

**ROSS VALLEY FIRE DEPARTMENT
STAFF REPORT**

For the meeting of February 8, 2017

TO: Ross Valley Fire Department Board

FROM: Daria Carrillo, Finance Director

SUBJECT: 2016-2017 Mid-Year Budget Review

RECOMMENDATION

That the Fire Board approve the attached resolution amending the 2016-2017 Budget.

BACKGROUND

On June 8, 2016, the Fire Board approved Resolution No. 16-04 adopting the 2016-2017 Budget. Since that time, new information has become available.

MID YEAR BUDGET REVISION RECOMMENDATIONS

GENERAL FUND

REVENUES

1. Increase Training Reimbursement by \$17,000.

No revenue was budgeted for Training Reimbursements. To date, \$17,000 has been received.

2. Increase Plan Checking Fees by \$74,400.

As of February 28, the revenue received for Plan Checking is \$173,068 or 103% of the budgeted amount. As only 67% of the fiscal year has elapsed, it seems likely that the Fire Department will collect another \$74,400 this year, approximately half of what it collected through January 26.

3. Increase Technology Fees by \$5,600.

7% of revenue collected for Plan Checking Fees and for Resale Inspection Fees is transferred to the Technology Fees account.

4. Increase Worker's Compensation Reimbursement by \$69,700.

No reimbursement was budgeted for worker's compensation. \$69,738 has been received to date.

AGENDA ITEM # 6
Date 3/8/17

EXPENDITURES AND TRANSFERS

1. Increase Salaries and Benefits by \$119,454 to reflect 4% salary increase effective January 1, 2017.

A salary agreement was reached with Firefighters and Battalion Chiefs. These employees will receive a 4% salary increase effective January 1, 2017. The total increase to expenditures as a result of this salary increase is \$111,682. This includes salaries, benefits and overtime. Miscellaneous employees, including the Administrative Assistant and Fire Inspectors, will also receive a 4% salary increase which will result in a total increase to expenditures of \$7772.

2. Add \$5,600 for Technology Purchases

This increase is the same amount as the increase in technology fees.

3. Add \$250,000 transfer to Vehicle Fund for Apparatus Replacement.

The General Fund ending fund balance increased by \$373,182 in the 2015-2016 fiscal year. No transfer to the Vehicle Fund was budgeted in the current year. This \$250,000 would bring the Vehicle Fund total to \$541,434.

4. Add \$40,000 transfer to SCBA Fund.

This transfer will bring the total of this fund to \$120,000. This fund is for the purchase of breathing apparatus.

5. Add \$17,000 in Training Expenditures.

This will offset the increase to training revenue and will have no effect on the ending fund balance.

FISCAL IMPACT OF MID-YEAR BUDGET CHANGE

The total ending balance for all funds as of June 30, 2016 was \$1,304,605. The undesignated reserve in the general fund was \$882,092. The current budget for 2016-2017 anticipates a reduction of \$80,214 in the general fund ending balance due to items that were budgeted but not spent being carried over into the current year.

As a result of this budget revision, the undesignated reserve as of June 30, 2017 is estimated to be \$536,524. The ending balance for the Vehicle Fund will be \$541,424 and the ending balance for the SCBA Fund will be \$120,000.

Respectfully submitted,

Daria Carrillo, Finance Director

Attachment #1: Resolution 17-02 A Resolution of the Fire Board of the Ross Valley Fire Department Amending the FY 2016-2017 Budget

ROSS VALLEY FIRE DEPARTMENT

RESOLUTION NO. 17-02

**A RESOLUTION OF THE ROSS VALLEY FIRE DEPARTMENT BOARD OF DIRECTORS
ADOPTING THE PROPOSED BUDGET REVISIONS TO THE FY 2016-2017 BUDGET FOR THE
ROSS VALLEY FIRE DEPARTMENT**

WHEREAS, the Ross Valley Fire Board adopted the 2016-2017 fiscal year budget by Resolution No. 16-04 on June 8, 2016; and

WHEREAS, new information on projected revenues and expenditures has emerged since adoption of the 2016-2017 budget,

NOW, THEREFORE, BE IT HEREBY RESOLVED that the 2016-2017 budget be amended as follows:

GENERAL FUND

The revenue budget is hereby revised as follows:

Training Reimbursement	Increase Training Reimbursement by \$17,000 for payments received through February 2017.
Plan Checking Fees	Increase Plan Checking Fees by \$74,400 based on revenue received through February 2017.
Technology Fees	Increase Technology Fees based by \$5,600 based on revenue received through February 2017.
Workers' Comp Reimbursement	Increase by \$69,700 for reimbursements received through February 2017.

The expenditure budget is hereby revised as follows:

Salaries and Benefits	Increase Salaries and Benefits by \$119,454 to reflect 4% salary increase effective January 1, 2017.
Technology Purchases	Increase by \$5,600 to reflect increased revenue budget.
Transfers Out	Increase Transfers to Other Funds by \$290,000. This includes \$250,000 to Vehicle Fund for apparatus replacement and \$40,000 for SCBA Fund for breathing apparatus.

VEHICLE FUND

The budget is hereby revised as follows:

Increase to Transfers In: Add \$250,000 transfer from General Fund.

SCBA FUND

The budget is hereby revised as follows:

Increase to Transfers In: Add \$40,000 transfer from General Fund.

I hereby certify that the foregoing resolution was passed and adopted by the Ross Valley Fire Board at a regular meeting thereof, held on the 8th day of March, 2017, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tom McInerney, President

ATTEST:

JoAnne Lewis, Administrative Assistant