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The Facilities Budget

Goals

- Create accurate proxy to charge units for use of facilities to:
 - Encourage efficient space utilization
 - Minimize need for new space
 - Increase awareness of operating costs to units

Activity versus non-Activity Based Units

- Activity Based Units ✓
 - Generate revenues through items such as tuition and fees or indirect cost recovery
 - Are assessed charges for utilities and plant operations
 - FY07 assessed charge was \$98.5M
 - \$60.0M for utilities, \$38.5M for plant operations

- Non-Activity Based Units ✓
 - Receive funds through annual budget process allocation
 - Are not assessed charges for utilities or plant operations
 - Data is provided to units on an information only basis
 - FY07 budgeted amount was \$25.2M
 - \$13.6M for utilities, \$11.6M for plant operations

Facilities Charge Types

- Utilities
 - Steam, Electricity, Natural Gas, Water and Sewer

- Plant Operations
 - Building Services, Facilities Maintenance, Grounds and Waste, Refuse and Recycling

Original Budget Creation

- Utilities
 - Used actual costs from previous years to estimate future utilities costs by building and utility
- Plant Operations
 - An analysis of both previous costs and estimates of costs over the “lifetime” of each building were used to calculate a total yearly charge by building

Occupancy Data

- Continuing Buildings
 - Data is from space management data warehouse, and initially has a two year lag from the Budget Year
 - Most buildings are occupied by more than one unit
 - Example: School Example occupancy data for FY 2007:

Bldrecnbr	Bld Descr50	Sum Net Sqft	Sum Part of Bid Sqft
1000001	BUILDING ONE	18,979	100.00%
1000002	BUILDING TWO	3,926	100.00%
1000003	BUILDING THREE	2,546	2.11%
1000004	BUILDING FOUR	14,058	14.42%
		39,509	

- New Buildings or Major Renovations
 - Data is applied as of the move in or move out month, and is tracked through collaboration between OBP, Financial Analysis and the Provost's Office

Annual Budget Modifications

- Utilities
 - The new rates provided by Plant Operations are applied by utility, and allocated by percent of net square feet
 - Projections for Building Four:

UTILITIES	Sum of Units Consumed		
	FY05 Q4 - FY06 Q3	FY07 Rate	FY07 Projection
UTILITIES WATER & SEWER	4,917	5.2110	25,622
UTILITIES NATURAL GAS PUR	78	1.0459	82
UTILITIES ELECTRICITY PUR	-	0.0720	-
UTILITIES CPP STM DIST SATELLITE	-	20.0000	-
UTILITIES CPP STEAM DIST	35,222	20.0000	704,440
UTILITIES CPP ELEC DISTRIBUTION	2,795,821	0.0830	232,053
UTILITIES NC ELEC DISTRIBUTION	-	0.0830	-
TOTAL CHARGE FOR BUILDING FOUR			982,197
BUILDING FOUR OCCUPIED BY SCHOOL EXAMPLE			14.42%
UTILITIES FOR BUILDING FOUR OCCUPIED BY SCHOOL EXAMPLE			138,791

Annual Budget Modifications

- Plant Operations
 - The General Operating Program increase is applied by building and net assignable square feet
 - Calculations for Building Four:

PLANT OPERATIONS	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07
	FY97 Actuals	From FY97 actuals	Incr 2%	Incr 2.5%	Incr 2%	Incr 2.5%	Incr 1%	Incr 0%	Incr 0%	Incr 2%
BLDG FOUR PER SQR FT	4.40810	4.40810	4.49626	4.60867	4.72389	4.81836	4.86655	4.86655	4.86655	4.86655
BLDG FOUR OCCUPIED BY SCHOOL EXAMPLE - SQR FT										14,058
PLANT OPERATIONS FOR BLDG FOUR OCCUPIED BY SCHOOL EXAMPLE										69,782.19

