

COASTSIDE FIRE PROTECTION DISTRICT

“PRELIMINARY BUDGET”



FISCAL YEAR 2016/2017

JUNE 22, 2016



Coastside Fire Protection District STAFF REPORT

TO: Honorable Board of Directors **FROM:** Paul Cole, Assistant Chief
SUBJECT: Preliminary Budget FY16/17 **DATE:** June 22, 2016

Staff Recommendation

1. The Board of Directors accepts this report as presented.
2. The Board of Directors review and approve the Final Budget for FY 2016/17

Background

The 2016-2017 Preliminary Budget submitted to you is prepared with due regard to current economic conditions. It has a projected fund balance of \$3,306,854 from the previous fiscal year (2015-16), with an additional \$1,998,500 designated from the FY14/15 budget (Revenue less Expenditures) for a total fund balance of \$5,305,354. Staff recommends to the Board it use the projected fund balance towards the following District internal service fund obligations:

Public Agency Retirement Services (PARS) -	\$1,043,896
Internal Service Fund Contribution – Equipment -	\$200,000
Internal Service Fund Contribution – Apparatus Replacement -	\$556,104
Internal Service Fund Contribution – Training Prop	\$500,000
Internal Service Fund Contribution – Structure/Land Improvements -	<u>\$3,005,354</u>
Total	\$5,305,354

The proposed budget supports the Internal Service Fund FY16/17 contributions for Apparatus replacement and Tools and Equipment Fund. The assets allocated are transferred from General Operating funds into the aforementioned Internal Service Fund reserves held in the Local Agency Investment Fund (LAIF).

Budget Summary:

	<u>2015-16 Fiscal Year</u>		<u>2016-2017 Fiscal Year</u>
	<u>Budget</u>	<u>Estimated</u>	<u>Preliminary</u>
Total Revenues	\$ 10,542,545	\$ 10,579,524 *	\$ 10,867,672 *
Operating Expenditure	8,796,255	7,272,670	8,869,172
Capital Outlay	347,000	191,534	452,000
Transfer Out		3,306,854	
Revenue Over (Under)			1,998,500
Int. Serv. Fund Contributions	3,502,998	3,502,998	4,261,458
Debt Service Contributions**	264,083	264,083	1,043,896**

* 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.

2015-16 Estimated Budget Year Performance:

Revenue: Projected total revenue expected to meet FY15/16 final budget estimates (\$10,542,545). Final budget to reflect any increase/decrease in each of the revenue accounts.

Expenditure: There is a savings of approximately \$1,500,000 in the expenditure budget. The savings comes from the combination of reductions in Cal Fire contract personnel costs (\$865,000), other salary and benefits (\$34,515), services and supplies (\$73,128), maintenance (\$97,225), rents/leases (\$1,954), insurance (\$9,005), public education and training (\$26,295), contract services (\$193,889), capital improvements projects (\$18,185) and capital equipment (\$77,281).

2016-17 Budget:

Revenue: The property tax revenue estimates are based on the assumption the secured and unsecured taxes will remain flat (2%) from the previous fiscal year.

Expenditures: There is a projected cooperative agreement increase of approximately (\$23,00). This is attributed to an increase in benefits and the elimination of the mechanic position. Projected Internal Service Fund and Debt Service (PARS) contributions will total approximately \$5,305,354 for the year (Apparatus Replacement, Equipment and Tools, Land/Structures and PARS)

Estimated Fund Balance Summary:

Balance as of June 30, 2017

Petty Cash	\$	350
Apparatus Replacement		2,540,635
Structure Improvement		11,140,667
Equipment and Tools		1,442,112
Training Prop		1,626,794
General Reserve		1,882,127
Legal		50,000
Special Projects		50,000
OPEB PARS Trust		4,000,000
Weed Abatement Reserve		25,907
CalPERS Pension Reserve		300,000
Undesignated in LAIF (interest)		32,292

