



FINAL BUDGET

2012 – 2013

VIRGIL BARNES

PRESIDENT

PAT GABLER

VICE PRESIDENT

RICHARD CAMBRIDGE

BOARD MEMBER

LARRY CUSACK

BOARD MEMBER

LARS HANSON

BOARD MEMBER

Apple Valley Fire Protection District

Final Budget

Fiscal Year 2012-2013

Introduction

The Apple Valley Fire Protection District is a California Special District, separate from the Town of Apple Valley, located in the high desert region of San Bernardino County covering 206 square miles. The Fire District is locally governed by a 5-member elected board of directors, whose dynamic leadership has furthered state of the art EKG advanced life support and suppression services primarily to a residential community with a growing commercial component. Elected officials have an incalculable impact on the District's financial health because they have the final say over policies and budgets. Marked by several years of staggering deficits and growing numbers of retirees, navigating the "how" and "when" to impose austerity cuts for fiscal sustainability has not been an easy task for the District's management team.

The development of the annual budget is guided by the District's Master Plan, the goals established by the Board of Directors, the District's Financial Plan, and the desire to maintain high quality advanced life support emergency services and cost effective fire protection. The process typically consists of several staff activities encompassing evidence and logic to prioritize current services, and incorporates broad organizational goals as defined by the governing board recognizing public safety and service to the community as its reason for existence. Revenues or expenditure amounts for each program manager's activity or account must be justified. Thus, the process provides more certainty to the District's Board of Directors that only the resources needed are requested in the budget process.

In the end, relying on a combination of decreases in full time personnel through attrition, increasing service fees, trimming program budgets, delaying purchases, developing partnerships with the private sector, and supporting the District's fleet operations to maintain a variety of vehicles and equipment necessary for the reliable delivery of essential emergency fire and rescue services, have all come together to provide the most efficient use of the public's tax dollars.

General Fund Budget Reductions Description

The General Fund is the general operating fund of the District. All General Fund property tax revenues and other receipts not allocated by law or some contractual agreement to some other fund are accounted for in this fund. Expenditures in the fund include general operating expenses and capital improvement costs which are not paid through other funds. Due to the great recession and corresponding decline in assessed values for property in the District, property tax revenue receipts to the District had fallen by approximately \$1.8 million as compared to previous years. As a result of the loss of these revenues, the District's labor costs had risen to 94.8% of total revenues for fiscal year 2009-2010, driving an overall reduction in General Fund Reserves by \$535,410 for 2009-2010 and \$630,326 for fiscal year 2010-2011. The District has since taken steps to cut services and reduce labor costs in an effort to balance its budgets in the long-term. Focusing on a multi-year forecast, the District has implemented a number of mitigating steps including, but not limited to:

1. Instituting one year bargaining agreements with its employee groups after all multi-year agreements ended on June 30, 2011 allowing for greater flexibility in managing labor costs;
2. Negotiated with employee groups for all full time District employees, beginning July 1, 2011, to pay their employee share of PERS pension costs, representing 8% of their salaries for Miscellaneous and 9% for Safety employees (previously, the District paid the employee share of pension contributions to PERS);
3. Laying off five part time employees, and reducing one fire station from 24/7 coverage to a 40 hour per week station as a result of not replacing two departing firefighters (estimated annual savings of \$220,000);
4. Amending the CalPERS contract for all future employees hired via a lower second tier of pension benefits for long term annual savings in six figures;
5. Encourage early retirement by incentivizing eight employees to retire early with only one position needing to be rehired (estimated savings approximately \$1.1 million); and
6. Reducing overtime costs by utilizing paid-call firefighters (PCFs) by training and equipping lower cost part time personnel (approximately \$8 to \$10 per hour with no pension costs), to have the skill set and equipment to temporarily (typically 90 minutes each call) fill in on emergency calls for a full time firefighter that is out sick or on vacation.

As a result of said cost cutting efforts, the District expects that services will not be materially impaired while achieving a balanced budget as shown below:

GENERAL FUND

	<u>Actual</u> <u>2009-2010</u>	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Budget</u> <u>2012-2013</u>
Revenues	\$7,938,442	\$7,659,167	\$7,621,529	\$7,614,456
Expenditures	<u>\$8,881,108</u>	<u>\$9,023,531</u>	<u>\$7,937,139</u>	<u>\$7,660,176</u>
Excess Revenues Over (Under) Expenditures	(\$942,666)	(\$1,364,364)	(\$315,610)	(\$45,720)
Other Financing Sources				
Transfers in	\$191,248	\$114,765	\$154,178	\$26,766
PASIS Dividends	\$200,000		\$150,000	
Lease Purchase Proceeds		\$614,360		
Sale of Assets	<u>16,008</u>	<u>4,913</u>	<u> </u>	<u>20,460</u>
Net Change in Fund Balance	<u>(\$535,410)</u>	<u>(\$630,326)</u>	<u>(\$11,432)</u>	<u>\$1,506</u>

