



Coastside Fire Protection District STAFF REPORT

TO: Honorable Board of Directors

FROM: Ian Larkin, Fire Chief

SUBJECT: Preliminary Budget FY19/20

DATE: June 26, 2019

Staff Recommendation

1. The Board of Directors accepts this report as presented.
2. The Board of Directors review and discuss the Preliminary Budget for FY 2019/20.

Background

The 2019-2020 Preliminary Budget submitted to you is prepared with due regard to current economic conditions. It has a projected fund balance of approximately \$683,326.89 from the previous fiscal year (2018-19), with an additional \$303,155.75 designated from the FY19/20 budget (Revenue less Expenditures) for a total fund balance of \$986,482.65.

Internal Service Fund (ISF) reserves are held in the Local Agency Investment Fund (LAIF). In FY 18/19, the recommended transfer-out of fund balance to the ISF, adopted in the final budget (listed below) did not occur. These funds could not be transferred to LAIF and back to the general fund in time to meet payment obligations to our vendors. This amount remained in the general fund to be applied to construction costs for new Fire Station 41.

FY 18/19 Recommendation

Internal Service Fund Contribution – Apparatus Replacement -	\$ 190,576.00
Internal Service Fund Contribution – Structure/Land Improvements -	<u>\$4,000,000.00</u>
Total	\$4,190,576.00

Due to the ongoing construction of new Fire Station 41, staff recommends no transfer out of fund balance to LAIF in FY 19/20. It is recommended instead, that a transfer-in occur in the amount of \$5,000,000.00 in order to meet continuing contractual commitments related to the construction of new Station 41.

Budget Summary:	2018-19 Final Budget	2018/19 Est. Actuals	2019-2020 Preliminary
Total Revenues	\$11,614,520	\$12,408,059	\$13,108,999
Operating Expenditure	\$10,474,920	\$14,775,708	\$17,122,517
Capital Outlay	\$556,000	\$8,176,876	\$6,073,000.00
Transfer In	\$3,050,976	\$3,050,976	\$5,000,000
Transfer Out	\$1,139,598	\$0.00	\$0.00
Revenue Over (Under)	\$4,190,576	\$683,327	\$986,483
Int. Serv. Fund Contributions	\$4,190,576	\$0.00	\$0.00
Debt Service Contributions**	\$0.00	\$0.00	\$0.00

* Includes Property Taxes, Special Assessments, Contracts and ERAF rebate

** OPEB PARS Trust contribution. The detail of the above summary can be seen in the attached budget documents.

2018-19 Estimated Budget Year Performance: (Need Figures)

Revenue: We anticipate an increase of approximately \$716,304 in total revenue from the \$10,856,300 final budget estimate. The primary account categories effected are Secured Property Tax (\$194,034), Unsecured Property Tax (\$40,249), ERAF Rebate (\$97,713) and Miscellaneous Reimbursements (\$280,357).

Expenditure: There is an estimated savings of approximately \$1,090,006 in the expenditure budget. The savings comes from the combination of reductions in total salaries/benefits (\$409,577), services and supplies (\$28,008), special district expenses (\$3,183), maintenance (\$105,421), rents/leases (\$1,820), public education and training (\$46,636), capital improvements projects (\$44,325) and capital equipment (\$485,283).

2019-20 Preliminary Budget:

Revenue: The preliminary budget property tax revenue estimates are based on the assumption secured and unsecured taxes will remain relatively flat from the previous fiscal year. Estimates will be re-evaluated during the final budget projections.

Expenditures: There is a projected cooperative agreement increase of approximately (\$386,926). This is attributed to an increase in salary and benefits from the previous fiscal year. In addition, we anticipate a marked increase in the CalPERS retirement contribution (\$???).

Projected Internal Service Fund contributions will total approximately \$ for new Fire Station 41.