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

**COASTSIDE FIRE PROTECTION DISTRICT
Fiscal Year 2016-2017 Preliminary Budget**

		2016-2017	2016-2017	2015-2016	2015-2016	2015-2016
		Final	Estimated	Actual	\$ Variance	% Change
REVENUE						
1021	Property Tax – Secured Curr Yr	\$	\$ 7,900,000	\$		
1031	Property Tax – Unsecured Curr Yr		427,410			
1033	Property Tax - Prior Unsecured		0			
1041	Property Tax – SB816 Sec. Supp. Curr Yr		263,262			
1042	Property Tax – SB813 Unsec. Supp. Curr Yr		0			
1043	Property Tax - Prior Secured SB 813		3,000			
1046	Property Tax - ERAF Refund		796,000			
1831	H.O.P.T.R		27,000			
	Sub total - Property Taxes	\$ 0	\$ 9,416,672	\$ 0	0	0.00%
1521	Interest	\$	\$ 14,000	\$		
1661	Highway Property Rental		0			
1868	Timber Yield Tax Guarantee		0			
2124	Plan Review / Reports		80,000			
2422	PTM Benefit Assessment		74,000			
2433-1	Contracts-Martins Beach		0			
2433-3	Contracts-Pillar Point AFB		0			
2433-4	Taxes - Special (CFD's)		80,000			
2433-6	AMR Lease - Sta 40		30,000			
2434	Weed Abatement		18,000			
2439	HLF Benefit Assessment		264,000			
2647	Reimbursements		800,000			
2647-2	Strike Team Reimbursement		0			
2658-1	Alarm Reports		0			
2658-2	Mis.Income - General Fund		6,000			
2658-5	Misc. Income - Grants		0			
2658-7	JPA		85,000			
	TOTAL REVENUE	\$ 0	\$ 10,867,672	\$ 0	0	0.00%

**COASTSIDE FIRE PROTECTION DISTRICT
Fiscal Year 2016-2017 Preliminary Budget**

	2016-2017 Final	2016-2017 Estimated	2015-2016 Actual	2015-2016 \$ Variance	2015-2016 % Change
EXPENSES					
5876 Salaries	\$	\$	6,543,599		
4111 Part Time Employee Salary (Admin Assist/Custodial.)		3,300			
4192 Directors Compensation		10,000			
4312 Medical/Hospital Tax (Medicare)		1,000			
4321 PERS Contribution		494,773			
4413 Health Insurance - Retirees		410,000			
4422 Dental - Retirees		5,000			
4441 Life/Disability Insurance		7,500			
4511 Workers Compensation Insurance		9,000			
Total Salaries & Benefits	\$	0	\$ 7,484,172	\$ 0	
5111 Agriculture Weed Abatement	\$	\$	20,000		
5121 Clothing and Uniforms		3,500			
5132 Communications/Telephone		36,000			
5156 Household Expenses		25,000			
5164 Medical Equip. < \$500		3,000			
5165 Medical Supplies		3,000			
5193 General Office Expense		15,000			
5195 Subscriptions & Periodicals		4,800			
5197 Postage/Mailing		5,000			
5211 Computer Software		12,600			
5212 Computer Supplies		1,000			
5213 Computer < \$5,000		23,000			
5231 Small Tools & Equipment		14,000			
Subtotal Services & Supplies	\$	0	\$ 165,900	\$ 0	0.00%
5331 Membership/Association Dues		9,200			
5341 Publications/Legal Notices		5,000			
5351 Special District Expense		10,000			
Subtotal Special District Expenses	\$	0	\$ 24,200		
5413 Vehicle Maintenance and Repair - Labor	\$	\$	100,000		
5416 Fuel & Petroleum Products		70,000			
5417 Vehicle Repair - Parts		30,000			
5419 Medical Equip. Maint.		1,000			
5422 Annual Ladder Service Check		2,200			

