

# THE FACILITY FILES

By Amanda Parolise

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## Building Program Annual Operating Budget for an Assisted Living Building Renovation Project

For a building program to be successful and sustainable, it is imperative that the program include an operating budget as well as a construction budget. Fifteen to 20% of the cost of a building is "first cost," and that remaining 80% or more of the cost to own a building is in the operation of the building over its lifespan. The following is a sample of what the HVAC annual operating budget for an assisted living building could look like at the conceptual phase of a renovation project.

ADMINISTRATIVE				
<b>SALARIES, WAGES, &amp; BENEFITS</b>				
• Employee Salaries & Wages	(0) Manager	(0) Supervisor	(1) Technician	\$ 42,000.00
• Taxes, healthcare, etc.				\$ 8,000.00
• Retirement & Benefits				\$ 2,000.00
<b>SALARIES, WAGES, &amp; BENEFITS</b>				
• Project Management				\$ 1,200.00
• Vendor Salaries & Wages				\$ 32,000.00
• Supplies				\$ 5,000.00
<b>SERVICE CONTRACTS</b>				
• Refrigeration Equipment-	(1) Air-Cooled Chiller twice a year			\$ 3,000.00
• Heating Equipment-	(1) Condensing Boiler twice a year			\$ 1,800.00
• Filters-	By outsource vendor			\$ 0.00
• Emergency Generator-	By outsource vendor monthly			\$ 0.00
<b>CONSULTANTS</b>				
• CAD computer-aided drafting-	None			\$ 0.00
• Energy-	None			\$ 0.00
• Information Technology-	(1) On-Call + Annual visit			\$ 1,200.00
<b>INFORMATION TECHNOLOGY</b>				
• Computerized Maintenance Management Software-	None			\$ 0.00
• Handheld Devices-	(1) Cell Phone + Monthly fee			\$ 1,500.00
<b>EXPENSES</b>				
• Education-	(2) HVAC courses			\$ 500.00
• Conferences	(1) NCAL in June			\$ 1,200.00
• Office Supplies	\$250.00 per month			\$ 3,000.00
<b>UTILITIES</b>				
• Electricity				\$ 144,000.00
• Gas				\$ 24,000.00
• Oil				\$ 0.00
• Propane				\$ 0.00
• District/Campus Steam				\$ 0.00
• District/Campus Chilled Water				\$ 0.00
• District/Campus Hot Water				\$ 0.00
<b>DOCUMENTATION</b>				
• Printing				\$ 0.00
<b>PROJECT</b>				
• Maintenance Repair	By outsource vendor			\$ 0.00
• In-House HVAC Modifications	None			\$ 0.00
• Capital Projects	None			\$ 0.00
• Energy Initiatives	None			\$ 0.00
			<b>TOTAL ANNUAL OPERATING COST</b>	<b>\$ 270,400.00</b>
			<b>TOTAL ANNUAL OPERATING COST/Sq Ft</b>	<b>\$ 5.63</b>