Estimated Fund Balance Summary:

Balance as of June 30, 2020

Apparatus Replacement	\$ 1,144,129
New Fire Station 41	14,881,837
New Fire Station 44	500,000
Equipment and Tools	1,281,556
Weed Abatement Reserve	25,907
Interest Income	33,483
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Total in LAIF	17,866,912
General Reserve	1,882,000
OPEB PARS Trust	4,088,930
Petty Cash	350

The detail of the above summary can be seen in the attached budget documents.

COASTSIDE FIRE PROTECTION DISTRICT
Fiscal Year 2019-20 Preliminary Budget

		2019-20	2018-2019	2018-19	2018/19 to 2019/20
		Preliminary Budget	Final Budget	Estimated Actual	% Change
REVENUE					
Prior Year Fund Balance		683,326.89			
1021	Property Tax - Secured Curr Yr	9,567,353.73	8,804,034.00	9,334,003.64	8.67%
1031	Property Tax - Unsecured Curr Yr	498,236.94	475,000.00	486,084.82	4.89%
1033	Property Tax - Prior Unsecured	1.00	1.00	15,642.04	0.00%
1041	Property Tax – SB816 Sec. Supp. Curr Yr	269,000.00	269,000.00	266,244.70	0.00%
1042	Property Tax – SB813 Unsec. Supp. Curr Yr	-	-	-	0.00%
1043	Property Tax - Prior Secured SB 813	-	-	-	0.00%
1045	Property Tax - Prior Unsecured SB 813	1.00	1.00	-	0.00%
1046	Property Tax - ERAF Refund	920,450.00	898,000.00	1,172,364.47	2.50%
1831	H.O.P.T.R.	32,625.61	38,000.00	31,985.89	-14.14%
Subtotal - Property Taxes		11,287,668.28	10,484,036.00	11,306,325.56	7.67%
1521	Interest	\$ 35,000.00	35,000.00	\$ 95,980.98	\$ 0.00%
1661	Highway Property Rental	1.00	1.00	-	0.00%
1868	Timber Yield Tax Guarantee	-	-	42.21	0.00%
2124	Plan Review / Reports	56,000.00	73,000.00	56,776.50	-23.29%
2422	PTM Benefit Assessment	73,000.00	73,000.00	53,380.95	0.00%
2433-1	Contracts-Martins Beach	1.00	1.00	-	0.00%
2433-3	Contracts-Pillar Point AFB	1.00	1.00	-	0.00%
2433-4	Taxes - Special (CFD's)	95,000.00	90,000.00	83,868.01	5.56%
2433-6	AMR Lease - Sta 40	42,000.00	42,000.00	42,000.00	0.00%
2434	Weed Abatement	22,000.00	22,000.00	4,999.07	0.00%
2439	HLF Benefit Assessment	270,000.00	270,000.00	209,755.62	0.00%
2647	Reimbursements	410,000.00	403,480.00	412,655.01	1.62%
2647-2	Strike Team Reimbursement	-	-	6,821.76	0.00%
2658-1	Alarm Reports	-	-	-	0.00%

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2658-2	Mis.Income - General Fund	5,000.00	5,000.00	3,832.59	0.00%
2658-7	ALS JPA	130,000.00	117,000.00	130,233.00	11.11%
2658-8	Misc Income - Training Classes	1.00	1.00	1,387.70	0.00%
TOTAL REVENUE		13,108,999.17	11,614,520.00	12,408,058.96	12.87%

