 9, 2007, the Kent County Board of Commissioners issued bonds to finance the construction of a new Human Services Complex on Franklin SE. This facility was opened on June 1, 2009. The new facility houses the State Department of Human Services offices, a County Health Clinic and Area Community Services Employment and Training Council (ACSET) offices.

During fiscal year 2009, the Building Authority appropriated approximately \$29.2 million for construction projects at the Correctional Facility. It is expected these projects will replace 520 beds in the older (1950-1970) sections of the main facility and renovate/expand the kitchen/dining (1963 construction) facilities at Juvenile Detention. Also, the Parks Administration Building project was cancelled/closed out and the remaining \$1.5 million in funding was returned to the County General Fund.

Approximately \$28.1 million, of the \$35.2 million estimated fund balance at the end of FY 2009, will be carried forward for the Correctional Facility. Approximately \$3.9 million will be carried forward to the FY 2010 budget for completion/closeout of the Human Services Complex and approximately \$2.8 million will be carried forward for the Juvenile Detention Remodel.



## Bond Capital Improvement Capital Projects

### Overview

The Bond Capital Improvement Capital Project Fund was created to account for construction projects funded by bonds which currently includes various building and land acquisitions within Kent County.

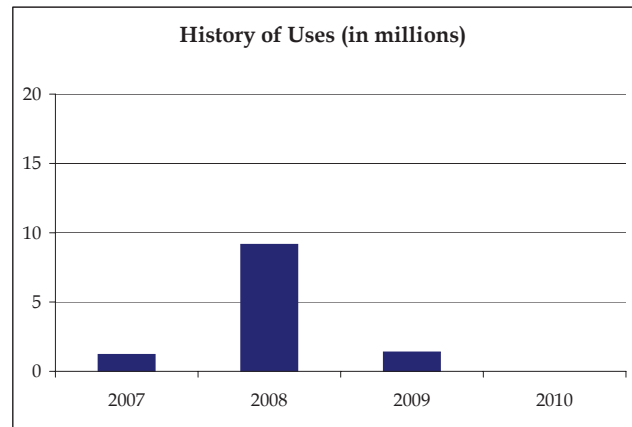


Kent County Millennium Park

### History of Uses

	2007 Actual	2008 Actual	2009 Adopted	2010 Adopted
<b>Category</b>				
Personnel	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	1,220,179	8,027,306	1,393,000	-
Other	-	46,958	-	-
Transfers Out	-	1,083,935	-	-
<b>Total Uses</b>	<b>\$1,220,179</b>	<b>\$9,158,199</b>	<b>\$1,393,000</b>	<b>\$ -</b>
<b>Personnel FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

There is a Fund Statement for this activity on page C-38.



### Significant Budget Issues

No significant budget issues exist.

## Capital Improvement Program

### Overview

The Capital Improvement Projects Fund is used for acquiring, constructing, extending, altering, repairing, or equipping public improvements or public buildings. The County's Capital Improvement Program (CIP) establishes a five-year schedule of planned capital improvements. A typical CIP project will replace or improve the County's buildings, land, facilities, heavy equipment, or related infrastructure. To be included in the CIP budget, a project must have an estimated cost of \$25,000 or more.

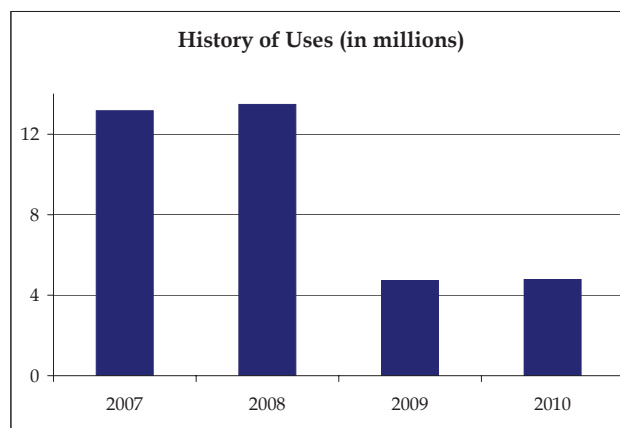
Proposed CIP projects are analyzed and discussed through a series of meetings among the Fiscal Services Department, a CIP Review Team, and the County Administrator/Controller. The County Administrator/Controller recommends a final list of projects to the Board of Commissioners for adoption. The original list of FY2010 projects submitted by operating departments totaled \$8.0 million of improvements to be financed mostly from the general tax levy. As was the case in previous years, not every request was recommended for funding. At its meeting held August 20, the Finance & Physical Resources Committee voted to recommend that \$4.8 million be appropriated for CIP projects (as identified/itemized in the budget document), compared to \$4.7 million that was budgeted in 2009. The projects are selected for funding based on the following criteria: health and safety, funding, mandated vs. discretionary service, and impact on annual operating costs. The Board of Commissioners reviews, amends, and adopts the CIP as part of the annual budgeting process.