In summary, financial resiliency is essential to continuing a consistent program of public emergency services despite the current volatile economic environment. Recovery from financial distress is a journey that requires leadership, skill, and hard choices. However, the recovery isn't just about dollars and cents. It is really about creating better value with public funds so taxpayers get the most for their money. After three years of losses totaling a combined \$1,177,168, the District's Board of elected officials demonstrated fiscal responsibility by their commitment to bringing forward a balanced budget for fiscal year 2012-2013. In management's opinion, no document plays a more important role in public-sector finance than the annual operating budget. To be effective, the budget must succeed, not only as a policy document and as a financial plan, but also as an operations guide and as a communications device.

Fiscal Year 2012-2013 Summary of all Funds

Combined Revenue Sources:		Combined Expenditures:	
General Fund	\$7,634,916	General Fund	\$7,660,177
Jess Ranch Special Revenue	2	Jess Ranch Special Revenue	120
Development Impact Fees	<u>26,838</u>	Development Impact Fees	<u>26,766</u>
Total Revenues	<u>\$7,661,756</u>	Total Expenditures	<u>\$7,687,063</u>

Revenues

The District's general fund revenues are primarily supported by local property taxes. Additional general fund revenues are represented by a special assessment, government grants, the use of property and money, and charges to recoup costs for services rendered by District personnel.

There are two other funds, Jess Ranch Special Revenue Fund and Development Impact Fee Fund, whose special revenues are one-time charges assessed against a developer, and are legally restricted in nature, recognizing the need for financing of adequate fire suppression facilities and equipment made necessary by the impacts from new development within the territory of the Apple Valley Fire Protection District.

Property taxes. Property taxes are the principal revenue sources for the fire district. Through San Bernardino County, taxes are levied each Fiscal Year on real and personal property. Pursuant to Article XIII A of the California Constitution (Proposition 13), property is valued for tax purposes at the 1975 fair market value, adjusted annually for inflation (not to exceed 2%). Generally, property is reassessed at fair market value upon change of ownership and for new construction.

There are several factors that contribute to assessment value growth and decline. Assessment roll growth is a result of 3 primary components: (1) change of ownership reappraisals in an appreciating real estate market; (2) abundant new construction, both residential and commercial; (3) assessed value added by the 2% California Consumer Price (CCPI) index factor. Assessment roll decline is the result of 4 primary components: (1) change of ownership reappraisals in a declining real estate market; (2) lack of new construction; (3) assess value added/deducted by the CCPI factor – for 2010 and 2011 the CCPI was minus 0.237% and 0.753% respectfully; (4) Proposition 8 reductions. Property tax revenue collected on the basic 1% rate is used to support local schools, cities, special districts, county and redevelopment agencies (dissolved as of 2-1-2012). As one can imagine, when assessed values are increasing, property tax revenues supporting schools, cities, special districts, etc. are increasing. Conversely, when assessed values are decreasing, property tax revenues to schools and local governments are reduced, which is the current situation in San Bernardino County and the State of California.

The compilation of the 2012 assessment roll will not be completed until June 2012 and will be certified by the Assessor July 1, 2012. It is projected the San Bernardino County assessment roll value will decrease by 1.2% from 2011.

The Teeter Plan. The District has adopted the alternate procedure authorized in Chapter 3, Part 8, Division 1 of the Revenue and Taxation Code of the State of California (the “Teeter Plan Law), commonly referred to as the “Teeter Plan”, for receiving certain property tax and assessment levies on the secured tax roll. In general, it guarantees the County of San Bernardino will forward 100% of the related billed property taxes for all secured properties on the County’s tax roll within the Apple Valley Fire Protection District.

Generally, the Teeter Plan provides a more reliable revenue stream because property tax receipts distributed to local agencies are based on county secured tax roll levies versus the volatility of actual tax collections. In turn, the county then receives all future delinquent tax payments, penalties and interest related to the secured tax rolls since they bore the collection risk.

Proposition 1A

The state can borrow eight percent of property tax revenues, which it did in fiscal year 2009-2010. The Fire District sought out and participated in a statewide Prop 1A receivable financing program and sold the receivable for a 100% of the principal, thus, losing nothing at the hands of the State of California during 2009-2010 fiscal year. The amount of tax revenues the State of California wanted to borrow represented \$417,289. Fortunately, a new law limits the State’s ability to borrow new funds by requiring the prior funds to be repaid first. Thus, Prop 1A will not affect the Apple Valley Fire Protection District for 2012-2013.