EXPENSES

5876	CAL FIRE Salaries	\$	8,397,244.00	7,675,312.00	\$	6,198,627.71	\$	9.41%
4111	Part Time Employee Salary (Admin Assist/Custodial.)		-	-		-		0.00%
4192	Directors Compensation		12,000.00	11,000.00		9,519.13		9.09%
4312	Medical/Hospital Tax (Medicare)		1,000.00	1,000.00		707.70		0.00%
4321	PERS Contribution		1,237,472.53	1,108,182.00		1,039,892.88		11.67%
4413-2	Health Insurance-Retirees		7,000.00	-		5,450.42		0.00%
4422	Dental - Retirees		1,000.00	726.00		-		37.74%
4441	Life/Disability Insurance		7,500.00	7,500.00				0.00%
4511	Workers Compensation Insurance		6,500.00	6,500.00		4,469.00		0.00%
Total Salaries & Benefits		\$	9,669,716.53	8,810,220.00	\$	7,258,666.84	\$	9.76%
5111	Agriculture Weed Abatement	\$	20,000.00	13,000.00	\$	20,000.00	\$	53.85%
5121	Clothing and Uniforms		10,000.00	1,000.00		483.83		900.00%
5132	Communications/Telephone		77,000.00	72,000.00		74,236.45		6.94%
5156	Household Expenses		32,000.00	25,000.00		30,704.86		28.00%
5164	Medical Equip. < \$500		2,000.00	2,000.00		-		0.00%
5165	Medical Supplies		2,000.00	2,000.00		-		0.00%
5193	General Office Expense		15,000.00	15,000.00		7,976.44		0.00%
5195	Subscriptions & Periodicals		8,000.00	8,000.00		6,332.85		0.00%
5197	Postage/Mailing		4,000.00	4,000.00		2,530.67		0.00%
5211	Computer Software		22,000.00	15,000.00		20,935.83		46.67%

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5212	Computer Supplies	1,000.00	1,000.00	-	0.00%
5213	Computer < \$5,000	10,000.00	10,000.00	4,664.07	0.00%
5231	Small Tools & Equipment	15,000.00	10,000.00	3,506.79	50.00%
	Subtotal Services & Supplies	\$ 218,000.00	178,000.00	\$ 171,371.79	\$ 22.47%
5331	Membership/ Association Dues	11,000.00	11,000.00	9,701.00	0.00%
5341	Publications/Legal Notices	3,500.00	3,500.00	2,696.50	0.00%
5351	Special District Expense	13,000.00	13,000.00	2,670.44	0.00%
	Subtotal Special District Expenses	\$ 27,500.00	27,500.00	\$ 15,067.94	\$ 0.00%
5413	Vehicle Maintenance and Repair - Labor	\$ 110,000.00	110,000.00	\$ 70,922.46	\$ 0.00%
5416	Fuel & Petroleum Products	70,000.00	70,000.00	53,890.69	0.00%
5417	Vehicle Repair - Parts	60,000.00	30,000.00	50,745.69	100.00%
5419	Medical Equip. Maint.	1,000.00	1,000.00	-	0.00%
5422	Annual Ladder Service Check	3,000.00	3,000.00	1,883.40	0.00%
5424	Radio - Telecom Maint.	3,500.00	3,600.00	593.71	-2.78%
5426	Office Equipment - Maint.	500.00	500.00	-	0.00%
5428	Misc. Equipment Maintenance	15,500.00	15,500.00	6,860.63	0.00%
5438	Hydrant Maintenance	1,500.00	1,500.00	202.28	0.00%
5455	Maintenance of Facilities	120,000.00	42,000.00	22,948.36	185.71%
5459	SCBA Maintenance	10,000.00	10,000.00	3,504.48	0.00%
5478	Contract Maintenance	27,000.00	27,000.00	20,688.42	0.00%
5483	Custodial Services	3,000.00	3,000.00	2,470.00	0.00%
	Subtotal Maintenance	\$ 425,000.00	317,100.00	\$ 234,710.12	\$ 34.03%
5521	Rents & Leases	\$ 15,500.00	15,500.00	\$ 8,612.34	\$ 0.00%
	Subtotal Rents	\$ 15,500.00	15,500.00	\$ 8,612.34	\$ 0.00%

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Fiscal Year 2019-20 Preliminary Budget