CIP projects for 2010 are listed on the following five pages. Included in the list is a summary of each project and the impact on the operating budget where it exists. Also provided on page E-10, is a list of potential 2011-2014 CIP projects.

### History of Uses

	2007 Actual	2008 Actual	2009 Adopted	2010 Adopted
<b>General Fund</b>				
Personnel	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual Services	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Funds</b>				
Capital	13,165,203	13,479,225	4,731,000	4,777,889
<b>Total Department</b>	<b>\$13,165,203</b>	<b>\$13,479,225</b>	<b>\$4,731,000</b>	<b>\$ 4,777,889</b>
<b>Personnel FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

There is a Fund Statement for this activity on page C-39.



### Significant Budget Issues

The \$4.8 million in 2010 recommended projects includes funding for lighting /ballast replacement, dispatch expansion, and replacement of the washer/dryer at the jail for the Sheriff's Department; storage recovery and archiving and network infrastructure for Information Technology; air handler replacements at the Juvenile Detention Center for Facilities Management; parking lot and traffic alterations as well as asphalt replacement and the tropics building re-roof project at the John Ball Zoo; and boardwalk renovation for the Palmer Park Trail. Other major expenditures in the CIP include \$1.2 million for debt service on the 2008 Capital Improvement Bonds and a \$1.5 million closeout of undesignated fund balances.

## 2010 Capital Improvement Program Summary

Project Name	Operating Tax Levy	Grant Funding	Internal Funds	Total
Capital Imp Bonds - Series 2008 Debt Service	\$ 1,178,803	\$ -	\$ -	\$ 1,178,803
Detention Air Handler Replacements	37,400	-	-	37,400
Energy Management Integration	250,000	-	-	250,000
City/County Work Plan	185,500	-	-	185,500
<b>Facilities Management Total</b>	<b>1,651,703</b>	<b>-</b>	<b>-</b>	<b>1,651,703</b>
Network Infrastructure Consolidation	149,880	-	45,000	194,880
Storage Recovery and Archiving	250,000	-	-	250,000
<b>Information Technology Total</b>	<b>399,880</b>	<b>-</b>	<b>45,000</b>	<b>444,880</b>
Palmer Park Trail/Boardwalk Renovation	85,000	-	-	85,000
<b>Parks Total</b>	<b>85,000</b>	<b>-</b>	<b>-</b>	<b>85,000</b>
Lighting/Ballast Replacement	350,000	-	-	350,000
Dispatch Expansion	250,000	125,000	-	375,000
Jail Washer/Dryer Replacement	59,000	-	-	59,000
<b>Sheriff Total</b>	<b>659,000</b>	<b>125,000</b>	<b>-</b>	<b>784,000</b>
Tropics Building Re-Roof Project	72,592	-	-	72,592
Parking Lot and Traffic Alterations	145,510	-	-	145,510
Zoo Asphalt Replacement	48,500	-	-	48,500
Learning Center Ticket Area	35,994	-	-	35,994
<b>Zoo Total</b>	<b>302,596</b>	<b>-</b>	<b>-</b>	<b>302,596</b>
<b>Undesignated</b>	<b>9,710</b>	<b>-</b>	<b>-</b>	<b>9,710</b>
<b>CIP Projects Total</b>	<b>\$ 3,107,889</b>	<b>\$ 125,000</b>	<b>\$ 45,000</b>	<b>\$ 3,277,889</b>

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## 2010 Capital Improvement Program Summary

