

Capital Projects



Plan



Approve



Build



Repeat

Capital Projects



Project expense over \$5,000
with Useful Life over 5 years

What defines a Capital Project?

Projects under \$5,000 or
Less than 5-year life expectancy
are included as an expense in the Operating Budget

Capital Projects



Capital Projects



Repair & Replacement Projects

New Capital Requests

Allowances



Capital Projects

R&R

□ Repair & Replacement Projects

- Projects developed from annual assessment of existing RCSCW property assets for repair or replacement.
- Originate from the **RSMT**- Reserve Study Modeling Tool



Capital Projects



RSMT - Reserve Study Modeling Tool

Spreadsheet Program

Containing over 1300 documented RCSCW Assets

- Tracks Asset- Acquisition date, Estimated useful life, Current cost, Year for replacement, Inflation factor, and Future replacement cost.
- Assets categorized by Vehicles, Equipment, Asphalt, Roofs, Projects, Courts, Flooring, HVAC, Irrigation/Lake Systems, Bunkers, Info Tech, etc.

Establishes yearly Repair & Replacement schedule for Staff review

- Project Manager includes justified R&R items into Capital budget.

Provides CFO the 5 Year Plan modeling.

- 5 Year Plan is included with each Annual Budget.

Calculates the current Fully Funded Balance percentage.

- Reserve Funds policy ensures a 40% fully funded balance for Asset Preservation.

Capital Projects

New Capital

❑ New Capital Projects

- Newly proposed project requests from Clubs, Committees, Governing Board, Association requests, or Staff.
- Project requests approval requires following the **Project Planning Process** policies.