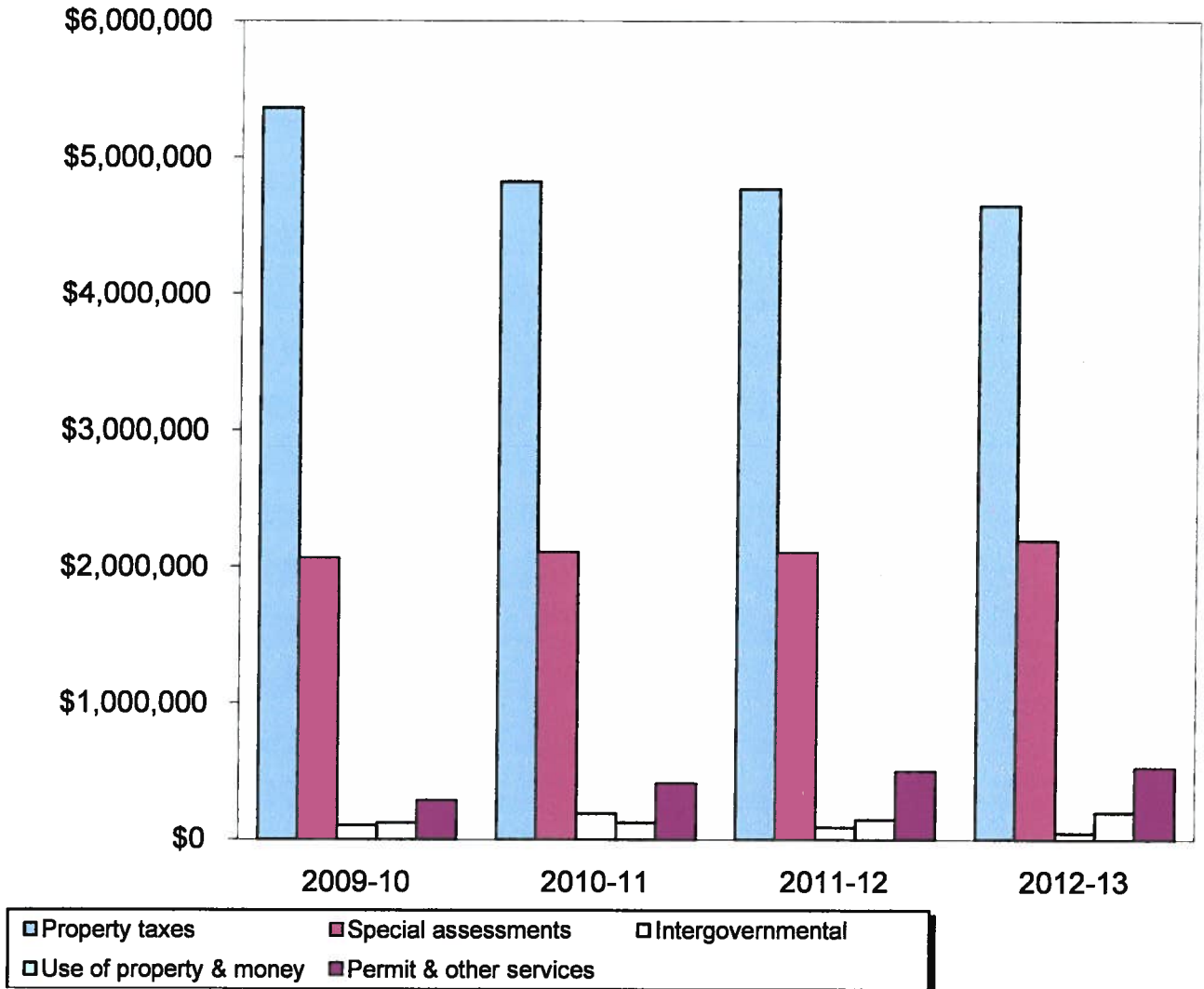
Four year comparison of General Fund property taxes are as follows:

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Estimated</u>	<u>2012-13</u> <u>Budgeted</u>
Property taxes	\$5,359,762	\$4,820,347	\$4,704,637	\$4,635,154
Increase (decrease) over prior year in %	(18.16%)	(10.06%)	(2.40%)	(1.24%)

Special tax assessments. Measure V, a special tax voted on and passed in November 1997 by the residents within the Apple Valley Fire Protection District to restore fire protection and emergency medical services, represents a significant 28.76% or \$2,190,056 of the District’s 2012-2013 budgeted revenue. The Special Tax rates shall automatically increase each year in accordance with the Consumer Price Index applicable to the District’s territory, but in no case shall the Consumer Price Index exceed 2% of the Special Tax levied in the District’s previous fiscal year, thus making it a very stable and quantifiable revenue source. The duration of Measure V was originally 20 years, including 2012-2013, there are 6 years remaining.