		2019-20 Preliminary Budget	2018-2019 Final Budget	2018-19 Estimated Actual	2018/19 to 2019/20 % Change
5611 Insurance	\$	70,000.00	65,000.00	\$ 58,210.00	\$ 7.69%
5631 Utilites-(40, 41, 44)		54,000.00	54,000.00	46,066.12	0.00%
Subtotal Insurance/Utilities	\$	124,000.00	119,000.00	\$ 104,276.12	\$ 4.20%
5731 Training & Educational Expense	\$	71,800.00	33,000.00	\$ 5,277.61	\$ 117.58%
5732 Outside Trainer		46,000.00	37,000.00	23,100.00	24.32%
5733 Training Materials & Supplies		10,000.00	10,000.00	13,201.74	0.00%
5737 Public Education		3,500.00	2,000.00	3,591.84	75.00%
Subtotal Training & Pub Ed	\$	131,300.00	82,000.00	\$ 45,171.19	\$ 60.12%
5815 Fire Net Six (Dispatching)	\$	19,000.00	19,000.00	\$ 16,873.00	\$ 0.00%
5834 Legal Services		80,000.00	80,000.00	25,836.46	0.00%
5842 Audit & CPA Services		15,000.00	15,000.00	6,890.00	0.00%
5856 Mapping Project		5,000.00	5,000.00	-	0.00%
5858 Other Professional Contracts		25,000.00	25,000.00	20,629.29	0.00%
5865 Medical Exams		20,000.00	1,000.00	-	1900.00%
5874 S.M. Co. Tax Collector		4,500.00	4,300.00	2,668.18	4.65%
5876 Other Professional Services		270,000.00	220,300.00	266,103.07	22.56%
Subtotal Contract Services	\$	438,500.00	369,600.00	\$ 339,000.00	\$ 18.64%
5961 Facility Improvement	\$	60,000.00	50,000.00	\$ 26,727.51	\$ 20.00%
Subtotal Cap Improvement <\$5,000	\$	60,000.00	50,000.00	\$ 26,727.51	\$ 20.00%
5971 Furniture, Equipment and Tools <\$5,000	\$	140,000.00	246,000.00	\$ 62,404.39	\$ -43.09%
Subtotal Cap Equipment<\$5,000	\$	140,000.00	246,000.00	\$ 62,404.39	\$ -43.09%

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Fiscal Year 2019-20 Preliminary Budget

		2019-20	2018-2019	2018-19	2018/19 to 2019/20
		Preliminary Budget	Final Budget	Estmimated Actual	% Change
7211	Capital Improvements >\$5,000	\$ 60,000.00	60,000.00	\$ -	\$ 0.00%
	Subtotal Cap Improvement>\$5,000	\$ 60,000.00	60,000.00	\$ -	\$ 0.00%
7311	Capital Equipment >\$5,000	\$ 813,000.00	200,000.00	\$ 870.85	\$ 306.50%
	Subtotal Cap Equipment>\$5,000	\$ 813,000.00	200,000.00	\$ 870.85	\$ 306.50%
7402	New Station 41 Construction	\$ 5,000,000.00	-	6,507,725.74	
7701	New Station 44 Lot Exploration	\$	-	1,103.24	
	Subtotal Cap New Station Expense	\$ 5,000,000.00	1.00	\$ 6,508,828.98	\$
	TOTAL OPERATING & CAPITAL BUDGET	\$ 17,122,516.53	10,474,920.00	\$ 14,775,708.07	\$ 63.46%
	SUB TOTAL REVENUE OVER/(UNDER) EXPENDITURE	\$ (4,013,517.35)	1,139,600.00	\$ (2,367,649.11)	\$
	Transfer In- Fund Balance	\$ 5,000,000.00	3,050,976.00	3,050,976.00	
	TOTAL REVENUE OVER/(UNDER) EXPENDITURE	\$ 986,482.65	4,190,576.00	683,326.89	
	Transfer Out - Trust Fund (PARS)	\$			
	Transfer Out - Apparatus Int. Serv. Fund	\$	190,576.00	-	
	Transfer Out - Equip. Int. Serv. Fund	\$			
	Transfer Out - Structures. Int. Serv. Fund	\$	4,000,000.00	-	
	Transfer Total	\$	4,190,576.00	-	