Project Name/Site	Description	Operating Budget Impact	Cost
<b>Capital Imp Bonds - Series 2008</b>			
<b>Debt Service</b>			
Fuller Complex/63rd District Court  Estimated Start Date: NA Estimated Completion Date: NA	To pay debt service for Animal Shelter, Boiler Plant, Fuller Complex Improvements, 63rd District Court, and the Spectrum Facility.	Increased operating and maintenance costs required to operate larger	\$ 1,178,803
<b>Air Handler Replacements</b>			
Juvenile Detention  Estimated Start Date: Jan 2009 Estimated Completion Date: Dec 2009	To replace one of the four major air handler (HVAC) units, dating back to original construction in 1965, that is getting progressively less reliable and is in need of replacement.	None.	\$ 37,400
<b>City/County Work Plan</b>			
Administration Building  Estimated Start Date: Jan 2010 Estimated Completion Date: Dec 2010	Calder Plaza and Monroe level repairs. Energy Conservation improvements.	None.	\$ 185,500
<b>Energy Management Integration</b>			
82 Ionia/Health Department/ Information Technology  Estimated Start Date: Jan 2010 Estimated Completion Date: Dec 2010	To upgrade temperature controls utilizing automated logic control system.	Reduction in the utilization of utility units by nearly 25%.	\$ 250,000
<b>Network Infrastructure</b>			
Information Technology  Estimated Start Date: Jan 2010 Estimated Completion Date: Dec 2010	To provide Redundancy for the network; improve security of computing services; consolidating network equipment; and ensure the network will be capable of supporting the bandwidth needs of the future.	None.	\$ 194,880
<b>Storage Recovery</b>			
 Estimated Start Date: Jan 2010 Estimated Completion Date: Dec 2010	To increase the space available to support most County software applications.	None.	\$ 250,000
<b>Palmer Park Trail/Boardwalk Renovation</b>			
Palmer Park  Estimated Start Date: Mar 2010 Estimated Completion Date: Nov 2010	To replace existing paved pathway at the park, an immediate paving overlay would extend the life of these areas by 15 years.	Reduction in annual maintenance costs.	\$ 85,000
<b>Lighting/Ballast Replacement</b>			
Sheriff's Department  Estimated Start Date: Jan 2010 Estimated Completion Date: Dec 2010	To replace conventional ballasts and fluorescent light bulbs with electronic ballast and T8 bulbs. The new ballasts and bulbs are more energy efficient and last longer.	Reduction in utility and maintenance costs.	\$ 350,000

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## 2010 Capital Improvement Program Summary

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Project Name/Site	Description	Operating Budget Impact	Cost
<b>Dispatch Expansion</b> Sheriff's Department  Estimated Start Date: Jan 2010 Estimated Completion Date: May 2010	To expand the dispatch operations facility at the Sheriff's Department with additional consoles and equipment.	None.	\$ 375,000
<b>Washer / Dryer Replacement</b> Correctional Facility  Estimated Start Date: Jan 2010 Estimated Completion Date: Feb 2010	To replace washers and dryers that have been in constant operation since 1992. These units are breaking down more frequently and are in need of replacement.	Reduction in maintenance costs and utility usage.	\$ 59,000
<b>Tropics Building Re-Roof Project</b> John Ball Zoo  Estimated Start Date: Sep 2010 Estimated Completion Date: Nov 2010	To replace 20 year old failing roof.	Reduction in maintenance costs.	\$ 72,592
<b>Parking Lot and Traffic Alterations</b> John Ball Zoo  Estimated Start Date: Apr 2010 Estimated Completion Date: Mar 2010	To separate traffic and pedestrian traffic at the zoo entrance, allow the parking lots to be loaded from the back, reduce pedestrian and vehicle interaction, and increase the current entry/exit area to handle increased traffic flow.	Reduction in personnel costs required to direct traffic.	\$ 145,510
<b>Asphalt Replacement</b> John Ball Zoo  Estimated Start Date: Apr 2010 Estimated Completion Date: May 2010	To replace several layers of asphalt filling low spots which collect water.	Reduction in annual operating costs to re-surface small areas.	\$ 48,500
<b>Learning Center Ticket Area</b> John Ball Zoo  Estimated Start Date: Apr 2009 Estimated Completion Date: Apr 2011	To improve the learning center with public restrooms, in-door ticketing functions, and additional revenue generating education space.	Increase in revenue generated from Zoo education programs.	\$ 35,994
<b>Undesignated</b>			\$ 9,710
<b>Total Cost</b>			\$ 3,277,889

## 2011 - 2014 Capital Improvement Program Projects

Project Name	2011	2012	2013	2014
City/County Work Plan	\$ 630,700	\$ 890,400	\$ 1,743,700	\$ -
Detention - Air Handler Replacements	37,400	37,400	37,400	-
Facilities Energy Management Integration	160,000	50,000	-	-
Fuller Complex - Series 2008 Debt Svc	1,170,082	1,160,801	1,155,019	1,147,619
<b>Facilities Management</b>	<b>1,998,182</b>	<b>2,138,601</b>	<b>2,936,119</b>	<b>1,147,619</b>
Network Infrastructure Consolidation, Mgmt & Security	243,593	168,522	-	-
Server Replacement	120,000	120,000	-	-
<b>Information Technology</b>	<b>363,593</b>	<b>288,522</b>	<b>-</b>	<b>-</b>
Zoo Asphalt Replacement	62,500	-	-	-
<b>Sheriff</b>	<b>62,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 2,424,275</b>	<b>\$ 2,427,123</b>	<b>\$ 2,936,119</b>	<b>\$ 1,147,619</b>

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