Intergovernmental revenues. In the past, this category represented small grants from various governmental agencies. However, on April 24, 2007, the Town of Apple Valley amended the safety element of its General Plan to allow the Town to collect Development Impact Fees on behalf of the Apple Valley Fire Protection District. Starting July 1, 2007 revenues from said fees were recorded as intergovernmental revenues in a separate special revenue fund titled Development Impact Fees. Said revenues were restricted to financing capital items such as new fire suppression facilities, vehicles and equipment. It should be noted it was not intended for the development impact fees to address all of the District's capital needs, especially the replacement of aging facilities, vehicles and equipment. Nevertheless, with a large amount of vacant land to be developed over the years to come, the development impact fees will go a long way in preserving the existing levels of service currently offered to and enjoyed by the existing community within the 206 square miles of the District's boundary.

Comparative General Fund Revenues



Services / Program highlights:

- Paramedic services are provided by three 24 hour engine companies, and one 40 hour per week medic unit at fire station 337.
- Committed to adopting a lower second tiered pension plan for Safety and Miscellaneous personnel hired in the future.
- Promoted 24 hour Battalion Chief to 40 hour Division Chief to facilitate improved administrative assistance to the Fire Chief and the public.
- Moved Emergency Services Program to 50% part time, then cost shared with Town of Apple Valley, School District and Fire District
- Partnered with Apple Valley Ranchos Water for public education \$ 10,000
- Replace air tank compressor and hydraulic pump on incident support \$ 36,500
- Third of three year IT commitment to modernize computer servers \$ 36,631
- Replaced Limited Term Firefighters with Paid Call Firefighters (PCFs) to help reduce overtime costs.
- Place two Seagrave 1500 GPM Marauder Pumper Engines into service
- Committed Reserves of \$766,018 or 10% of fiscal year 2012-2013 total expenditures to be held for economic uncertainty.

Expenditures

Total general fund expenditures were projected at \$7,660,176 in 2012-2013. This represents a decrease of \$276,963 of expenditures from the previous fiscal year 2011-2012. We have been tasked with providing fire protection, EMS, and a myriad of other special-response and life-safety missions. To provide these services effectively, we also must invest in continued training to enhance competencies for our responders, as our employees constitute a critical resource to our organization. Additionally we need to ensure that employees in the pipeline have the leadership skills to move into top management, management continues to provide training and job-stretching experiences as well as hands on training. Management feels, when you are in a survival mode, it can be very difficult to take the long view. Nevertheless, if we're not attentive to the future, then we're not going to be able to provide that safety net that people expect.

Below is a four year comparative example of the District's personnel costs of wages and benefit totals as a percentage of General Fund Revenues:

	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Budgeted
Regular Wages	\$4,887,397	\$4,239,348	\$4,092,326	\$3,740,657
Overtime	408,184	391,512	322,889	455,796
Employee Benefits	<u>2,228,424</u>	<u>1,892,745</u>	<u>1,769,160</u>	<u>1,673,361</u>
Total Labor Costs	\$7,524,005	\$6,523,605	\$6,184,375	\$5,869,814
Revenues	\$7,938,442	\$7,659,167	\$7,621,529	\$7,614,456
Labor Costs as a % of Revenues	95%	85%	81%	77%