COASTSIDE FIRE PROTECTION DISTRICT
Fiscal Year 2016-2017 Preliminary Budget

	2016-2017 Final	2016-2017 Estimated	2015-2016 Actual	2015-2016 \$ Variance	2015-2016 % Change
5424 Radio - Telecom Maint.		3,000			
5426 Office Equipment - Maint.		500			
5428 Misc. Equipment Maintenance		15,500			
5438 Hydrant Maintenance		1,500			
5455 Maintenance of Facilities		17,000			
5459 SCBA Maintenance		10,000			
5478 Contract Maintenance		25,000			
5483 Custodial Services		2,000			
Subtotal Maintenance	\$ 0	\$ 277,700	\$ 0	\$ 0	0.00%
5521 Rents & Leases	\$ 0	\$ 15,000			
Subtotal Rents	\$ 0	\$ 15,000	\$ 0	\$ 0	0.00%
5611 Insurance	\$ 0	\$ 65,000			
5631 Utilities-(40, 41, 44)		50,000			
Subtotal Insurance/Utilities	\$ 0	\$ 115,000	\$ 0	\$ 0	0.00%
5731 Training & Educational Expense	\$ 0	\$ 33,000			
5732 Outside Trainer		32,000			
5733 Training Materials & Supplies		8,000			
5737 Public Education		10,000			
Subtotal Training & Pub Ed	\$ 0	\$ 83,000	\$ 0	\$ 0	0.00%

**COASTSIDE FIRE PROTECTION DISTRICT
Fiscal Year 2016-2017 Preliminary Budget**

	2016-2017 Final	2016-2017 Estimated	2015-2016 Actual	2015-2016 \$ Variance	2015-2016 % Change
5815 Fire Net Six (Dispatching)	\$	\$ 20,000	\$		
5834 Legal Services		80,000			
5842 Audit & CPA Services		15,000			
5856 Mapping Project		5,000			
5858 Other Professional Contracts		45,000			
5865 Medical Exams		4,000			
5874 S.M. Co. Tax Collector		3,200			
5876 Professional Services		80,000			
Subtotal Contract Services	\$ 0	\$ 252,200	\$ 0	\$ 0	0.00%
5961 Facility Improvement	\$	\$ 50,000	\$		
Subtotal Cap Improvement <\$5,000	\$ 0	\$ 50,000	\$ 0	\$ 0	0.00%
5971 Furniture, Equipment and Tools <\$5,000	\$	\$ 100,000	\$		
Subtotal Cap Equipment<\$5,000	\$	\$ 100,000	\$ 0	\$ 0	0.00%
7211 Capital Improvements >\$5,000	\$	\$ 60,000	\$		
Subtotal Cap Improvement>\$5,000	\$	\$ 60,000	\$ 0	\$ 0	0.00%
7311 Capital Equipment >\$5,000	\$	\$ 242,000	\$		
Subtotal Cap Equipment>\$5,000	\$	\$ 242,000	\$ 0	\$ 0	0.00%
TOTAL OPERATING & CAPITAL BUDGET	\$	\$ 8,869,172	\$ 0	\$	
SUB TOTAL REVENUE OVER/(UNDER) EXPENDITURE	\$	\$ 1,998,500	\$ 0	\$ 0	0.00%
Transfer In- Fund Balance FY 15/16	\$	3,306,854			
TOTAL REVENUE OVER/(UNDER) EXPENDITURE	\$	5,305,354			
Transfer Out - Trust Fund (PARS)	\$	1,043,896			
Transfer Out - Apparatus Int. Serv. Fund	\$	556,104			
Transfer Out - Equip. Int. Serv. Fund	\$	200,000			
Transfer Out - Training Prop Fund		500,000			
Transfer Out - Structures. Int. Serv. Fund	\$	3,005,354			
Transfer Total	\$	5,305,354			
FINAL REVENUE OVER/(UNDER) EXPENDITURE	\$	0			

COASTSIDE FIRE PROTECTION DISTRICT
2016-2017 Preliminary Budget - Fund Balance Projection - June 30, 2017