- New and Renovated Space
 - Estimates provided by Financial Analysis and AEC

Calculation of Unit Facilities Charges in Budget Model

Utilities

Fiscal Year	Bldrecnbr	Bld Descr50	Sum Net Sqrft	Sum Part of Bld Sqrft	Util Budget by Bldg	Util Budget by Dept
2005	1000001	BUILDING ONE	18,979	100.00%	134,318	134,318
2005	1000002	BUILDING TWO	3,926	100.00%	11,378	11,378
2005	1000003	BUILDING THREE	2,546	2.11%	995,328	20,983
2005	1000004	BUILDING FOUR	14,058	14.42%	962,197	138,791
			39,509			305,470

Plant Operations

Fiscal Year	Bldrecnbr	Bld Descr50	Sum Net Sqrft	Sum Part of Bld Sqrft	Plant Budget by Bldg Sqrft	Plant Budget by Dept
2005	1000001	BUILDING ONE	18,979	100.00%	7,9456	150,800
2005	1000002	BUILDING TWO	3,926	100.00%	2,5935	10,182
2005	1000003	BUILDING THREE	2,546	2.11%	5,6233	14,317
2005	1000004	BUILDING FOUR	14,058	14.42%	4,9639	69,782
			39,509			245,081

Annual Utilities Report for School Example

School Example	Unit Assignable Square Feet		Budgeted				Actual	
	Utilities	Plant	Utilities	Plant Operations	Rental Space	Total	Utilities	Rental Space
FY07								
1000001	BUILDING ONE	14,058	14,058	138,791	69,782	208,573		
1000002	BUILDING TWO	2,546	2,546	20,983	14,317	35,300		
1000003	BUILDING THREE	3,926	3,926	11,378	10,182	21,560		
1000004	BUILDING FOUR	18,979	18,979	134,318	150,800	285,118		
	Rental					0		0
				305,470	245,081	0	550,551	
FY08								
1000001	BUILDING ONE	14,115	14,115	95,878	68,691	164,569	131,258	
1000002	BUILDING TWO	2,546	2,546	13,454	14,058	27,512	20,319	
1000003	BUILDING THREE	0	3,922	0	5,972	5,972	311	
1000004	BUILDING FOUR	18,979	18,979	173,365	147,843	321,208	129,799	
	Rental					0	0	
				252,695	243,542	0	522,227	281,747
FY09								
1000001	BUILDING ONE	14,124	14,124	80,382	68,735	149,117	85,777	
1000002	BUILDING TWO	2,546	2,546	11,194	14,038	25,232	14,879	
1000004	BUILDING FOUR	18,933	18,933	146,495	139,252	285,747	111,905	
	Rental					0	0	
				238,071	222,025	0	460,096	218,561
FY10								
1000001	BUILDING ONE	17,425	17,425	95,842	84,800	180,642	81,757	
1000002	BUILDING TWO	2,546	2,546	10,870	14,038	24,908	14,205	
1000004	BUILDING FOUR	19,962	19,962	140,421	146,820	287,241	113,962	
	Rental					0	0	
				247,133	245,658	0	492,791	209,924
FY11								
1000001	BUILDING ONE	18,780	18,780	95,556	91,296	186,852	77,872	
1000002	BUILDING TWO	2,567	2,567	10,282	14,152	24,434	12,202	
1000004	BUILDING FOUR	19,962	19,962	117,616	146,818	264,434	110,278	
	Rental					0	0	
				223,454	252,267	0	475,721	200,352

Year End Adjustment

- Utilities
 - Adjusted to actual cost at year end

FY06 Year End Adjustment Calculation		Nt Sqr Ft	Budget	Expenses	Adjustment
1000001	BUILDING ONE	14,115	95,876	131,258	(35,382)
1000002	BUILDING TWO	2,546	13,434	20,379	(6,945)
1000003	BUILDING THREE	3,922	-	311	(311)
1000004	BUILDING FOUR	18,979	173,385	129,799	43,586
Amount returned to unit			282,695	281,747	948

- Plant Operations
 - Not adjusted