Other Post Employment Benefits (OPEB) Trust Established

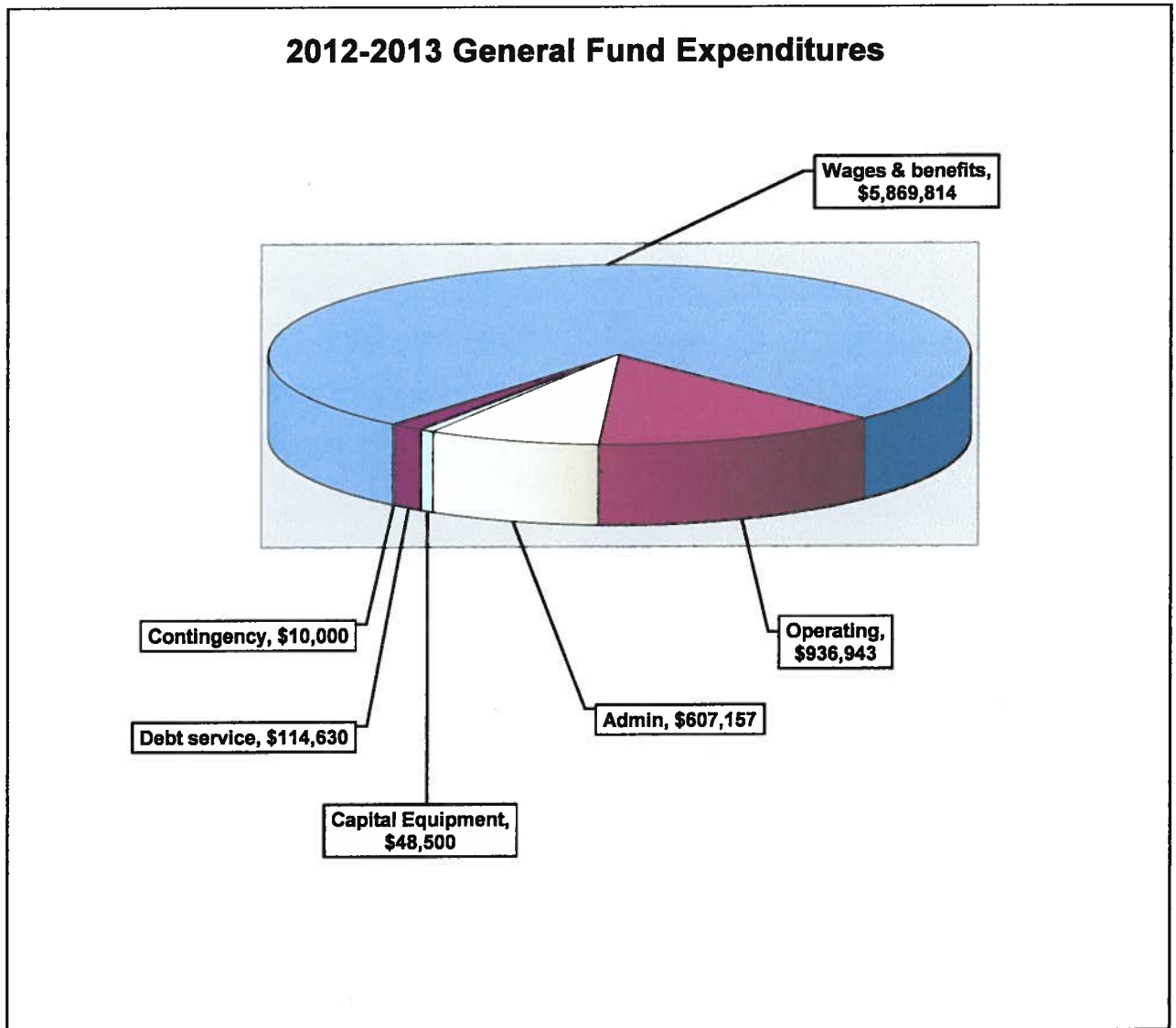
The District established an OPEB trust on October 1, 2008. Health care is a major factor in the cost of “other” post-employment benefits (OPEB) for state and local government employers. Health-care coverage is a special challenge for retirees more than 55 years old, but not yet eligible for Medicare.

Six years have passed since the Governmental Accounting Standards Board (GASB) issued its Statement No. 45, requiring public-sector employers to assess and disclose their local government’s OPEB costs other than pensions, such as retiree health-care costs. The GASB does not require prefunding of OPEB, however, 5 years ago, District management began rethinking its past practice of “pay-as-you-go” funding versus the benefit of cost-management strategies including prefunding current costs and future liabilities. Traditionally as with most governmental agencies, the District’s retiree health care benefits had been funded on a pay-as-you-go basis. With health care costs increasing at an unpredictable pace, “pay-as-you-go” funding would automatically double in a decade, and ultimately quadruple or worse. Not wanting to “kick the can” of this daunting fiscal challenge to successor management teams and future taxpayers, the Apple Valley Fire Protection District’s Board of Directors chose prefunding as a necessary and fiscally responsible action. As of June 2012, the market value of the OPEB Trust is \$1,006,851 for a 12 month fiscal year increase of \$141,110. One of the main advantages to prefunding through an irrevocable trust is satisfying the GASB requirement to recognize the cost of other post employment benefits when they are earned, regardless of when they are paid.

In June 2007, with the aid of an independent actuarial consultant, the Apple Valley Fire Protection District recognized it had no realistic hope of meeting OPEB’s actuarially required contributions in its unlimited form. Thus, to reduce an initial \$7.5million unfunded OPEB liability by 70%, the Board of Directors implemented a tiered (OPEB) benefit plan through the collective bargaining process, opting for the process of pre-funding its supplemental benefit contributions through an irrevocable trust fund with US Bank later named as the Trustee on October 1, 2008. Although not required by GASB 45 to make such a decision for another two years, the District’s Board of Directors recognized getting started sooner than later was important in two ways: One by creating investment assets that could produce earnings to reduce unfunded liabilities, and two, accumulate earnings for additional contributions.