Fund Balance	Projected Balance June 30, 2016	Budget Activity FY 2016-2017 Transfer In	Budget Activity FY 2016-2017 Less Expense	Budget Activity FY 2016-2017 Transfer Out	Projected Balance June 30, 2017
Reserved for:					
Petty Cash	\$ 350	350			350
Total Reserve:	\$ 350				350
Internal Service Funds:					
Apparatus Replacement	1,984,531	556,104			2,540,635
Land and Structures	8,135,313	3,005,354			11,140,667
Equipment and Tools	1,242,112	200,000			1,442,112
Training Prop/Facility	1,126,794	500,000			1,626,794
Designated for:					
General Reserves	1,882,127				1,882,127
Legal	50,000				50,000
Special Projects	50,000				50,000
CalPERS Pension Reserve	300,000				300,000
Weed Abatement Reserve	25,907				25,907
Debt Service:					
OPEB PARS Trust	2,956,104	1,043,896			4,000,000
Fund Balance FY 15/16 (Rev less Exp)	3,306,854			3,306,854	
ISF Contribution FY 16/17 Budget	5,305,354			5,305,354	
Total Designated	\$ 26,365,096	5,305,354	-	8,612,208	23,058,242
Total Fund Balance	\$ 26,365,446				
Other Reserve Funds					
HMB Trust Fund	\$ 14,662				14,662
	\$ 14,662				14,662
Detail					
Fund Balance FY 15/16 (Rev less Exp)	3,306,854				
FY16/17 Budget Rev.Over/(Under) Exp	1,998,500				
Sub Total	5,305,354				
ISF Contribution FY 16/17 Budget	3,005,354		Transfer to Structure/Land Internal Service Fund		
	556,104		Transfer to Apparatus Replacement Internal Service Fund		
	200,000		Transfer to Equipment/Tools Internal Service Fund		
	500,000		Transfer to Training Prop/Facility Internal Service Fund		
Sub Total	4,261,458				
	1,043,896		Transfer to PARS Trust Fund		
Total	5,305,354				

COASTSIDE FIRE PROTECTION DISTRICT
Internal Service Funds, OPEB Trust Fund
2015-16 Preliminary Budget and Fund Balance

Apparatus Replacement Internal Service Fund

<u>REVENUE</u>		PRELIMINARY BUDGET
	Account Balance in Local Agency Investment Fund (LAIF)	\$ 1,984,531
2701	Operating Transfer In	556,104
	TOTAL REVENUE	\$ <u>2,540,635</u>
<u>EXPENDITURE</u>		
7311	Vehicle Replacement -	
	TOTAL CAPITAL EXPENDITURE	\$ <u>-</u>
	REVENUE OVER/(UNDER) EXPENDITURE	\$ <u>2,540,635</u>
	ENDING FUND BALANCE	\$ <u>2,540,635</u>

Equipment and Tools Internal Service Fund

	<u>REVENUE</u>	<u>PRELIMINARY BUDGET</u>
Account Balance in Local Agency Investment Fund (LAIF)	\$	1,242,112
2701 Operating Transfer In		200,000
TOTAL REVENUE	\$	<u>1,442,112</u>
 <u>EXPENDITURE</u>		
TOTAL CAPITAL EXPENDITURE	\$	<u>-</u>
REVENUE OVER/(UNDER) EXPENDITURE	\$	<u>1,442,112</u>
ENDING FUND BALANCE	\$	<u>1,442,112</u>

OPEB Trust Fund (PARS)

	<u>REVENUE</u>	<u>PRELIMINARY BUDGET</u>
2701	Account Balance as of 7/31/14	2,956,104
	Operating Transfer In:	1,043,896
	TOTAL REVENUE	\$ 4,000,000
	<u>EXPENDITURE</u>	
		-
	TOTAL CAPITAL EXPENDITURE	\$ -
	REVENUE OVER/(UNDER) EXPENDITURE	\$ -
	ENDING FUND BALANCE	\$ 4,000,000

Structure/Land Improvement Fund

	<u>REVENUE</u>	<u>PRELIMINARY BUDGET</u>
Transfer in From General Fund Designated Fund Balance	\$	8,135,313
2701 Operating Transfer In		3,005,354
TOTAL REVENUE	\$	<u>11,140,667</u>
 <u>EXPENDITURE</u>		
TOTAL CAPITAL EXPENDITURE	\$	<u>-</u>
REVENUE OVER/(UNDER) EXPENDITURE	\$	<u>11,140,667</u>
ENDING FUND BALANCE	\$	<u>11,140,667</u>

Training Prop/Facility

	<u>REVENUE</u>	<u>PRELIMINARY BUDGET</u>
Transfer in From General Fund Designated Fund Balance	\$	1,126,794
2701 Operating Transfer In		500,000
TOTAL REVENUE	\$	<u>1,626,794</u>
 <u>EXPENDITURE</u>		
TOTAL CAPITAL EXPENDITURE	\$	<u>-</u>
REVENUE OVER/(UNDER) EXPENDITURE	\$	<u>1,626,794</u>
ENDING FUND BALANCE	\$	<u>1,626,794</u>