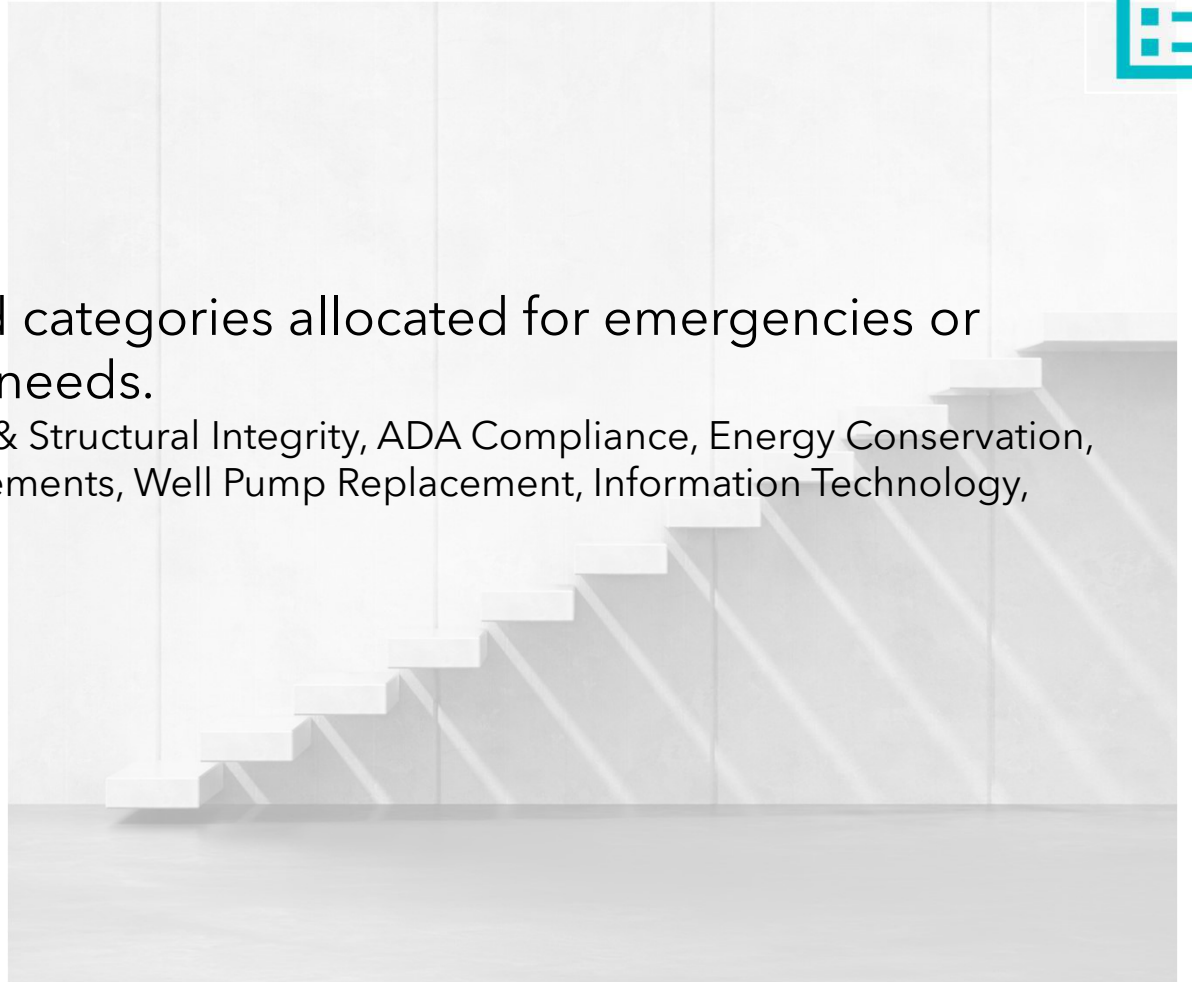


Capital Projects

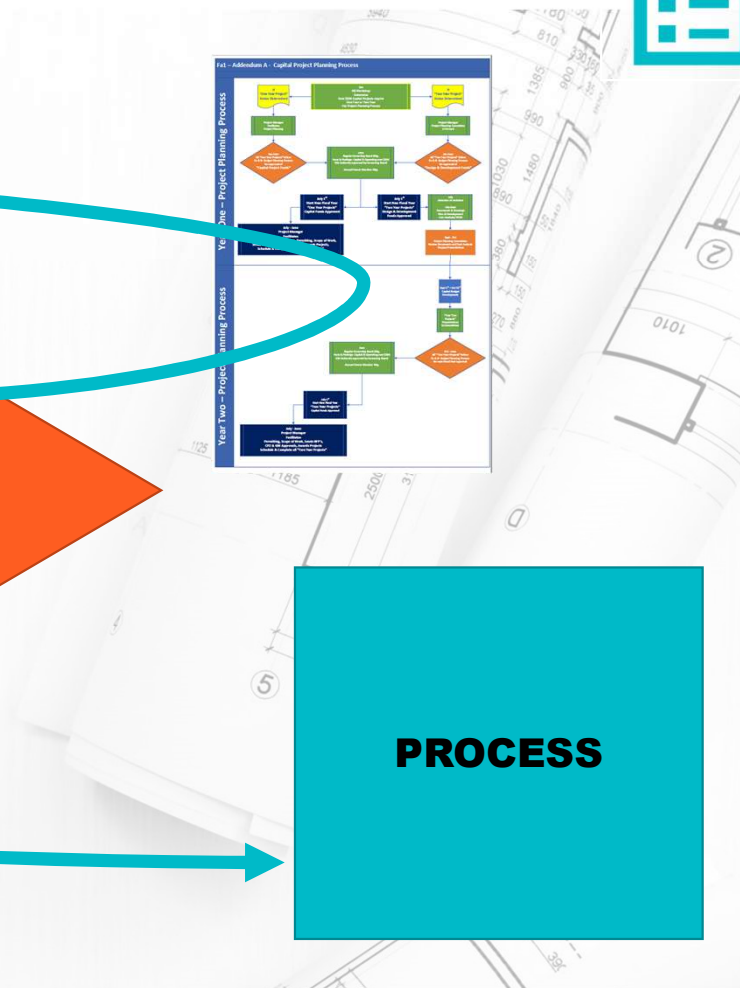
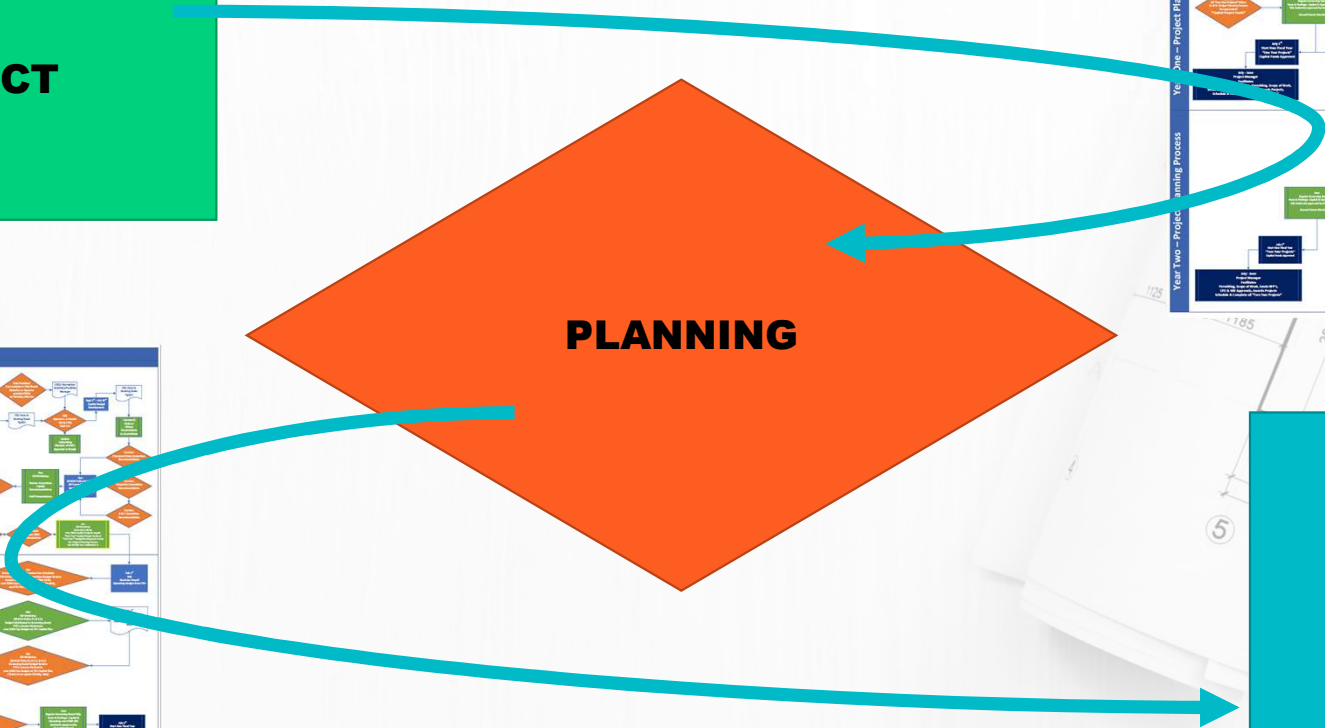
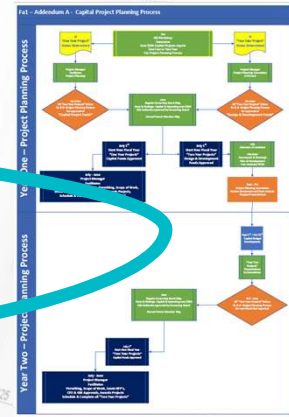
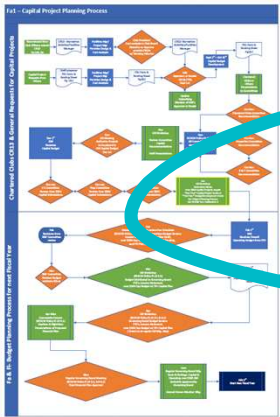
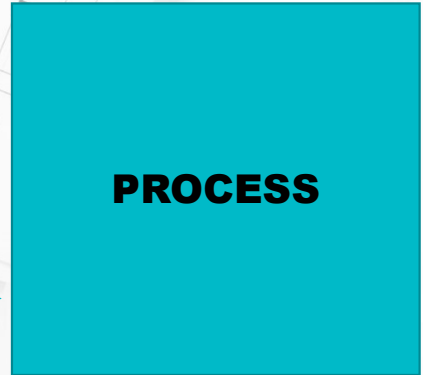
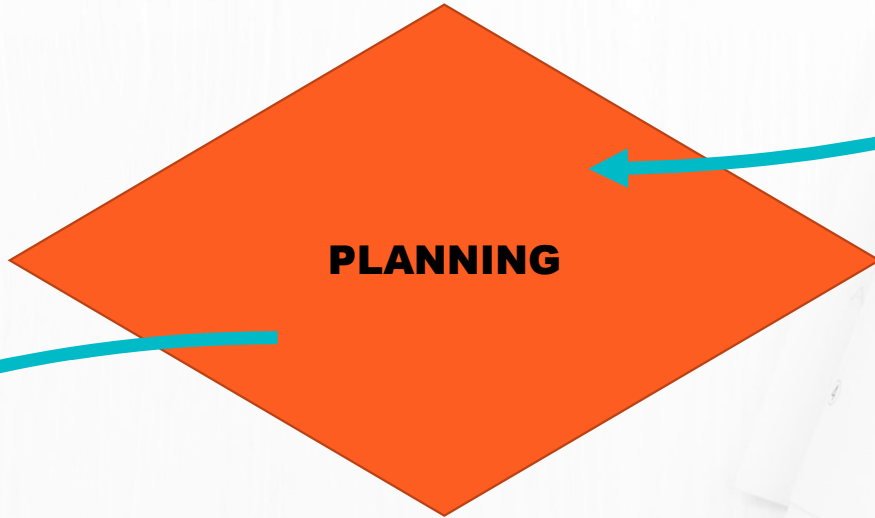
Allowances

□ Allowances

- Specified Capital funded categories allocated for emergencies or unexpected association needs.
 - General Allowances: Safety & Structural Integrity, ADA Compliance, Energy Conservation, Unexpected Facility Improvements, Well Pump Replacement, Information Technology, Equipment.