Another significant advantage to prefunding through a retiree benefit trust fund is that it is almost always less expensive than the pay-as-you-go method over the long term. That’s because prefunding through a trust allows an employer to invest in diversified, long-term assets, which typically have higher returns than short-term assets, and would therefore further lower the annual required contribution. Prefunding also helps ensure plan assets are dedicated to providing benefits to retirees and their beneficiaries. Supplemental benefit contributions for retiree health-care costs are a form of deferred compensation. Prefunding this promise to employees in an irrevocable trust ensures that the money needed to pay for these benefits is protected from creditors of the employer or the plan administrator, and not diverted to other commitments. The annual required contribution is actuarially recalculated every two years, the most recent being June 30, 2011.

The following graph highlights major cost categories for the 2012-2013 fiscal year beginning July 1, 2012:



Accounting policies used in budget process:

The budgetary basis of accounting and the basis of accounting used by management for reporting purposes follow generally accepted accounting principles (GAAP), as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting.

In the original budget, the general fund was presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current assets. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or

soon enough thereafter to be available to finance the expenditures accrued for the reporting period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Purchasing Policies

Formal contracts

Procurement in excess of \$20,000 shall be submitted to the Board of Directors for approval. Formal notices for bids shall be published 10 days prior to the bid opening date.

Open Market

Goods and supplies more than \$1,500 but less than \$20,000 shall be approved by the Fire Chief and all documentation supporting the service shall be submitted to process payments.

Small Purchases

Program managers, Chief Officers and the Finance Director can make and approve small purchases up to \$1,500, depending upon appropriate programs.

Budget Available

A contract or purchase may only be initiated if sufficient funds are available from the proper budgetary accounts.

General Fund Reserve Policy

The formal General Fund Reserve Policy is to establish, dedicate and maintain reserves annually to meet known and estimated future obligations. The District has established a Specific Reserve Policy goal of maintaining funds held in reserve for economic uncertainty to be ten percent (10%) of the total current fiscal year budgeted expenditures less planned capital expenditures for the same fiscal year, with a minimum amount not less than seven percent (7%) of the total current fiscal year budgeted expenditures less budgeted capital expenditures for the same fiscal year.

Description of Governmental Funds

The accounts of the District are organized in three funds, a general fund and two special revenue funds, which are considered separate accounting entities. The operations of the funds are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The following types of funds are used:

- *General Fund* – Because the District provides fire protection and life safety services, all resources are accounted for in this fund.
- *Special Revenue Fund* – The Special Revenue Fund is used to account for the proceeds of a specific revenue source that is legally restricted to expenditures for a specified purpose.

Capital Improvement Program. The District's Capital Improvement Program ("CIP") represents a reinvestment in the infrastructure of the District. Generally, these investments are in District facilities or the necessary improvements to such facilities that exceed routine maintenance. Incorporated in the CIP is the District's Master Plan updated February 19, 2004, which is an adopted plan for general planning purposes related to the need for construction of District fire stations and equipment over a 20-year period. The CIP is funded from annual reoccurring revenues and from District Reserves. Amounts expended to acquire capital assets, which include land, buildings, improvements, and equipment, are reported in the Governmental Activities column of the Government-Wide Financial Statements. Several variables are considered in a comprehensive financial analysis, including but not limited to taking into account not only the initial costs but also the long-term renewal costs. Capital items shall be identified for purchase through three methods:

1. New
2. Replacement
3. Emergency

To be a capital asset, it must meet a cost threshold of \$5,000, with a minimum life of 2 years. An exception would be building improvements which require a minimum threshold of \$100,000 expended. Donated capital assets are recorded at estimated market value at the date of the donation.

All of the equipment and buildings we use cost money, and some are expensive. It should be noted, heavy and specialized equipment in any industry is expensive; but, unlike private industry, we are subject to strict guidelines concerning how and what we purchase.

One-Time Expenditure Plan. The District's One-time Expenditure Plan ("OEP") includes new programs, which may be funded once every several years, or purchases that assist in meeting the District's mission to enhance the quality of life for our citizens and visitors through the protection of life, property and the environment from the effects of fire, health and hazardous threats. Additionally, OEP issues can assist with enhancing the District's general operations or community interaction. The OEP is generally funded from the Fiscal Year's fund balance at the beginning of the year.

Other Financing Sources (Uses)

- The proceeds of long-term debt are recorded as *other financing source* rather than as a fund liability.
- Since inflows of current financial resources from other funds are to be distinguished from a government's regular revenues, interfund transfers received from other special revenue funds are reported as other financing sources rather than as revenue.
- Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Economic Outlook

Like the nation, the California and San Bernardino County residential housing recession was considerably deeper in percentage terms than the one that affected Southern California after June 1990. Sadly the recovery is a good deal more anemic than was the previous recovery, suggesting a continued slow housing market. Because of declining demand due to continued high unemployment, the relationship between price and income is still not where it should be for historical growth patterns to return. Consumers have spent aggressively and their debt loads relative to lower home values have increased considerably. With the housing market projected to be leveling off over the next 12 months, commercial growth and specifically industrial growth activity is slowly making headway in Apple Valley.

One of the primary economic drivers of the Inland Empire and therefore the High Desert is the expansion of warehousing and distribution facilities as well as manufacturing operations. Industrial agents are now suggesting there will be a new wave of construction for buildings larger than 500,000 Square Feet, as presently they are reporting there is no vacancy for buildings of 500,000 SF and larger in the Los Angeles Basin. When this is coupled with the fact there are only 4 sites in the Los Angeles Basin that can accommodate a building greater than 800,000 SF it is logical to conclude it will not be long before the High Desert will be able to successfully compete for the larger warehousing and distribution tenants. A higher level of industrial development will occur in the High Desert, though the timing is uncertain and unfortunately very much a function of public policy that will be determined in Washington and in Sacramento, California.

In spite of all the political and economic uncertainty, the big box industrial market in the High Desert is likely to add one or more users each year for the next few years before the increase in demand accelerates in the second half of this decade. This will probably be the case because large industrial users will continue to relocate from Los Angeles County to the Inland Empire, Banning, or the High Desert in order to build larger, more efficient facilities.

However, there are no magic bullets to guarantee success when it comes to forecasting the future for financial planning and budgeting. No matter how thoroughly one plans, events will arise that affect the plan and require adjustments. As in all forecasting, future inferences on costs would only be valid if all the assumptions about future events were exactly realized. Thus, continual monitoring of the outcomes in regards to assumptions about future events is an extremely important step in the District's budgeting process and will remain so.

**APPLE VALLEY FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN GENERAL FUND BALANCE
BUDGET 2012-2013**

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	2011-2012 <u>Estimated</u>	2012-2013 <u>Budget</u>
Revenues				
Property Taxes	\$5,359,762	\$4,820,347	\$4,704,637	\$4,646,217
Special Assessments	2,061,534	2,107,937	2,147,351	2,190,056
Intergovernmental	105,156	191,845	92,420	50,736
Use of Property and Money	123,862	127,209	149,208	199,798
Charges for services and other revenue	288,128	411,829	527,913	527,648
Total Revenues	7,938,442	7,659,167	7,621,529	7,614,456
Expenditures				
Wages and Benefits				
Wages	5,295,581	4,630,860	4,415,215	4,196,453
Fringe Benefits	2,228,424	1,892,745	1,769,160	1,673,361
Total Wages and Benefits	7,524,005	6,523,605	6,184,375	5,869,814
Operating Costs				
Materials & Supplies	93,359	172,005	158,513	129,081
Communications	489,697	518,977	527,256	463,327
Food	5,347	5,264	2,256	4,953
General Household	32,982	32,805	33,134	40,401
Equipment Maintenance	175,450	232,327	168,954	219,061
Facility Maintenance	39,174	41,469	55,956	37,897
Fuel & Mileage	96,163	101,099	110,283	115,356
Total Operating Costs	932,172	1,103,946	1,056,352	1,010,076
Administrative Costs				
Office Expense	29,931	32,001	31,348	32,864
Professional Services	167,376	215,603	307,559	331,988
Memberships & Publications	13,572	14,540	12,694	15,276
Special Department Expense	25,037	65,254	39,432	27,401
Training	21,726	31,928	18,962	30,760
Transportation & Travel	13,457	9,355	4,901	11,075
Insurance	67,983	71,118	74,529	77,427
Utilities	77,597	78,979	76,362	80,366
Total Administrative Costs	416,679	518,778	565,787	607,157
Capital Outlays				
Building, vehicles & equipment	5,142	870,310	65,879	48,500
Total Capital Outlays	5,142	870,310	65,879	48,500
Debt Service				
Principal		0	29,447	30,788
Interest	3,110	6,892	35,299	55,279
Issuance Costs				28,563
Appropriations for Contingencies				10,000
Total Expenditures	8,881,108	9,023,531	7,937,139	7,660,176
Excess/(Deficiency) of				
Revenues over Expenditures	(942,666)	(1,364,364)	(315,610)	(45,720)
Other Financing Sources (Uses)				
Transfer from special revenue funds	191,248	114,765	154,178	26,766
PASIS dividends	200,000		150,000	
Lease Purchase Proceeds		614,360		
Proceeds from sale of assets	16,008	4,913		20,460
Net change in fund balances	(535,410)	(630,326)	(11,432)	1,506
Fund Balance, beginning of year	3,042,279	2,506,869	1,876,543	1,865,111
Fund Balance, end of year	\$2,506,869	1,876,543	\$1,865,111	\$1,866,617