Capital Projects



Project Planning Process



□ Fa01 Project Planning Policy-Addendum A

- Policy Document - go.boarddocs.com - Policies - Facilities Fa01
- Adheres to RCSCW Facilities and Financial policies.
- Provides critical path timelines to present project requests.
- Defines deadlines for Standing Committee's review and recommendations to the Governing Board.
- Demonstrates the progressive timeline for Governing Board capital approvals.
- Determines if Capital Projects require "One Year" or "Two Year" planning.
- Approved Capital Budget added to Annual Financial Plan.



Project Planning Process



□ **Governing Board- Budget Approval Timeline**

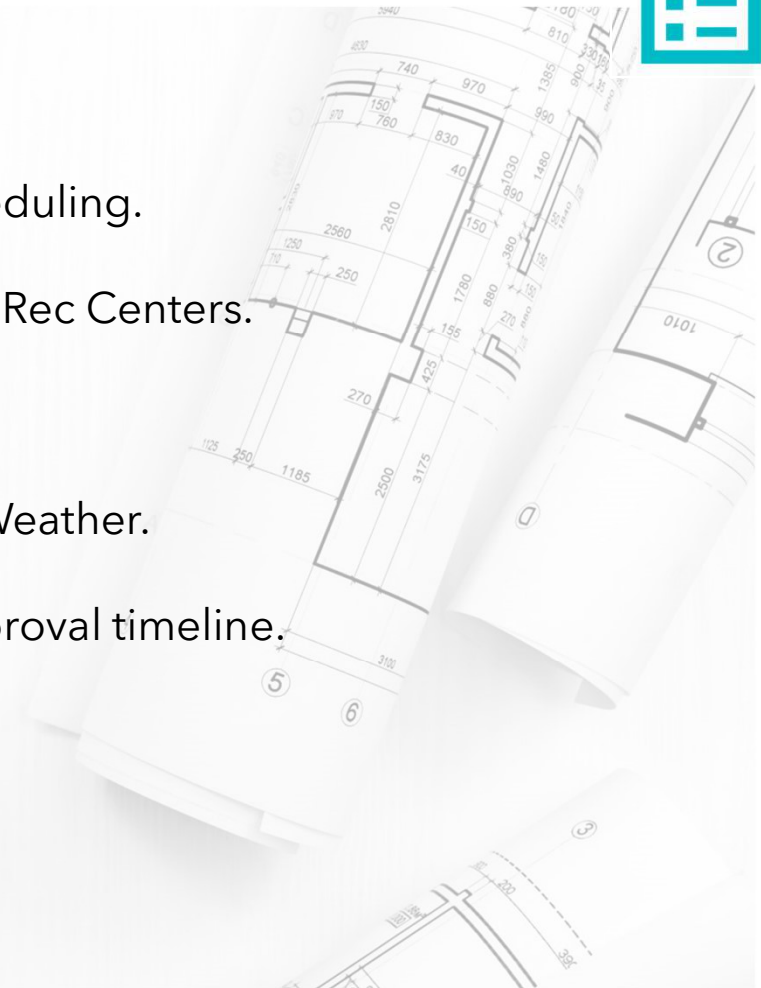
- December/ January - Governing Board reviews GM's Capital Budget.
- February/ April - Governing Board reviews RCSCW Operating Budget.
- April/ May - Annual daytime and evening Community Forums scheduled.
- May - Final Financial Plan Approval at Regular Governing Board Meeting.
- June - Regular Governing Board Mtg; GM authority approved for Capital & Operating expenditures over \$50K for next fiscal year.
- June - Annual Owner Member Meeting- GM Annual Presentation.
- July 1st - Start New Fiscal Year.

Capital Projects Key Points of Scheduling & Policy



□ Project Manager- project scheduling:

- Low Membership vs High Membership project scheduling.
- Evaluate Closures - Pools & Parking Lots between 4 Rec Centers.
- Scheduling during Golf Course closures if possible.
- Climate of Construction, Seasonal Influences, and Weather.
- Architectural Documents and Maricopa County approval timeline.



Capital Projects Key Points of Scheduling & Policy



❑ **Adhering to policies:**

- Project Manager develops Scope of Work for review by Staff.
- Minimum 3 Vendor Policy; unless Sole Source vendor pre-approved.
- All proposals sent to and received by CFO per recommended date.
- CFO and Project Manager together review and select qualified low bid.
- General Manger reviews and signs all Contractual Agreements over \$5K.