**APPLE VALLEY FIRE PROTECTION DISTRICT
GENERAL FUND REVENUE DETAIL
BUDGET 2012-2013**

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	2011-2012 <u>Estimated</u>	2012-2013 <u>Budget</u>
Property Taxes				
Current Secured	4,245,855	3,868,738	3,783,161	3,741,546
Current Unsecured	199,096	175,475	163,257	156,890
Current Utility	106,642	108,094	137,470	137,470
Prior Secured	(427)	495	(2,384)	(2,384)
Prior Unsecured	4,963	4,049	3,421	3,421
Interest/Penalties	11,442	10,058	7,084	7,084
Homeowners Reimb	59,569	57,493	56,902	56,902
Supplemental - Current	(12,304)	2,335	3,838	3,796
Supplemental - Prior	52,443	31,415	21,327	21,092
RDA Pass Throughs	692,483	562,195	530,561	520,400
Total	<u>5,359,762</u>	<u>4,820,347</u>	<u>4,704,637</u>	<u>4,646,217</u>
Special Assessments				
Prior Assessments	889	174	237	0
Current Year Special Tax	1,918,591	1,998,256	2,029,434	2,070,023
Prior Year Special Tax	142,053	109,507	117,680	120,034
Total	<u>2,061,533</u>	<u>2,107,937</u>	<u>2,147,351</u>	<u>2,190,056</u>
Intergovernmental				
Grants	23,848	109,521	22,997	21,000
EPO Contract	81,308	82,324	69,423	29,736
Total	<u>105,156</u>	<u>191,845</u>	<u>92,420</u>	<u>50,736</u>
Use of property and money				
Interest Income	11,582	6,269	4,211	30,824
Rents & Concessions	112,281	120,940	144,997	168,974
Total	<u>123,863</u>	<u>127,209</u>	<u>149,208</u>	<u>199,798</u>
Permits and other services				
UFC Permit Fees	36,820	32,224	44,820	44,820
Inspection Fees	14,290	9,264	7,900	7,900
Plan Review Fees	41,357	57,065	53,012	53,012
Burning Permit Fees	21,330	30,314	41,933	41,933
Hydrant Fees	15,493	13,576	17,020	14,335
AMR Restock Fees				12,000
Copy Revenue	257	385	351	351
Discounts Taken	324	237	278	278
Other Revenue	6,902	92,807	48,467	41,678
Fleet Maint Repairs	26,870	20,303	41,183	41,183
CPR and First Aid	11,184	10,175	21,538	21,538
Court Reimbursements	450	7	450	450
Weed Abatement	97,968	116,196	220,670	220,670
Donations	14,883	29,276	30,291	27,500
Total	<u>288,128</u>	<u>411,829</u>	<u>527,913</u>	<u>527,648</u>
Total Revenues	<u><u>7,938,442</u></u>	<u><u>7,659,167</u></u>	<u><u>7,621,529</u></u>	<u><u>7,614,456</u></u>

**APPLE VALLEY FIRE PROTECTION DISTRICT
GENERAL FUND BALANCE
BUDGET 2012-2013**

	2009-2010	2010-2011	2011-2012	2012-2013
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ESTIMATED</u>	<u>BUDGET</u>
Fund Balance				
Beginning balance at July 1	\$3,042,279	\$2,506,869	\$1,876,543	\$1,865,111
Unadjusted net change in fund balance	(535,410)	(630,326)	(11,432)	1,506
Add back transfer to reserves				
Less transfers from reserves				
Adjusted net change in fund balance	<u>(535,410)</u>	<u>(630,326)</u>	<u>(11,432)</u>	<u>1,506</u>
Ending balance at June 30	<u><u>\$2,506,869</u></u>	<u><u>\$1,876,543</u></u>	<u><u>\$1,865,111</u></u>	<u><u>\$1,866,617</u></u>

Compostion of Fund Balance	2009-2010 <u>ACTUAL</u>	2010-2011 <u>ACTUAL</u>	2011-2012 <u>ESTIMATED</u>	2012-2013 <u>BUDGET</u>
Restricted:				
Debt service		\$29,447	\$30,788	\$32,188
Committed:				
Petty cash and revolving cash	\$2,250	2,250	2,250	2,250
Held for economic uncertainty	1,065,733	815,322	793,713	760,595
Assigned:				
Equipment & facilities	589,000	78,000	438,000	439,000
Unpaid sick and vacation benefits	572,707	408,129	353,379	374,645
Unassigned	<u>277,179</u>	<u>543,395</u>	<u>246,981</u>	<u>257,939</u>
Ending fund balance at June 30	<u><u>\$2,506,869</u></u>	<u><u>\$1,876,543</u></u>	<u><u>\$1,865,111</u></u>	<u><u>\$1,866,617</u></u>